

Student Income and Expenditure Survey 2004/05

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The views expressed in this report are the authors' and do not necessarily reflect those of the Department for Education and Skills.

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Executive Summary

The 2004/05 Student Income and Expenditure Survey (SIES), commissioned by the Department for Education and Skills (DfES) and the National Assembly of Wales (NAW) was conducted jointly by a research team from the National Centre for Social Research and the Institute for Employment Studies (NatCen/IES).

This was a large-scale survey covering a random sample of a little over 3,700 full-time and part-time (including Open University, OU) students in higher education (HE) in England and Wales at 88 institutions. The survey was conducted between January and April 2005, using face-to-face interviews and expenditure diaries (telephone interviews for OU students). It was the first comprehensive assessment since 1998/99 and designed to set a baseline against which future changes, following the 2004 Higher Education Act, could be monitored. The survey collected data on students' income, expenditure, debt, savings and financial hardship and a range of personal information which enabled an overall assessment to be made and also the experiences of students with different characteristics and backgrounds to be examined.

The main findings from the survey are highlighted in the following summary beginning with England.

Income from all sources averages £8,300 for full-time and £11,200 for part-time students in England

On average the total income of full-time students from England in 2004/05 was £8,333. Part-time students' income was one and a half times higher, at £11,196.

The amount of money that students receive from the various sources (student support including student loans and help with fees, earnings from work, social security benefits, family and friends, etc) also differed between full-time and part-time students. The higher total income figure for part-time students was mainly attributable to their higher average earnings during the academic year.

Income varies by types of students

Total income and the constituent sources of income varied considerably between different groups of full-time and part-time students, especially by age, household/family type, living circumstances and choice of HE study.

Lone parent students have highest income

The highest incomes of all amongst full-time students were reported by those in the lone parent group; and the lowest income figure by Asian/Asian British students. Higher than average incomes were found in a number of full-time student groups including: females, white and black/black British, older students (aged 25 and over), lone parents, students at English HEIs, independent students, those studying 'health' and education subjects, and students living away from home. But higher income should not be interpreted as being 'better off', as students from higher income groups may well have much higher expenditure, and vice versa with those in the lower income groups having lower expenditure.

Amongst part-time students, the groups found to have higher total incomes were those: male, older (especially 30-39 years), lone parents, living in London, studying subjects allied to health, in their final year of study, or from higher socio-economic backgrounds. As with full-time study, the lone parent group had the highest income of all, but among part-time students, those from the lowest socio-economic group (routine/manual occupational backgrounds) were identified as the groups at the bottom of the income range.

Some variation by socio-economic background in full-time student average total income

There were slight differences in the average total income by socio-economic background for full-time students, and regression analysis suggests these differences still persist when taking into account other personal and study factors. This merits further examination. Differences among part-time students were more exaggerated. Here students from lower socio-economic groups had much lower total incomes on average than those from the higher groups.

Income sources vary between students: more by age for full-time study and more by gender for part-time .

. .

Income profiles, in terms of the amounts contributed from the various income sources, differed by age for full-time students, largely due to mature students gaining more from other student support (especially NHS bursaries) and also paid work and social security benefits. There was also some degree of variation in income profile by age for part-time students but greater variation was evident by gender, where part-time male students earned considerably more than part-time female students.

. . . and also by family type

Full-time students with dependent children gained more from other student support and social security benefits, but lone parents received the highest level of support from social security (making up almost a third of their total income). Differences in income profiles by family type were generally smaller for part-time students, but again lone parents benefited most (almost half of their income from social security benefits).

Income varies with ethnicity for full-time students

Ethnicity is a significant variable affecting full-time students' incomes: the average income of black/black British students was slightly higher compared to white students, and considerably higher compared to Asian/Asian British. Paid work was a major contributor to the black income figure, and also other student support (mainly NHS related bursaries), while contributions from family and friends figured less strongly than among other ethnic groups.

Medical students have relatively low incomes

The lowest average incomes were found among medical and dentistry students compared with other subjects, largely explained by the lower contribution to their incomes from paid work. But they had the highest contributions from families and friends (making up just over a third of their total income figure).

First year full-time students had highest income

First year full-time students had higher total incomes than subsequent years, while the reverse was seen among part-time students. The latter is likely to be explained by a greater likelihood of part-time students gaining better paid work as their studies progress, while the former is most likely to be due to the introduction of the new Higher Education grant to which only first year students were eligible in 2004/05.

Student income comes from a number of sources

Student Loans account for 30 per cent of full-time student income

Student Loans were a key source of income for full-time students, contributing on average £2,700 (around a third) towards total income. Almost four out of five took out a Student Loan, the average loan was £3,400 and this varied little between groups of students. Traditional students were those most likely to take out a loan *ie* young, single, dependent and living away from their parental home. (NB: part-time students were ineligible for this form of student support in 2004/05).

One in two full-time students get tuition fee support

Almost half of full-time students reported receiving tuition fee support from Government, the average received (for those receiving any) was just over £1,000 and very close to the student fee contribution in 2004/05 of £1,150.

However, far fewer part-time students received support for tuition fees, only 27 per cent, and they received on average under £500.

A quarter of first year students got the Higher Education Grant

In its first year of operation, a quarter of new students (ie first years in 2004/05) received the Higher Education Grant, each receiving on average almost £900.

NHS Bursaries are a key additional source for a few

A key additional source of student financial support came from the NHS through Bursaries and additional allowances, although this only benefited a very small proportion of students (five per cent), as did other special funds (eg for childcare, disabled allowances).

Similarly, relatively small percentages of students benefited from the Access to Learning Funds (ALF) and New Opportunity Bursaries (now discontinued for new students). Most students had either not heard of ALF or did not think it worth applying/not need the money.

Earning while learning makes a substantial contribution to student finances

Earnings from paid work during the academic year (*ie* excluding the summer vacation) was an important source of income for full-time students but particularly for part-time students. Working whilst studying contributed on average £1,800 (after tax) to full-time students' income (accounting for 22 per cent of the total), but made a more substantial contribution towards part-time students' total income, £8,600 or 70 per cent.

Over half (56 per cent) of all full-time students undertook paid work at some time during the academic year, and earned on average £3,250 (after tax). This was more likely to be permanent or continuous employment than casual work. Those more likely to work and/or rely heavily on earnings during term-time were those more able to do so (those with no dependent children), and non-traditional students – older, living at home with their parents, black/black British. Working whilst studying was less common amongst English students studying in Wales, those studying medicine and dentistry, and amongst those in their final year of studies.

Summer vacations provide further opportunities to work and earn, and most full-time students now do. Those in their second or later year had earned on average £1,300 in the previous summer vacation, bringing their total income from paid work over the whole year up to £4,100.

Nearly all part-time students are engaged in paid work

Doing paid work during the academic year was much more likely amongst part-time students than for full-time students. Eighty-three per cent of part-time students engaged in paid work, earning on average £14,700, and 80 per cent reported working in continuous jobs (*ie* a weekly job that they had since the start of the academic year or before, and expected to continue to the end of the academic year). In many cases the monies earned from work during the year was shared to some extent with student's partners and families.

Paid work affects the higher education experience of some students

A substantial proportion, 39 per cent of all full time students and 52 per cent of part-time students, who had undertaken paid work during the academic year, felt that work had impacted upon their health and well-being, study outcomes and the quality of their higher education experience. Part-time students, who were more likely to be working and working regularly, felt they were more likely to miss lectures or have difficulties accessing institution facilities.

Parents, family and friends contribute almost a quarter of full-time student income . . .

Income from family and friends contributed a quarter (25 per cent) of full-time students' total income. Much of this came from students' parents. Students relying most heavily on income from family and friends, particularly parents, were again traditional students – younger, white, dependent, living away from home, from higher socio-economic backgrounds and from families with experience of higher education.

. . . but part-timers get nothing

A different pattern was found for part-time students, where the average contribution from family and friends was both small and negative. On average part-time students' income was reduced by £15, with contributions from relatives and friends just outweighed by students' contributions to their partners.

Non-traditional students rely on social benefits

Whilst many full-time students are ineligible for social security benefits, these benefits represented an important source of income for non-traditional students particularly older students, those of independent status, and those with children. Amongst those in receipt of benefits, the average income from this source was £2,300. Benefits were more prevalent amongst part-time students, and half of this group received some form of social security benefit, on average £3,000.

Full-time students spend over £10,000 per academic year

The average total expenditure of full-time students from England in 2004/05 was £10,270.

and part-time students spend 40 per cent more

The average total expenditure of part-time students was £14,270, which is almost 40 per cent higher than the average for full-time students.

Half students' spending goes on living costs

More than half of the costs reported by full-time and part-time students were living costs, including food, personal items such as clothes, toiletries and mobile phones, entertainment, household goods and non-course-related travel. Full-time students spent £5,870 on these items, while part-time students spent a much higher figure: £8,970.

Within living costs, full-time students spent an average of £1,490 on food, £1,710 on personal items, and £1,200 on entertainment. The corresponding totals for part-time students were £2,310, £2,190 and £1,280.

Housing costs account for a fifth of spending

A further fifth of both full-time and part-time students' expenditure was on housing, including rent, mortgages, retainers, council tax and household bills. Housing costs were an average of £2,280 per annum for full-time students and £3,040 for part-time students. Full-time students had lower housing costs because they typically lived in university accommodation (63 per cent did so) or with their parents (20 per cent did so); only 15 per cent were owners or private renters. In contrast, 60 per cent of part-time students owned their home or were buying it with a mortgage.

Full-time students living with their parents reported substantially lower housing costs than any other group, partly offset by higher travel costs.

Participation costs take another fifth

Participation costs accounted for 19 per cent of expenditure for full-time students and 11 per cent for part-time students. Full-time students from England spent an average of £1,980 in 2004/05 on participation costs, that is the costs that they incurred as a direct result of attending university or college. This total included the full tuition fee contribution of £1,150. Part-time students spent an average of £1,610 on participation costs, which was less than full-time students.

Participation costs vary by student type

Among full-time students, participation costs were higher for women, older students (aged over 25), those whose parental or own occupations were classified as routine, manual or intermediate and those who were parents (especially lone parents). Among both full-time and part-time students, participation costs were higher for those who were studying for a foundation degree or other qualification below degree level and for those who lived in London.

Full-time students spent an average of £430 on direct course costs such as books, computers and equipment. Part-time students spent £370 on these items. For both modes of study, spending on these items was highest in the first year of the course.

Facilitation costs, that is spending on petrol, travel, childcare and other items that made it possible for students to study, contributed an average of £400 per annum for full-time students

and £475 for part-time students. Course-related travel costs were relatively high for part-time students and for full-time students who were parents, who lived in London or who lived with their parents.

Family type is the strongest predictor of expenditure

Among the minority of students (seven per cent of full-time students and 37 per cent of part-time students) who had children, expenditure was generally higher than for other students. In multiple regressions of expenditure for each group, family type was identified as the strongest predictor of the level of expenditure. Lone parents had higher expenditure levels than those in two-adult families.

Full-time and part-time students who owned their home or were buying it with a mortgage had relatively high levels of expenditure.

Apart from having a family and home ownership, the other characteristics that were associated with high levels of expenditure among full-time students were being black, being aged 25 or over and living in London.

The other characteristics that were associated with high levels of expenditure among part-time students were attending an English FEI and having a managerial or professional occupation.

Other costs

Spending on children, which included non-course-related childcare, made an important contribution to expenditure for student parents (who constituted seven per cent of full-time students and 37 per cent of part-time students) but constitutes only a small share of overall average spending. Full-time students who were parents reported spending £2,120 on their children over the year (roughly £1,200 per child).

Students have mixed views on their financial situation

Half think they have enough money

Overall, around half of students believe they have at least as much money as they need. However, 13 per cent of students feel that they have a lot less than they need. The groups with the least positive views about their finances were, for both full- and part-time students: lone parents and minority ethnic students. Among full-time students black/black British students were the most negative.

Financial pressures lead some to consider dropping out

A third of full-time students and one in four part-time students had considered dropping out of their course at some point. Of those who thought about dropping out, around 30 per cent of full-time and 18 per cent of part-time students said that they had done so for financial reasons (*ie* around one in ten of all students). Full-time students were around twice as likely to feel that the main contributor to dropping out was financial difficulties. Amongst part-time students, personal/domestic reasons were the most common.

More think that financial pressures have (a small) effect on academic performance

Sixty per cent of full-time students felt that financial difficulties had affected their academic performance, although half of these felt that the effects had been relatively small. Part-time students were less likely to feel that their performance had been affected, and 60 per cent felt there had been no financial effect on their studying. For both groups of students, the most apparent effects of financial difficulties was in resulting worry/stress, and having to work whilst studying.

Students think they will end up with some savings . .

Part-time students' predictions suggest that they will have slightly higher levels of savings at the end of the academic year than full-time students, just over £2,500, compared to around £1,850. Full-time students appear able to maintain their levels of savings over time more effectively, whereas part-time students see their levels of savings fall slightly.

. . . but more current borrowings (mainly from student loans)

Full-time students borrow almost exclusively from student loans, which make up 83 per cent of the borrowing of this group (a total of around £6,850 on average). Part-time students not only borrow less heavily (the average level of borrowing is around £3,000), but also tend to use other sources such as commercial credit more, (this form of loan makes up 70 per cent of the average part-time student's borrowing).

Though a little under a quarter of full-time students have commercial credit loans, and around a half have an overdraft, those that borrow in these ways were doing so fairly heavily, particularly from commercial credit (where almost £2,500 debt was reported on average).

Debts on graduation average £7,900

When savings are deducted from borrowings, amongst final year students, the average predicted debt by the end of the course is around £7,900, whereas part-time students owe around £350 less than they have saved, leaving them in credit.

The estimated end-of-course debt varied significantly in a number of ways, reflecting many of the student type variations already mentioned. The higher average debt levels for full-time students were expected among students from manual occupational backgrounds, lone parents, medical and dental students, and students studying in Wales, while lower than average debt levels were more likely for black and minority ethnic students, those living at home, and living in London.

Most students have to cut back on spending but few get into arrears

Nearly all full-time students say they have to go without certain items of expenditure because of lack of money (most commonly going out, clothes or holidays). Four out of five students never got into arrears on any regular payments (although five per cent had fallen behind with credit card payments or telephone bill, very few had been disconnected as a result). One in two full-time and one in three part-time students had problems with their accommodation – mainly shortage of space.

Finance affects the decision to go into higher education

Around a quarter of full-time students and almost a third of part-time students felt that their decision to enter higher education had been affected by financial considerations and most said that they would not have studied without State financial support (*eg* student loans for full-time and fee and course grants for part-time). Financial concerns also affected full-time students' decision whether or not to live with their parents and part-time students' decision about whether to study full-time.

But most think university pays

A quarter of both full-time and part-time students felt that their concerns over debt nearly stopped them coming to university, while the vast majority (four out of five) thought that the long-term benefits of higher education were greater than the costs and that they would earn more as a result of going to university.

Full-time students expect £18,400 a year on graduation and 60 per cent more after five years

Full-time students expect to earn an average (mean) of £18,400 on graduation rising to £29,800 after five years (a rise of over 60 per cent). Part-time students have higher initial expectations (£20,500), presumably reflecting that most are already in work, but their ambitions are more modest. Part-time students expect their average salary to increase to £27,600 five years after graduation (a rise of 35 per cent). Generally male students expect to earn more than female, younger more than older (at least in the long-term) and students from an ethnic minority background more than white students.

Income rose faster than expenditure over last six years

Taking account of inflation, student income has risen by between 18 per cent (for part-time students) and 46 per cent (for full-time students) between (the previous survey in) 1998/99 and 2004/05. Expenditure rose at a slower rate, by between 39 per cent (part-time students) and 44 per cent (full-time) over the same period. Total borrowing went up by 66 per cent (part-time) and 74 per cent (full-time).

However, there are differences in scope and method between this latest and the previous survey of student income and expenditure. Although the sample characteristics are broadly similar, reflecting the weighting procedure which ensures they broadly follow the pattern of the student population, the latest survey excludes Northern Ireland and Scotland and has a wider coverage of part-time students. Changes in the method (from quota to random sampling) may build in further (unobserved) differences. However, the differences in the levels and composition of income and expenditure noted between the two surveys are of such a magnitude that they are unlikely to be explained just by the technical differences in the two surveys.

Rise in incomes due to more paid work

The main reason why full-time student incomes have risen is that students earn more than twice as much as they used to from paid work (not including working during the summer vacation). Income from paid work now accounts for 22 per cent of total full-time student income, compared with only 14 per cent six years ago.

The main change in part-time student incomes is that they now make a greater contribution to family and friends (*eg* while living at home) than they did in 1998/99.

Student loans have become a more important source of student support for full-time students since the last survey, although student support as a whole forms a smaller constituent element of overall income. Contributions from family and friends has also become relatively less important.

Tuition fees and travel drive up spending

The largest increase in student spending, among full-time students is on participation costs (which more than doubled since the last survey), mainly due to the level of tuition fees students have to pay. Among part-time students spending on children rose the fastest, although it is still a relatively small share of total part-time student expenditure.

Full-time student living costs rose by 25 per cent in real terms (and by 44 per cent for part-timers), mainly due to increased travel costs. Spending on entertainment fell in real terms by almost 20 per cent. Among part-time students, living costs rose by 40 per cent, again mainly due to increased spending on travel.

Borrowing up 75 per cent (for full-time students)

Students both borrow more than they did six years ago (full-time student borrowing is up 74 per cent and part-time student borrowing by 66 per cent), and save more too. The main element of borrowing is the student loan and the average amount of outstanding loan debt has doubled since 1998/99.

Students from Wales have similar income and expenditure patterns to those from England

Turning to students from Wales we found that income and expenditure levels and patterns were broadly similar to students from England:

- Average income for full-time students from Wales in 2004/05 was £8,400. Part-time students' income was one and a quarter times higher at £10,400. As with students from England, total incomes and constituent sources varied considerably between different groups of students, particularly by age, family type, student status and living circumstances.
- There were also differences in total income and income sources according to location of institution. When exploring these patterns further we found an 'in-country, out-country effect' – in that English domiciled students studying at English HEIs have a similar pattern of total income and income sources to Welsh domiciled students studying at Welsh HEIs. Similarly, the income patterns of those studying out of their country of domicile *ie* students from England studying at Welsh HEIs and

students from Wales at English HEIs), were alike. Students who stay within their own country to study have on average a higher total income due to higher earnings from paid work. This effect may be caused by a number of factors (*eg* different student profiles for those who study within country and those who study away, and/or better networks within the labour market to access paid work) and it would be useful to explore it in greater detail.

- Among full-time students, the groups found to have higher average total incomes were: older, independent, and living with a partner and/or dependent children (*ie* not single).

Sources of income

- Student loans were a key source of income for full-time students, contributing on average £2,600 towards average total income (which accounts for 31 per cent). Three-quarters of full-time students took out a student loan; among this group the average loan was £3,500. Traditional students were those most likely to take out a loan, *ie* male, younger, single, dependent.
- Just over half of all full-time students received government support with their tuition fees, receiving on average £1,000, and 39 per cent of all full-time students received full payment of fees (£1,150).
- Few of the students surveyed received support from a Welsh Assembly Learning Grant. Only 13 per cent of full-time students received such support, which on average was £900.
- Earnings from paid work during the academic year was a key source of income for part-time students, constituting the bulk (81 per cent or £10,400) of their overall average net total income. The majority of part-time students engaged in paid work and earned on average just under £11,000 (net of tax).
- Paid work was also an important source of income for full-time students. Among all full-time students, net earnings from paid work across the academic year accounted for almost a fifth (17 per cent) of total income, at £1,500. One half (49 per cent) of full-time students engaged in paid work while studying, receiving on average just under £4,000. Those more likely to work were: living with their parents, not in their final year and studying in Wales.
- Income from family and friends contributed over a quarter (27 per cent) of full-time students' total income. Much of this income came from students' parents (75 per cent). Those found to rely most heavily on financial support from their parents were younger but also single, dependent, with parents who had experienced HE, and studying in England (*ie* out of country).

Spending patterns

- The average total expenditure of full-time students from Wales in 2004/05 was £10,222. The average total expenditure of part-time students was £14,939, that is over 50 per cent higher than the average for full-time students. Total expenditure was relatively high among full-time students who were aged 25 years or older, those who were not single and those who were classified for funding purposes as independent students.
- Sixty per cent of the costs reported by full-time students and 71 per cent of those reported by part-time students were living costs. Full-time students from Wales spent around £6,200 on items such as food, personal items such as clothes, toiletries and mobile phones, entertainment, household goods and non-course-related travel, while part-time students spent almost £11,000.
- Housing costs constituted a further 22 per cent of the costs for full-time students and 15 per cent of those for part-time students. Housing costs, which included rent, mortgages, retainers, council tax and household bills, averaged £1,900 per annum for full-time students and £2,300 for part-time students. The composition of housing costs for the different modes of study reflected their housing tenures (full-time students typically lived in university accommodation whereas part-time students were typically owner occupiers).
- Participation costs, that is the costs that they incurred as a direct result of attending university or college, accounted for 20 per cent of expenditure for full-time students and nine per cent for part-time students. Welsh domiciled full-time students spent an average of £2,000 in 2004/05 on participation costs. This total included the full tuition fee contribution of £1,150. Part-time students spent an average of £1,400.
- Spending on children, which included non-course-related childcare, made an important contribution to expenditure for student parents (who constituted six per cent of full-time students and 38 per cent of part-time students). Full-time students who were parents reported spending £2,200 on their children over the year.

Overall financial position

- A small majority of Welsh-domiciled students felt they had enough or more than enough money than they needed; 47 per cent of full-time and 35 per cent of part-time thought that they did not have enough.
- One in ten full-time and part-time students thought that financial difficulties had affected their studies a great deal,

although most part-time students (57 per cent) and 38 per cent of full-time students felt that their financial situation had had no impact on their studies.

- On average, full-time students start an academic year with savings of around £1,800, which have diminished to around £1,600 by the end of the year. Part-time students have a higher level of savings (£3,080 at the start of the year, rising to £3,300 at the end).
- Full-time students estimate that their borrowings will just exceed £6,800 at the end of the academic year, almost three times the part-time estimate of £2,500. The borrowing among full-timers mostly takes the form of a student loan.
- Taking savings away from borrowings, the predicted level of debt among final year students is around £7,650. Part-time students in general appear to be better off, with savings exceeding borrowings.
- Most students felt that they had had to cut back on certain items of expenditure due to lack of money, although the items gone without tended to be non-essentials. Around 16 per cent of full-time students had gone into arrears on a regular payment and almost a half had found problems with their accommodation.
- Some 28 per cent of full-time and 26 per cent of part-time Welsh-domiciled students felt that financial issues had affected their decision to enter higher education. Overall, students are very positive about the financial and social benefits of going to university, although part-timers are slightly less optimistic than full-timers.
- Most full-time students from Wales planned to get a job on finishing their immediate course at an average salary of £18,600, rising to £28,500 after five years. These are slightly lower expectations than those of their English counterparts.

1. Introduction

This is the report of the 2004/05 Student Income and Expenditure Survey (SIES). It was commissioned by the Department for Education and Skills (DfES) and the National Assembly of Wales (a separate report covers Northern Ireland, and a separate study has been undertaken in Scotland¹), and conducted jointly by a research team from two organisations, the National Centre for Social Research and the Institute for Employment Studies (NatCen/IES).

The report represents the most comprehensive, detailed and authoritative assessment undertaken yet about the income and expenditure of students in higher education (HE) in England and Wales, and on aspects of their financial situation. It builds on, but is substantially different in many methodological respects from, earlier surveys, which have been undertaken at approximately three-year intervals since the early 1990s. In particular, the most recent SIES in 2002/03 was a more limited, smaller scale update exercise to identify key changes since the last full SIES in 1998/99²; it covered young, single, full-time undergraduate students only.

The primary role of the 2004/05 survey was to obtain a better and more detailed and up-to-date assessment of student income and expenditure, which took account of the various changes in higher education funding and student support since 1998. Thus, the aim was that it should act as a baseline survey, against which future changes could be monitored, including changes recently introduced to the student financial system (from the 2004 Higher Education Act, some of which have not yet been implemented, see below).

¹ Callender C, Wilkinson D, MacKinnan K, Vergis S (2005) *Higher and Further Education Students' Income and Expenditure and Debt in Scotland 2004-2005*, Scottish Executive Enterprise and Lifelong Learning Research Programme. <http://www.scotland.gov.uk/Publications/2005/26105054/51055>.

² Callender C, Kemp M (2000) *Changing Student Finances: Income, Expenditure and the Take-up of Student Loans Among Full- and Part-time Higher Education Students in 1998/99*, DfEE Research Report RR213.

The 2004/05 survey covered both full-time and part-time home students at HE and further education (FE) institutions (including Open University students, for the first time) on designated undergraduate courses (including first degree and higher diploma courses) and also postgraduate (PGCE) initial teacher training courses in the academic year 2004/05. Data were collected between January and April 2005 via:

- face-to-face interviews with a randomly selected sample of 3,548 full-time and part-time students at 88 institutions in England and Wales (plus 164 telephone interviews with Open University students)
- diaries of expenditure kept by 3,237 of these students for a week (88 per cent of students interviewed).

1.1 Policy background and context

1.1.1 Key changes to student finance

Over the last decade or so, several changes have occurred in the way that students finance their higher education. The most significant of these has been a shift in the public funding system from student grants to student loans through the 1990s and then, in 1998, the introduction of a student contribution towards the cost (tuition fee) of full-time study. Other changes have been to the method of repaying loans and to the extent of financial help given to certain students (see the *Teaching and Higher Education Act, 1998*, *Excellence in Cities* initiative in 2000 and other measures to help widen access). Further changes have taken place more recently (in the Higher Education Act, 2004), including a variable fee contribution in England, set individually by universities, but not paid up-front as has been the case previously; and also new grants and maintenance loans. However these changes come into force after 2005 and therefore this survey.

Since devolution in the late 1980s, the different countries of the UK have introduced slightly different public funding systems, the greatest difference so far being between Scotland and the rest of the UK. But the position in Wales is likely to diverge more from England in the future, following the transfer of certain responsibilities to the Welsh Assembly in the 2004 Higher Education Act, allowing it to set its own student support and tuition regime, and the reporting in April 2005 of the Welsh Assembly's own review of tuition fees and student finance (see the Rees Review¹).

¹ For more details see www.learning.wales.gov.uk/students/fees-review-e.htm.

In addition, there have been other important trends over the last decade or so in the way students finance their HE study¹, such as:

- a growth in paid work by students while studying full-time, to supplement their student loans or grants. This has meant that earnings have become a more significant source of income for some full-time students
- an increasing tendency for young students to stay at home and live with their parents
- a growth in part-time students (who are in continuous paid employment)
- increases in the various allowances and grants available to students in different circumstances to help with their course and living costs (some discretionary support is given directly by institutions and other bodies).

1.1.2 Recent changes (since the previous SIES, in 1998/99)

Since 1998, undergraduate students on full-time HE courses in England, Wales and Northern Ireland have contributed to their tuition fees, initially up to a maximum of £1,000 a year, which rose to £1,150 by 2004/05. The amount was dependent on parental ability to pay, or their own or spouse's income (but around a half do not have to pay anything). The parental contribution threshold has been raised since 1998 to enable more students to be excluded from paying any fee contribution.

The second main change after 1998 was that maintenance grants for students were phased out and student loans (which had been introduced earlier) became the main support towards living costs for full-time students, and they became means-tested. The repayment method was changed from a mortgage-style repayment, made above a certain level of income after graduation, to one which was 'income contingent', *ie* linked to graduate income after a certain threshold was reached. In addition, certain students could get more support for their living costs from other sources including: grants for particular circumstances (*eg* students on low income with dependent children, single parents or those with adult dependants, or disabled students); access bursaries and hardship loans. Access Funds rose substantially in 1999, and new Opportunity Bursaries were introduced in 2000, as part of the *Excellence in Cities* (up to £2,000 over three years), for students from socially disadvantaged backgrounds.

Different support arrangements have always been in place for full-time and part-time students, the latter having always had to pay tuition fees (and these can vary between courses and

¹ For more details go to www.dfes.gov.uk/hegateway.

institutions). So the new flat fee contribution for full-time study from 1998 did not apply to part-time students; and part-time students were not eligible for the new student loans, though some could get help from Access Funds. However, after 1998, some part-time students, especially on low incomes, were able to get some more financial help, including remission of fees, loans and other student support.

1.1.3 Student finance in the 2004/05 year

Several small changes have been made from year to year to the student financial contribution and support arrangements, though there have been no major changes since the 1998 reforms. (There will, however, be further change from 2005/06; see above.) The student finance regime prevailing at the time of the current survey is outlined in the box.

Key elements of HE funding and student support 2004/05

Fee contribution: a maximum fee contribution of £1,150 to be paid by all full-time students, though many contribute much less than this (around one-half are likely to pay nothing, around one-third the full amount). The amount paid depends on parental or household income and different formulae exist for financially dependent (on parents) and independent students (and if single); some part-timers get some fee remission.

Student loans: a maximum amount of £4,095 can be borrowed if living away from home (£5,050 if away and in London, £3,240 if living at home), with 75 per cent of this available to all eligible students, regardless of personal/household income. Take up of student loans was very high: 81 per cent of eligible students in 2003/04, a similar figure to 2002/03. The average value of the loan has increased to £3,190 in 2003/04 (estimated £3,260 in 2004/05, based on those who applied by November 2004). This loan is repayable once graduates start earning £15,000 a year. Part-time students are not eligible for these loans, but if on a low income can obtain a means-tested grant for fee-related (up to £575) and course-related (up to £250) costs.

Higher Education Grant: This was new in 2004/05, and worth a maximum of £1,000 a year. It is aimed at helping students on low income or from low-income families with living costs and HE studying (again eligibility and amount paid depends on income levels). The grant is fully means tested and non-repayable. It does not affect the amount of student loan available.

Additional financial help to certain groups: a range of allowances, bursaries and grants are available to students while in study; eligibility and the amount received depends on individual circumstances and household income levels. They include help to:

- students with dependent children: Parents Learning Allowance, Child Tax Credit, Childcare Grant (if appropriate)
- students with dependent adults: Adult Dependents' Grant
- Care Leavers
- disabled students.

Some additional help is available to Welsh students: the new Assembly Learning Grant is aimed at those on low incomes or from low income families (and is means tested).

Access to learning Fund: Hardship funding has been amalgamated into this one non-repayable fund, and payment is made via Institutions to students on low incomes or in financial difficulty. These funds were previously termed

Hardship Funds and, in Wales, they are referred to as Financial Contingency Funds.

Hardship loans were discontinued in 2004/05. There are still Opportunity Bursaries available for continuing students in England with a bursary commitment, but not new students in 2004/05 (who may be entitled to Higher Education Grant instead). In addition, discretionary awards are made by universities and colleges to provide extra help to low-income students to help them stay in HE and complete courses (usually as grants but can be short-term loans), *eg* if in real financial hardship, have financial problems, need emergency payments, *etc.* Some groups are priorities for these funds, such as lone parents, or care leavers. Some of this comes via local authorities, who choose which students or course to support.

Most of the reforms in the 2004 Higher Education Act will not be implemented until 2006, in particular the introduction of the higher fee contribution (most institutions are likely to charge £3,000 per annum to home full-time students). However, the publicity surrounding the changes, and some misconceptions on the part of current students about how they will be affected, may have had an impact on some of their views in the 2004/05 survey (*eg* on student debt).

1.1.4 Other HE and student trends

All in all, the student funding policy changes over the last decade or so have shifted the balance towards individuals, especially young, full-time students, making a greater contribution to the costs of their study. At the same time, the HE system itself has gone through considerable change. Important contextual changes for the SIES 2004/05 include the following:

- Student numbers have continued to expand, though much more gradually in recent years compared to the early 1990s¹. There are now two million students enrolled in higher education institutions (HEIs) in the UK, plus around 200,000 in further education colleges (FECs) (1.4 million undergraduates in England in HEIs). The number of undergraduate students in England is growing overall by only one or two per cent at present.
- There is a continuing trend for the student population to include more women, more older students and more from minority ethnic groups participating in HE. However, in the last few years there has been much less change.
- There is an increasingly diverse student population, including much higher concentrations of minority ethnic and mature students at a small number of universities².

¹ Aston L (2004), *Higher Education Supply and Demand to 2010 – an update*, Higher Education Policy Institute (HEPI).

² See *Patterns of higher education institutions in the UK, fifth report*, UUK, 2005.

- Though some change has occurred to widen the social class profile of higher education, the vast majority of students still come from the higher social classes (although the social class profiles of institutions vary markedly).
- There is an increase in students opting to live at home, especially by certain groups (such as lower socio-economic, mature, some minority ethnic), though the extent of student mobility varies considerably between regions and the trend has stabilised in recent years. The UNITE 2004 survey suggests that a third of full-time students live at home with parents or have their own home¹; other figures from Higher Education Funding Council for England (HEFCE) put the proportion of young full-time first degree students living at home at 20 per cent.
- There have been changes to HE provision, including types of courses and qualifications offered, such as the introduction of new two-year Foundation Degrees in many vocational areas (especially education, business studies, healthcare) with work-based learning elements, and also more part-time or distance-learning opportunities. Structural changes to the HE sector have been mainly responsible for the substantially higher growth of part-time than full-time undergraduate students over the last decade (98 per cent compared with 21 per cent growth from 1994/05 to 2003/04) in England HEIs². Like for like comparisons suggest that the number of part-time mature undergraduates has changed little since the mid 1990s³. The main subject growth areas have been subjects allied to medicine (especially nursing), some biological sciences, computer science and media studies, while engineering and physical sciences have experienced long-term downturns (though picked up again recently). Some of the subject trends have been due to the HE sector offering new qualifications and institutional changes (as in nursing and healthcare growth) rather than simply changes to student demand.

1.2 The Student Income and Expenditure Survey (SIES) 2004/05

The full SIES has been a large scale comprehensive survey of undergraduate students undertaken regularly over many years. Although other studies are undertaken on aspects of student

¹ *Student Living Report, 2004*, UNITE/MORI, Bristol.

² See *Patterns of higher education institutions in the UK, fifth report*, UUK, 2005.

³ Aston L (2003), *Higher Education Supply and Demand to 2010*, Higher Education Policy Institute.

finance¹, these are neither as detailed nor as authoritative as the SIES. Importantly, because it has followed a broadly similar design on the last two main occasions (1995/96 and 1998/99), the SIES has provided comparisons over time, in particular on patterns of student income and expenditure for certain groups of students. A 2002/03 survey was undertaken but was smaller in scale and only covered young full-time students. Although it helped to update some key points, the full impact of changes in student funding since 1998 could not be assessed. It also used a different approach to sample selection, based on quotas rather than probability sampling, and so there were limitations in the detail of some of its results, and also their direct comparability with those of 1998/99.

The need for a new SIES has been widely recognised. It is important that the changes which have occurred over the last six years are clearly understood, and a reliable baseline established for monitoring the effects of the proposed changes for 2004/05 onwards, as well as other recent trends and developments. The growth and changes in participation in HE outlined above, and also the shift towards a greater contribution to the cost of study coming from individuals, means that the Government needs to have as accurate and full a picture as possible of the current financial position of students, which is itself becoming increasingly complex. The significance of any financial concerns which might deter potential students from applying, especially under-represented groups, needs to be identified clearly, as well as those which might adversely affect students' progress and achievement in HE, or issues for specific student groups. In particular, the government needs to be aware of which groups of students experience, or are at risk of experiencing, student hardship, and which benefit most from the current and proposed student support.

1.2.1 Research objectives

Accordingly, the main objectives of the 2004/05 study were to:

- provide an authoritative and objective report on the finances of HE students in England and Wales in the academic year 2004/05
- collect detailed and comprehensive data on students' income, expenditure, debt, savings and financial hardship
- identify differences in the levels of income, expenditure, debt and financial hardship between students with different characteristics and from different backgrounds

¹ See for example: *NUS Hardship Surveys*; *NatWest Bank and Barclays Bank surveys into student debt*; *UUK/HEFCE studies on attitudes to student debt and on term-time working*; *UNITE survey*.

- examine how finances affect students' experiences of higher education generally.

Additionally, the impact of the recently introduced Assembly Learning Grants in Wales was to be assessed.

It had been intended also to make comparisons where possible with previous surveys, in particular the 1998/99 survey, in order to assess the impact of changes in student funding over time. However, this has turned out to have been problematic. Various changes have been made both to the design of the survey and individual questions in 2004/05, the implications of which are discussed in more detail in Appendix 1: Technical Report (and summarised below).

Thus, the focus of the survey has been mainly on the current situation and obtaining accurate and detailed information relating to the finances of a nationally representative sample of undergraduate students at HE institutions in England and Wales in the academic year 2004/05. Comparisons with the previous SIES where possible are presented for English students in Chapter 8 of the report.

1.2.2 Differences from previous surveys

A considerable amount of experience has been built up over the years to help in the design and analysis of this year's survey. Alongside changes in the coverage of the survey, there have been a number of other changes which significantly affected our use of previous methodologies:

- changes to the legislation on data protection and to issues of student confidentiality. This meant that it would prove even more difficult than experienced in previous surveys to get assistance from universities in providing names and addresses of students and other student data, which had been a key component of the survey design in previous years, as it relied on a large random sample being generated. The problems experienced had adversely affected response rates, timing and quality of data in the 1998/99 survey. Getting co-operation from institutions and students was identified early on as a key challenge to the researchers in the 2004/05 survey, and a substantial amount of time was put into the preliminary stages of the survey to test out different approaches
- changes to the sample composition, in particular the inclusion of the Open University in the part-time sample for the first time
- changes to specific questions in order to take into account the different finance issues students now face and also to improve the quality of the data collected

- the use made of the Internet in the expenditure diary-keeping as a way of helping to improve response for some groups of students.

1.2.3 A new research method

After some preliminary work and discussion with a number of research experts, it was decided to develop a new methodology for SIES 2004/05, to produce a representative, probability sample of students. The alternative, a quota sampling method, as had been tried in 2002/03 and partially in 1998/99, was rejected due to the risks of obtaining an unrepresentative sample and therefore biased results.

The proposed sampling solution was to obtain a student sample via institutions but through an opt-in mailing. This is discussed in more detail in Appendix 1: Technical Report, but briefly, it comprised the following stages:

- An initial sample of 80 HE and 25 FE institutions was selected randomly, but with probability roughly proportional to their size, and also stratified by region.
- Of these, 69 HEIs (86 per cent) and 19 FECs (76 per cent) agreed to take part and were given instructions about how to draw a random sample of part-time and full-time students. This generated a total of 16,524 students for the opt-in process.
- Students were then mailed by their institutions. The mailing package included an opt-in questionnaire which provided some key characteristics and contact details, and indicated whether they gave consent to be re-contacted for the research. Incentives were used to help encourage response.
- A total of 7,458 returns were received (directly to the researchers), which was 45 per cent of the issued total. The rate of return varied greatly by institution, suggesting that a number of factors outside of the control of the researchers were involved (such as institutions not sending some out, mailing errors, and the quality of student records at institutions).
- Of those making returns, 5,810 consented to be contacted by the researchers, which was a very high proportion, 78 per cent. They comprised 35 per cent of those who had been sampled and sent mailings by their institution. However, not all of those who consented were eligible to be interviewed (ineligibility could be for various reasons, *eg* part-time students who already had a degree, students studying postgraduate qualifications not included in the survey scope), and a small number had to be withdrawn because the contact details information they had given was insufficient. The sample for the interview survey was then drawn from the eligible students (4,570 names issued).

- A separate sample of 241 eligible and consenting part-time students studying at the Open University was obtained using the same methodology. It is important to note that the scope of OU students was purposely chosen to be similar to other part-time students. It is not representative of OU students as a whole (see Appendix 1: Technical Report).

As can be seen, this was an ambitious methodology but one which succeeded in producing the objective of a nationally representative student sample for interviews. It relied on high levels of co-operation at each stage. We are especially grateful to the participating institutions for the assistance provided.

The main interview stage involved interviewing college or university based students face-to-face using a Computer Assisted Personal Interview (CAPI) and interviewing Open University Students over the telephone using a Computer Assisted Telephone Interview (CATI). All students interviewed by either method were asked to complete a seven-day diary of spending after the interview, either a paper diary or an Internet version. The two instruments taken together covered aspects of income and expenditure in detail including: identification of main components of income, such as student support (loans, grants *etc.*), parental contribution, paid work, savings, *etc.*, and various areas of expenditure (accommodation, living costs, personal, *etc.*; as well as information on their personal characteristics, financial well-being and attitudes to student finance.

In total, 3,548 interviews were achieved, which was 78 per cent of the original sample issued; and 3,135 diaries completed, 88 per cent of those interviewed (and 69 per cent of those originally sampled). These response rates exceeded the targets set in the initial survey design. A further 164 telephone interviews were achieved with OU students (using a shortened questionnaire) and 102 diaries completed (68 per cent of the original sample, and 64 per cent of the interviewees respectively¹). The OU sample was analysed as part of the sample of part-time students rather than separately.

All of the sampling design and fieldwork stages were extensively piloted.

1.3 Sample profile

In this section we examine the details of the student sample on which the survey findings are based (*ie* after weighting) in terms of their key personal characteristics, HE study and their backgrounds and routes into HE. We also discuss the decisions

¹ Lower response because fieldwork had to be curtailed during the general election period.

relating to finance taken by students before starting their courses. Here, and in the rest of the chapters, where appropriate, full-time and part-time English students are discussed separately. The relevant data on Welsh students are included in Chapter 9.

Firstly, in terms of their personal characteristics:

- Fifty-six per cent of English domiciled full-time students were women and 44 per cent were men. The gender profile of part-time students was similar (55 per cent women and 45 per cent men).
- Eighty-four per cent of English domiciled full-time students were under 25 years of age and 58 per cent were aged under 20. In contrast, part-time students were much older on average – less than a quarter (23 per cent) were aged under 25 years while almost one-third, 31 per cent, were aged 40 years or older.
- Based on the occupation of a parent (if they were a dependent student) or their own former occupation, the majority (57 per cent) of full-time students were classified as belonging to the managerial or professional socio-economic group. A similar proportion of part-time students (54 per cent) were classified in this group. Only 23 per cent of full-time students and 28 per cent of part-time students were classified as belonging to the routine or manual socio-economic group.
- By ethnicity, 85 per cent of English domiciled full-time students were white while 15 per cent reported that they belonged to a different ethnic group. Five per cent of full-time students classified themselves as Asian or Asian British (*ie* of Indian, Pakistani or Bangladeshi origin), three per cent as Black or Black British and six per cent as of mixed or other ethnic group. A higher proportion of part-time students were white (90 per cent).
- Eighty-seven per cent of English domiciled full-time students were single, six per cent were married or living as a couple without children, five per cent were in a two-adult family and three per cent were lone parents (*ie* in a one-adult family).
- Four-fifths (79 per cent) of full-time students were classified as dependent students and a fifth (21 per cent) as independent students (see Glossary at end of this chapter for definitions of dependent/independent). Part-time students had a completely different profile in terms of their family type. Thirty-eight per cent were single, 22 per cent were married or living as a couple without children, 31 per cent were in a two-adult family and eight per cent were lone parents.

In terms of choice of HE study and student living arrangements:

- The majority (63 per cent) of English domiciled full-time students lived in university accommodation while 20 per cent

lived with their parents. In contrast, most part-time students (60 per cent) were owner-occupiers.

- Sixteen per cent of English domiciled students who studied full-time and 12 per cent of those who studied part-time lived in London.
- The sample of English domiciled full-time students comprised 91 per cent who studied at an English higher education institution (HEI), five per cent who studied at an English further education institution (FEI) and four per cent who studied at a Welsh HEI. Sixteen per cent lived in London while studying.
- A lower proportion of English domiciled part-time students than full-time students, 63 per cent, studied at an English HEI, while far more (than for full-time), 23 per cent, studied at an English FEI. Three per cent studied at a Welsh HEI and 11 per cent were Open University students (this group has been mainly treated as English domiciled for the purpose of this report).
- Finally, both samples of students were fairly evenly divided according to year of study. Among full-time students, 35 per cent were in their first year of study, 30 per cent were in their second year and 35 per cent were in their final year of study (this group included those who were on a one-year course). The corresponding proportions for part-time students were 32 per cent, 31 per cent and 37 per cent.

1.4 Structure of report

The survey has generated a large amount of data, which can feed a large range of investigations subsequent to this study. This report is confined to a largely descriptive analysis of the data with some analysis of the factors affecting income and expenditure patterns.

The next two chapters focus on income over the academic year, from September 2004 to June 2005 (nine months), both HE-related income and other income, and how the balance between the different income components varies between groups of students.

Chapters 4 and 5 deal with expenditure in a similar way, and over the same academic year. Chapter 4 discusses total expenditure and Chapter 5 the costs of participation, housing and living costs.

Chapter 6 focuses on the students' financial position, including their own assessment of their financial well-being, savings and borrowings, extent of debt, and experiences of hardship. Chapter 7 then provides more insights into students' attitudes towards finance, and how the costs of study affected their choices pre-HE, their overall student experience and how it might impact on their future plans.

Chapter 8 then makes some comparison where possible with data in earlier surveys, in order to identify key areas of change over time.

Chapter 9 brings together all the data on Welsh domiciled students and students at Welsh universities.

Chapter 10 draws out some conclusions from the data.

In each chapter key tables and figures are located as close as possible to the appropriate text. Inevitably there are too many tables *etc.* to present easily, and additional tables referred to in the text are presented at the end of each chapter (prefaced by the letter 'A'). In the tables, data are not reported where the relevant row or column has a base of 30 or fewer cases. Where the base size is between 31 and 50 the data are reported in brackets.

Appendix 1: Technical Report provides further details of the methodology and sample.

1.5 Glossary

Because of the complexity of students' finances and also the way the survey was designed for a specific purpose (see above), we feel it would aid the reader's understanding of the results to include here a glossary of the terms used.

Student Income and Expenditure Survey 2004/05: Glossary

Eligible student	<p>Students included in the survey:</p> <ul style="list-style-type: none"> ● must have been attending or registered at an English or Welsh HEI, or English HEI, or English FEI or Open University in academic year 2004/05 ● on an undergraduate level course (bachelor degree, foundation degree, HND, HNC, HE diplomas/certificates) or PGCE/initial teacher training ● studying a full-time course or a part-time course that is equivalent to at least 50 per cent of a full-time course (see Part-time student) ● and have been ordinarily resident in UK for three years before starting course (<i>/e</i> UK is their home even if travelling/working abroad) ● not in the placement year of a sandwich course during 2004/05.
Part-time student	<p>Students (excluding OU) on an undergraduate or PGCE course lasting at least one academic year and equivalent to at least 50 per cent of a full-time course. OU students were included if they were studying for an undergraduate degree or PGCE course and eligible for financial support (which involved taking or registering for a course worth more than 60 credit points). NB This profile means that the OU students included in this survey are not typical of all OU students.</p>
Academic year	<p>Approximately nine months duration but term dates vary between institutions; dates were assumed to be 4/10/04 to 1/7/05 for all except the OU, where the dates were 1/8/04 to 31/7/05 (12 months).</p>

Term-time and end of academic year	<p>Refers to periods when they are studying, usually three terms but a few institutions in the sample had two terms (semesters).</p> <p>End of academic year was around late June/early July for all but the OU, where it was end July 05.</p>
Married or joint financial responsibility	<p>Defined as either married or regularly sharing the costs of housing or other essential expenditure with a partner or having a joint bank or building society account with a partner. The adjustment procedure was to divide joint expenditure by two. Full details are provided in Appendix 1: Technical Report.</p>
Dependent students	<p>These are full-time students:</p> <ul style="list-style-type: none"> ● who had applied for student support and their parent/step parent, legal guardian's income had been taken into account ● or were aged under 25 years, were unmarried and had not applied for student support. <p>Independent students are all part-time students and full-time students not in the above category.</p>
Social class	<p>The social class results shown are based on the National Statistics – Socio-economic Classification) NS-SEC classifications, in the following way:</p> <ul style="list-style-type: none"> ● for full-time independent students: student's last paid occupation before their course was coded ● for full-time dependent students: occupation of main income earner in house where student lived before starting course ● for part-time students: student's current or last paid occupation. <p>For the purposes of survey analysis we use three categories of socio-economic groups:</p> <ul style="list-style-type: none"> ● managerial and professional ● intermediate ● routine, manual and unemployed.
Household/family type	<p>This refers to term-time living arrangements for non-OU students, and depends on the extent to which people were sharing accommodation and financial responsibilities, or had financial responsibilities for others. From several questions, students were recorded into the following:</p> <ul style="list-style-type: none"> ● two-adult family: means living in household with another adult plus child(ren) ● lone-parent family: means single adult in household plus child(ren) ● couple: means married/living with adult partner, no children ● single: means not sharing accommodation/financial responsibilities, no children.
Domicile	<p>Domicile is taken to mean a student's normal residence prior to commencing their programme of HE study. References to English students or students from England equate to English domicile; and similarly Welsh students or students from Wales equate to Welsh domicile.</p>

2. Total Student Income

2.1 Summary of key findings

- On average, full-time students' income in 2004/05 was £8,333. Part-time students' income was almost one and a half times higher, at £11,196.
- The amount of money that students received from the various sources (student support such as student loans and help with fees), earnings from work, social security benefits, family and friends, *etc.*) also differed between full-time and part-time students. The higher total income figure for part-time students was mainly attributable to their higher average earnings during the academic year.
- Both average total incomes and constituent sources varied considerably between different groups of students, especially by age, household/family type, living circumstances and choice of HE study.
- Among full-time students, groups found to have higher average total incomes than their peers were female, white and black/black British, older (25 plus), lone parents, studying at English HEIs, living independently, studying subjects other than medicine or dentistry – particularly those subjects allied to health or education – in their first year of study, and living away from home.
- The highest incomes of all among full-time students were reported by those in the lone parent group; and the lowest incomes by Asian/Asian British students. However, higher income should not be interpreted as being 'better off', as students from higher-income groups may well have much higher expenditure, while those in the lower income groups may have lower expenditure (see Chapters 4 and 5).
- Among part-time students, the groups found to have higher total incomes were those who were: older (especially 40 and over), lone parents, living in London, studying subjects allied to health, in their final year of study, or from higher socio-economic backgrounds. As with full-time study, the lone parent group had the highest income of all, but among part-time students, those from the lowest socio-economic group

(routine/manual occupational backgrounds) were identified as the groups at the bottom of the income range.

- There were slight differences in the average total income by socio-economic background for full-time students, and regression analysis suggests these differences still persist when taking into account other personal and study factors. This merits further examination. Differences among part-time students were more exaggerated. Here students from lower socio-economic groups had much lower total incomes on average than those from the higher groups.
- Income profiles, in terms of the amounts contributed from the various income sources, differed by age for full-time students, largely due to mature students gaining more from other student support (especially NHS bursaries) and also paid work and social security benefits. There was also some degree of variation in income profile by age for part-time students, but greater variation was evident by gender, where part-time male students earned considerably more from paid work than part-time female students.
- Full-time students with dependent children gained more from other student support and social security benefits, but lone parents received the highest level of support from social security (making up almost one-third of their total income). Differences in income profiles by family type were also noticed for part-time students, though differences in overall income totals varied less than was found among full-time students. However, again lone parents relied most heavily on social security benefits, which made up almost half (47 per cent) of their total income.
- Ethnicity is a significant variable affecting full-time students' incomes: the average income of black/black British and white students was considerably higher than that found for Asian/Asian British students. Paid work was a major contributor to the Black income figure, and also other student support (mainly NHS-related bursaries), while contributions from family and friends figured less strongly than among other ethnic groups.
- Lower income totals were found among medical and dentistry students compared with others, largely explained by the lower contribution to their incomes from paid work. However, they had the highest contributions from families and friends (making up just over one-third of their total income figure). Students following courses in sciences, engineering, technology or ICT had the lowest average total income, almost half of which came from the main sources of student support.
- First year full-time students had higher total incomes than subsequent years, while the reverse was seen among part-time

students. The latter may probably be explained by a greater likelihood of gaining better paid work as studies progress, while the former is due to the introduction of the new Higher Education Grant for which only first year students were eligible in 2004/05.

2.2 Introduction

This chapter presents the main survey findings on the total student income of English domiciled students over the academic year 2004/05. This includes both HE-related income (from student loans, grants, other support) and other income (from earnings, benefits, *etc.*). We look at:

- the total average income of full-time and part-time students from all sources
- how full- and part-time students rely differently on the various sources
- how income levels vary between different groups of students (*eg* older/younger, male/female, *etc.*).

Due to the diversity of the student population, and the range of sources of income which different students can access nowadays, this chapter focuses only on the main variations between students. Further details of income profiles by the various characteristics of students are given in Additional Tables A2.1–A2.20 (at the end of this chapter).

Note that the coverage of this chapter is English domiciled students only; for income data on Welsh students see Chapter 9. Changes in student income over time, comparing this survey where appropriate with the earlier 1998/99 survey, are discussed in Chapter 8.

For further explanations and definitions of terms used (for example, part-time students, mean/median, independent student) see the Glossary in Chapter 1, and for details of the various sources of public financial support available to students in 2004/05 see section 1.1.

2.3 Total income

An undergraduate student could have received income from a number of sources in 2004/05. For many, the major source of public HE student support will have been their student loan, but they may also have received other support in the form of grants and bursaries (including government support which would offset their total fee contribution). The range of sources for full- and part-time students varies. Some of the sources of student support are available to all students but most are targeted to some degree,

with eligibility criteria. These issues are discussed in greater detail later in the next chapter, when income from each of the various sources is analysed separately. Additionally, most students will have had income from other sources during the academic year, such as paid work (during term-time and the Christmas and Easter vacations¹), family contributions, social security benefits or other loans, grants or gifts. The interview sought to identify all the sources of income a student had received in the 2004/05 academic year², and the amounts received from each source. The analysis then computed a total figure for student income.

The average (mean) total income for full-time students living in England in the 2004/05 academic year was £8,333. The median was lower, at £7,705, which means that around 50 per cent of students received at least this amount.

The average (mean) total income for part-time (including Open University) students was much higher, at £11,196, almost one and a half times more than the full-time student average. Although it is difficult to make direct comparisons with previous surveys in levels of student income (because of differences in methodology, see Chapter 8), the ratio this year between the full and part-time totals is broadly the same as found in the past. The difference in full-time and part-time income, however, is largely explained by the much higher incidence of paid work among part-time students and the greater contribution such earnings make to their total income (see Table 2.1 and Figure 2.1)³.

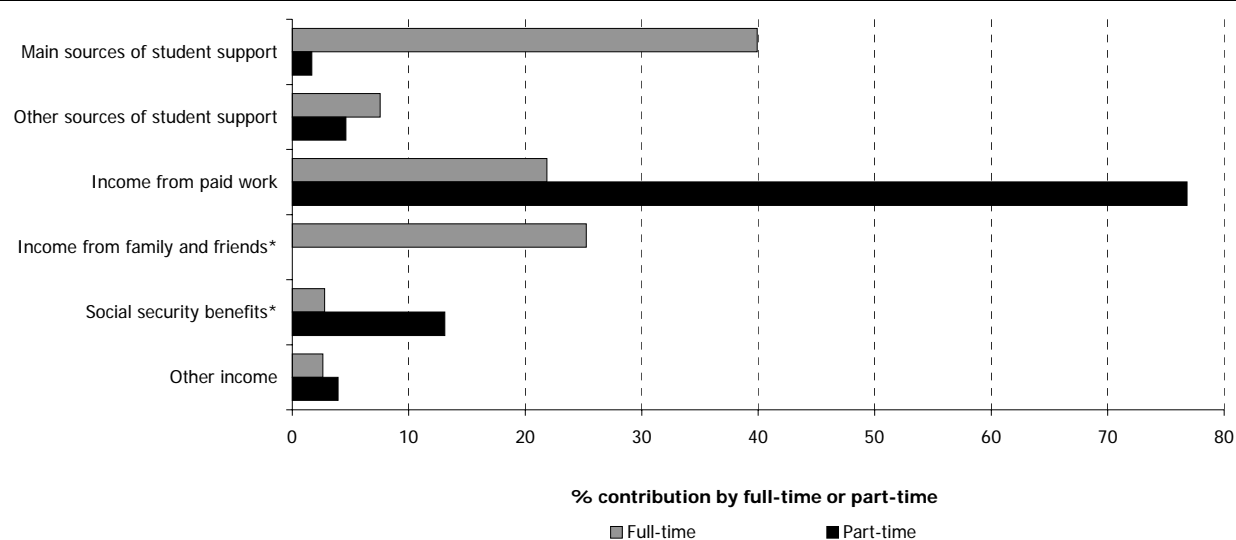
- Income from paid work represents over three-quarters (77 per cent) of the total income of part-time students, compared with just under one-quarter (22 per cent) for full-time students.
- Although earnings from paid work are important to full-time students, the most significant source of income for this group is from the 'main sources of student support', which is mainly their student loan (see section 3.3).
- Income from family and friends represents a quarter of full-time student income on average.

¹ Any paid work in the summer vacation has been excluded in the total shown here, as this is outside the academic year, but see section 3.5 for further details on paid work including income from summer vacation work.

² See definition of academic year in Glossary, Chapter 1.

³ Student working patterns and income are discussed further in Chapter 3, section 3.5.

Figure 2.1: Contribution towards total income of different income sources – mean income



* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table 2.1: Total student income and main sources of income (£)

		Full-time	Part-time
Main sources of student support	Mean	3,327	188
	Median	3,300	0
	Standard error	59	13
Other sources of student support	Mean	629	515
	Median	0	0
	Standard error	63	56
Income from paid work	Mean	1,821	8,600
	Median	565	8,448
	Standard error	75	323
Income from family and friends*	Mean	2,104	-15
	Median	1,436	0
	Standard error	93	170
Social security benefits*	Mean	233	1,466
	Median	0	1
	Standard error	24	129
Other income*	Mean	218	440
	Median	7	0
	Standard error	24	80
Estimated total income*	Mean	8,333	11,196
	Median	7,705	10,561
	Standard error	92	231
N = (3,399) unweighted		2,509	890

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant, which is the reason why the part-time income figure is negative for 'family and friends'.

Note: *Main Sources* of student support include student loans, Access to Learning Funds, Financial Contingency Funds or Opportunity Bursaries, the new Higher Education Grant, and tuition fee support or course grants; and *Other sources* of student support include child related support, Adult Dependents' Grant, Disabled Students' allowances, teaching related support, NHS-related support, Career Development Loans, and employer support. See Chapter 3 for a full description and breakdown of each of these sources.

Source: NatCen/IES SIES Survey 2004/05

2.4 Variations between students in their total income

Variations in total income were associated with a number of student characteristics, in particular age, household/family type and living circumstances. However, the extent of variation was different for full-time and part-time students, and so the two groups are discussed separately below.

2.4.1 Full-time students

A range of average (mean) total incomes associated with different student characteristics are shown in Tables 2.2 – 2.4.

The highest total average (mean) income was found among older students, independent students (£10,660 and £9,970 respectively) and, highest of all, among lone parents (*ie* in single adult households plus child(ren)) at £14,647 (Table 2.2). Note that some of these characteristics will be inter-related. A high figure of £9,830 was reported also by those studying 'subjects allied to health' (Table 2.3).

Looking at the bottom of the range, the lowest total average (mean) income was found for minority ethnic students (£7,331), lower still for Asian/Asian British students (£6,104), discussed further below, and low also for those living with their parents (£6,721) (Table 2.2). Other similarly low figures were reported by those studying in a Welsh HEI, and in some subjects, with the lowest incomes given by students studying medical/dental subjects or science-based subjects including (engineering, technology and IT) (Table 2.3).

The reasons behind these differences are likely to relate to different personal and study circumstances affecting income profiles in different ways, which are discussed next. Also it would be wrong to interpret higher income as being 'better off', as students from higher income groups may well have much higher expenditure (discussed in Chapters 4 and 5).

A multiple linear regression¹ was conducted to explore which student and study characteristics were most strongly associated with variations in total income. The model found significant differences in income were determined by factors such as gender, socio-economic group, family type, ethnicity, living circumstances and location, year of study, and age (Table A2.19). These are discussed below.

¹ Multiple linear regression is an analysis technique whereby the value of one variable (the dependent variable), in this case total income, is estimated in terms of a number of other (independent) variables, in this case student and study characteristics such as age, gender and subject of study. The linear regression model takes account of the interactions between different independent variables.

Student background

Differences in total income levels were noticed for gender and age, as shown in Table 2.2.

Female students had higher average total incomes than males (£8,701 compared to £7,861), and these differences were found to be significant in the multiple regression model (Table A2.19).

Table 2.2: Key variations in full-time students' total income by student background (£)

Student characteristic	Unweighted base (N)	Full-time		Standard error
		Mean	Median	
Gender				
Male	800	7,861	7,460	114
Female	1,708	8,701	7,942	115
Age				
Under 20	1,369	7,857	7,430	120
20 to 24	661	8,045	7,630	121
25 and over	478	10,660	9,970	270
Social class				
Managerial/professional	1,342	8,535	7,872	122
Intermediate	471	7,909	7,370	208
Routine/manual	558	8,376	7,700	126
Family type				
Two-adult family	156	10,941	10,419	324
Lone-parent family	92	14,647	14,505	427
Married/couple	181	8,875	8,350	335
Single	2,080	7,947	7,490	94
Student status				
Dependent	1,867	7,888	7,450	103
Independent	642	9,970	9,284	261
Ethnicity				
White	2,119	8,502	7,839	112
Minority ethnic	387	7,331	6,620	203
<i>Asian, Asian British</i>	137	6,104	6,030	300
<i>Black, black British</i>	103	8,531	7,840	503
<i>Mixed, other</i>	147	7,743	6,980	256
Living with parents				
Yes	499	6,721	6,260	206
No	2,010	8,725	7,948	111

Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

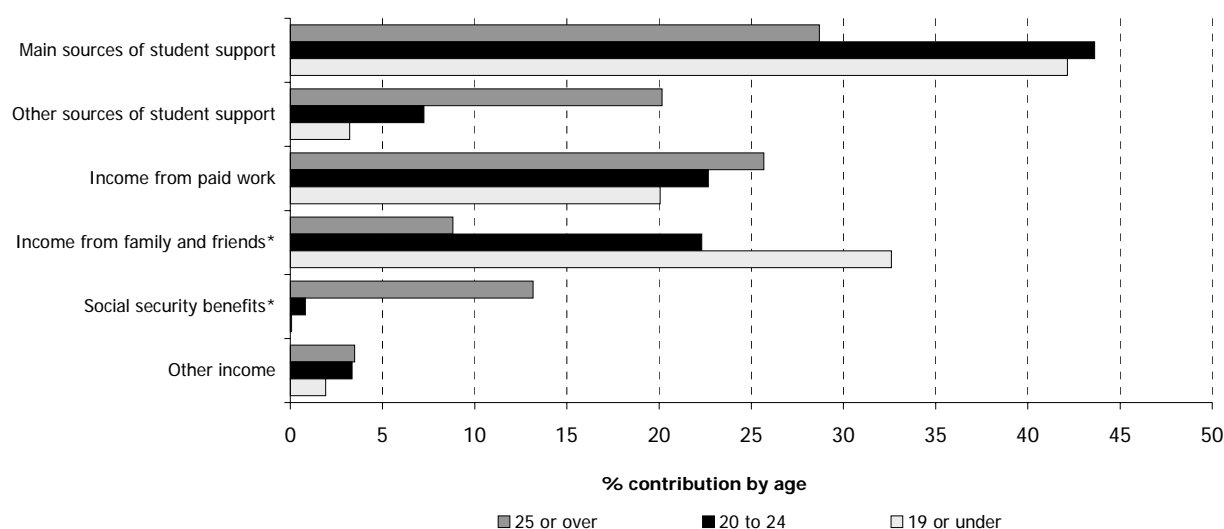
Income was also found to be associated with age in the multiple regression model. Indeed, the average income for mature students (those aged 25 or over when they started their course) was around a third higher than for young students, *ie* aged under 20 (at the start of the course) (£10,660 compared to £7,857).

As well as income level, the income profile (in terms of sources) differed by age, as Figure 2.2 shows. Mature students gained considerably higher income from other sources of student support than did young students. The majority of this type of support was NHS-related, reflecting mature students' greater propensity to study subjects allied to health (see Chapter 3, section 3.4 for a further exploration of this source of funding). Mature students gained more income from paid work than did younger students on average, and also from social security benefits, but gained a much lower average income contribution from family and friends.

There was some difference in the average total income of full-time students by socio-economic group. Those from intermediate occupational backgrounds (such as supervisory roles) had the lowest average total income (£7,909), whereas those from managerial/professional backgrounds and those from families in routine or manual work had similar average incomes (£8,535 and £8,376 respectively). When taking other factors into account in the regression model, the difference between the incomes of those from managerial/professional backgrounds and those from intermediate backgrounds proved significant, *ie* differences exist even when taking into account differences in personal or educational characteristics. The multiple regression model also indicated there was a significant difference in the total income between those from managerial/professional backgrounds and those from manual backgrounds (Table A2.19). There is scope for further examination of the distribution of income by socio-economic group and the relationship with other factors.

Those from lower socio-economic groups received more than other groups of students from the main sources of student financial support and from the other targeted sources of student support (Table A2.15). This is in line with government policy to encourage individuals from lower social classes to participate in higher education through (among other things) the provision of targeted financial support. Those from the lower socio-economic groups also received greater contributions from social security benefits. However, this group had much smaller income contributions from family and friends. Indeed, for advantaged students, parental support is particularly important. Dependent students from families in routine or manual occupations also receive marginally more income from paid work, and rely more heavily on it, than those from other socio-economic groups. One-quarter of their income, or £1,858 on average, comes from working during the academic year.

Figure 2.2: Contribution towards total income by age (full-time students)



* Note: figures adjusted for partner contributions where relevant

N= (2,509)

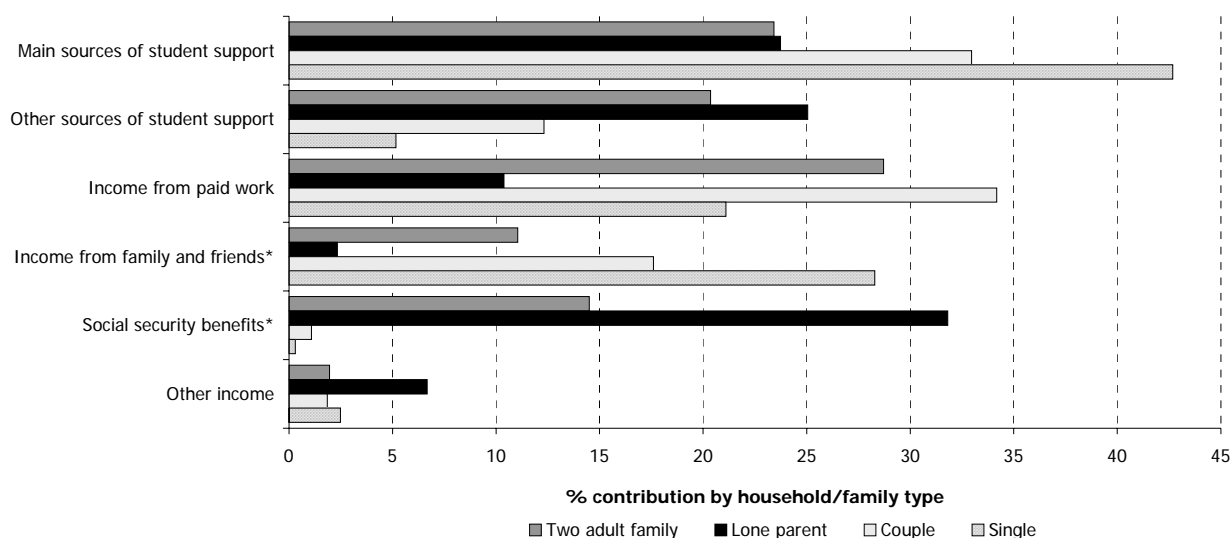
Source: NatCen/IES SIES Survey 2004/05

As highlighted already, students who were lone parents had on average the greatest total income at around £14,647. This compared with single students' average total income of £7,947, the lowest group (but which is closer to the norm for all students). Two-adult families had the next highest income (£10,941). The regression model confirmed that the difference in total incomes between two-adult families and single students was significant, and the difference between two-adult families and couples was strong.

As can be seen in Figure 2.3, there were differences noticed by household/family type in the profiles of income sources.

Students with dependent children gained much higher levels of other student support and social security benefits than found for other family types. However, lone parents received considerably more in social security benefits than any other group, and this made up almost one-third (32 per cent) of their total income. Those with partners had much higher levels of income from paid work – almost double that found for single or lone parent students – and relied much more heavily on this source of income. This group was more likely to be older students (*ie* aged over 20 at start). Income from family and friends was highest for single students, which was also age-related (single students were more likely to be young, and in turn were more likely to get income from this source; (Table A2.6).

Figure 2.3: Contribution towards total income by household/family type (full-time students)



* Note: figures adjusted for partner contributions where relevant
N= (2,509)

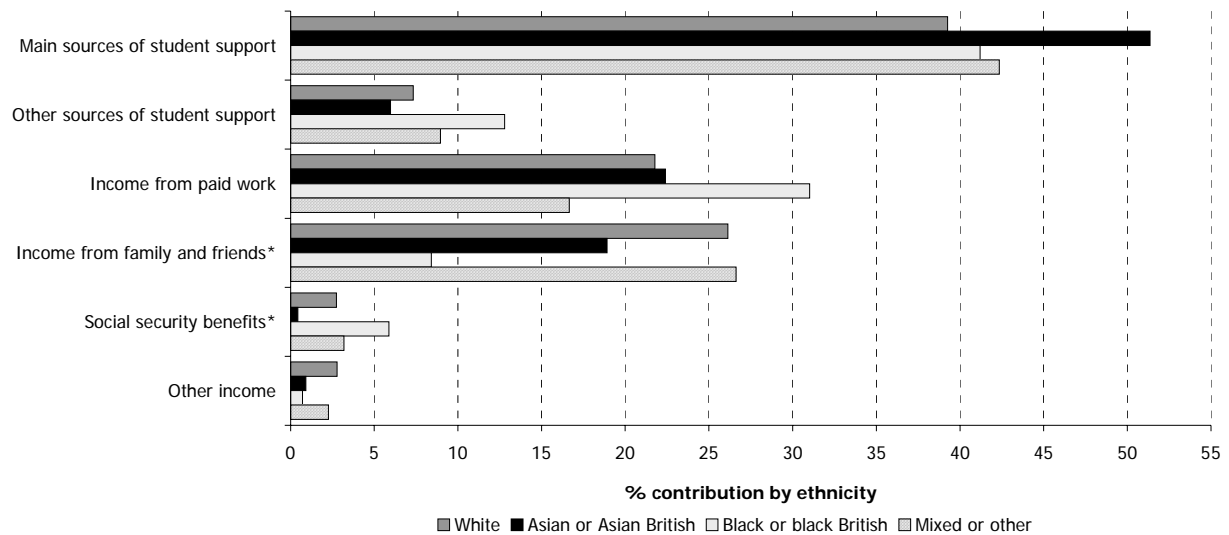
Source: NatCen/IES SIES Survey 2004/05

Students living independently (see Glossary, Chapter 1) had a greater average total income than students classed as dependants (£9,970 compared to £7,888), although this was not found to be significant in the regression model. This difference is explained by much higher levels of other student financial support, social security benefits and income from paid work, despite considerably lower contributions from family and friends.

The average total income of a minority ethnic student was lower (£7,331) compared to white students in aggregate (£8,502), and as a group the former were found to be in receipt of a lower income contribution from family and friends. This is likely to be explained by minority ethnic students' greater tendency to stay living with their parents while studying. Indeed, while only 15 per cent of white students lived with their parents, just over half of those from Asian groups, and almost one-third of those from black groups, lived at their parental home while studying. Looking at the individual minority ethnic groups (Table A2.3), shows how important it is to disaggregate ethnicity: the average total income for black/black British students (£8,531) was considerably higher than for Asian/Asian British (£6,104), and actually marginally higher than for white students. Black/black British students appear to get more income from paid work than other groups (Figure 2.4), partly because of differences in the pattern of working. Just over three-fifths (61 per cent) of black students undertook paid work while studying, which is similar to the proportion found for white students (57 per cent). However, black students were more likely than other groups to work continuously throughout the academic year, indeed over half (51 per cent) do so). Black/black British students also gained more from other sources of student financial support (mainly the NHS

related support, reflecting their HE subject preferences), while gaining much less from family and friends. Asian/Asian British students had by far the lowest total income, and the regression model found this difference to be significant (Table A2.19).

Figure 2.4: Contribution towards total income by ethnicity (full-time students)



N= (2,509)

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Full-time students who did not live with their parents had a higher average total income than those who did live with their parents (£8,725 compared to £6,721; Table A2.16), and this difference was found to be significant when taking all other factors into account (using the multiple regression modelling). The former received higher levels of income from student support (both the main sources and other sources), much higher income from family and friends, and higher social security benefits, than the latter. However, those living with their parents had a higher average (mean) income from paid work (£2,344) than those who did not (£1,694). This reflects the greater propensity of students living at home to engage in paid work while studying, particularly regular or continuous work.

HE study-related factors

There was some variation in income levels by different choices of HE study, which we have referred to as HE study related factors (see summary of key variables in Table 2.3, and others in Tables A2.8, A2.9, A2.11, A2.12, A2.13 and A2.14).

Total income levels varied considerably by subject of study. We analysed subject of study in two ways. First, we compared medicine or dentistry students with other students, and found that medicine and dentistry students had one of the lowest average incomes of all the student groups looked at. This is

largely explained by a lower income contribution from paid work for medical students and a lower level of main student support than found for other students (Table A2.12). Analysis indicates that this group of students are much less likely to engage in paid work during their studies. About one-third do so (34 per cent), whereas the proportion working from other subjects ranges from 51 per cent (allied to health) to 60 per cent (human and social sciences). However, medicine and dentistry students may not be able to undertake paid work during their courses due to the course structure and study hours.

Medicine and dentistry students had, on average, the highest income contribution from family and friends (£2,729, and the majority of this came from parents: £2,287). Indeed contributions from parents made up 29 per cent of the total income of medical and dentistry students compared to 23 per cent for science students (including subjects such as engineering, technology and IT) down to only eight and seven per cent across those following courses in education or subjects allied to health.

Table 2.3: Key variations in full-time students' total income by HE study-related factors (£)

HE study-related factors	Unweighted base (N)	Full-time		Standard error
		Mean	Median	
Subject of study				
Medical /dental	169	8,004	7,540	345
Other than medical/dental	2,340	8,344	7,705	94
<i>Allied to health</i>	210	9,830	8,958	354
<i>Science, engineering, technology and IT</i>	412	7,895	7,320	188
<i>Human and social sciences</i>	622	8,481	8,122	150
<i>Creative arts, languages and humanities</i>	627	8,087	7,446	168
<i>Education</i>	285	8,776	7,965	387
<i>Other subjects and combinations</i>	169	8,142	7,582	219
Year of study:				
First year	858	8,744	7,950	149
Second/intermediate years	777	8,167	7,760	134
Final year/one-year course only	874	8,068	7,430	153
Location of HEI				
England	2,356	8,362	7,727	95
Wales	153	7,727	7,055	317

Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

The second way we analysed subject of study was to group the non-medical students into six broad subject areas (Table 2.3). The highest total income levels on average were found in subjects allied to health, followed by education related courses (£9,830 and £8,776). 'Health' students, the majority of whom are on nursing courses, relied most heavily on other sources of student support, particularly NHS bursaries. Indeed NHS bursaries accounted for well over one-third (39 per cent) of their total income, contributing on average £3,834. For education students, income from paid work along with the main sources of student support contributed the bulk of their total income. On average, these students received very little income from family and friends (Table A2.12). It is worth noting, however, that total income did not vary significantly by subject of study (see multiple regression statistics, Table A2.19).

Year of study made small, yet significant, differences (using the multiple regression model) to total incomes. First-year students had, on average, a higher total income than those in subsequent years of study (£8,744 compared with £8,167 for intermediate year and £8,068 for final year/one year students). First years received more from the main sources of student support than other students (Table A2.13). This is likely to reflect the introduction of Higher Education Grants in 2004/05, which were only available to eligible students in the first year of their course. First year students also tended to gain marginally more from paid work than students in later years. The small group of students on one-year only courses had the highest total income at £9,637. This was due to high levels of other student support, particularly from teaching-related support, as the vast majority of this group were studying for teaching qualifications.

English domiciled students who studied at English institutions had a higher average total income than those originally from England but who moved away to study in a Welsh institution (£8,362 compared to £7,727), but this was not found to be a significant difference when taking all other factors into account. The key difference appears to be with income from paid work, where those studying in English institutions gain on average a much higher income from paid work (almost twice as much at £1,856 compared with £1,080; Table A2.8).

Finally, in this section, although there was no marked, or significant, difference in average total income for full-time students studying in higher education institutions (HEIs) and those studying at further education colleges (FECs) (£8,354 compared to £8,518). The latter group relied much more heavily on earnings from paid work but in return received considerably less income from family and friends (Table A2.9).

Finance factors

In the analysis, tuition fee support forms part of the category termed main student financial support. Those with full fee support (*eg* pay no fees themselves) have, on average, the highest levels of main student support (as would be expected); they also have the highest levels of other student support but receive very little income from family and friends (in comparison with other groups). This is reflected in the overall figures as Table 2.4 shows: those who paid only part of their tuition fees had, on average, the lowest total average income (£7,747), whereas those who paid no tuition fees had a higher average total income (£8,615).

2.4.2 Part-time students

Turning to the sample of part-time students (which includes a sub sample of Open University (OU) students), we can see here too that variations in total average incomes were associated with different student characteristics (Tables 2.5 and 2.6). However, the pattern of variation was different in places from that shown above for full-time students.

As with full-time students, the highest total average (mean) income among part-time students was associated with lone parents and students taking courses in 'subjects allied to health'. However, the lowest average income was found among students from the lowest socio-economic group. As will be seen below, much of the difference noted among part-time students relates to the relative contribution of paid work to their total income.

For part-time students, a multiple linear regression model indicated that significant differences in total income were determined by factors such as age, socio-economic group, marital status, and type of institution (Table A2.20). These are discussed below.

Table 2.4: Variations in full-time students' total income by contribution to tuition fees (£)

	Unweighted base (N)	Full-time		Standard error
		Mean	Median	
Contribution towards tuition fees				
Pays full fees	1,088	8,273	7,672	134
Pays part fees	310	7,747	7,385	134
Pays no fees	1,100	8,615	7,900	125

Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table 2.5: Key variations in part-time students' total income by student characteristics (£)

Student characteristic	Unweighted base (N)	Part-time		Standard error
		Mean	Median	
Gender				
Male	291	11,007	10,551	416
Female	599	11,349	10,584	276
Age				
Under 25	152	9,781	9,537	612
25 to 29	123	11,004	11,600	419
30 to 39	298	11,676	11,055	398
40 and over	316	12,060	11,282	426
Social class				
Managerial/professional	463	12,301	11,467	372
Intermediate	163	11,052	9,760	657
Routine/manual	241	9,449	9,005	409
Family type				
Two-adult family	284	10,518	10,361	249
Lone-parent family	106	14,288	13,118	951
Married/couple	211	11,111	10,900	358
Single	289	11,136	10,450	518
Living in London				
Yes	129	11,713	11,620	655
No	761	11,130	10,530	254

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Student background

There was a slight difference found in total average (mean) income by gender: the average income of male part-time students was £11,007 whereas the figure for female part-time students was higher at £11,349 (Table 2.5). This corresponds with the pattern for full-time students, where the average total income was higher for female students than for males. However, this difference was not found to be significant in the multiple regression model.

While the overall income level varies only marginally, the income sources vary considerably for part-time female and male students. Male students were earning considerably more on average from paid work than women (£10,765 compared with £6,846). However, they 'lost' income to family and friends (NB figures have been adjusted for partner contributions, and in the case of men the overall figure is negative; see Table 2.6). Female part-time students, however, receive significantly more than males from social security benefits.

Table 2.6: Total student income and main sources of income by gender (part-time students) (£)

		Male	Female
Main sources of student support	Mean	114	249
	Median	0	0
	Standard error	17	21
Other sources of student support	Mean	579	463
	Median	0	0
	Standard error	112	57
Income from paid work	Mean	10,765	6,846
	Median	10,330	6,786
	Standard error	532	315
Income from family and friends*	Mean	-1,711	1,360
	Median	0	118
	Standard error	321	191
Social security benefits*	Mean	758	2,040
	Median	0	507
	Standard error	123	175
Other income*	Mean	502	391
	Median	0	0
	Standard error	135	77
Estimated total income*	Mean	11,007	11,349
	Median	10,551	10,584
	Standard error	416	276
N = (890) unweighted		291	599

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

As with full-time students, average total income tended to increase with age, and those in their 40s or older (when they commenced their course) had the greatest total income of £12,060 due in part to high levels of social security benefits. The 30 to 39-year-old group of students gained the most from paid work however they also contributed the greatest amount to their family income (*ie* 'lost' income; Table A2.5). Indeed, taking all things into account, age was a significant factor in explaining differences in total income, as indicated by the regression model.

Differences in income levels across socio-economic groups were more exaggerated for part-time students than for full-time students. Those from higher socio-economic backgrounds had a much higher total average income than those from lower socio-economic backgrounds (£12,301 compared to £9,449) – despite the latter's greater income from social security benefits (see Table A2.15 for breakdown by income source). The higher total income of the former is largely explained by the contribution from paid work. Those from managerial and professional backgrounds earned from paid work while studying almost twice as much, on

average, as those from manual work backgrounds. However, this is to be expected given that the calculation of socio-economic grouping for part-time students is based on the student's own current or previous occupation, rather than the occupation of his or her parent(s). Thus a student working in a managerial occupation (and therefore classed as having a managerial or professional background) is likely to earn considerably more than someone working in a routine or manual occupation (and classed accordingly). The difference in total income explained by socio-economic group was found, when taking other factors into account, to be significant (see the regression model Table A2.20).

Other differences were found according to family type for part-time students, though these differences were generally smaller than observed among full-time students. Single part-time students had higher total incomes than students in a couple (with or without a family), with £11,136 compared to £10,518 and £11,111 (Table A2.6), and these differences were significant in the regression model. However, lone parents had the highest total income, with £14,288. This higher income among lone parents is largely due to £6,657 in social security benefits and £1,105 in other income, although this is somewhat offset by the lower contribution from paid work for this group. Indeed, these students may not be able to work to the extent that other groups do, due to their family commitments.

The vast majority of part-time students lived away from their parental home (unlike the full-time student situation). However, the pattern found for full-time students holds, in that part-time students who live away have higher total incomes on average than those living with their parents (£11,374 and £10,228), though this difference was not significant. The make-up of income also differed: those living away from their parents 'lost' income to family and friends which reduced their total income, whereas those living with their parents tended to receive income from this source, increasing their total income (Table A2.16). The negative influence of family on total income for those living away is, however, counter-balanced by a considerable contribution from social security benefits, thus producing a relatively higher average total income for this group.

Part-time students living in London had on average a slightly higher total income than those living elsewhere (£11,713 and £11,130 respectively), which was due mainly to higher income from paid work among Londoners (Table A2.17). This factor was not significant in the regression model.

HE study-related factors

There were other differences, more apparent among part-time than full-time students (see above), by type of institution, subject and year of study (Table 2.7).

Table 2.7: Key variations in part-time students' total income by HE study-related factors (£)

HE study-related factors	Unweighted base (N)	Part-time		Standard error
		Mean	Median	
Type of institution				
HEI (England)	621	11,498	11,006	285
FEC (England)	80	11,349	10,550	547
HEI (Wales)	25	- ¹	-	-
OU	164	9,922	9,014	400
Subject				
Medical /dental	6	-	-	-
Other than medical/dental	883	11,179	10,551	226
<i>Allied to health</i>	110	12,907	11,785	508
<i>Science, engineering, technology and IT</i>	180	10,873	10,756	472
<i>Human and social sciences</i>	241	11,663	10,760	481
<i>Creative arts, languages and humanities</i>	155	10,195	8,444	745
<i>Education</i>	122	11,494	11,068	799
<i>Other subjects and combinations</i>	71	10,058	9,458	611
Year of study				
First year	270	11,011	10,044	398
Second/intermediate years	351	11,011	10,004	439
Final year/one-year course only	269	11,513	11,199	354

Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Part-time students at FECs had more income from work than those at HEIs. However, overall their income levels were broadly similar, as HEI students received more from family and friends, and more benefits and other student support, than did FEC students.

As with full-time students, there was considerable variation in total incomes by subject of study (Table 2.7), though again, these differences were not significant in the regression model. Also, as in the case of full-time study discussed above, those following courses in subjects allied to health had, on average, the highest total income (£12,907). This group also earned on average the most from paid work while studying and gained more in other sources of student support than other subject groups (Table A2.12). Those who studied creative arts, languages or humanities had among the lowest average total income (£10,195) due to the low level of income from paid work (only £5,344, half that earned by students of health allied subjects).

Part-time students in their final year (or on a one-year course) had on average slightly higher total incomes compared to those earlier in their courses (£11,513 compared to £11,011) (Table 2.7). This is different from the full-time pattern, where first years had the higher incomes. Again, a key explanatory factor is income from paid work. Part-time students in their final year (including those on one year only courses) had a slightly higher propensity to engage in paid work while studying than those in other years or those just starting their courses (89 per cent compared to 80 and 78 per cent respectively). The results could suggest that part-time students coming to the end of their studies are able to use their labour market experience to capitalise on the degree skills and knowledge accumulated and move into better paid employment than those in earlier years of study. These differences in total incomes according to year of study were not found to be significant in the regression model, when taking account of other factors.

Chapter 2: Additional Tables

Table A2.1: Student income and its main components by gender (£)

		Full-time		Part-time	
		Male	Female	Male	Female
Main sources of student support	Mean	3,433	3,246	114	249
	Median	3,450	3,240	0	0
	Standard error	84	66	17	21
Other sources of student support	Mean	388	819	579	463
	Median	0	0	0	0
	Standard error	49	95	112	57
Income from paid work	Mean	1,677	1,931	10,765	6,846
	Median	300	760	10,330	6,786
	Standard error	95	107	532	315
Income from family and friends*	Mean	2,095	2,112	-1,711	1,360
	Median	1,550	1,350	0	118
	Standard error	113	118	321	191
Social security benefits*	Mean	69	361	758	2,040
	Median	0	0	0	507
	Standard error	14	40	123	175
Other income*	Mean	198	232	502	391
	Median	10	5	0	0
	Standard error	35	26	135	77
Estimated total income*	Mean	7,861	8,701	11,007	11,349
	Median	7,460	7,942	10,551	10,584
	Standard error	114	115	416	276
N = (3,398) unweighted		800	1,708	291	599

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A2.2: Student income and its main components by broad ethnicity (£)

		Full-time		Part-time	
		White	Black or minority ethnic group	White	Black or minority ethnic group
Main sources of student support	Mean	3,337	3,282	187	189
	Median	3,300	3,486	0	0
	Standard error	56	185	14	38
Other sources of student support	Mean	623	666	549	228
	Median	0	0	0	0
	Standard error	67	94	62	47
Income from paid work	Mean	1,850	1,635	8,691	8,078
	Median	600	0	8,448	9,000
	Standard error	82	157	344	694
Income from family and friends*	Mean	2,222	1,417	-99	776
	Median	1,600	600	0	0
	Standard error	106	135	187	650
Social security benefits*	Mean	233	226	1,454	1,468
	Median	0	0	115	0
	Standard error	25	50	124	551
Other income*	Mean	236	105	406	155
	Median	10	0	0	0
	Standard error	27	26	71	65
Estimated total income*	Mean	8,502	7,331	11,188	10,894
	Median	7,839	6,620	10,561	10,138
	Standard error	112	203	252	1,018
N = (3,391) unweighted		2,119	387	781	104

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A2.3: Student income and its main components by ethnicity (in four groups) (£)

		Full-time					Part-time				
		White	Asian or Asian British	Black or black British	Mixed or other	Not stated	White	Asian or Asian British	Black or black British	Mixed or other	Not stated
Main sources of student support	Mean	3,337	3,135	3,515	3,279	- ¹	187	- ¹	(302) ²	(74) ²	-
	Median	3,300	3,030	4,020	3,285	-	0	-	(0)	(0)	-
	Standard error	563	243	255	253	-	14	-	(69)	(30)	-
Other sources of student support	Mean	623	364	1,091	693	-	549	-	(182)	(296)	-
	Median	0	0	0	0	-	0	-	(0)	(0)	-
	Standard error	67	108	262	135	-	62	-	(55)	(92)	-
Income from paid work	Mean	1,850	1,367	2,647	1,290	-	8,691	-	(8,139)	(9,682)	-
	Median	600	0	2,000	0	-	8448	-	(9,165)	(9,900)	-
	Standard error	82	212	333	207	-	344	-	0	0	-
Income from family and friends*	Mean	2,222	1,155	717	2,060	-	-99	-	(-548)	(1,992)	-
	Median	1,600	500	200	1,150	-	0	-	(0)	(50)	-
	Standard error	106	212	217	229	-	187	-	(1,139)	(911)	-
Social security benefits*	Mean	233	27	501	246	-	1,454	-	(2,959)	(741)	-
	Median	0	0	0	0	-	115	-	(702)	(0)	-
	Standard error	25	13	126	87	-	124	-	(1,365)	(304)	-
Other income*	Mean	236	56	61	175	-	406	-	(53)	(283)	-
	Median	10	0	0	7	-	0	-	(0)	(0)	-
	Standard error	27	8	17	61	-	71	-	(44)	(139)	-
Estimated total income*	Mean	8,502	6,104	8,531	7,743	-	11,188	-	(11,086)	(13,068)	-
	Median	7,839	6,030	7,840	6,980	-	10,561	-	(11,925)	(11,375)	-
	Standard error	112	300	503	256	-	252	-	(1,011)	(1,770)	-
N = (3,399) unweighted		2,119	137	103	147	3	781	21	41	42	5

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

² Reported data in brackets as the total number of cases in this category is between 30 to 50 and so should be treated with particular caution

Source: NatCen/IES SIES Survey 2004/05

Table A2.4: Student income and its main components by age (full-time) (£)

		Full-time		
		19 or under	20-24	Over 25
Main sources of student support	Mean	3,311	3,509	3,059
	Median	3,240	3,625	3,245
	Standard error	59	84	157
Other sources of student support	Mean	252	582	2,149
	Median	0	0	0
	Standard error	26	76	244
Income from paid work	Mean	1,576	1,823	2,737
	Median	546	829	257
	Standard error	92	91	297
Income from family and friends*	Mean	2,561	1,794	940
	Median	2,020	1,150	50
	Standard error	97	82	225
Social security benefits*	Mean	6	66	1,403
	Median	0	0	225
	Standard error	2	14	104
Other income*	Mean	151	269	372
	Median	15	0	0
	Standard error	15	65	63
Estimated total income*	Mean	7,857	8,045	10,660
	Median	7,430	7,630	9,970
	Standard error	120	121	270
N = (2,508) unweighted		1,369	661	478

Base: English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A2.5: Student income and its main components by age (part-time) (£)

		Part-time			
		Under 25	25-29	30-39	Over 40
Main sources of student support	Mean	164	193	223	170
	Median	0	0	0	0
	Standard error	34	33	32	18
Other sources of student support	Mean	675	384	625	319
	Median	220	0	1	0
	Standard error	153	127	123	45
Income from paid work	Mean	7,960	8,479	9,660	8,094
	Median	7,929	9,342	9,855	7,875
	Standard error	596	585	543	507
Income from family and friends*	Mean	357	287	-858	426
	Median	190	20	0	0
	Standard error	270	262	375	268
Social security benefits*	Mean	427	1,378	1,803	2,073
	Median	0	1	683	527
	Standard error	124	241	212	263
Other income*	Mean	198	283	222	978
	Median	2	0	0	0
	Standard error	49	126	50	268
Estimated total income*	Mean	9,781	11,004	11,676	12,060
	Median	9,537	11,600	11,055	11,282
	Standard error	612	419	398	426
N = (889) unweighted		152	123	298	316

Base: English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A2.6: Student income and its main components by household/family type (£)

		Full-time				Part-time			
		2-adult family	Lone parent	Married/couple	Single	2-adult family	Lone parent	Married/couple	Single
Main sources of student support	Mean	2,563	3,478	2,925	3,392	176	524	109	173
	Median	2,300	4,568	3,070	3,310	0	575	0	0
	Standard error	245	328	174	57	21	76	26	24
Other sources of student support	Mean	2,227	3,669	1,093	411	451	351	668	513
	Median	750	1,331	0	0	0	0	0	0
	Standard error	323	492	189	47	74	102	214	82
Income from paid work	Mean	3,142	1,522	3,033	1,676	8,757	5,501	10,134	8,232
	Median	507	0	2,056	560	8,100	4,380	10,800	8,200
	Standard error	484	293	366	69	514	746	613	502
Income from family and friends*	Mean	1,208	341	1,562	2,247	-361	152	-400	466
	Median	385	0	911	1550	-399	0	0	32
	Standard error	551	73	343	81	436	45	356	161
Social security benefits*	Mean	1,587	4,660	96	23	1,247	6,657	360	1,176
	Median	883	3,900	0	0	722	5,749	0	0
	Standard error	144	373	28	6	106	471	74	249
Other income*	Mean	215	977	165	197	246	1,105	241	576
	Median	0	0	0	10	0	0	0	0
	Standard error	55	273	58	25	94	212	64	183
Estimated total income*	Mean	10,941	14,647	8,875	7,947	10,518	14,288	11,111	11,136
	Median	10,419	14,505	8,350	7,490	10,361	13,118	10,900	10,450
	Standard error	324	427	335	94	249	951	358	518
N = (3,399) unweighted		156	92	181	2,080	284	106	211	289

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A2.7: Student income and its main components by whether parents went through HE (£)

		Full-time		Part-time	
		Yes	No	Yes	No
Main sources of student support	Mean	3,101	3,594	156	202
	Median	3,070	4,015	0	0
	Standard error	57	100	24	17
Other sources of student support	Mean	575	698	654	443
	Median	0	0	150	0
	Standard error	57	91	143	43
Income from paid work	Mean	1,646	2,033	9,138	8,348
	Median	300	967	9,126	8,316
	Standard error	86	100	561	364
Income from family and friends*	Mean	2,670	1,441	-25	1
	Median	2,160	831	35	0
	Standard error	102	99	320	192
Social security benefits*	Mean	158	324	1,267	1,561
	Median	0	0	0	312
	Standard error	25	34	202	153
Other income*	Mean	227	209	244	545
	Median	10	1	0	0
	Standard error	30	36	53	121
Estimated total income*	Mean	8,376	8,298	11,435	11,099
	Median	7,707	7,720	10,875	10,551
	Standard error	107	129	440	266
N = (3,389) unweighted		1,350	1,153	271	615

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A2.8: Student income and its main components by location of HE institution (£)

		Full-time		Part-time		OU
		England	Wales	England	Wales	
Main sources of student support	Mean	3,312	3,667	134	- ¹	656
	Median	3,300	3,555	0	-	725
	Standard error	62	131	14	-	15
Other sources of student support	Mean	641	376	561	-	230
	Median	0	0	0	-	0
	Standard error	66	107	64	-	75
Income from paid work	Mean	1,856	1,080	9,326	-	3,588
	Median	600	0	9,333	-	0
	Standard error	78	141	377	-	378
Income from family and friends*	Mean	2,109	2,006	-15	-	-104
	Median	1,431	1,485	0	-	0
	Standard error	97	173	194	-	187
Social security benefits*	Mean	242	50	1,015	-	5,049
	Median	0	0	0	-	4,420
	Standard error	25	22	134	-	349
Other income*	Mean	203	548	438	-	516
	Median	6	20	0	-	0
	Standard error	21	285	91	-	136
Estimated total income*	Mean	8,362	7,727	11,458	-	9,922
	Median	7,727	7,055	10,875	-	9,014
	Standard error	95	317	256	-	400
N = (3,399) unweighted		2,356	153	701	25	164

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A2.9: Student income and its main components by institution type (£)

		Full-time			Part-time			OU
		HEI Eng	FEC Eng	HEI Wales	HEI Eng	FEC Eng	HEI Wales	
Main sources of student support	Mean	3,323	3,076	3,667	139	119	- ¹	656
	Median	3,300	3,240	3,555	0	0	-	725
	Standard error	63	194	131	18	19	-	15
Other sources of student support	Mean	655	355	376	627	377	-	230
	Median	0	0	0	0	0	-	0
	Standard error	69	119	107	82	88	-	75
Income from paid work	Mean	1,804	2,893	1,080	9,007	10,213	-	3,588
	Median	571	1,460	0	9,000	9,900	-	0
	Standard error	76	613	141	384	976	-	378
Income from family and friends*	Mean	2,155	1,187	2,006	257	-771	-	-104
	Median	1,478	525	1,485	0	0	-	0
	Standard error	98	456	173	147	630	-	187
Social security benefits*	Mean	219	705	50	1,064	878	-	5,036
	Median	0	0	0	0	1	-	4,420
	Standard error	23	226	22	145	296	-	349
Other income*	Mean	198	301	548	404	533	-	516
	Median	8	0	20	0	0	-	0
	Standard error	21	134	285	94	224	-	136
Estimated total income*	Mean	8,354	8,518	7,727	11,498	11,349	-	9,922
	Median	7,750	7,070	7,055	11,006	10,550	-	9,014
	Standard error	96	559	317	285	547	-	400
N = (3,399) unweighted		2,226	130	153	621	80	25	164

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A2.10: Student income and its main components by student status (full-time) (£)

		Full-time	
		Dependent	Independent
Main sources of student support	Mean	3,362	3,202
	Median	3,300	3,300
	Standard error	57	119
Other sources of student support	Mean	293	1,868
	Median	0	0
	Standard error	30	199
Income from paid work	Mean	1,656	2,429
	Median	600	300
	Standard error	77	232
Income from family and friends*	Mean	2,379	1,094
	Median	1,720	200
	Standard error	86	178
Social security benefits*	Mean	15	1,034
	Median	0	0
	Standard error	4	90
Other income*	Mean	184	344
	Median	10	0
	Standard error	24	55
Estimated total income*	Mean	7,888	9,970
	Median	7,450	9,284
	Standard error	103	261
N = (3,399) unweighted		1,867	642

Base: all English full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A2.11: Student income and its main components by whether medical/dental student (£)

		Full-time		Part-time
		Medical or dental	Other	Other
Main sources of student support	Mean	2,831	3,343	190
	Median	3,070	3,329	0
	Standard error	221	60	13
Other sources of student support	Mean	995	618	514
	Median	0	0	0
	Standard error	207	65	57
Income from paid work	Mean	1,273	1,839	8,588
	Median	0	600	8,424
	Standard error	430	74	324
Income from family and friends*	Mean	2,729	2,084	-30
	Median	2,502	1,410	0
	Standard error	222	92	171
Social security benefits*	Mean	23	240	1,476
	Median	0	0	1
	Standard error	14	24	130
Other income*	Mean	153	220	442
	Median	5	7	0
	Standard error	70	24	80
Estimated total income*	Mean	8,004	8,344	11,179
	Median	7,540	7,705	10,551
	Standard error	345	94	226
N = (3,398) unweighted		169	2,340	883

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A2.12: Student income and its main components by subject studied (£)

		Full-time							Part-time						
		Medical/ dental	Subj allied to health	Sci/eng/ tech/IT	Human/ soc sci	Creative arts/ lang/hum	Educ- ation	Other/ comb	Medical/ dental	Subj allied to health	Sci/eng/ tech/IT	Human/ soc sci	Creative arts/ lang/hum	Educ- ation	Other/ comb
Main sources of student support	Mean	2,831	986	3,569	3,520	3,609	3,341	3,294	- ¹	74	112	229	277	244	260
	Median	3,070	0	3,555	3,550	3,580	3,650	3,100	-	0	0	0	0	0	0
	Standard error	221	144	112	76	80	129	159	-	20	23	36	37	33	48
Other sources of student support	Mean	995	4,550	200	220	225	1,165	179	-	789	439	493	368	686	504
	Median	0	4,862	0	0	0	0	0	-	625	150	0	0	0	15
	Standard error	207	364	37	25	31	326	46	-	130	53	109	230	256	162
Income from paid work	Mean	1,273	2,062	1,658	1,904	1,555	2,395	2,230	-	10,462	10,142	8,985	5,344	7,602	6,730
	Median	0	361	229	923	300	780	1,676	-	10,800	10,440	9,000	2,708	7,065	7,200
	Standard error	430	250	164	106	125	313	239	-	768	477	576	897	743	719
Income from family and friends*	Mean	2,729	1,361	2,182	2,332	2,341	1,139	2,009	-	-162	-1,080	-47	947	1306	182
	Median	2,502	800	1,650	1,550	1,650	716	1,362	-	0	0	0	50	200	0
	Standard error	222	183	178	118	135	265	191	-	433	384	367	371	601	528
Social security benefits*	Mean	23	641	116	233	145	502	240	-	1,474	899	1,543	2,288	1,377	2,224
	Median	0	0	0	0	0	0	0	-	488	0	0	507	546	429
	Standard error	14	100	35	46	33	82	79	-	252	186	292	341	260	519
Other income*	Mean	153	229	170	273	212	235	189	-	269	360	460	971	280	158
	Median	5	0	10	20	1	0	10	-	0	0	0	0	0	0
	Standard error	70	65	28	66	35	44	58	-	101	77	249	310	91	57
Estimated total income*	Mean	8,004	9,830	7,895	8,481	8,087	8,776	8,142	-	12,907	10,873	11,663	10,195	11,494	10,058
	Median	7,540	8,958	7,320	8,122	7,446	7,965	7,582	-	11,785	10,756	10,760	8,444	11,068	9458
	Standard error	345	354	188	150	168	387	219	-	508	472	482	745	799	611
N = (3,399)		169	210	412	622	627	285	169	6	110	180	241	155	122	71

Base: all English domiciled students

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A2.13: Student income and its main components by year of study (£)

		Full-time			Part-time		
		1st yr	2nd yr/other yr	Final yr/1-yr course	1st yr	2nd yr/other yr	Final yr/1-yr course
Main sources of student support	Mean	3,498	3,324	3,160	207	243	127
	Median	3,500	3,200	3,350	0	0	0
	Standard error	95	76	90	24	28	18
Other sources of student support	Mean	597	634	657	639	442	466
	Median	0	0	0	0	0	0
	Standard error	83	77	77	151	66	64
Income from paid work	Mean	1,957	1,713	1,779	7,756	7,986	9,860
	Median	750	826	12	7,650	7,389	10,170
	Standard error	130	110	94	536	496	466
Income from family and friends*	Mean	2,182	2,130	2,004	178	362	-500
	Median	1,450	1,490	1,340	20	0	0
	Standard error	97	106	144	277	239	345
Social security benefits*	Mean	303	158	228	1,856	1,612	1,000
	Median	0	0	0	0	250	1
	Standard error	52	29	37	289	155	163
Other income*	Mean	206	208	239	375	366	560
	Median	1	15	10	0	0	0
	Standard error	37	32	43	77	105	167
Estimated total income*	Mean	8,744	8,167	8,068	11,011	11,011	11,513
	Median	7,950	7,760	7,430	10,044	10,004	11,199
	Standard error	149	134	152	398	439	354
N = (3,399) unweighted		858	777	874	270	351	269

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Note: year of study variable includes college-based and OU students

Note: final-year students include 68 (unweighted) students on one-year only courses (full-time) and 37 (unweighted) students on one-year only courses (part-time). For these groups of students the mean total income was £9,637 and £11,126 respectively.

Source: NatCen/IES SIES Survey 2004/05

Table A2.14: Student income and its main components by year of study – focus on those in their final year of study or on one-year courses only (£)

		Full-time			Part-time		
		Final yr/1-yr course	Final yr only	1-yr course only	Final yr/1-yr course	Final yr only	1-yr course only
Main sources of student support	Mean	3,160	3,147	3,316	127	108	(247) ¹
	Median	3,350	3,300	4,095	0	0	(0)
	Standard error	90	93	299	18	19	(67)
Other sources of student support	Mean	657	407	3,618	466	488	(330)
	Median	0	0	6,000	0	1	(0)
	Standard error	77	45	507	64	74	(140)
Income from paid work	Mean	1,779	1,814	1,370	9,860	9,841	(9,978)
	Median	12	218	0	10,170	10,125	(11,673)
	Standard error	94	94	400	466	423	(1,502)
Income from family and friends*	Mean	2,004	2,090	980	-500	-469	(-695)
	Median	1,340	1,400	660	0	0	(0)
	Standard error	144	158	303	345	371	(781)
Social security benefits*	Mean	228	227	241	1,000	985	(1,098)
	Median	0	0	0	1	2	(0)
	Standard error	37	37	109	163	178	(366)
Other income*	Mean	239	250	111	560	622	(168)
	Median	10	10	13	0	2	(0)
	Standard error	43	47	32	167	191	89
Estimated total income*	Mean	8,068	7,935	9,637	11,513	11,574	(11,126)
	Median	7,430	7,175	10,220	11,199	11,018	(11,944)
	Standard error	152	152	539	354	360	(958)
N = 1,143) unweighted		874	806	68	269	232	37

Base: all English domiciled students in their final year or on a one-year course

* Note: figures adjusted for partner contributions where relevant

Note: year of study variable includes college-based and OU students

¹ Reported data in brackets as the total number of cases in this category is between 30 to 50 and so should be treated with particular caution

Source: NatCen/IES SIES Survey 2004/05

Table A2.15: Student income and its main components by social class (£)

		Full-time			Part-time		
		Managerial/ professional	Inter- mediate	Routine/ manual	Managerial/ professional	Inter- mediate	Routine/ manual
Main sources of student support	Mean	3,074	3,484	3,653	108	211	307
	Median	3,070	3,836	4,220	0	0	0
	Standard error	60	117	107	14	35	34
Other sources of student support	Mean	447	699	965	485	557	478
	Median	0	0	0	220	0	0
	Standard error	48	133	119	38	213	142
Income from paid work	Mean	1,840	1,657	1,949	10,820	7,252	5,751
	Median	420	498	1,239	10,800	7,280	4,418
	Standard error	97	119	154	397	579	469
Income from family and friends*	Mean	2,764	1,710	1,143	-502	990	259
	Median	2,330	1,200	540	0	80	40
	Standard error	107	134	144	295	407	304
Social security benefits*	Mean	151	182	491	907	1,720	2,193
	Median	0	0	0	0	1	546
	Standard error	21	43	73	112	452	217
Other income*	Mean	260	177	174	483	322	459
	Median	13	5	0	0	0	0
	Standard error	37	33	34	127	84	222
Estimated total income*	Mean	8,535	7,909	8,376	12,301	11,052	9,449
	Median	7,872	7,370	7,700	11,467	9,760	9,005
	Standard error	122	208	126	372	657	409
N = (3,238) unweighted		1,342	471	558	463	163	241

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

TableA2.16: Student income and its main components by whether student lives with parents during term-time (£)

		Full-time		Part-time	
		Lives with parents	Does not live with parents	Lives with parents	Does not live with parents
Main sources of student support	Mean	2,731	3,472	114	202
	Median	3,000	3,500	0	0
	Standard error	95	64	42	14
Other sources of student support	Mean	444	674	821	459
	Median	0	0	292	0
	Standard error	71	70	247	53
Income from paid work	Mean	2,344	1,694	8,277	8,660
	Median	2,100	180	8,280	8,649
	Standard error	154	80	855	346
Income from family and friends*	Mean	990	2,375	652	-138
	Median	600	1,800	200	0
	Standard error	77	105	377	198
Social security benefits*	Mean	59	275	98	1,718
	Median	0	0	0	410
	Standard error	17	30	64	134
Other income*	Mean	154	234	266	473
	Median	2	10	20	0
	Standard error	34	29	81	94
Estimated total income*	Mean	6,721	8,725	10,228	11,374
	Median	6,260	7,948	9,575	10,840
	Standard error	206	111	915	227
N = (3,399) unweighted		499	2,010	84	806

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A2.17: Student income and its main components by whether student lives in London during term-time (£)

		Full-time		Part-time	
		London	Elsewhere	London	Elsewhere
Main sources of student support	Mean	3,217	3,348	193	188
	Median	3,240	3,300	0	0
	Standard error	207	57	35	14
Other sources of student support	Mean	810	596	228	552
	Median	0	0	0	0
	Standard error	279	49	42	62
Income from paid work	Mean	2,044	1,780	9,992	8,423
	Median	490	571	10,143	8,235
	Standard error	135	77	747	343
Income from family and friends*	Mean	1,955	2,132	27	-20
	Median	1,100	1,500	0	0
	Standard error	173	104	342	184
Social security benefits*	Mean	192	241	1,099	1,513
	Median	0	0	0	2
	Standard error	54	25	223	140
Other income*	Mean	185	224	173	475
	Median	3	7	0	0
	Standard error	32	27	130	87
Estimated total income*	Mean	8,403	8,320	11,713	11,130
	Median	7,675	7,720	11,620	10,530
	Standard error	141	100	655	254
N = (3,398) unweighted		377	2,132	129	761

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A2.18: Student income and its main components by whether or not pays tuition fees and how much (£)

		Full-time			Part-time	
		Pays full fees	Pays part contribution	Pays no fees	Pays full fees	Pays no fees
Main sources of student support	Mean	2,366	3,994	4,205	190	- ¹
	Median	3,000	4,270	4,778	0	-
	Standard error	51	83	109	13	-
Other sources of student support	Mean	217	131	1,266	492	-
	Median	0	0	0	0	-
	Standard error	38	25	119	58	-
Income from paid work	Mean	1,911	1,656	1,762	8,614	-
	Median	520	814	520	8,460	-
	Standard error	103	131	97	326	-
Income from family and friends*	Mean	3,412	1,773	748	-35	-
	Median	3,100	1,290	250	0	-
	Standard error	107	113	84	171	-
Social security benefits*	Mean	85	79	453	1,476	-
	Median	0	0	0	1	-
	Standard error	19	37	46	130	-
Other income*	Mean	283	115	182	445	-
	Median	17	1	0	0	-
	Standard error	47	30	22	81	-
Estimated total income*	Mean	8,273	7,747	8,615	11,182	-
	Median	7,672	7,385	7,900	10,561	-
	Standard error	134	134	125	234	-
N = (3,388) unweighted		1,088	310	1,100	880	10

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A2.19: Linear regression model of total income for full-time students

Variables	Regression coefficient	Significance level	95% confidence (lower limit)	95% confidence (upper)
Gender				
Male (ref. category)	0			
Female**	452.1534	0.001	180.043	724.2639
Age-group				
Under 20 (ref. category)	0			
20 to 24	265.6518	0.069	-21.2087	552.5123
25 and over*	889.6434	0.014	176.9569	1,602.33
Socio-economic group				
Managerial/professional (ref. category)	0			
Intermediate*	-486.675	0.032	-930.482	-42.8677
Routine/manual**	-496.946	0.001	-803.385	-190.506
Family/household type				
Two-adult family (ref. category)	0			
Lone-parent family***	5,482.792	0	4,425.632	6,539.952
Married couple*	-1,438.53	0.023	-2,681.76	-195.296
Student status				
Dependent (ref. category)	0			
Independent	306.1197	0.322	-300.391	912.6304
Marital status				
Married (ref. category)	0			
Lives with partner	-158.687	0.772	-1,232.89	915.5203
Single**	-1,786.73	0.001	-2,859.93	-713.532
Ethnicity				
White (ref. category)	0			
Asian/Asian British***	-1,783.15	0	-2,612.83	-953.468
Black/black British	-978.558	0.102	-2,151.63	194.5134
Mixed/other**	-856.299	0.008	-1,485.85	-226.747
Living circumstances				
Lives with parents (ref. category)	0			
Lives away***	1,460.744	0	970.87	1,950.618
Living in London				
London (ref. category)	0			
Elsewhere**	-609.231	0.001	-980.292	-238.169
Parental experience of HE				
Yes (ref. category)	0			
No	-75.8022	0.624	-378.718	227.1139

Type of institution

HEI England (ref. category)	0			
FEI England	-117.02	0.814	-1,092.43	858.3886
HEI Wales	-587.708	0.081	-1,248.86	73.44367

Subject of study

Medical/dental (ref. category)	0			
Allied to health	-180.401	0.68	-1,039.53	678.7265
Science, engineering, technology and IT	-189.692	0.615	-929.546	550.1623
Human and social sciences	192.7422	0.6	-528.643	914.1276
Creative arts, languages and humanities	-401.772	0.286	-1,139.6	336.0508
Education	-301.239	0.574	-1,351.45	748.9703
Other subjects and combinations	-246.824	0.524	-1,005.53	511.8791

Year of study

First year (ref. category)	0			
Second/intermediate years**	-489.032	0.005	-833.544	-144.521
Final year/one-year course only***	-657.6	0.002	-1,063.25	-251.947

Constant	9,658.079	0	8,201.528	11,114.63
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N (2,352 unweighted)

Base: all English domiciled full-time students

Note: R-squared 0.1761, *p<0.05, **p<0.01, ***p<0.001

Source: NatCen/IES SIES Survey 2004/05

Table A2.20: Linear regression model of total income for part-time students

Variables	Regression coefficient	Significance level	95% confidence (lower limit)	95% confidence (upper)
Gender				
Male (ref. category)	0			
Female	34.32554	0.954	-1,127.6	1,196.252
Age-group				
Under 25 (ref. category)	0			
25 to 29**	1,925.994	0.004	605.5786	3,246.41
30 to 39**	2,929.47	0.001	1,234.484	4,624.456
40 and over***	3,419.39	0	1,595.632	5,243.149
Socio-economic group				
Managerial/professional (ref. category)	0			
Intermediate	-1,356.91	0.097	-2,957.89	244.0729
Routine/manual***	-2,950.84	0	-4,135.67	-1,766.01
Family/household type~				
Two-adult family (ref. category)	0			
Lone-parent family*	2,872.304	0.037	172.1476	5,572.461
Married/couple	527.0988	0.366	-615.265	1,669.462
Marital status				
Married (ref. category)	0			
Living with partner**	2,032.861	0.008	532.9891	3,532.733
Single***	2,680.289	0	1,241.624	4,118.955
Ethnicity				
White (ref. category)	0			
Black and minority ethnic student	-503.18	0.689	-2,967	1,960.635
Living circumstances				
Lives with parents (ref. category)	0			
Lives away	-285.636	0.788	-2,363.99	1,792.72
Living in London				
London (ref. category)	0			
Elsewhere	-953.147	0.284	-2,697.03	790.7348
Parental experience of HE				
Yes (ref. category)	0			
No	-826.62	0.125	-1,882.34	229.1038
Type of institution				
HEI England (ref. category)	0			
FEI England	-75.8467	0.915	-1,468.91	1,317.214
HEI Wales	-2,726.75	0.097	-5,943.03	489.5302

Subject of study

Medical/dental (ref. category)	0			
Allied to health	-1,336.94	0.661	-7,309.63	4,635.756
Science, engineering, technology and IT	-2,461.85	0.382	-7,987.9	3,064.203
Human and social sciences	-2,071	0.487	-7,918.3	3,776.307
Creative arts, languages and humanities	-3,515.69	0.251	-9,524.78	2,493.4
Education	-1,509.98	0.612	-7,344.48	4,324.525
Other subjects and combinations	-2,951.87	0.32	-8,772.25	2,868.508

Year of study

First year (ref. category)	0			
Second/intermediate years	250.452	0.674	-915.521	1,416.425
Final year/one-year course only	332.9908	0.482	-595.113	1,261.095
Constant	12,319.11	0	6,300.869	18,337.35

N (849 unweighted)

Base: all English domiciled part-time students

Note b: R-squared 0.1542, *p<0.05, **p<0.01, ***p<0.001

Source: NatCen/IES SIES Survey 2004/05

3. Sources of Student Income

3.1 Summary of key findings

- Student loans were a key source of income for full-time students, contributing on average £2,713 towards total income (which accounts for 33 per cent). Part-time students were ineligible for this form of student support in 2004/05.
- Almost four out of five full-time students took out a student loan, the average loan was £3,426 and this varied little between groups of students. Traditional students were those most likely to take out a loan, *ie* young, single, dependent and living away from their parental home.
- Almost half of full-time students received tuition fee support from government. The average received (for those receiving any) was £1,017 and so was very close to the student fee contribution in 2004/05 of £1,150. However, far fewer part-time students received support for tuition fees – only 27 per cent – and they received on average £480.
- A key additional source of student financial support came from the NHS through bursaries and additional allowances, although this only benefited a very small proportion of students (five per cent).
- Earnings from paid work during the academic year (*ie* excluding the summer vacation) was a key source of income for full-time students but particularly for part-time students. Working while studying contributed on average £1,821 to full-time students' income (accounting for 22 per cent of the total), and made a substantial contribution of £8,600 (or 77 per cent) towards part-time students' total income.
- Over half (56 per cent) of all full-time students undertook paid work at some time during the academic year, and earned on average £3,257. This was more likely to be permanent or continuous employment than casual work. Those more likely to work and/or rely heavily on earnings were those more able to do so (those with no dependent children), and non-traditional students – older, living at home with their parents, black/black British. Working while studying was less common among English students studying in Wales, those

studying medicine and dentistry, and among those in their final year of studies.

- There was a higher incidence of paid working during the academic year among part-time students than for full-time students. Eighty-three per cent engaged in paid work, earning on average £10,390, and 80 per cent reported working in continuous jobs (*ie* a weekly job that they had since the start of the academic year or before, and expected to continue to the end of the academic year). In many cases the monies earned from work during the year were to some extent shared with students' partners and families.
- A substantial proportion, 39 per cent of all full time students and 52 per cent of part-time students, who had undertaken paid work during the academic year, felt that work had impacted upon their health and well-being, study outcomes and the quality of their higher education experience. Part-time students, who were more likely to be working and working regularly, felt they were relatively more likely to miss lectures or have difficulties accessing institution facilities than those studying full-time.
- Income from family and friends contributed a quarter (25 per cent) of full-time students' total income. Much of the income from this source came from students' parents. Those found to rely most heavily on income from family and friends, particularly parents, were again traditional students – younger, white, dependent, living away from home, from higher socio-economic backgrounds and from families with experience of higher education.
- A different pattern was found for part-time students, where the average contribution from family and friends was both small and negative. On average part-time students' income was reduced by £15, with contributions from relatives and friends just outweighed by students' contributions to their partners.
- While many full-time students are ineligible for social security benefits, these benefits represented an important source of income for non-traditional students, particularly older students, those of independent status, and those with children. Among those in receipt of benefits, the average income from this source was £2,303. Benefits were more prevalent among part-time students, and half of this group received some form of social security benefit, on average £2,956.

3.2 Introduction

This chapter looks in more detail at the different sources of student income available to English domiciled students in the academic year 2004/05. As we have seen in Chapter 2, student total income levels and the amounts received from different

sources differed between full-time and part-time students, and also varied between different types of students according to a number of characteristics and circumstances. The sources have been grouped for analyses into five types:

- **Main sources of student support**, that is the main HE study-related financial support from the government for students. The sources include student loans, Access to Learning Funds, Financial Contingency Funds or Opportunity Bursaries, the new Higher Education Grant and tuition fee support or course grants.
- **Other sources of financial support**. These contribute in aggregate much less to student income totals, but because they are mainly targeted towards the specific needs of certain groups of students or related to specific subjects or courses (*eg* NHS-related bursaries, disabled students' allowances, childcare grants), they can be more significant for some groups, as Chapter 2 showed. They also include other kinds of support (*eg* Career Development Loans, employer bursaries).
- **Income from paid work** during the academic year 2004/05 (excluding work during the long summer vacation). This is an increasingly important source of income to full-time students as the trend is for more of them to work during term-time. It represents the main source of income for part-time students, as many will be working and studying.
- **Financial support from family and friends**. For young people, parents in particular are an important source of income. However, instead of receiving income, part-time students may have to make a financial contribution to the household, *ie* their income in relation to family and friends is negative).
- **Social security benefits**. These are important for certain groups, especially part-time students.

As in the previous chapter, we focus only on key variations between students but further details of the sources of income are given in the tables at the end of this chapter.

3.3 Main sources of student support

The main sources of student support are a central element of government policy. As outlined in Chapter 1, there have been a number of reforms and changes to them over the years. For the students in the 2004/05 survey, we have identified and categorised the following sources as 'main sources', and they are discussed further in this section:

- student loans

- Access to Learning Funds or Opportunity Bursaries (known as hardship funding) or Financial Contingency Funds (for those studying in Welsh HEIs)
- the new Higher Education Grant (available only to first-year students as they were introduced in 2004/05)
- tuition fee support or course grants (essentially the part of a students' fee contribution which they are assessed not to have to pay).

As indicated above, there are 'other' sources of student support which are discussed in the next section.

3.3.1 Full-time students

In aggregate, the category defined as 'main sources of support' totalled on average £3,327 for all full-time students, which represented around two-fifths (40 per cent) of their average total income (discussed in the previous chapter, and also illustrated in Figure 2.1). It is a much more important source of finance for most full-time students than for part-time students.

Younger full-time students relied more heavily on these main sources of support than older full-time students, as they made up 43 per cent of the average total income of students aged under 25 (age on entry to their course), compared to 29 per cent for those over 25. Other students who relied more heavily on them as a contribution to their total income included:

- those who make some (not full) contribution towards tuition fees (52 per cent of their total average income) or pay no fees at all (49 per cent)
- those from lower socio-economic groups (intermediate and routine or manual work backgrounds, 44 per cent)
- single students (43 per cent of total income came from main student support sources)
- Asian or Asian British students (51 per cent)
- dependent students (43 per cent)
- those studying in a Welsh HEI (47 per cent)
- students following courses in science, engineering, technology and IT, or creative arts, languages and humanities (45 per cent).

(For more details on these groups see Additional Tables A3.5 – A3.19 at the end of this chapter.)

The vast majority (85 per cent) of full-time students received income from these main sources, each receiving on average £3,931.

The main funding source in this category of support measures is the **student loan**. Others are less significant by comparison for full-time students, and in each case, at least half the full-time students were not in receipt of them, *ie* median values equalled zero (Table 3.1).

Table 3.1: Average amount for each of the main sources of student financial support for HE study (£)

		Full-time	Part-time
Student loan	Mean	2,713	n/a
	Median	3,070	n/a
	Standard error	52	n/a
Access to Learning Funds/ Financial Contingency Funds	Mean	46	20
	Median	0	0
	Standard error	6	6
Higher Education Grant	Mean	79	n/a
	Median	0	n/a
	Standard error	6	n/a
Course grant	Mean	0	38
	Median	0	0
	Standard error	0	3
Tuition fee support	Mean	489	130
	Median	0	0
	Standard error	14	10
Main sources of student support	Mean	3,327	188
	Median	3,300	0
	Standard error	59	13
N = (3,399) unweighted		2,509	890

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Student loan

The student loan is a loan from a student's local education authority (LEA) that must be repaid when the student has graduated and is earning over a certain threshold (this currently stands at £15,000). In the 2004/05 academic year, the full-time students surveyed could borrow up to a maximum of £4,095 if they were living away from home, £3,240 if they were living at home, or £5,050 if they were living in London (to allow for the higher living costs in the capital). In addition, full time students could also apply for a top-up loan to cover courses longer than 30 weeks. This was known as the 'extra weeks allowance'.

In 2004/05, the average student loan (including extra weeks allowance), across all full time students, was approximately £2,713 – this accounted for 33 per cent of their average total income in the 2004/05 academic year.

Over three-quarters, 79 per cent, of all full-time students actually received income from a student loan, and they received on average £3,426 (Table 3.2). This is very close to the figure of 81 per cent of eligible students taking out a loan in 2003/04, reported by the Student Loans Company, and the £3,195 average value of loan figure¹. The difference may reflect an actual change one year later, but is more likely to be due to differences in coverage (in terms of ‘eligible’ students in surveys, and allowances for survey sampling error).

However, 21 per cent did not take out a loan at all. Among the small group of students surveyed who were eligible to take out a student loan yet neither received nor applied for such support, the key reason given for not applying for a student loan was that individuals felt they did not need the money (46 per cent), closely followed by a dislike of borrowing or concern about debt (42 per cent). Other common explanations were that students were put off by their family, in that their parents or partners did not want them to take a loan (24 per cent), or that they preferred to get a paid job rather than a loan (24 per cent).

Students with the following characteristics or backgrounds were more likely to have taken out a student loan: those who paid a contribution towards tuition fees (92 per cent), were studying at a Welsh HEI (91 per cent), young (aged under 25, 84 per cent), dependent students (84 per cent), single (83 per cent), and living away from their parents (82 per cent).

The following were the least likely: two-adult families (50 per cent), 25 or older when they started their course (56 per cent), independent students (63 per cent), Asian/Asian British background (67 per cent), living with parents (68 per cent), and paid tuition fees in full (76 per cent).

A logistic regression² was conducted to explore in further detail which student and study characteristics affected the propensity to take out a student loan. The model found that when controlling

¹ See the Student Loans Company website for facts and figures <http://www.slc.co.uk/noframe/corpinfo/factfig.html>.

² Logistic regression is an analysis technique whereby the propensity for a particular action or outcome, in this case the propensity to take out a Student Loan, is modelled on a number of other (independent) variables, in this case student and study characteristics such as age, gender and subject of study. The logistic regression model takes account of the interactions between these different independent variables.

for other variables, the following factors were statistically significant:

- age, with older students significantly less likely than younger students to take out a loan
- family and marital status, with couples less likely to have a loan than two-adult families and those either single or living with their partners significantly less likely to have a loan than married couples
- ethnicity, with Asian/Asian British and students of mixed or other ethnic backgrounds significantly less likely to take out a loan than white students
- living circumstances, with those living away from their parental home significantly more likely to take out a loan
- fee status, with those who had some government support with their tuition fees (part or full payment) being much more likely to take out a loan than those who paid their own fees in full
- type of institution attended, with those studying at an English FE college being significantly less likely to have a student loan than those at an English HEI
- subject studied, with those not studying medicine or dentistry or subjects allied to health or education being significantly more likely to take out a loan (Table A3.20).

Higher Education Grant

In 2004 the Higher Education Grant, worth a maximum of £1,000 a year, was introduced. It is aimed at helping students with low incomes or from low-income families with their living and studying costs. The amount received depends on the student's or their family's income. As it was introduced in 2004, only those in our survey who started their courses in 2004/05 (*eg* first-year students) were able to access this form of support.

The average amount of income received from the Higher Education Grant across all full-time students in the survey was approximately £80, but only nine per cent of the total sample actually received it. When only first-year students are included (the only eligible group in the survey who could access it), the figure rises to a quarter (25 per cent), and they received on average a much higher figure, £898 each (Table A3.2).

Table 3.2: Proportion of full-time students in receipt of student loan, and for recipients the average loan taken out (£) by key student characteristics

Characteristic	Mean	Median	Standard error	N in receipt (unweighted)	Proportion in receipt (%)
All students	3,426	3,387	28	1,906	79
Gender					
Male	3,441	3,400	48	638	82
Female	3,413	3,358	30	1,268	77
Age					
Under 20	3,355	3,240	28	1,127	84
20 to 24	3,444	3,400	47	533	82
25 and over	3,778	4,000	77	246	56
Socio-economic group					
Managerial/professional	3,316	3,100	28	1,026	80
Intermediate	3,514	3,555	43	360	79
Routine/manual	3,603	3,555	41	412	77
Household/family type					
Two-adult family	3,595	3,600	81	70	50
Lone-parent family	3,880	4,095	96	54	61
Married/couple	3,575	3,555	77	102	62
Single	3,401	3,300	30	1,680	83
Student status					
Dependent	3,388	3,268	30	1,535	84
Independent	3,608	3,628	56	371	63
Ethnicity					
White	3,416	3,362	26	1,647	81
Asian/Asian British	3,394	3,333	117	85	67
Black/black British	3,508	3,387	137	71	72
Mixed or other	3,557	3,555	84	102	71
Living circumstances					
Live with parents	2,958	3,010	41	338	68
Live away	3,520	3,555	32	1,568	82

Source: NatCen/IES SIES Survey 2004/05

As would be expected, given the nature of the funds, among first year students those most likely to receive income from this source included: students who paid no contributions towards their tuition fees, those from routine and manual work backgrounds, those living at home and those whose parents did not attend HE. However, other groups more likely to receive the grant were older students, independent students, those from Asian/Asian British or black/black British backgrounds, and those studying at FE colleges.

Table 3.3: Proportion of full-time students in receipt of a student loan, and for recipients the average loan taken out (£) by key study characteristics

Characteristic	Mean	Median	Standard error	N in receipt (unweighted)	Proportion in receipt (%)
All students	3,426	3,387	28	1,906	79
Year of study					
First year	3,567	3,485	51	641	78
Second/intermediate years	3,475	3,300	35	619	82
Final year/one-year course only	3,241	3,300	32	645	78
Location of Institution					
England	3,424	3,355	30	1,773	79
Wales	3,449	3,555	56	133	91
Fee status					
Pays full fees	3,096	3,070	33	807	76
Pays part fees	3,669	3,665	51	286	92
Pays no fees	3,693	3,900	32	805	79

Source: NatCen/IES SIES Survey 2004/05

Access to Learning Funds, Financial Contingency Funds and Opportunity Bursaries

This is a third source of income support for students, and comes via their HE institution. Funds have been given by government to institutions in order that they can provide help to students on low incomes who need extra financial support or are in financial difficulty. In 2004/05 these funds were called the Access to Learning Fund (ALF), but were previously termed Hardship Funds, and in Welsh HEIs they are referred to as Financial Contingency Funds (FCFs). They can be provided to students on a grant basis (*ie* do not require repayment) or as a loan.

A further source of funding from HEIs have been Opportunity Bursaries, but these have been discontinued for new students, so only continuing students (in their second year or beyond) would have them. They were aimed at young full-time students in England, and were introduced on a three-year pilot as part of the government's *Excellence Challenge* to help increase participation of students in HE from disadvantaged backgrounds. The last year in which new students could be awarded an Opportunity Bursary was 2003/04 (from 2004/05 Opportunity Bursaries were replaced with the Higher Education Grant, see above). Although there were no new bursaries, instalments of continuing bursaries continued to be paid in 2004/05, so some were reported by students in the survey.

Taken together, full-time students received on average £46 from these grant/bursary sources¹. Only five per cent actually received monies from either the ALF/FCF or Opportunity Bursaries, but for this group, the contribution they made to their total income was much higher, on average £834. Students (both recipients and those who had heard about the funds) reported that the key sources of information about ALF/FCF grants or loans were word of mouth, *eg* from other students and friends (28 per cent); from advisory services (26 per cent); and from printed college materials (22 per cent). It would appear that government leaflets, information from LEAs and from tutors and lecturers, information posted on college or wider websites, and national media had far less impact on the awareness of students about this source of financial support.

The vast majority, 95 per cent, of all full-time students therefore do not receive ALF/FCF grants or loans. It is interesting to explore this a little further: of these individuals, three quarters (75 per cent) were not aware of them, *ie* had not heard of ALF/FCF, whereas some students had heard of the funds but had decided not to make an application. In the latter case, the key reasons given for not making an application were that they did not think they would get any money if they applied (39 per cent) or they did not think they could apply (22 per cent), or they felt that they did not need the money (25 per cent).

Tuition fee support

In 2004/05 full-time and PGCE students on lower incomes or in lower income families could receive support from government (via their LEA) towards their tuition fees (which were set at £1,150 in 2004/05). This support has been treated as income in our analyses, rather than included as a negative cost or discount in the expenditure analysis (in Chapter 5)². The vast majority of students (81 per cent) applied to LEAs for financial support towards their fees, and over half (50 per cent) were assessed to make some contribution and half made no contribution (further discussion on which groups were more likely to be assessed for contributions is included in Chapter 5, section 5.4).

Across all full-time students in the survey, the average amount received in tuition fee support was £489, representing just over 40 per cent average support towards their fees. However, only just under half (48 per cent) of all full-time students actually received

¹ Figures include monies given as grants but exclude those given as a loan. ALF/FCF loans are counted as borrowing (see Chapter 6).

² The part of the tuition fee a student is assessed to contribute is counted as a cost or expenditure, and is explored in Chapter 5. However this chapter deals with income, that is the part of the tuition fee that is paid for by the government.

tuition fee support; and, of these, the average amount received was very close to the maximum available, at £1,017 (accounting for almost 90 per cent of their tuition fees).

3.3.2 Part-time students

As has been shown in Chapter 2, the sources of support which we have described as the 'main sources of student support' in the survey analysis contributed very little on the whole to part-time students total income – on average £188, or only two per cent of the total. This is because the vast majority of part-time students are ineligible for most of the funding sources outlined above (although in 2004/05 part-time students with a reckonable income below £14,600 were eligible for full fee and course grant support). Some different financial support arrangements apply to part-time students, as shown earlier in Chapter 1, often targeted towards particular groups and circumstances (thus part-time students have a higher average figure in 'other' than 'main' sources categories, as indicated in Table 2.1, and discussed further below).

The survey showed that far fewer part-time students than full-time students accessed funding from this main sources category: only 29 per cent, each receiving on average £646. Looking at each of the main elements (shown in Table 3.1):

- In 2004/05 part-time students were not eligible for student loans so received no income from these sources of funding.
- They were also not eligible for Higher Education Grants.
- However, part-time students on a low income could apply for a means-tested grant of up to £575 towards course fees, and up to £250 towards course related costs such as books and equipment. Across all part-time students, the average amounts received in tuition fee support and in course grants were just £130 and £38 respectively. However, few part-time students accessed these forms of student support. Only 27 received tuition fee support and 16 per cent secured a course grant – gaining £479 and £244 respectively.
- Part-time students received on average around £20 from the Access to Learning Fund or Financial Contingency Fund, ALF/FCF, (they were not eligible for Opportunity Bursaries). However, only a very small proportion, three per cent, reported receiving monies from ALF/FCF, too small a number to give a reliable estimate of the average amount obtained by recipients, or the key sources of information about these funds. This means that no further analysis is possible.

3.4 Other sources of student support

In addition to the main sources of student support outlined above, both full-time and part-time students can access other forms of

financial support for their HE study. These cover a variety of sources of funds which tend to be targeted towards particular groups of students according to their financial status, personal circumstances or subject of study (*eg* child-related, teaching-related, NHS-related, disabled student support); and other sources of support such as Career Development Loans, employer support, bursaries and awards from charities or other sources that affect only very small numbers of students.

On the whole, these contributed in aggregate very little to either full-time or part-time average student income, partly because many of these funds are very specific and targeted. However, as shown below, some have more significance for certain groups.

3.4.1 Full-time students

In aggregate, these other sources of funding contributed only eight per cent of the average full-time student income, the average (mean) amount received being £629 (Table 3.4). Only two in every five full-time students actually received any income from any of these other sources of student support (*ie* 60 per cent did not). However, for those students who did receive income from this type of source, its contribution was significant as they received on average £3,092.

The group of full-time students that appeared to rely most heavily (relative to other groups) on these other sources of student support were students on courses in subjects allied to health (which is mainly nursing but also includes small numbers in pharmacy and pharmacology, ophthalmics, medical technology and various health occupationally related disciplines), where they contributed, on average, 46 per cent of the students' total income.

Others to whom this category of funds was also relatively more important were:

- those on one-year courses only, where they contributed 38 per cent of total income
- students with children (both one- and two-parent families) – where they contributed 25 and 20 per cent respectively
- older students (25 or older when they started their courses) – 20 per cent
- independent students – 19 per cent
- those who pay no contributions towards fees – 15 per cent
- black students – 13 per cent
- those studying medicine and dentistry, or education – 12 and 13 per cent respectively
- those from lower socio-economic backgrounds (families in routine or manual occupations) – 12 per cent.

This category was also more important to female than male students (nine per cent versus five per cent). However, this, and some of the other differences outlined in the bullet points above, are likely to be heavily influenced by the female bias in the subjects allied to the health subject group.

3.4.2 Part-time students

Across all part-time students the average (mean) amount received was even lower than for full-time students, at £515 (Table 2.1) There was very little difference by student characteristics and background in the amount received or contribution to total income.

However, the pattern of accessing this category of funds was different for part-time students:

- Forty-five per cent of part-time students accessed these funds, which was more than double the proportion doing so among full-time students.
- The category was more important on average than the 'main sources' category for part-time students, in terms of level of income received.
- For those accessing this category, the average amount received towards their income was £1,157.

Next this chapter addresses each of the elements of the 'other student support' category.

3.4.3 Types of specific financial help to certain groups

The various kinds of allowances, bursaries and grants available to those studying in 2004/05 have different eligibility and amounts available/received, depending on individual student circumstances and household income levels. Furthermore, each tends to be accessed by a very small proportion of students, as the survey demonstrated – generally less than five per cent. The different elements are shown in Table 3.4 (while Table A3.3 shows the figures for those students in receipt of them).

First, there is a group of funds for **students in different circumstances:**

- **Child-related support** – this includes the Childcare Grant, Parents' Learning Allowance, and Lone Parents' Grant for full-time students with dependent children; and for part-time students a discretionary Childcare Grant. It does not include Child Tax Credit.

Table 3.4: Average amount for each of the other sources of student support (£)

		Full-time	Part-time
Child-related support	Mean	48	1
	Median	0	0
	Standard error	7	1
Adult Dependants' Grant	Mean	5	0
	Median	0	0
	Standard error	3	0
Teaching-related support	Mean	88	0
	Median	0	0
	Standard error	18	0
NHS-related support	Mean	292	28
	Median	0	0
	Standard error	50	15
Disabilities	Mean	64	52
	Median	0	0
	Standard error	13	20
Career Development Loans	Mean	2	1
	Median	0	0
	Standard error	2	1
Employer support	Mean	39	62
	Median	0	0
	Standard error	17	33
Bursaries/Charities	Mean	4	0
	Median	0	0
	Standard error	2	0
Other (eg EU program/Care Leavers, Travel)	Mean	89	371
	Median	0	0
	Standard error	11	46
Other sources of student support	Mean	629	515
	Median	0	0
	Standard error	63	56
N = (3,399) unweighted		2,509	890

Base: all English domiciled students

Source: NatCen/IES SIES Survey 2004/05

Across all full-time students, an average of £48 was received in child-related support. Only two per cent of all full-time students accessed these funds. It is important to note, however, that only seven per cent of full-time students had children in their household, and just under one-third (29 per cent) of this group received child-related support. For these students who accessed

the funds, the support received was substantial, making a contribution on average of £2,264 each to total income.

Very few part-time students accessed this fund so the figures cannot be reported due to reliability thresholds.

- **Adult Dependants' Grant** – for full-time students with a dependent adult family member in their household.

Across all full-time students, an average of £5 was received in Adult Dependants' Grant. However, only a handful of individuals accessed these funds (less than one per cent) so again the figures cannot be reported due to reliability thresholds.

- **Disabled students' allowances** – for full and part-time students with disabilities, and consisting of a general allowance, a specialist equipment allowance, a non-medical helpers allowance, and extra travel costs.

An average of £64 was received by full-time students and £52 by part-time students in disabled students' allowances. Only a small number accessed these funds, just three per cent of all full-time students. As with childcare support, for those in receipt of the allowances, the funds were substantial. Half gained a sum of at least £1,500 and the average amount was £2,135.

Very few part-time students received these allowances, so the figures cannot be reported.

Second, there is a group of special funds **relating to subject studied**:

- **Teaching-related support** – including the Training Bursary for those on postgraduate courses leading to qualified teacher status; and funding from the Secondary Shortage Subject Scheme, a needs assessment grant for those taking initial teacher training (ITT) courses in shortage subjects such as ICT and applied science.

Across all full-time students, an average of £88 was received in teaching-related support. Only a small number (two per cent) actually accessed these funds, receiving on average £5,453 each.

As noted earlier (in section 2.4.1), this form of support was particularly important to those on one-year only courses, as they tended to be studying for teaching qualifications. Across all one-year students, the average teaching-related support was £2,955. Almost half (49 per cent) of one-year only students received this form of support and they received £6,028 each on average.

However, these figures should be treated with caution due to the small numbers of students involved¹.

- **NHS-related support** – which includes NHS bursaries (includes payment of tuition fees) for full- and part-time students on NHS funded HE places, extra weeks allowances for long courses, and additional allowances for particular groups of students, *eg* older students; plus NHS student loans.

This support is a key constituent of other student support income for some students (as identified above and in the previous chapter).

Across all full-time students, an average of £292 was received in NHS-related support. This alone accounts for almost one-half of the £629 total across ‘other student support’. However, only five per cent of all full-time students accessed these NHS-related funds, receiving an average of £6,363 each. Recipients were confined to relevant subjects: medicine, dentistry and subjects allied to health. Across medicine and dentistry students, approximately one in ten received NHS-related support (11 per cent). However, NHS-related support was much more prevalent among students following courses allied to health, where 60 per cent received some financial support from the NHS.

On average, part-time students received £28 in NHS-related support, but again due to the small number actually receiving this form of support, the average amount for recipients cannot be given.

Third, there are **other forms of student support**. These include support from charities and other programmes, *eg* the Crowther fund for OU students, the Care Leavers Grant to help with accommodation costs in the vacations, Career Development Loans (CDLs) and support from employers. Looking at the last two in more detail:

- **Career Development Loans** are delayed repayment bank loans of up to £8,000 offered by a partnership of three high-street banks to those students who cannot get support through other means. They are intended to be used to cover course-related costs such as books and travel, and contribute towards course fees.

CDLs act as a safety net, helping those who have been unable to access any other forms of support, so unsurprisingly they had very little impact on overall student income.

¹ The unweighted bases are 45 and 39 respectively for those in receipt of this support and those on one-year only courses in receipt of this support.

Across all full-time students, CDLs contributed on average only £2. Indeed, very few full-time students (less than one per cent) took out a CDL, so once again figures for the actual amounts received cannot be quoted.

- **Support from employers**, *eg* payment towards tuition fees, costs of books, and scholarships.

Across all full-time students, an average of £39 was received in employer financial support. Only two per cent of all full-time students were supported in this way, and received an average of £2,281 from their employers. Half of those getting support from their employers received at least £1,150, which, as noted earlier, equals the cost of tuition fees in 2004/05.

While on average, part-time students received £62 in employer financial support, the real number receiving this source of funding (five per cent) falls just below reliability thresholds, so the average received of £1,215 should be treated with caution¹.

It is perhaps worth noting that employers could also provide support to students in non-financial ways, including secondments, flexible working hours, and time off to study (paid or unpaid).

3.5 Income from paid work

In addition to the HE-related or specific student support income described above, there are a number of other ways students can raise money to support their study and living costs. They can engage in paid work, they can be supported financially by family and friends, they can access social security benefits including council tax benefit, and raise money from selling various items such as books. In this section, we discuss the most significant of these for the majority of students, income from paid work.

Students were asked about any earnings they received and that they expected to receive from paid work during the academic year 2004/05. This paid work could cover full and/or part-time jobs. It could include regular/continuous jobs; ones that the student has had since the start of the academic year and expects to continue to the end of the academic year; and/or more casual or occasional jobs in both term-time and holiday periods (**excluding** the 2004 summer vacation). Figures for earnings were net, in that they are quoted after all deductions such as tax and national insurance.

3.5.1 Earnings of full-time students

Across all full-time students, individuals earned on average £1,821 (after tax) from paid work – almost three quarters from

¹ The unweighted base is 45.

continuous jobs (£1,354) and the rest from casual and vacation¹ work (£467) (Table 3.5). This is the third most important category of income for full-time students, contributing on average just under a quarter (22 per cent) of total income.

Table 3.5: Type of income from paid work during the academic year 2004/05 (£)

		Full-time	Part-time
Permanent/continuous job	Mean	1,354	8,274
	Median	0	8,320
	Standard error	75	306
Other employment	Mean	467	326
	Median	0	0
	Standard error	36	96
Income from paid work	Mean	1,821	8,600
	Median	565	8,448
	Standard error	75	323
N = (3,399) unweighted		2,509	890

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Over half (56 per cent) of full-time students were undertaking paid work during the academic year, and for them, their average income from such paid work was £3,257.

Variations in income contribution from paid work for different groups of full-time students

Across all full-time students (including working and non-working students), the groups who received most and relied most heavily on income from paid work were:

- older students (aged 25 or over at entry to course) (£2,734 average contribution, representing 26 per cent of total income)
- those with partners, either in two-adult families (£3,142, 29 per cent) or married/in couple (£3,033, 34 per cent).

Also likely to be relying more than average on earnings from work were:

- independent students (£2,429, 24 per cent)
- black students (£2,647, 31 per cent)
- those living at home with their parents (£2,344, 35 per cent)
- those living in London (£2,044, 24 per cent)

¹ Excluding summer vacation.

and then by choice of study:

- those studying in England rather than studying in Wales (£1,856, 22 per cent compared to £1,080, 14 per cent), particularly at an FEI (£2,893, 34 per cent)
- those studying subjects other than medicine or dentistry, particularly education (£2,395, 27 per cent).

Pattern of working for full-time students

These overall patterns are influenced by likelihood to engage in paid work. Some students were much more likely to be working than others and some received more income from this source, as Tables 3.6 and 3.7 show.

A logistic regression explored which student and study characteristics affected the propensity to engage in paid work. The model found that when controlling for other variables, the following factors were statistically significant: gender, family type, ethnicity, living circumstances, parental experience of HE, location of institution, subject of study and year of study (Table A3.25).

The groups most likely to engage in any form of paid work over the academic year were:

- those living with their parents (74 per cent, compared to 52 per cent average working proportion)
- those without children (couples, 65 per cent; singles 56 per cent)
- those in earlier years of their course (first year, 58 per cent; intermediate years, 60 per cent)
- those of white or black/black British background (57 and 61 per cent respectively). Asian/Asian British and students from mixed or other backgrounds were significantly less likely to work (46 and 43 per cent respectively)
- women (59 per cent)
- those studying at an English Institution (57 per cent)
- those studying subjects other than medicine or dentistry, particularly 'other subjects and combinations' and 'human and social sciences' (68 and 60 per cent respectively).

Those working with the highest average earnings were:

- older students, *ie* aged 25 years or more (£5,322 average)
- non-single students (£4,654 couples, £6,050 two-adult families)
- independent students (£4,698)
- black/black British (£4,307)
- students studying education subjects (£4,240).

Table 3.6: Proportion of full-time students undertaking paid work, and for those working the average earnings (£) by key student characteristics

Characteristics	Mean	Median	Standard error	Working N (unweighted)	Proportion working (%)
All students	3,257	2,650	109	1,400	56
Gender					
Male	3,198	2,700	162	417	52
Female	3,293	2,611	135	982	59
Age					
Under 20	2,792	2,350	117	766	56
20 to 24	3,184	2,700	142	381	57
25 and over	5,322	3,900	372	252	51
Socio-economic group					
Managerial/professional	3,361	2,550	150	728	55
Intermediate	3,015	2,730	168	260	55
Routine/manual	3,208	2,750	220	339	61
Parental experience of HE					
Yes	3,122	2,440	137	699	53
No	3,413	2,825	138	697	60
Household/family type					
Two-adult family	6,050	5,400	450	86	52
Lone-parent family	(4,265)	(3,680)	567	32	36
Married/couple	4,654	3,510	486	119	65
Single	2,984	2,520	96	1,163	56
Student status					
Dependent	2,901	2,500	103	1,058	57
Independent	4,698	3,700	309	342	52
Ethnicity					
White	3,236	2,608	113	1,214	57
Asian/Asian British	2,992	2,730	406	60	46
Black/black British	4,307	3,460	367	62	61
Mixed or other	2,988	2,600	350	61	43
Living circumstances					
Live with parents	3,184	2,820	195	362	74
Live away	3,282	2,600	125	1,038	52

Source: NatCen/IES SIES Survey 2004/05

Table 3.7: Proportion of full-time students undertaking paid work, and for those working the average earnings (£) by key study characteristics

Characteristic	Mean	Median	Standard error	N (unweighted)	Proportion working (%)
All students	3,257	2,650	109	1,400	56
Subject of study					
Medical/dental	3,670	2,642	1,005	169	34
Allied to health	3,988	2,715	350	210	51
Science, engineering, technology and IT	3,185	2,600	244	412	52
Human and social sciences	3,168	2,833	145	622	60
Creative arts, languages and humanities	2,856	2,372	194	627	54
Education	4,240	2,982	351	285	57
Other subjects and combinations	3,254	2,943	246	169	68
Year of study					
First year	3,350	2,690	204	494	58
Second/intermediate years	2,881	2,340	135	436	60
Final year/one-year course only	3,533	2,920	171	470	50
Institution location					
England	3,279	2,650	113	1,329	57
Wales	2,500	2,600	234	71	42
Fee status					
Pays full fees	3,384	2,600	149	619	57
Pays part fees	2,768	2,520	196	186	60
Pays no fees	3,266	2,750	145	587	54

Source: NatCen/IES SIES Survey 2004/05

It is interesting to note that while higher earnings on average were found for older students, it is younger students who are most likely to engage in any form of paid work. Approximately 57 per cent of young people (aged under 25 when they started their course) had earned from paid work, compared to just over half (51 per cent) of older students. Yet older students who worked, gained on average £5,322 compared to £3,184 and £2,792 (for those aged between 20 and 24 on entry, and under 19 on entry respectively) (Table 3.8). This would suggest that the quality of work varies between older and younger students, with older students perhaps more likely to hold on to their previous job or level of work while at university/college; indeed, older students are more likely to hold continuous jobs during their studies. This needs to be tested further from other research.

Table 3.8: Proportion of full-time students undertaking paid work, and for those working the average earnings (£)

	Mean	Median	Standard error	Proportion working (%)	N working (unweighted)
Continuous work					
19 or under	2,910	2,620	108	36	486
20 to 24	3,331	2,886	115	42	279
25 and over	5,649	4,200	414	44	220
All	3,512	2,910	134	39	986
Other work excluding summer vacation work					
19 or under	1,899	968	148	29	384
20 to 24	1,872	1,219	184	23	153
25 and over	2,009	1,180	300	12	60
All	1,900	1,044	112	25	597
Total work excluding summer vacation work					
19 or under	2,792	2,350	117	56	766
20 to 24	3,184	2,700	148	57	381
25 and over	5,322	3,900	372	51	252
All	3,257	2,650	109	56	1,400

Source: NatCen/IES SIES Survey 2004/05

Those least likely to work while studying were: older, lone parents, independent students, from Asian or mixed and other backgrounds, in their final year of study, and studying at a Welsh institution.

Among the working group of full-time students, the average net earnings were just under £3,257, which falls below the income tax threshold of £4,745 in 2004/05 tax year, and £4,895 in 2005/06 tax year.

Full-time students were more likely to engage in regular or continuous work while studying rather than hold less permanent jobs. Indeed, while 25 per cent of all full-time students undertook casual work, earning an average of £1,900, 39 per cent had continuous jobs, earning on average £3,512. However, it should be noted that these are not mutually exclusive as students with continuous (or permanent) jobs could also take on other less regular work. Indeed, of all full-time students, 31 per cent only reported regular/continuous work, 17 per cent reported only casual work, but seven per cent not only undertook regular work but topped this up with casual work. This group earned on average £3,379 from regular work, a further £1,784 from more casual work, thus a total of £5,163 from paid work during the academic year. It is perhaps worth exploring the distinction between continuous work and casual work a little further.

Casual work

For the students who earned money from undertaking casual work (instead of, or in addition to, continuous work) in the academic year 2004/05, they could describe the jobs or types of work they had and were undertaking (up to eight jobs or types, *eg* shop work, babysitting *etc.*). A substantial minority (25 per cent) recorded details of at least one type of casual work. It would appear that this casual work is not insubstantial. Looking, for example, at the first casual job or type of casual work described, this took place on average over 24.5 weeks, with students working on average 16 hours per week.

Given the amount of data captured and its complexity, there is considerable scope to explore the nature and extent of casual working at a later stage. This could include an examination of whether this tends to fall within the Christmas and Easter vacation periods.

Continuous work

As noted above, 39 per cent of all full-time students engaged in regular or continuous work during the academic year, and this group earned on average £3,512. Across the academic year, this group worked on average almost 16 hours a week. This equates to £90 a week, £5.73 an hour. However, almost three-quarters (70 per cent) of these students reported that they worked different hours during holiday periods (Easter and/or Christmas) than they did during term-time. In the main, this group tended to work longer hours during holiday periods, at almost 27 hours a week, than they did during term-time (just under 14 hours a week). In comparison, those who did not change their working patterns worked a steady 25.5 hours a week.

It is possible to explore the pattern of term-time only working for those in continuous or regular jobs. During term-time, students in continuous work earned on average £2,494 across the 30 weeks, and worked just over 13.5 hours a week. This represents £83.13 a week or £6.10 an hour.

Non-traditional students tended to work longer hours during term-time than other groups of students. These included students who were older, from routine/manual work backgrounds, not single, independent, or from black/black British backgrounds.

Summer vacation work

It could be argued that the long summer vacation provides students with an opportunity to earn income to contribute towards their living costs, to reduce debt accrued during the previous academic year, and to earn monies towards study expenses for the next academic year. In our main investigation of

work earnings and student income, we have excluded this source of income to ensure consistent treatment of income and expenditure (the latter being examined over the academic year only, not the summer vacation). However, data was captured in the survey on summer work. Students in their second year or above¹ were asked whether they had undertaken any paid work over the previous summer vacation (July to September 2004) and the net earnings for this summer work were calculated.

Table 3.9: Income from paid work (2nd and subsequent year, institution based students) (£)

		Full-time	Part-time
Continuous paid work	Mean	2,140	9,925
	Median	1,760	9,900
	Standard error	93	307
<i>Summer vacation work</i>	<i>Mean</i>	<i>1,331</i>	<i>2,365</i>
	<i>Median</i>	<i>1,170</i>	<i>2,182</i>
	<i>Standard error</i>	<i>40</i>	<i>142</i>
<i>Other work excluding summer vacation work</i>	<i>Mean</i>	<i>673</i>	<i>467</i>
	<i>Median</i>	<i>0</i>	<i>0</i>
	<i>Standard error</i>	<i>71</i>	<i>179</i>
Other work (including summer vacation work)	Mean	2,004	2,832
	Median	1,516	2,455
	Standard error	89	224
<i>Total work excluding summer vacation work</i>	<i>Mean</i>	<i>2,813</i>	<i>10,391</i>
	<i>Median</i>	<i>2,300</i>	<i>9,900</i>
	<i>Standard error</i>	<i>105</i>	<i>348</i>
Income from paid work (including summer vacation work)	Mean	4,144	12,757
	Median	3,455	12,436
	Standard error	117	399
<i>Total income excluding summer vacation work</i>	<i>Mean</i>	<i>8,627</i>	<i>11,816</i>
	<i>Median</i>	<i>8,122</i>	<i>11,199</i>
	<i>Standard error</i>	<i>150</i>	<i>299</i>
Estimated total income (including summer vacation work)*	Mean	9,957	14,182
	Median	9,422	13,429
	Standard error	168	330
N = (1,424) unweighted		993	431

Base: English domiciled second and subsequent year, college-based, students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

¹ OU students were not asked about summer vacation work. This is because they do not effectively have a summer vacation as their academic year spans 12 months.

Across all those questioned, the average income from summer work was just over £1,331. Taking this into consideration, the total income from paid work (across all those in their second or more year of study) increases to £4,144, and the total student income rises to £9,957.

A high proportion of those who started their courses in 2003/04, or before, worked during the summer vacation, 86 per cent of full-time students. Over this period, they earned on average £1,544. Younger students (those under 19 when they started their course) were the most likely to work during their summer vacation, indeed nine in ten (90 per cent) did so. Interestingly, there was no real difference in propensity to work during summer for those who were studying in Wales or in England. This differs from the finding noted above when looking at undertaking paid work during the academic year, where English domiciled students studying at Welsh HEIs were much less likely to engage in paid work during this period.

3.5.2 Earnings of part-time students

The picture regarding earnings for part-time students is very different to that found for full-time students. Here income from paid work constituted the vast majority of a student's total income. Across all part-time students, £8,600 was earned on average from paid work, contributing 77 per cent of total income.

Variations in income from paid work for different groups of part-time students

Across *all* part-time students (including working and non-working students), higher average earnings and a greater reliance on paid work (Tables A3.5–A3.19), were found among:

- males (average of £10,765, contributing 98 per cent towards total income)
- those in their 30s when they started their course (£9,660, 83 per cent)

Table 3.10: Proportion of students undertaking summer vacation work, and for those working the average earnings (£)

	Full-time	Part-time
Mean	1,544	3,179
Median	1,392	2,927
Standard error	39	148
% working	86	74
Unweighted (N)	839	298

Source: NatCen/IES SIES Survey 2004/05

- couples with no children (£10,134, 91 per cent); whereas across all lone parents the average earnings was £5,501 contributing only 38 per cent towards total income
- those studying in an FEI (£10,213, 90 per cent)
- students in their final year (including those on a one-year course only, £9,860, 86 per cent)
- those studying subjects allied to health (£10,462, 81 per cent) or sciences, including engineering, technology and IT (£10,142, 93 per cent).

Those from higher socio-economic backgrounds (*ie* managerial and professional families) also had higher earnings on average and relied more heavily on income from paid work than other groups of students. Across this group, the average earnings were £10,820, contributing 88 per cent of their total income. This is to be expected as the classification of income is based on the students' current or previous job; so those in managerial jobs are likely to earn more, and thus rely more heavily on this source of income than those in manual work.

Pattern of working for part-time students

As with full-time students, these overall earnings patterns are influenced by likelihood to engage in paid work. Those most likely to engage in paid work (of any kind) were part-time students who were:

- living with their parents (91 per cent)
- men (89 per cent undertook paid work)
- younger (under 25 when they started their courses, 88 per cent)
- from higher socio-economic backgrounds (managerial or professional background, 90 per cent)
- in their final year of study (89 per cent) (Tables 3.11 and 3.12).

Overall, there was a much higher incidence of paid work among part-time students than among full-time students during 2004/05. The vast majority, 83 per cent, of all part-time students engaged in paid work and earned on average £10,390 each¹. Part-time students were not only more likely to have worked than full-time students but they were likely to have worked longer hours than those studying full-time, as they had tended to continue working for their previous employer in an established career role. Indeed, four in five (80 per cent) of part-time students reported continuous jobs. An initial analysis indicates that part-time students in a regular paid job, worked on average 33 hours a week during term

¹ This takes them into the 22 per cent tax bracket.

time (compared to the average of full-time students in regular jobs of 13.5 hours per week during term time).

Table 3.11: Proportion of part-time students undertaking paid work, and for those working the average earnings (£) by key student characteristics

Characteristic	Mean	Median	Standard error	Working N (unweighted)	Proportion working (%)
All students	10,390	9,900	306	689	83
Gender					
Male	12,072	10,800	611	234	89
Female	8,824	8,370	281	455	78
Age					
Under 25	9,067	8,316	601	127	88
25 to 29	10,358	10,569	563	94	82
30 to 39	11,392	10,800	498	240	85
40 and over	10,545	9,900	471	228	77
Socio-economic group					
Managerial/professional	11,982	10,971	364	391	90
Intermediate	8,973	8,730	469	128	81
Routine/manual	7,680	6,350	551	169	75
Household/family type					
Two-adult family	10,236	9,900	493	235	86
Lone-parent family	8,955	8,100	941	66	61
Married/couple	12,146	11,700	499	165	83
Single	9,717	9,630	505	223	85
Living circumstances					
Lives with parents	9,083	8,730	810	76	91
Lives away	10,660	9,900	339	613	81

Source: NatCen/IES SIES Survey 2004/05

Table 3.12: Proportion of part-time students undertaking paid work, and for those working the average earnings (£) by key study characteristics

Characteristic	Mean	Median	Standard Error	Working N (unweighted)	Proportion working (%)
All students	10,390	9,900	306	689	83
Institution Location					
England	10,705	9,900	333	590	87
Wales	– ¹	–	–	20	86
Open University ²	7,551	7,280	473	79	47
Year of study					
First year	9,858	8,865	561	204	78
Second/intermediate years	10,013	9,000	542	260	80
Final/one-year only	11,090	10,800	470	225	89

¹ No data reported as fewer than 30 cases in this category

² The sample of OU students is not representative of all OU students and the proportion working in this survey is likely to be lower than in the population of OU students as a whole

Source: NatCen/IES SIES Survey 2004/05

Income from summer vacation work

Across all those part-time students questioned¹, the average income from summer work was £2,365, which is almost double the average amount found for full-time students. Taking summer vacation earnings into consideration, the total income from paid work (across all those in their second or further year of study) increases to £12,757. This is almost equal to the average total student income for this group of students, of £14,182.

Almost three-quarters (74 per cent) of part-time students undertook paid work during their summer vacation, and they earned on average £3,179 during the period.

3.5.3 Impact of work

As noted above, those working in regular or continuous jobs throughout the academic year worked on average 14 hours per week if they were a full-time student, and 33 hours per week if they were a part-time student. Those working in casual jobs had much more erratic working patterns, working in a number of different jobs for potentially short periods of time (*eg* a week or month).

All of those who had undertaken any paid work during the academic year were asked whether this had affected their course work or studies in any way. Over one-third of full-time students who had worked (either regularly and/or in casual jobs) felt that this had impacted upon their studies. However, this increased to over one-half of part-time students who felt their work had had an impact.

It would appear that students felt that working while studying could affect health and well-being, study outcomes and the quality of the higher education experience. Over three-quarters of full-time students who felt their paid work had an impact on their studies, felt that working meant they spent less time studying and reading. Around two-thirds reported that lack of time for studying impacted on the quality of their study work and a similar proportion reported increased stress levels and feeling overloaded. Approximately one-half had less time for sleep and less time for leisure and sports activities. However, only one-quarter reported missing lectures or classes.

¹ Those who were based in an institution rather than studying with the Open University, and had started their courses in the previous academic year or earlier.

Table 3.13: Impact of undertaking paid work while studying

	Full-time	Part-time
<i>Proportion of those working affected</i>	39	52
Ways work has affected study		
less time studying & reading	77	71
lack of time on study work, so poor quality work	68	63
increased stress & overload	65	70
less time sleeping	56	36
less time for leisure & sports	49	60
less time revising	40	43
missing lectures & classes	25	34
less worry so more relaxed	20	17
difficulties accessing library & computers	14	31
less time with family, friends <i>etc.</i>	2	4
other	2	3
N = (923) unweighted	557	346

Base: all those working who felt it had impacted on their studies

Source: NatCen/IES SIES Survey 2004/05

A similar pattern of impact was found for part-time students who worked while they studied. Key concerns among part-time students were reduced time for studying and reading, increased stress, lack of study time affecting quality of output, and less time available for leisure and sports. Part-time students were, however, more likely than full-time students to miss lectures or have difficulties accessing university and college facilities such as the library and computers due to their work commitments. It would seem that there is an argument for extending further university and college facilities 'opening hours' to better accommodate students who have to work.

3.6 Income from family and friends

The financial support students receive from their family and friends can represent another key category of student income. This can be financial contributions from parents, other relatives and non-relatives, towards various costs of study, such as fees, rent and living costs, and also gifts of money or in kind such as food, clothes, household goods and furniture. Similarly, married students and unmarried students who share bank accounts or joint financial responsibility with their partner, can receive support from their partners, including help with their fees, and a share of their partner's income, including their social security benefits. The various family and friends' contributions are shown in Table 3.14.

Table 3.14: Type of family contribution (£)

		Full-time	Part-time
Contributions from parents	Mean	1,613	131
	Median	1,005	0
	Standard error	70	21
Contributions from other relatives	Mean	123	54
	Median	0	0
	Standard error	10	20
Contributions from non-relatives	Mean	16	4
	Median	0	0
	Standard error	2	2
Gifts in kind	Mean	275	110
	Median	20	0
	Standard error	14	44
Gifts of money from partner	Mean	0	9
	Median	0	0
	Standard error	0	3
Share of partner's income	Mean	77	-323
	Median	0	0
	Standard error	33	169
Income from family and friends*	Mean	2,104	-15
	Median	1,436	0
	Standard error	93	169
N = (3,399) unweighted		2,509	890

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

3.6.1 Full-time students

Full-time students received on average £2,104 from family and friends – this made up a quarter (25 per cent) of their average total income, and is therefore the second most important category of income.

- The greatest contribution (77 per cent of the total income from this source) came from students' parents. On average, full-time students received £1,613 from their parents.
- Contributions from other relatives averaged at £123, with even smaller amounts from non-relatives and from partners¹.

¹ Only one in ten full-time students exchanged any income with their partner. This is to be expected given that only one in ten of respondents actually have a partner. This group is fairly equally split,

- Full-time students also received an average of £275 worth of gifts such as books, computers, food and clothes.

As before, a multiple linear regression model helped to determine which student and study characteristics were most strongly associated with variations in overall contributions from family. The model found significant differences in income from family were determined by factors such as: gender, age, socio-economic group, parental experience of higher education, family type, living circumstances, location of institution, year of study, and fee status (Table A3.21). These are discussed below.

Significant differences found were that:

- Younger students (under 20 when they started their courses) relied much more heavily on family and friends for financial support than older students. Indeed, one-third (33 per cent) of young students' total income came from this source compared to only nine per cent of older students (25 and over) – £2,561 and £940 respectively.
- Students from higher socio-economic backgrounds received on average more than twice as much from their families and friends as those from lower socio-economic backgrounds – £2,764 compared with £1,143. Indeed, for the former group, this source of income contributed 32 per cent towards their total income.
- On average, over one-quarter (28 per cent) of single students' total income came from family and friends, whereas for students with families and/or partners, the contribution was substantially smaller. The average amount received from family and friends for single students was £2,248 compared to £1,562 for students in a couple but with no children, £1,208 for students making up a two-adult family, and only £341 for lone parents.
- Students living away from their parents relied heavily on their friends and families for support. For this group, their friends and families contributed on average £2,375 towards their total income, which accounts for over one-quarter (27 per cent). Those living at home received much less, £990 on average, from this source.
- Similar to the pattern found for socio-economic background, those students whose parents had experienced HE received on average almost twice as much from their parents as those whose parents had not attended a university, polytechnic or college of higher education – £2,670 compared with £1,441. Indeed, for the former group, this source of income contributed 32 per cent towards their total income.

with half receiving money from their partner and the other half contributing income to their partner.

- Lastly, students on medicine or dentistry courses were found to rely more heavily on family and friends for their income than those studying other subjects. On average, family and friends contributed over one-third (34 per cent or £2,729) towards medical and dentistry students total income, whereas those following other subjects received one-quarter (25 per cent) of their total income or £2,084 from this source. Those following courses in subjects allied to health or in education received the least from this source of income, £1,361 and £1,139 respectively.

Other notable differences, though not found to be significant in the regression model, were:

- On average, minority ethnic full-time students had a lower contribution from family and friends than white students – £1,417 or only 19 per cent of total income compared with £2,222 or 26 per cent of total income. Overall, black/black British students had the lowest contribution to their total income from family and friends, at £717, which accounts for only eight per cent of their total income. Across all Asian/Asian British students, the average contribution was £1,155 or 19 per cent of total income. The multiple regression model, when taking other factors into account, found that the difference in family income between Asian and white students was significant. Thus, white students relied considerably more heavily on the financial support from family and friends than did minority ethnic students, particularly those of Asian/Asian British background.
- Dependent students on average gained 30 per cent of their total income from family and friends – receiving on average £2,379. However, students of independent status received little income from this source, only £1,094 on average.
- Students who followed courses at an HEI (rather than an FEI) relied more heavily on their family and friends for income. On average this group received £2,155 (which accounted for 26 per cent of their total income), whereas those who studied at an FEI received £1,187 from this source (which contributed 15 per cent of their total income).

The vast majority, 90 per cent, of full-time students received some financial support from their family and friends, receiving £2,351 on average. As noted above, support from parents constitutes the bulk of income from family and friends, and over one-quarter (76 per cent) of all full-time students received money from their parent(s), receiving on average £2,128.

Support from parents

Given the importance of parental financial support for full-time students, it is useful here to explore which student groups were

more likely to have received income from their parents and the size of this parental contribution (Table 3.15). Indeed, it was found that:

- Male students were marginally more likely to receive income from their parents than female students, 81 per cent compared with 72 per cent. However, it is interesting to note that the size of the parental contribution towards income was the same.

Table 3.15: Proportion of full-time students receiving income from parents, and for recipients the average amount received (£) by key student characteristics

Characteristic	Mean	Median	Standard error	N in receipt (unweighted)	Proportion in receipt (%)
All students	2,128	1,490	76	1,807	76
Gender					
Male	2,153	1,520	108	614	81
Female	2,106	1,430	90	1,193	72
Age					
Under 20	2,291	1,750	92	1,211	90
20 to 24	1,930	1,200	95	486	75
25 and over	969	200	152	110	24
Socio-economic group					
Managerial and professional	2,607	2,290	100	1,092	85
Intermediate	1,673	1,150	95	337	77
Routine and manual + unemployed	1,176	650	90	317	59
Household/family type					
Two-adult family	¹	–	–	19	12
Lone-parent family	–	–	–	21	25
Married/couple	1,779	1,150	251	82	47
Single	2,169	1,550	80	1,685	83
Student status					
Dependent	2,225	1,575	83	1,592	86
Independent	1,290	500	135	215	37
Ethnicity					
White	2,178	1,550	80	1,582	78
Asian/Asian British	1,375	1,150	251	88	64
Black/black British	(919)	(600)	(169)	40	43
Mixed or other	2,383	1,250	257	96	66
Living circumstances					
Live with parents	939	750	61	341	70
Live away	2,389	2,050	79	1,466	77

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

- Younger students – 90 per cent of those under 20 when they started their course – received some financial support from their parents, receiving on average £2,291. This contrasts strongly with older students (aged 25 or over), of whom only one-quarter received support from their parents, and received, on average, £969.
- Among higher socio-economic groups (managerial and professional families), 85 per cent received income from their parents and received, on average, £2,607. Far fewer of those in families with routine or manual occupations, 59 per cent, received money from parents, and tended to receive less (under one-half the amount found for higher socio-economic groups) £ 1,176.
- Among single students, 83 per cent received money from parents, receiving on average £2,169.
- Among students of dependent status, the figures were 86 per cent and £2,225. This compares to only just over one-third (37 per cent) of those classed as independent, who received on average £1,290.
- Among white students the figures were 78 per cent and £2,178. Far fewer minority ethnic students received financial support from their parents, and the proportion of black/black British students who did so was particularly low. Less than one-half of this group (43 per cent) received income from their parents, and those who did received just over £919. However, these figures should be treated as indicative only due to the small base size (between 30 and 50).

Table 3.16: Proportion of full-time students receiving income from parents, and for recipients the average amount received (£) by key study characteristics

Characteristic	Mean	Median	Standard error	N in receipt (unweighted)	Proportion in receipt (%)
All students	2,128	1,490	76	1,807	76
Year of study					
First year	2,189	1,550	91	589	73
Second/intermediate years	2,117	1,490	102	603	80
Final year/one-year course only	2,079	1,400	115	615	76
Institution location					
England	2,131	1,480	79	1,686	76
Wales	2,059	1,500	171	121	82
Fee status					
Pays full fees	2,953	2,751	90	959	91
Pays part fees	1,386	970	101	280	92
Pays no fees	990	400	67	562	54

Source: NatCen/IES SIES Survey 2004/05

- Although a similar proportion of those living at home and those living away received support from their parents (70 and 77 per cent respectively), those living away received considerably more income (over two and a half times more), at £2,389 compared with £939.

Among those who contribute towards fees (either in full or part), more than 90 per cent received help from their parents. However, those who pay full fees received an average of £2,953 but those who pay part fees received £1,386. Only about one-half (54 per cent) of those who do not contribute towards fees received income from their parents, and received less than £900.

3.6.2 Part-time students

Across all part-time students the average contribution from family and friends was both small and negative. This means that rather than receiving income from this source, part-time students on the whole provided family and friends with income. On average, part-time students' total income was reduced by £15. Although, on average, part-time students received some income from parents, relatives and friends and gifts in kind – taken together these represented £308 but were just outweighed by students' contributions to their partners of £323.

Not all groups of part-time students contributed income to family and friends; some received monies from this source. However, on average, the groups of students found to contribute most to their family and friends included those who were male, white, older (in their 30s when they started their courses), with a partner, studying at English FEIs, in their final year of study, from higher socio-economic backgrounds, and living away from their parents.

- Across all male part-time students the income from family and friends was large and negative, reducing their total income by £1,711, whereas for women the income from family and friends was positive, adding £1,360 on average to their total income (coming mainly in contributions from partners' income).
- On average, white students contributed to family and friends so their income was reduced by £99, whereas students from black and minority ethnic backgrounds received income from this source, on average £776. This is largely due to greater contributions as gifts in kind and contributions from relatives and parents received by minority ethnic students compared to white students, rather than any great difference in share of partners' income.
- Students in their 30s (when they started their courses) contributed income to their family and friends, and on average their income was reduced by £858.

- Those in two-adult families, or those married or living as a couple, contributed £361 and £400 respectively to their families, whereas lone parents and single students on average gained money from this source (£152 and £466).
- Those studying in FEIs (in England¹) contributed income to their families and friends – £771 on average – whereas their peers studying in HEIs received income (£257) from their families and friends.
- Students in their final year of study contributed on average £500 to their families, whereas those in their first or other (not final) year received approximately £178 and £362 respectively.
- Those from managerial or professional backgrounds contributed to their family and friends, on average, £502. Those from lower socio-economic backgrounds tended to receive income from this source.

These patterns correspond closely to the working patterns for part-time students described above in section 3.5.2. Students who rely more heavily on paid work and achieve higher earnings are also more likely to contribute income to their families.

Just under one-quarter (23 per cent) of all part-time students neither gave nor received any income from their friends and families. Thus in the case of 77 per cent of part-time students, their total income is influenced by family and friends – 28 per cent contribute money to their families but a slightly larger proportion, 48 per cent, receive monies from their families.

Supporting families

Just as parental contributions formed the most important part of income from family and friends for full-time students, it is share of partners' income that has the most influence for part-time students. Indeed, over one-half (54 per cent) of part-time students are married or in a couple, and 52 per cent share joint responsibility of finances with a partner. Those who contribute most to their partners include male students, those in their 30s, those from managerial and professional backgrounds, and those in their final year of study (Table 3.17).

3.7 Social security benefits

Most full-time students are not entitled to social security benefits. However, some are, and these benefits can represent an important source of financial help towards their studies. Part-time students on the whole gain more from benefits than full-time students. Possible benefits that these small groups of students may access

¹ Base size too small to allow analysis of English part-time students studying in a Welsh Institution.

include Child Benefit, Child Tax Credit; Retirement or Widows Pension; Invalid Care Allowance; Disability, Invalidity, Incapacity or Sickness Benefit; Working Tax Credit; Job Seekers Allowance (JSA) or other unemployment benefit; Income Support; Housing Benefit and Council Tax Benefit¹.

3.7.1 Full-time students

On average, a full-time student received £233 in social security benefits, so this source of income contributed only three per cent towards an average student's total income. However, it was much more important to:

Table 3.17: Proportion of part-time students transferring income from/to partners, and for these the average amount transferred (£) by key characteristics

	Mean	Median	Standard error	N transferring income (unweighted)	Proportion transferring income (%)
All students	-611	-726	309	486	53
Gender					
Male	-3,943	-3,973	385	161	50
Female	1,816	1,346	298	325	55
Age					
Under 25	(-1,313) ¹	(-1,143)	(666)	32	19
25 to 29	-239	-283	531	63	50
30 to 39	-1,524	-1,725	517	183	68
40 and over	423	0	397	207	68
Socio-economic group					
Managerial and professional	-1,192	-1,199	476	270	58
Intermediate	651	51	683	83	46
Routine and manual + unemployed	-96	0	587	127	50
Household/family type					
Two-adult family	-529	-920	440	278	98
Married/Couple	-726	-528	373	208	98
Institution type					
Open University student	-869	-1,024	539	58	34
Year of study					
First year	-280	-98	551	139	50
Second/intermediate years	207	0	486	189	49
Final year/one-year course only	-1,442	-1,431	517	158	58

¹ Reported data in brackets as the total number of cases in this category is between 30 to 50 and so should be treated with particular caution

Source: NatCen/IES SIES Survey 2004/05

¹ Partners' benefits are not taken into account here, but are taken into account when looking at contribution from partners within income from family and friends.

- older students (those aged 25 and over), as it constituted 13 per cent of their total income, contributing, on average, £1,403
- independent students (who tend to be mature students), constituting ten per cent of total income and contributing, on average, £1,034
- students with children (also more likely to be mature students), particularly lone parents, for whom benefits contributed, on average, 32 per cent of their total income at £4,660.

However, only one in ten (ten per cent) of all full-time students received any benefits, each receiving an average of £2,303.

Students were asked which benefits or allowances they received or expected to receive during the academic year 2004/05, and the most frequently cited benefit among all full-time students was Child Benefit, mentioned by eight per cent of students.

3.7.2 Part-time students

As would be expected, due to the nature of these forms of support, social security benefits appeared to be a much more important source of income to part-time students. Across all part-time students, £1,466 was received on average from benefits – contributing 13 per cent to the average total part-time student income. As with full-time students, the most likely benefit related to care of children (see below).

Eighteen per cent of female part-time students' income came from social security benefits (contributing £2,040), compared to only seven per cent of men's (£758). This difference is most likely to be due to the influence of child-related benefits.

Social security benefits were also more important to older students. Among those in their 30s when they started their courses, benefits made up 15 per cent of total income (average of £1,803), and this rose to 17 per cent (average of £2,073) for those in their 40s or older. By contrast, it represented only four per cent of the income of those under 25.

Other student groups for whom social security benefits were a relatively more important source of funding included one-parent families (benefits constituted 47 per cent of total income), those earlier in their courses (first year, 17 per cent, and intermediate years, 15 per cent), and those from lower socio-economic backgrounds (23 per cent of total income for those from routine and manual work backgrounds).

One-half (50 per cent) of all part-time students received some form of social security benefit, with recipients receiving on

average £2,956 each (a much greater amount than found for full-time student recipients). Benefits most often received were:

- Child Benefit, mentioned by 38 per cent of part-time students
- Child Tax Credit, mentioned by 23 per cent
- Working Tax Credit, mentioned by 11 per cent
- Housing Benefit, mentioned by eight per cent
- some form of disability or incapacity benefit, mentioned by six per cent
- Income Support, mentioned by six per cent.

3.8 Miscellaneous income

Finally, there is a category of student income that we have called 'miscellaneous', which could include maintenance payments for their own or their partner's children; money generated from pensions, trusts, deeds of covenant, shares, tax refunds, and bank or building society interest or windfalls; money from parents to pay off outstanding debt accrued by the end of the 2004/05 academic year; rent received from lodgers or sharers; and contributions towards rent, living costs or gifts of money from organisations (other than friends or relatives). If students had raised funds by selling items such as books, computers, course related equipment *etc.*, this appeared here.

Overall, these sources of income contributed very little to either full-time or part-time students' total average income – just £218 across all full-time students, which was only three per cent of the total income, and £440 across all part-time students, only four per cent of the total.

However, over one-half (54 per cent) of full-time students did gain income from these various sources, and for those who did the average was £403. A similar, though slightly lower proportion, 45 per cent, of all part-time students also did so, but this group tended to receive much more, on average £973 each.

Chapter 3: Additional Tables

Table A3.1: Recipients

	Base (N) unweighted	Full-time			% receipt
		Mean	Median	SE	
Main sources of student support	2,078	3,931	3,868	45	85
Other sources of student support	600	3,092	1,500	197	20
Income from paid work	1,400	3,257	2,650	109	56
Income from family and friends*	2,212	2,351	1,731	102	90
Social security benefit*	324	2,303	1,014	178	10
Other income*	1,321	403	90	43	54
Est. total income	2,509	8,333	7,705	92	100

	Base (N) unweighted	Part-time			% receipt
		Mean	Median	SE	
Main sources of student support	315	646	575	23	29
Other sources of student support	1,116	1,157	700	116	45
Income from paid work	689	10,390	9,900	306	83
Income from family and friends*	674	-19	200	219	77
Social security benefit*	512	2,956	1,080	206	50
Other income*	396	973	125	196	45
Est. total income	890	11,196	10,561	231	100

N = (3,399) unweighted

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.2: Average amount received from the main sources of student financial support for HE study (£)

		Full-time	Part-time
Student loan	Mean	3,426	n/a
	Median	3,387	n/a
	Standard error	28	n/a
	N (unweighted)	1,906	0
	% receiving income	79	n/a
Access to Learning Funds (grants)/ Financial Contingency Funds, Opportunity Bursaries	Mean	834	– ¹
	Median	585	–
	Standard error	57	–
	N (unweighted)	147	29
	% receiving income	5	3
Higher Education Grant	Mean	898	n/a
	Median	1,000	n/a
	Standard error	18	n/a
	N (unweighted)	219	0
	% receiving income	9	n/a
Course grant	Mean	n/a	244
	Median	n/a	250
	Standard error	n/a	2
	N (unweighted)	0	192
	% receiving income	n/a	16
Tuition fee support	Mean	1,017	479
	Median	1,150	540
	Standard error	10	10
	N (unweighted)	1,223	299
	% receiving income	48	27
Main sources of student support	Mean	3,931	646
	Median	3,868	575
	Standard error	45	23
	% receiving income	85	29
N = (2,393) unweighted		2,078	315

Base: all English domiciled students who received income from these sources

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A3.3: Average amount received from the other sources of student support (£)

		Full-time	Part-time
Child-related support	Mean	2,264	– ¹
	Median	1,330	–
	Standard error	241	–
	N (unweighted)	65	4
	% receiving income	2	0
Adult Dependants' Grant	Mean	–	n/a
	Median	–	n/a
	Standard error	–	n/a
	N (unweighted)	5	0
	% receiving income	0	n/a
Teaching-related support	Mean	(5,453)	–
	Median	(6,000)	–
	Standard error	(146)	–
	N (unweighted)	45	0
	% receiving income	2	0
NHS-related support	Mean	6,363	–
	Median	6,011	–
	Standard error	279	–
	N (unweighted)	161	10
	% receiving income	5	1
Disability allowances	Mean	2,135	–
	Median	1,500	–
	Standard error	365	–
	N (unweighted)	71	23
	% receiving income	3	2
Career Development Loans	Mean	–	–
	Median	–	–
	Standard error	–	–
	N (unweighted)	4	1
	% receiving income	0	0
Employer support	Mean	2,281	(1,215)
	Median	1,150	(517)
	Standard error	719	(557)
	N (unweighted)	51	45
	% receiving income	2	5

Bursaries/Charities	Mean	–	–
	Median	–	–
	Standard error	–	–
	N (unweighted)	12	0
	% receiving income	0	0
Other (eg EU program/Care Leavers, Travel)	Mean	1,087	909
	Median	700	675
	Standard error	110	99
	N (unweighted)	233	310
	% receiving income	8	41
Other sources of student support	Mean	3,092	1,157
	Median	1,500	700
	Standard error	197	116
	% receiving income	20	45
N = (954) unweighted		600	354

Base: all English domiciled students who received income from these sources

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A3.4: Average income received from the types of paid work (£) – only students who worked while studying (£)

		Full-time	Part-time
Permanent/continuous job	Mean	3,512	10,386
	Median	2,910	9,900
	Standard error	134	287
	N (unweighted)	986	666
	% receiving income	39	80
Other employment	Mean	1,900	3,859
	Median	1,044	1,459
	Standard error	112	994
	N (unweighted)	597	78
	% receiving income	25	8
Income from paid work	Mean	3,257	10,390
	Median	2,650	9,900
	Standard error	109	306
	% receiving income	56	83
N = (2,361) unweighted		1,648	713

Base: all English domiciled students who received income from these sources

Source: NatCen/IES SIES Survey 2004/05

Table A3.5: Contribution towards total income of the main components by gender (per cent)

	Full-time		Part-time	
	Male	Female	Male	Female
Main sources of student support	44	37	1	2
Other sources of student support	5	9	5	4
Income from paid work	21	22	98	60
Income from family and friends*	27	24	-16	12
Social security benefits*	1	4	7	18
Other income*	3	3	5	3
Estimated total income*	100	100	100	100
Total income	7,861	8,701	11,007	11,349
N = (3,398) unweighted	800	1708	291	599

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.6: Contribution towards total income of the main components by ethnicity (in four groups) (per cent) (full-time)

	White	Asian or Asian British	Black or black British	Mixed or other
Main sources of student support	39	51	41	42
Other sources of student support	7	6	13	9
Income from paid work	22	22	31	17
Income from family and friends*	26	19	8	27
Social security benefits*	3	0	6	3
Other income*	3	1	1	2
Estimated total income*	100	100	100	100
Total income	8,502	6,104	8,531	7,743
N = (2,506) unweighted	2,119	137	103	147

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.7: Contribution towards total income of the main components by broad ethnicity (part-time) (per cent)

	White	Black or minority ethnic group
Main sources of student support	2	2
Other sources of student support	5	2
Income from paid work	78	74
Income from family and friends*	-1	7
Social security benefits*	13	13
Other income*	4	1
Estimated total income*	100	100
Total income	11,188	10,894
N = (885) unweighted	781	104

Base: all English domiciled part-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.8: Contribution towards total income of the main components by age (full-time) (per cent)

	19 or under	20-24	Over 25
Main sources of student support	42	44	29
Other sources of student support	3	7	20
Income from paid work	20	23	26
Income from family and friends*	33	22	9
Social security benefits*	0	1	13
Other income*	2	3	3
Estimated total income*	100	100	100
Total income	7,857	8,045	10,660
N = (2,508) unweighted	1,369	661	478

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.9: Contribution towards total income of the main components by age (part-time) (per cent)

	Under 25	25-29	30-39	Over 40
Main sources of student support	2	2	2	1
Other sources of student support	7	3	5	3
Income from paid work	81	77	83	67
Income from family and friends*	4	3	-7	4
Social security benefits*	4	13	15	17
Other income*	2	3	2	8
Estimated total income*	100	100	100	100
Total income	9,781	11,004	11,676	12,060
N = (889) unweighted	152	123	298	316

Base: all English domiciled part-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.10: Contribution towards total income of the main components by household/family type (per cent)

	Full-time				Part-time			
	2-adult family	Lone parent	Married /couple	Single	2-adult family	Lone parent	Married /couple	Single
Main sources of student support	23	24	33	43	2	4	1	2
Other sources of student support	20	25	12	5	4	2	6	5
Income from paid work	29	10	34	21	83	38	91	74
Income from family and friends*	11	2	18	28	-3	1	-4	4
Social security benefits*	15	32	1	0	12	47	3	11
Other income*	2	7	2	2	2	8	2	5
Estimated total income*	100	100	100	100	100	100	100	100
Total income	10,941	14,647	8,875	7,947	10,518	14,288	11,111	11,136
N = (3,399) unweighted	156	92	181	2,080	284	106	211	289

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.11: Contribution towards total income of the main components by location of HE institution (per cent)

	Full-time		Part-time		OU
	England	Wales	Institution based (England)	Institution based (Wales)	
Main sources of student support	40	47	1	- ¹	7
Other sources of student support	8	5	5	-	2
Income from paid work	22	14	81	-	36
Income from family and friends*	25	26	0	-	-1
Social security benefits*	3	1	9	-	51
Other income*	2	7	4	-	5
Estimated total income*	100	100	100	-	100
Total income	8,362	7,727	11,458	-	9,922
N = (3,399) unweighted	2,356	153	701	25	164

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A3.12: Contribution towards total income of the main components by institution type (per cent)

	Full-time			Part-time			OU
	HEI Eng	FEC Eng	HEI Wales	HEI Eng	FEC Eng	HEI Wales	
Main sources of student support	40	36	47	1	1	- ¹	7
Other sources of student support	8	4	5	5	3	-	2
Income from paid work	22	34	14	78	90	-	36
Income from family and friends*	26	14	26	2	-7	-	-1
Social security benefits*	3	8	1	9	8	-	51
Other income*	2	4	7	4	5	-	5
Estimated total income*	100	100	100	100	100	-	100
Total income	8,354	8,518	7,727	11,498	11,349	-	9,922
N = (3,399) unweighted	2,226	130	153	621	80	25	164

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A3.13: Contribution towards total income of the main components by student status (full-time) (per cent)

	Dependent	Independent
Main sources of student support	43	32
Other sources of student support	4	19
Income from paid work	21	24
Income from family and friends*	30	11
Social security benefits*	0	10
Other income*	2	3
Estimated total income*	100	100
Total income	7,888	9,970
N = (2,509) unweighted	1,867	642

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.14: Contribution towards total income of the main components by subject studied (full-time) (per cent)

	Medical/ dental	Subj allied to health	Sci/ eng/ tech/IT	Human/ soc sci	Creative arts/ lang/ hum	Educ- ation	Other/ comb
Main sources of student support	35	10	45	42	45	38	40
Other sources of student support	12	46	3	3	3	13	2
Income from paid work	16	21	21	22	19	27	27
Income from family and friends*	34	14	28	27	29	13	25
Social security benefits*	0	7	1	3	2	6	3
Other income*	2	2	2	3	3	3	2
Estimated total income*	100	100	100	100	100	100	100
Total income	8,004	9,830	7,895	8,481	8,087	8,776	8,142
N = (2,494) unweighted	169	210	412	622	627	285	169

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.15: Contribution towards total income of the main components by year of study (per cent)

	Full-time			Part-time		
	1st yr	2nd yr/ other	Final yr/1 yr course	1st yr	2nd yr/ other	Final yr/1 yr course
Main sources of student support	40	41	39	2	2	1
Other sources of student support	7	8	8	6	4	4
Income from paid work	22	21	22	70	73	86
Income from family and friends*	25	26	25	2	3	-4
Social security benefits*	3	2	3	17	15	9
Other income*	2	3	3	3	3	5
Estimated total income*	100	100	100	100	100	100
Total income	8,744	8,167	8,068	11,011	11,011	11,513
N = (3,399) unweighted	858	777	874	270	351	269

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Final year students include 68 (unweighted) students on one-year courses (full-time) and 37 (unweighted) students on one-year courses (part-time). For these groups of students, the mean total income was £9,637 and £11,126 respectively.

Source: NatCen/IES SIES Survey 2004/05

Table A3.16: Contribution towards total income of the main components by social class (per cent)

	Full-time			Part-time		
	Managerial/ professional	Inter- mediate	Routine/ manual	Managerial/ professional	Inter- mediate	Routine/ manual
Main sources of student support	36	44	44	1	2	3
Other sources of student support	5	9	12	4	5	5
Income from paid work	22	21	23	88	66	61
Income from family and friends*	32	22	14	-4	9	3
Social security benefits*	2	2	6	7	16	23
Other income*	3	2	2	4	3	5
Estimated total income*	100	100	100	100	100	100
Total income	8,535	7,909	8,376	12,301	11,052	9,449
N = (3,238) unweighted	1,342	471	558	463	163	241

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 004/05

Table A3.17: Contribution towards total income of the main components by living circumstances (per cent)

	Full-time		Part-time	
	Lives with parents	Does not live with parents	Lives with parents	Does not live with parents
Main sources of student support	41	40	1	2
Other sources of student support	7	8	8	4
Income from paid work	35	19	81	76
Income from family and friends*	15	27	6	-1
Social security benefits*	1	3	1	15
Other income*	2	3	3	4
Estimated total income*	100	100	100	100
Total income	6,721	8,725	10,228	11,374
N = (3,399) unweighted	499	2,010	84	806

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.18: Contribution towards total income of the main components by whether student lives in London during term-time (per cent)

	Full-time		Part-time	
	London	Elsewhere	London	Elsewhere
Main sources of student support	38	40	2	2
Other sources of student support	10	7	2	5
Income from paid work	24	21	85	76
Income from family and friends*	23	26	0	0
Social security benefits*	2	3	9	14
Other income*	2	3	1	4
Estimated total income*	100	100	100	100
Total income	8,403	8,320	11,713	11,130
N = (3,398) unweighted	377	2,132	129	761

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.19: Contribution towards total income of the main components by fee status (full-time) (per cent)

	Pays full fees	Pays part contribution	Pays no fees
Main sources of student support	29	52	49
Other sources of student support	3	2	15
Income from paid work	23	21	20
Income from family and friends*	41	23	9
Social security benefits*	1	1	5
Other income*	3	1	2
Estimated total income*	100	100	100
Total income	8,273	7,747	8,615
N = (2,498) unweighted	1,088	310	1,100

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A3.20: Logistic regression model of propensity to take out a student loan for full-time students

Variables	Odds ratio Exp (B)	Significance level	95% confidence limits
Gender			
Male (ref. category)	1.0		
Female	1.069	0.652	0.798, 1.433
Age-group			
Under 20 (ref. category)	1.0		
20 to 24	1.123	0.429	0.842, 1.497
25 and over*	0.489	0.029	0.258, 0.928
Socio-economic group			
Managerial/professional (ref. category)	1.0		
Intermediate	0.786	0.295	0.501, 1.233
Routine/manual	1.026	0.885	0.727, 1.447
Family/household type			
Two-adult family (ref. category)	1.0		
Lone-parent family*	1.918	0.040	1.029, 3.574
Married/couple*	0.432	0.010	0.228, 0.819
Single**	2.431	0.002	1.388, 4.257
Marital status			
Married	1.0		
Living with partner**	3.434	0.004	1.467, 8.036
Student status			
Dependent (ref. category)	1.0		
Independent	0.821	0.438	0.500, 1.350

Ethnicity			
White (ref. category)	1.0		
Asian/Asian British*	0.426	0.019	0.210, 0.867
Black/black British	1.226	0.632	0.531, 2.831
Mixed/other**	0.459	0.003	0.277, 0.762
Living circumstances			
Lives with parents (ref. category)	1.0		
Lives away***	3.233	0.000	2.365, 4.419
Living in London			
London (ref. category)	1.0		
Elsewhere	1.308	0.103	0.947, 1.805
Parental experience of HE			
Yes (ref. category)	1.0		
No	1.308	0.092	0.957, 1.786
Type of institution			
HEI England (ref. category)	1.0		
FEI England***	0.295	0.000	0.191, 0.455
HEI Wales	1.325	0.419	0.669, 2.626
Subject of study			
Medical/dental (ref. category)	1.0		
Allied to health***	0.100	0.000	0.042, 0.235
Science, engineering, technology and IT**	2.731	0.002	1.431, 5.213
Human and social sciences**	2.255	0.006	1.259, 4.038
Creative arts, languages and humanities**	2.844	0.001	1.521, 5.317
Education	1.676	0.113	0.885, 3.173
Other subjects and combinations*	2.389	0.015	1.183, 4.821
Year of study			
First year (ref. category)	1.0		
Second/intermediate years	1.276	0.095	0.959, 1.698
Final year/one-year course only	0.917	0.637	0.640, 1.314
Fee status			
Pays full fees (ref. category)	1.0		
Pays part fees***	4.201	0.000	2.386, 7.400
Pays no fees***	3.041	0.000	2.247, 4.114

N (2343 unweighted)

Base: all English domiciled full-time students

Note: *p<0.05, **p<0.01, ***p<0.001

Source: NatCen/IES SIES Survey 2004/05

Table A3.21: Linear regression model of overall income from family for full-time students

Variables	Regression coefficient	Significance level	95% confidence upper limit	95% confidence lower limit
Gender				
Male (ref. category)	0			
Female*	225.4803	0.044	5.750512	445.2101
Age-group				
Under 20 (ref. category)	0			
20 to 24***	-376.157	0	-574.442	-177.872
25 and over	-439.644	0.068	-911.412	32.12323
Socio-economic group				
Managerial/professional (ref. category)	0			
Intermediate	-258.179	0.074	-541.021	24.66262
Routine/manual**	-534.291	0.001	-853.957	-214.625
Family/household type				
Two-adult family (ref. category)	0			
Lone-parent family*	-540.155	0.023	-1,006.76	-73.5557
Married/couple	531.0746	0.314	-502.788	1,564.937
Marital status				
Married (ref. category)	0			
Living with partner*	-1,273.58	0.022	-2,365.13	-182.022
Single	101.4511	0.856	-992.696	1,195.598
Student status				
Dependent (ref. category)	0			
Independent	-30.8423	0.889	-462.963	401.2784
Ethnicity				
White (ref. category)	0			
Asian/Asian British	-481.28	0.113	-1,075.92	113.3562
Black/black British	-382.505	0.271	-1,063.55	298.5429
Mixed/other	238.2851	0.433	-358.249	834.8191
Living circumstances				
Lives with parents (ref. category)	0			
Lives away***	1,148.747	0	895.8193	1,401.674
Living in London				
London (ref. category)	0			
Elsewhere	-101.406	0.507	-401.24	198.4276
Parental experience of HE				
Yes (ref. category)	0			
No**	-392.489	0.001	-620.507	-164.471

Type of institution

HEI England (ref. category)	0			
FEI England	-219.325	0.463	-805.414	366.7636
HEI Wales**	-464.166	0.005	-788.383	-139.948

Subject of study

Medical/dental (ref. category)	0			
Allied to health	-71.7726	0.808	-649.866	506.3205
Science, engineering, technology and IT	-411.846	0.108	-914.04	90.34771
Human and social sciences	-62.6789	0.806	-564.502	439.1445
Creative arts, languages and humanities	-309.308	0.197	-779.651	161.0357
Education**	-886.478	0.008	-1,545.41	-227.542
Other subjects and combinations	-500.649	0.077	-1,055.6	54.29822

Year of study

First year (ref. category)	0			
Second/intermediate years**	-339.768	0.003	-566.791	-112.745
Final year/one-year course only	-86.6008	0.514	-346.986	173.784

Fee status

Pays full fees (ref. category)	0			
Pays part fees***	-1,451.58	0	-1718.42	-1,184.73
Pays no fees***	-2,174.37	0	-2,414.78	-1,933.95
Constant	3,307.267	0	2,159.147	4,455.386

N (2,092 unweighted)

Base: all English domiciled full-time students

Note: R-squared 0.2685, *p<0.05, **p<0.01, ***p<0.001

Source: NatCen/IES SIES Survey 2004/05

Table A3.22: Reasons for not taking out a student loan for full-time students who did not have one

Reasons	%
I do not need the money	46
I do not like borrowing and am concerned about taking on more debts	42
I am concerned about the repayments	33
My parents/partner did not want me to	24
I prefer to get a paid job than take out a loan	24
Still using up a loan taken out in a previous year	6
Receiving other funding	5
I prefer to borrow from elsewhere	2
Religious beliefs that do not permit paying interest	<1
Other	9
<hr/>	
N= (96) unweighted	

Base: English domiciled full-time students who had not applied or planned to take out a student loan

Source: NatCen/IES SIES Survey 2004/05

Table A3.23: Sources of information about the Access to Learning Fund or Financial Contingency Fund for full-time students who have heard of, or applied for, support from the fund

Sources	%
Other students/friends	28
Advisory services at university/college	26
Printed information from university/college	22
Other student organisations, <i>eg</i> NUS	7
University/college website	7
Tutors/lecturers at university/college	6
Information from the Local Education Authority	5
Newspapers/TV/radio	2
Printed information from government/Department for Education and Skills	1
Government/Department for Education and Skills website	<1
Other	9
N= (591) unweighted	

Base: English domiciled full-time students who applied to or heard of ALF

Source: NatCen/IES SIES Survey 2004/05

Table A3.24: Reasons for not applying for support funds through Access to Learning or Financial Contingency Fund for full-time students who did not apply but had heard of ALF/FCF

Reasons	%
I could do with the money, but I don't think I would get any funding even if I applied	39
I don't need the money	25
I didn't know I could apply	22
I don't know how to apply	12
I just haven't got around to applying	9
Refusal/found I am not eligible	4
I would feel embarrassed applying	2
Assumed I am not eligible so have not applied	1
Have applied and am waiting for a response	1
Other	5
N= (475) unweighted	

Base: English domiciled full-time students who had not applied to ALF/FCF but had heard of the Fund

Source: NatCen/IES SIES Survey 2004/05

Table A3.25: Logistic regression model of propensity to undertake paid work during the academic year for full-time students

Variables	Odds ratio Exp (B)	Significance level	95% confidence upper limit	95% confidence lower limit
Gender				
Male (ref. category)	1.0			
Female*	0.22147	0.025	0.027351	0.415588
Age-group				
Under 20 (ref. category)	1.0			
20 to 24	0.054726	0.602	-0.15131	0.260766
25 and over	0.066784	0.786	-0.41526	0.548832
Marital status				
Married (ref. category)	1.0			
Living with partner*	0.769165	0.038	0.041907	1.496424
Single	0.105811	0.72	-0.47249	0.684112
Socio-economic group				
Managerial/professional (ref. category)	1.0			
Intermediate	-0.10134	0.528	-0.41599	0.213313
Routine/manual	0.211124	0.137	-0.06746	0.489712
Family/ household type				
Two-adult family (ref. category)	1.0			
Lone-parent family*	-0.78216	0.011	-1.38571	-0.1786
Married/couple	0.278761	0.365	-0.32428	0.881798
Student status				
Dependent (ref. category)	1.0			
Independent	-0.20059	0.308	-0.58642	0.185246
Ethnicity				
White (ref. category)	1.0			
Asian/Asian British***	-0.92075	0	-1.41778	-0.42371
Black/black British	-0.11103	0.708	-0.69235	0.470289
Mixed/other**	-0.60988	0.001	-0.98384	-0.23591
Living circumstances				
Lives with parents (ref. category)	1.0			
Lives away***	-1.13625	0	-1.43568	-0.83682
Living in London				
London (ref. category)	1.0			
Elsewhere	0.021968	0.902	-0.32748	0.371414
Parental experience of HE				
Yes (ref. category)	1.0			
No**	0.31449	0.001	0.125248	0.503731

Type of institution				
HEI England (ref. category)	1.0			
FEI England	0.085335	0.662	-0.29764	0.46831
HEI Wales*	-0.50047	0.011	-0.88438	-0.11655
Subject of study				
Medical/dental (ref. category)	1.0			
Allied to health	0.396332	0.236	-0.25908	1.051746
Science, engineering, technology and IT	0.54602	0.076	-0.05682	1.148864
Human and social sciences**	0.827506	0.002	0.293613	1.361399
Creative arts, languages and humanities	0.543629	0.064	-0.03243	1.119689
Education	0.673089	0.052	-0.00561	1.351785
Other subjects and combinations**	1.17286	0.001	0.496362	1.849357
Year of study				
First year (ref. category)	1.0			
Second/intermediate years	0.140148	0.326	-0.13939	0.419689
Final year/one-year course only**	-0.35358	0.004	-0.59406	-0.11311
Fee status				
Pays full fees (ref. category)	1.0			
Pays part fees	0.041156	0.794	-0.26719	0.349499
Pays no fees	-0.13244	0.267	-0.36661	0.101741

N (2,343 unweighted)

Base: all English domiciled full-time students

Note: *p<0.05, **p<0.01, ***p<0.001

Source: NatCen/IES SIES Survey 2004/05

4. Total Student Expenditure

4.1 Summary of key findings

- The average total expenditure of full-time students from England in 2004/05 was £10,273.
- The average total expenditure of part-time students was £14,413, that is 40 per cent higher than the average for full-time students.
- More than half of the costs reported by full-time and part-time students were living costs. A further fifth of expenditure for each group was housing costs.
- Participation costs accounted for 19 per cent of expenditure for full-time students and 11 per cent for part-time students.
- Among the minority of students (seven per cent of full-time students and 37 per cent of part-time students) who had children, expenditure was generally higher than for other students. In multiple regressions of expenditure for each group, family type was identified as the strongest predictor of the level of expenditure. Lone parents had higher expenditure levels than those in two-adult families.
- Full-time and part-time students who owned their home or were buying it with a mortgage had relatively high levels of expenditure.
- Apart from having a family and home ownership, the other characteristics that were associated with high levels of expenditure among full-time students were being aged 25 or over and living in London.
- The other characteristics that were associated with high levels of expenditure among part-time students were having a managerial or professional occupation and not being in the second year of study at the time of interview.

4.2 Introduction

This chapter examines students' total expenditure for the academic year 2004/05. As in the previous chapters on student income, it covers English domiciled students only, and discusses

expenditure of full-time and part-time students separately. Unlike estimates of student income, however, those for expenditure have been derived from two sources – a seven-day diary of spending being used in addition to the interview.

The interview covered the largest items of expenditure, such as rent, household bills and the purchase of larger items such as computers. Annual estimates were obtained by combining answers about spending since the start of the academic year with estimates of spending for the remainder of the year.

The diary covered smaller items of spending such as food and drink and smaller household goods. Annual estimates were obtained by multiplying weekly totals by the number of weeks in the academic year for each student.

Estimates of expenditure for students who were married or otherwise shared joint financial responsibility for housing costs or other essential expenditure with a partner have been adjusted where that expenditure was judged to be joint rather than individual, following the procedure used for joint income¹.

Estimates of living costs, housing costs and spending on children for part-time students include imputed data for OU students since detailed information about those categories of expenditure were not collected in the short telephone questionnaire that was used for this group (see Appendix 1: Technical Report for details).

In this chapter we present an overview of expenditure, showing:

- total average expenditure for full-time and part-time students in England and the profile of expenditure under four sub-categories: living costs, housing costs, participation costs and spending on children
- the variations in total expenditure levels for different student groups.

In the following chapter we look at:

- the main areas of student expenditure for full-time and part-time students, focusing on the four sub-categories
- how the levels of expenditure in these sub-categories vary between student groups in full-time and part-time study.

¹ Joint financial responsibility was defined as either regularly sharing the costs of housing or other essential expenditure with a partner or having a joint bank or building society account with a partner. The adjustment procedure was to divide joint expenditure by two. Full details are provided in Appendix 1: Technical Report.

It might be helpful to the reader to explain at the outset what is contained in the total expenditure calculation and the four sub-categories. They are:

- **Living costs:** this is by far the largest category and includes expenditure on food and drink; personal items such as clothes, toiletries, mobile phones, CDs, magazines and cigarettes; entertainment, including nightclubs, concerts, sports and gambling; household goods including cleaning and servicing costs; and non-course travel such as holidays and visits to family and friends. This sub-category is examined in more detail in section 5.7.
- **Housing costs:** this is the second-largest category of expenditure for most students and includes rent, mortgage costs, retainers, council tax and household bills. This sub-category is examined in more detail in section 5.8.
- **Participation costs:** these are the costs that students incur as a direct result of attending university or college and are the third-largest category of expenditure for most students. They include the costs of course-related books, equipment and stationery; the costs of travelling to and from their university or college; the costs of any childcare that parents obtain in order to allow them to study; and all course fees paid by the students or paid by their families on their behalf¹. This sub-category is examined in more detail in sections 5.3 to 5.5.
- **Spending on children:** this is the smallest category and covers all spending by parents on their children, including the costs of any childcare that is not related to their study. This sub-category is examined in more detail in section 5.9.

As in the previous chapters, due to the diversity of the student population and the range of costs different students incur on their courses in HE, only the main variations between students in relation to expenditure can be discussed. Additional tables at the end of the chapter present further more detailed results for key groups of students. Discussion of trends and changes since 1998/99 are in Chapter 8. Welsh student expenditure is reported in Chapter 9.

4.3 Total expenditure

The average (mean) total expenditure of full-time English domiciled students in 2004/05 was £10,273. The average total

¹ For full-time and PGCE students, course fees were set as £1,150, the maximum amount a student might be expected to contribute towards their fees. For part-time students, it was the full tuition fee cost reported by them. In both cases, the figure does not take into account any student support towards fees received, which has been covered in Chapter 3 on income.

expenditure of part-time students was £14,413, that is 40 per cent higher than their full-time counterparts (Table 4.1).

The median levels of total expenditure were £8,926 for full-time students, which means that 50 per cent of the full-time student group had expenditure above £8,926 (and 50 per cent below). The median for part-time students was £13,159. For both groups, the mean value was somewhat higher than the median, which indicates that the distribution was positively skewed, that is the highest expenditure values for each group were further from the median than were the lowest values. This pattern is consistent with previous SIES¹.

Figures 4.1 and 4.2 show how the expenditure of full-time and part-time students respectively was distributed between the four sub-categories (shown above). Despite the differences in total expenditure levels, the profiles of expenditure were quite similar for the two groups.

Table 4.1: Total student expenditure and main sources of expenditure by mode of study (£)

		Full-time	Part-time
Living costs*	Mean	5,870	9,056
	Median	5,020	7,805
	Standard error	125	239
Housing costs*	Mean	2,276	3,042
	Median	1,958	2,645
	Standard error	82	89
Participation costs	Mean	1,980	1,614
	Median	1,705	1,334
	Standard error	32	70
Spending on children*	Mean	147	701
	Median	0	0
	Standard error	17	57
Total expenditure*	Mean	10,273	14,413
	Median	8,926	13,159
	Standard error	164	292
N = (2,963) unweighted		2,219	744

Base: all English domiciled students who incurred costs in these expenditure categories

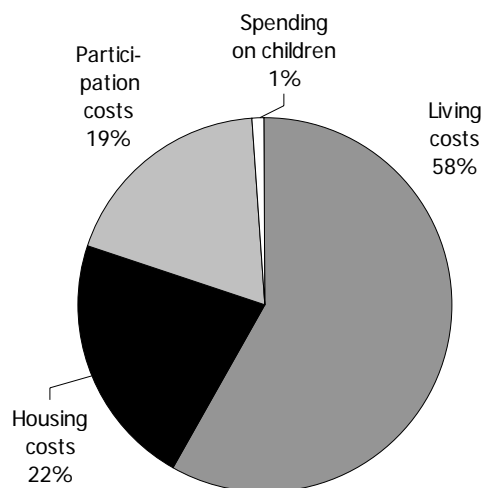
* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

¹ A number of the highest values for sub-categories of expenditure were judged to be outliers and were trimmed to the level of the next highest value that was consistent with the shape of the distribution. Further details are provided in Appendix 1: Technical Report.

- **Living costs** represented the majority of expenditure for each group (58 per cent for full-time students and 64 per cent for part-time students, see Figures 4.1 and 4.2).

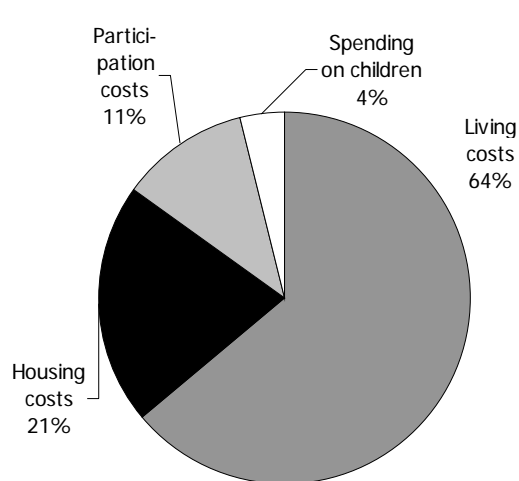
Figure 4.1: Profile of expenditure for full-time English domiciled students



N = (2,219) unweighted

Base: all English domiciled full-time students

Figure 4.2: Profile of expenditure for part-time English domiciled students



N = (744) unweighted

Base: all English domiciled full-time students

Source: NatCen/IES SIES Survey 2004/05

- **Housing costs** accounted for just over one-fifth of total expenditure for each group (22 per cent for full-time students and 21 per cent for part-time students).
- **Participation costs**, however, accounted for a higher proportion of expenditure for full-time students than for part-time students (19 per cent compared with 11 per cent).
- In comparison, **spending on children** took a lower share of total expenditure for full-time students (one per cent) than for part-time students (four per cent), which reflected the fact that fewer full-time students had children.

Whether students had children had quite a large effect on their overall expenditure. For this category of spending, the average estimates (in Table 4.1) are quite misleading because only seven per cent of full-time students and 37 per cent of part-time students had any spending on children – other students had zero values for this category (because they had no children). Among students who were parents and had children living with them, those who were full-time students spent an average of £2,120 per annum on their children and those who were part-time students spent an average of £1,774 per annum (Table 4.2). These amounts are considerably more than the ‘all-student’ averages shown in Table 4.1. Similarly, when looking at the students’ housing costs, it should be noted that 15 per cent of full-time students and four per cent of part-time students reported having no housing costs,

Table 4.2: Total student expenditure and main sources of expenditure for students who incurred costs in expenditure categories by mode of study (£)

		Full-time	Part-time
Living costs*	Mean	5,870	9,056
	Median	5,020	7,805
	Standard Error	125	239
	N	2,219	744
	per cent incurring cost	100	100
Housing costs*	Mean	2,690	3,233
	Median	2,210	2,778
	Standard Error	96	80
	N	1,873	710
	per cent incurring cost	85	94
Participation costs	Mean	1,980	1,614
	Median	1,705	1,334
	Standard error	32	70
	N	2,219	744
	per cent incurring cost	100	100
Spending on children*	Mean	2,120	1,774
	Median	1,481	1,492
	Standard error	168	99
	N	203	269
	per cent incurring cost	7	37
Total expenditure*	Mean	10,273	14,413
	Median	8,926	13,159
	Standard error	164	292
	per cent incurring cost	100	100
N = (2,963) unweighted		2,219	744

Base: all English domiciled students who incurred costs in these expenditure categories

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

typically because they lived with a parent or other relatives. Thus, the housing costs of those who incurred such expenditure (in Table 4.2) were higher than the overall average (in Table 4.1).

4.4 Variations in total expenditure for student groups

This section highlights some important variations that can be observed between the total expenditure levels of students according to personal characteristics such as gender, age, life stage (for example whether they were single or in a couple, what housing and family responsibilities they had, and so on), ethnicity and location (in London or elsewhere). These variations are

discussed separately for the full-time and part-time student groups. As well as presenting comparisons between the total expenditure levels of sub-groups of these students with differing characteristics (in Additional Tables A4.1 to A4.10 at the end of the chapter), the results of multiple linear regression analyses (in Tables A4.11 and A4.12) show which characteristics were most strongly associated with variations in expenditure¹.

4.4.1 Full-time students

Female English domiciled full-time students reported a slightly higher level of total expenditure than men, a level of £10,665 compared with £9,754 (Table A4.1). In particular, women were observed to have higher average living costs and spending on children than men. These differences were not found to be significant in the multiple regression model, which indicates that they were determined by other factors (such as family type).

Total expenditure was strongly related to full-time students' age and lifestage – older students and those who had families with children had the highest levels of expenditure. The average expenditure of full-time students aged 25 or over was £14,423 and this was 58 per cent higher than the level for those aged under 20 (£9,108) (Table A4.2). Among full-time students with families, lone parents had appreciably higher average levels of expenditure than those who were in two-adult families (£20,165 compared with £15,895). Both had much higher expenditure levels than those who were in a couple without children (£11,654) or single (£9,603) (Table A4.4). Family type was found to have the strongest relationship with total expenditure in the multiple regression model (Table A4.11).

Another factor that showed variations in levels of total expenditure was ethnic group. Black students who studied full-time reported higher expenditure than white and Asian students (Tables A4.6 and A4.11). This was mainly due to higher living costs and a contributory factor to this was that more than half of black students lived in London. Although full-time students who were Asian reported slightly lower average levels of expenditure than those who were white, this trend could be explained by the

¹ Multiple linear regression is an analysis technique whereby the value of one variable (the dependent variable), in this case total expenditure, is estimated in terms of a number of other (independent) variables, in this case student characteristics such as gender, age, lifestage, ethnicity and location. The linear regression model takes account of the interactions between different independent variables and excludes from the model variables where an apparent association with total expenditure is explained by other, associated variables. For example, gender could be excluded from the regression model if its association with total expenditure was no longer significant once the effect of being a parent had been taken account of.

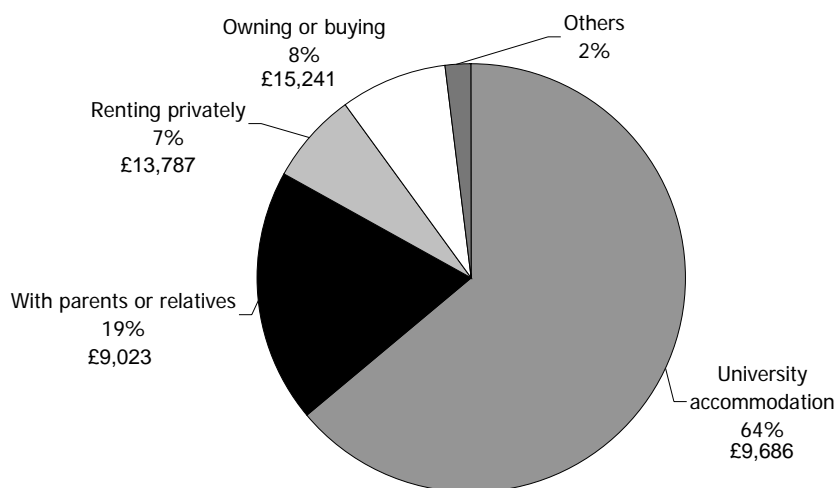
higher proportion of Asian students who lived at home (58 per cent compared with 16 per cent of white students). However, when other factors were controlled for in the regression model, ethnicity was not found to be significant in predicting total expenditure.

Two further characteristics that were found to be strongly associated with high levels of expenditure for full-time students were home ownership and living in London. Full-time students who were owning or buying their homes had an average expenditure of £15,241, compared with £13,787 for those who rented privately, £9,686 for those living in university accommodation and £9,023 for those living with their parents (Figure 4.3 and Table A4.8). These differences were not simply driven by housing costs as the tenure groups which had relatively high housing cost also had relatively high living costs, participation costs and spending on children.

As well as having higher housing costs, full-time students living in London had slightly higher living costs and participation costs than their counterparts who lived outside the capital (Table A4.7).

Social class was not found to be a strong influence on full-time students' expenditure. Full-time students whose parental or own occupation was classed as routine/manual had a slightly higher average expenditure overall than those classified in the managerial or clerical group (Table A4.3). However, this factor was not found to be significant in the regression model. Similarly, while full-time independent students had much higher expenditure levels than dependent students (£13,287 compared

Figure 4.3: Profile of full-time students according to tenure and mean expenditure levels for each tenure group



N = (2,219) unweighted

Base: all English domiciled full-time students

Source: NatCen/IES SIES Survey 2004/05

with £9,478, Table A4.5), this simply reflected the trends for age and lifestage that have been described above. The slightly higher expenditure of full-time students in English FEIs compared with those in English HEIs (£11,337 compared with £10,288, Table A4.9) also reflected the differing characteristics of students attending these institutions rather than differences between the institutions themselves. Finally, no relationship was observed between total expenditure of full-time students and the year of their course (Table A4.10).

To summarise, the main factors associated with high levels of expenditure among full-time English domiciled students were being a lone parent or in a two-adult family, owning or buying their home, being aged 25 or over and living in London (Table A4.11).

4.4.2 Part-time students

Female English domiciled part-time students reported slightly higher expenditure than men, £15,143 compared with £13,502 (Table A4.1), which reflected the trend for full-time students¹.

The most important influence on the level of expenditure of part-time students was family type. As was observed for full-time students, part-time students who were lone parents had the highest levels of total expenditure (£18,279), followed by those who were in a two-adult family (£15,531), and those who were in a couple (without children) or were single (£13,652 and £13,093 respectively, Table A4.4). A multiple regression model of expenditure for part-time students confirmed that this factor was highly significant in predicting expenditure (Table A4.12).

Although the youngest part-time students who were aged under 25 had lower average total expenditure than their older counterparts (Table A4.2), expenditure did not rise further as age increased and the relationship between age and expenditure was not significant in the regression model. Thus, age was a less important factor in determining expenditure for part-time students than for full-time students.

On the other hand, home ownership and social class were both found to be associated with expenditure for part-time students. Seventy per cent of part-time students owned their accommodation and this group reported levels of total expenditure that were comparable with those for full-time students who were owners or buying with a mortgage. They were significantly higher than those for part-time students who held their accommodation by different means (£15,302 compared with

¹ Estimates of living costs, housing costs and spending on children for part-time students include imputed data for OU students (see Appendix 1: Technical Report for details).

£12,895, Table A4.8). Those who had occupations classified as managerial or professional had higher expenditure than those whose occupations were in the intermediate group; expenditure was lowest for those who had routine or manual occupations (Table A4.3). However, the total expenditure for London-based part-time students was no higher than that for other students, even though their housing costs were higher (Table A4.7). This was because part-time students in London reported lower living costs than their counterparts who were located elsewhere.

Part-time students in their second year of study reported lower levels of expenditure than those in other years (£13,594 compared with £14,986 for first-year students and £14,594 for those in their final year or studying a one-year course). This was identified as a significant predictor of total expenditure in the regression model and reflects a similar pattern to that observed for full-time students¹.

To summarise, the main factors associated with high levels of expenditure among part-time English domiciled students were being a lone parent or in a two-adult family, studying in a year other than their second year, having a managerial or professional job and owning or buying their home (Table A4.12).

¹ The final-year group included students who were studying in their third or later years, who had total expenditure costs of £14,600, and those studying a one-year course, who had total expenditure costs of £14,000.

Chapter 4: Additional Tables

Table A4.1: Total student expenditure and main sources of expenditure by mode of study and gender (£)

		Full-time		Part-time	
		Male	Female	Male	Female
Living costs*	Mean	5,508	6,144	8,757	9,296
	Median	4,863	5,143	7,659	7,973
	Standard error	186	136	357	342
Housing costs*	Mean	2,332	2,234	2,649	3,358
	Median	1,932	1,980	2,324	2,870
	Standard error	109	97	152	126
Participation costs	Mean	1,868	2,064	1,655	1,581
	Median	1,634	1,783	1,299	1,354
	Standard error	48	35	141	49
Spending on children*	Mean	46	223	442	909
	Median	0	0	0	0
	Standard error	11	29	78	71
Total expenditure*	Mean	9,754	10,665	13,502	15,143
	Median	8,609	9,203	12,059	13,968
	Standard Error	211	191	479	434
N = (2,963) unweighted		691	1,528	240	504

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A4.2: Total student expenditure and main sources of expenditure by mode of study and age (£)

		Full-time			Part-time			
		Under 20	20-24	25+	Under 25	25-29	30-39	40 +
Living costs*	Mean	5,371	5,655	7,727	8,720	9,283	8,789	9,504
	Median	4,729	4,836	6,802	7,482	7,615	7,913	7,758
	Standard error	149	138	259	504	697	309	487
Housing costs*	Mean	1,873	2,304	3,124	1,925	3,333	3,612	3,202
	Median	1,500	2,055	2,731	1,440	2,937	3,165	2,793
	Standard error	102	111	158	220	282	128	176
Participation costs	Mean	1,853	1,861	2,657	1,640	1,646	1,734	1,450
	Median	1,650	1,623	2,354	1,355	1,415	1,406	1,304
	Standard error	37	40	82	123	127	173	63
Spending on children*	Mean	10	7	916	98	399	1,185	802
	Median	0	0	0	0	0	908	0
	Standard error	6	3	82	44	86	123	81
Total expenditure*	Mean	9,108	9,827	14,423	12,382	14,661	15,321	14,959
	Median	8,095	8,631	13,390	11,018	12,113	14,049	13,379
	Standard error	174	196	408	572	847	469	591
N = (2,963) unweighted		726	1,055	438	121	97	254	271

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A4.3: Total student expenditure and main sources of expenditure by mode of study and social class (£)

		Full-time			Part-time		
		Manag- erial/ profess- ional	Inter- mediate	Routine/ manual	Manag- erial/ profess- ional	Inter- mediate	Routine/ manual
Living costs*	Mean	5,668	5,800	6,203	9,545	9,183	7,964
	Median	4,927	5,020	5,364	8,047	7,413	6,673
	Standard error	131	219	179	307	596	372
Housing costs*	Mean	2,313	2,272	2,307	3,184	2,917	2,850
	Median	1,971	1,939	2,055	2,771	2,796	2,331
	Standard error	100	184	102	116	280	214
Participation costs	Mean	1,887	2,027	2,159	1,644	1,550	1,594
	Median	1,650	1,724	1,805	1,376	1,092	1,340
	Standard error	37	51	59	112	100	86
Spending on children*	Mean	103	111	280	699	552	819
	Median	0	0	0	0	0	328
	Standard error	17	31	35	69	105	101
Total expenditure*	Mean	9,971	10,210	10,949	15,073	14,202	13,226
	Median	8,775	8,864	9,667	14,043	12,843	12,076
	Standard error	197	281	216	387	621	555
N = (2,963) unweighted		1,199	409	491	398	132	197

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Note: the social class results shown are based on classifications of the following:

- For full-time independent students: student's last paid occupation
- For full-time dependent students: occupation of main income earner in house where student lived before starting course
- For part-time students: student's current or last paid occupation

Source: NatCen/IES SIES Survey 2004/05

Table A4.4: Total student expenditure and main sources of expenditure by mode of study and family type (£)

		Full-time				Part-time			
		2 adult family	Lone parent	Couple	Single	2 adult family	Lone parent	Couple	Single
Living costs*	Mean	8,669	9,600	6,858	5,551	9,132	9,942	9,261	8,669
	Median	7,836	8,020	5,487	4,828	7,819	8,712	8,005	7,084
	Standard error	383	651	393	119	325	775	541	416
Housing costs*	Mean	2,761	4,130	2,519	2,180	3,091	4,677	2,849	2,780
	Median	2,535	3,858	2,391	1,821	2,675	4,504	2,598	1,997
	Standard error	156	228	101	94	114	313	166	212
Participation costs	Mean	2,866	3,435	2,277	1,871	1,660	1,493	1,542	1,645
	Median	2,558	2,851	2,035	1,635	1,375	1,072	1,373	1,334
	Standard error	147	227	77	35	116	191	115	82
Spending on children*	Mean	1,598	3,000	0	0	1,648	2,166	0	0
	Median	1,352	2,178	0	0	1,459	1,783	0	0
	Standard error	102	356	- ¹	-	94	214	-	-
Total expenditure*	Mean	15,895	20,165	11,654	9,603	15,531	18,279	13,652	13,093
	Median	14,770	18,464	10,505	8,516	14,358	17,120	12,189	11,212
	Standard error	481	929	440	155	404	979	646	479
N = (2,963) unweighted		128	75	164	1,852	234	79	186	245

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A4.5: Total student expenditure and main sources of expenditure by student status (full-time) (£)

		Dependent	Independent
Living costs*	Mean	5,490	7,312
	Median	4,753	6,564
	Standard error	127	221
Housing costs*	Mean	2,140	2,794
	Median	1,858	2,370
	Standard error	95	115
Participation costs	Mean	1,845	2,490
	Median	1,620	2,163
	Standard error	37	66
Spending on children*	Mean	3	691
	Median	0	0
	Standard error	2	67
Total expenditure*	Mean	9,478	13,287
	Median	8,415	12,185
	Standard error	163	340
N = (2,219) unweighted		1,662	557

Base: all full-time English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A4.6: Total student expenditure and main sources of expenditure by ethnicity (full-time) (£)

		White	Black	Asian	Mixed/ other
Living costs*	Mean	5,762	8,062	6,204	5,974
	Median	4,992	6,510	5,234	4,969
	Standard error	107	953	488	622
Housing costs*	Mean	2,305	2,310	1,229	2,790
	Median	1,995	1,917	0	2,205
	Standard error	81	300	357	281
Participation costs	Mean	1,947	2,300	2,173	2,129
	Median	1,671	2,020	1,858	1,781
	Standard error	30	96	117	86
Spending on children*	Mean	135	725	46	89
	Median	0	0	0	0
	Standard error	16	249	26	36
Total expenditure*	Mean	10,148	13,398	9,652	10,982
	Median	8,905	11,390	7,783	9,292
	Standard error	151	1,031	630	720
N = (2,219) unweighted		1,889	119	86	124

Base: all full-time English domiciled students

* Note: figures adjusted for partner contributions where relevant

Note: figures are not shown for part-time students due to low base sizes

Source: NatCen/IES SIES Survey 2004/05

Table A4.7: Total student expenditure and main sources of expenditure by mode of study and whether living in London or elsewhere (£)

		Full-time		Part-time	
		Lives in London	Lives elsewhere	Lives in London	Lives elsewhere
Living costs*	Mean	6,542	5,790	7,831	9,261
	Median	5,662	4,934	6,369	7,832
	Standard error	398	121	541	261
Housing costs*	Mean	2,455	2,240	4,297	2,899
	Median	1,875	1,964	3,997	2,528
	Standard error	176	92	245	101
Participation costs	Mean	2,235	1,959	1,976	1,573
	Median	1,975	1,686	1,742	1,299
	Standard error	84	31	107	80
Spending on children*	Mean	158	151	470	738
	Median	0	0	0	0
	Standard error	62	17	114	59
Total expenditure*	Mean	11,390	10,140	14,574	14,470
	Median	10,309	8,781	12,984	13,290
	Standard error	469	164	667	321
N = (2,963) unweighted		312	1,768	102	619

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A4.8: Total student expenditure and main sources of expenditure by mode of study and tenure (£)

		Full-time			Part-time		
		University accommodation	Renting privately	Owning or buying	Living with parents or relatives	Owning or buying	Others
Living costs*	Mean	5,278	7,143	8,357	6,299	9,455	8,374
	Median	4,719	6,374	7,548	5,259	7,928	7,024
	Standard error	117	475	283	233	311	437
Housing costs*	Mean	2,703	3,268	3,149	321	3,378	2,470
	Median	2,177	2,880	2,940	0	3,013	1,974
	Standard error	115	132	146	55	98	171
Participation costs	Mean	1,704	2,599	2,633	2,385	1,499	1,810
	Median	1,490	2,100	2,385	2,175	1,297	1,482
	Standard error	29	97	99	62	75	103
Spending on children*	Mean	1	777	1,102	18	970	241
	Median	0	0	556	0	532	0
	Standard error	1	97	113	8	75	55
Total expenditure*	Mean	9,686	13,787	15,241	9,023	15,302	12,895
	Median	8,612	12,155	14,621	8,037	13,988	11,161
	Standard Error	189	661	419	251	385	491
N = (2,904) unweighted		1,307	186	229	438	503	241

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Note: figures are not shown for two groups of full-time students due to low base sizes: those who lived in a house owned by their parents but not with them and those who had miscellaneous different forms of tenure

Source: NatCen/IES SIES Survey 2004/05

Table A4.9: Total student expenditure and main sources of expenditure by mode of study and institution type (full-time) (£)

		HEI Eng	FEI Eng	HEI Wales
Living costs*	Mean	5,864	6,832	5,098
	Median	5,020	5,562	4,542
	Standard error	130	755	264
Housing costs*	Mean	2,297	1,767	2,334
	Median	1,964	1,500	1,991
	Standard error	89	277	221
Participation costs	Mean	1,989	2,285	1,510
	Median	1,710	2,021	1,385
	Standard error	34	143	33
Spending on children*	Mean	138	453	44
	Median	0	0	0
	Standard error	17	163	28
Total expenditure*	Mean	10,288	11,337	8,986
	Median	8,973	9,638	8,168
	Standard error	170	1,078	364
N = (2,219) unweighted		1,972	108	139

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A4.10: Total student expenditure and main sources of expenditure by mode of study and year of study (£)

		Full-time			Part-time		
		1st yr	2nd yr/ other yr	Final year/ 1-yr course	1st yr	2nd yr/ other yr	Final year/ 1-yr course
Living costs*	Mean	5,979	5,712	5,901	9,198	8,466	9,406
	Median	5,075	5,054	4,991	7,814	7,752	7,807
	Standard error	225	163	145	385	347	420
Housing costs*	Mean	1,944	2,361	2,528	3,243	2,937	2,962
	Median	1,593	1,950	2,168	2,794	2,590	2,618
	Standard error	84	144	135	146	154	161
Participation costs	Mean	2,079	1,901	1,950	1,722	1,500	1,617
	Median	1,813	1,618	1,688	1,473	1,222	1,335
	Standard error	38	39	40	91	78	163
Spending on children*	Mean	177	92	165	823	690	609
	Median	0	0	0	0	0	0
	Standard error	32	17	24	83	74	105
Total expenditure*	Mean	10,178	10,066	10,545	14,986	13,594	14,594
	Median	8,823	8,879	9,029	13,687	12,745	12,982
	Standard error	273	220	219	461	393	581
N = (2,963) unweighted		748	686	785	217	291	236

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Note: The final-year group included students who were studying in their third or later years, who had total expenditure costs of £10,400, and those studying a one-year course, who had total expenditure costs of £12,000

Source: NatCen/IES SIES Survey 2004/05

Table A4.11: Linear regression of total expenditure for full-time students

Variables	Regression coefficient	Significance level	95% confidence limits
Gender			
Male (ref. category)	0		
Female	330	0.150	-120, 779
Age group			
Under 20 (ref. category)	0		
20 to 24	470	0.098	-86, 1026
25 and over*	1,216	0.053	-13, 2,446
Socio-economic group			
Managerial/professional (ref. category)	0		
Intermediate	223	0.400	-297, 743
Routine/manual	78	0.772	-448, 604
Family/household type			
Two-adult family (ref. category)	0		
Lone-parent family***	4,659	0.000	2,370, 6,948
Married/couple***	-2,873	0.000	-4,032, -1,716
Single***	-3,157	0.000	-4,683, 1,631
Student status			
Dependent (ref. category)	0		
Independent	669	0.145	-231, 1,569
Ethnicity			
White (ref. category)	0		
Asian/Asian British	-162	0.795	-1,388, 1,064
Black/black British	1,814	0.115	-444, 4,073
Mixed/other	310	0.552	-714, 1,335
Tenure			
Owning/buying (ref. category)	0		
Renting privately*	-1,138	0.030	-2,164, -111
University accommodation*	-1,850	0.016	-3,352, -349
Living with parents/relatives***	-2,959	0.000	-4,469, -1,448
Living in house owned by parents	-2,499	0.070	-5,203, 205
Other	-2,855	0.089	-6,143, 432
Institution type			
English HEI (ref. category)	0		
English FEI	355	0.683	-1,353, 2,063
Year of study			
First year (ref. category)	0		
Second/other year	140	0.637	-440, 719
Third year/one-year course	224	0.525	-467, 915

Living in London

Yes (ref. category)	0		
No**	-1,233	0.002	-2,007, -460
<hr/>			
N (2,219) unweighted			
<hr/>			

Base: all English domiciled full-time students

Note: R-squared 0.2110, *p<0.05, **p<0.01, ***P<0.001

Source: NatCen/IES SIES Survey 2004/05

Table A4.12: Linear regression of total expenditure for part-time students

Variables	Regression coefficient	Significance level	95% confidence limits
Gender			
Male (ref. category)	0		
Female	1,134	0.113	-268, 2,536
Age group			
Under 25 (ref. category)	0		
25 to 29	1,062	0.229	-668, 2,793
30 to 39	603	0.504	-1,166, 2,372
40 and over	370	0.678	-1,378, 2,118
Socio-economic group			
Managerial/professional (ref. category)	0		
Intermediate	-951	0.272	-2,649, 748
Routine/manual***	-2,231	0.001	-3,543, -919
Family/household type			
Two-adult family (ref. category)	0		
Lone-parent family*	3,212	0.004	1,007, 5,417
Married/couple*	-1,831	0.026	-3,439, -224
Single	-1,165	0.145	-2,732, 401
Tenure			
Owning/buying (ref. category)	0		
Other	-1,164	0.197	-2,932, 605
Year of study			
First year (ref. category)	0		
Second/other year**	-1,521	0.015	-2,746, -297
Final year/one-year course	-417	0.537	-1,743, 909
Living in London			
Yes (ref. category)	0		
No	-1,127	0.165	-2,718, 464
N (744) unweighted			

Base: all English domiciled part-time students

Note: R-squared 0.1158, *p<0.05, **p<0.01, ***P<0.001

Source: NatCen/IES SIES Survey 2004/05

5. HE Participation and Other Costs

5.1 Summary of key findings

- Full-time English domiciled students spent an average of £1,980 in 2004/05 on participation costs, that is the costs that they incurred as a direct result of attending university or college. This total included the full tuition fee contribution of £1,150.
- Part-time students spent an average of £1,614 on participation costs, which was less than full-time students.
- Among full-time students, participation costs were higher for women, older students (aged over 25), those whose parental or own occupations were classified as routine, manual or intermediate and those who were parents (especially lone parents). Among both full-time and part-time students, participation costs were higher for those who were studying for a foundation degree or other qualification below degree level and for those who lived in London.
- Full-time students spent an average of £426 on direct course costs such as books, computers and equipment. Part-time students spent £367 on these items. For both modes of study, spending on these items was highest in the first year of the course.
- Facilitation costs, that is spending on petrol, travel, childcare and other items that made it possible for students to study, contributed an average of £403 per annum to full-time students' costs and £522 to those of part-time students. Course-related travel costs were relatively high for part-time students and for full-time students who were parents, who lived in London or who lived with their parents.
- Living costs, which included food, personal items such as clothes, toiletries and mobile phones, entertainment, household goods and non-course-related travel, contributed £5,870 to full-time students' costs and £8,972 to those for part-time students (a much higher figure).
- Within living costs, full-time students spent an average of £1,491 on food, £1,710 on personal items and £1,199 on

entertainment. The corresponding totals for part-time students were £2,313, £2,190 and £1,283.

- Housing costs, which included rent, mortgages, retainers, council tax and household bills, were an average of £2,276 per annum for full-time students and £3,042 for part-time students. Full-time students had lower housing costs because they typically lived in university accommodation (63 per cent did so) or with their parents (20 per cent did so); only 15 per cent were owners or private renters. In contrast, 60 per cent of part-time students owned their home or were buying it with a mortgage. Full-time students living at home with their parents reported substantially lower housing costs than any other group.
- Spending on children, which included non-course-related childcare, made an important contribution to expenditure for student parents (who constituted seven per cent of full-time students and 37 per cent of part-time students). Full-time students who were parents reported spending £2,120 on their children over the year (roughly £1,200 per child).

5.2 Introduction

In this chapter we turn to exploring in more detail the main areas of student expenditure, that is the different sub-categories of student spending outlined at the beginning of Chapter 3. We begin by looking at **total participation costs**, that is the total costs students incur because they take a higher education course. As Chapter 4 showed, this accounted for almost one fifth of total expenditure in the 2004/05 academic year for full-time students, but less, just over one-tenth, of the part-time students' average total expenditure. Each of the following main types of participation costs are then discussed: tuition fees, direct course costs (*ie* costs of items that are essential to study, including books, computers, equipment, and printing, photocopying and stationery), and facilitation costs (spending that enables students to study for their course and includes travel to and from the place of study, field trips associated with the course and any course-related childcare).

The three other sub-categories of spending are then discussed in more detail than in the previous chapter. They are:

- living costs of students, which as has been shown already (Figures 4.1 and 4.2) is by far the largest category for both full-time and part-time students. In this category are included expenditure on food and drink, personal entertainment, household goods and non-course travel. The relative importance of the different types of costs that fall within this category are discussed
- housing costs, which account for around one-fifth of spending for both full and part-time students

- spending on children, which takes a very small share of total spending on average, but is much higher for certain groups of students with children.

Throughout this chapter, findings for full-time and part-time students are presented separately.

5.3 Total participation costs

5.3.1 Full-time students

English domiciled full-time students reported spending an average of £1,980 on participation costs in the year 2004/05. This amount was £366 (23 per cent) higher than the amount spent by part-time students (£1,614).

As shown in Table 5.1, total participation costs for full-time students broke down into:

- £1,150 on average (mean) on **tuition fees** (58 per cent of the total)¹
- £426 on average on **direct course** costs (22 per cent).

Table 5.1: Total participation costs and main sources of participation costs by mode of study (£)

		Full-time	Part-time
Tuition fee cost	Mean	1,150	725
	Median	1,150	637
	Standard error	n/a	21
Direct course costs (<i>eg</i> books and equipment)	Mean	426	367
	Median	235	174
	Standard error	24	22
Costs of facilitating participation (<i>eg</i> travel and study-related childcare)	Mean	403	522
	Median	195	273
	Standard error	21	63
Total participation costs	Mean	1,980	1,614
	Median	1,705	1,334
	Standard error	32	70
N = (2,963) unweighted		2,219	744

Base: all English domiciled students

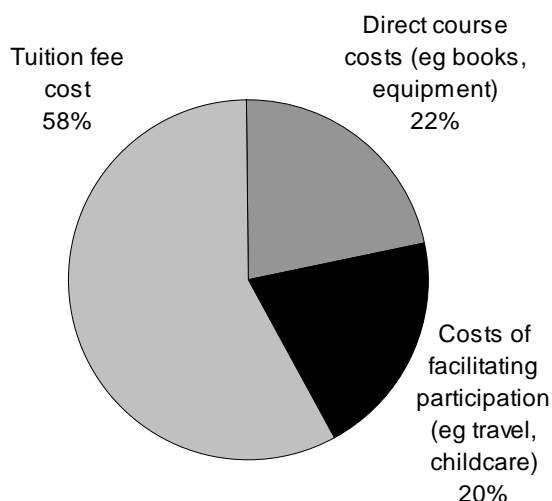
Source: NatCen/IES SIES Survey 2004/05

¹ As has already been noted in Chapter 2, the full-time students' full tuition fee cost of £1,150 has been counted as expenditure for analysis purposes. Where students paid less than this because they had help with their fees, the difference from the total has been treated as income (under main student support), and included in calculations in Chapters 2 and 3 on income.

- £403 on average on **facilitation** costs (20 per cent).

Proportionally, full-time students spent more on tuition fees (took the majority share, at 58 per cent) and much less on facilitation costs (just 20 per cent) than did part-time students (Figures 5.1 and 5.2).

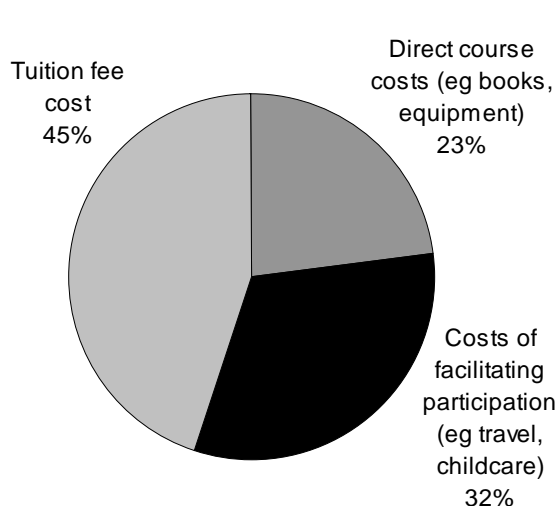
Figure 5.1: Profile of participation costs for English domiciled full-time students



N = (2,219) unweighted

Base: all English domiciled full-time students

Figure 5.2: Profile of participation costs for English domiciled part-time students



N = (744) unweighted

Base: all English domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

Not all full-time students incurred costs under some of the headings. In particular, 61 per cent of full-time students reported some facilitation costs while almost all, 99 per cent, reported direct costs (Table 5.2). The mean figures for those who incurred such costs were £429 for direct costs and £664 for facilitation costs. The medians were much lower in each case (around half the level), showing that the distribution was skewed towards the lower end of the range.

Differences between groups of full-time students

Full-time students' participation costs varied substantially according to their characteristics. Multiple linear regression analysis was used to identify which characteristics were most strongly associated with high or low participation costs in total (Table A5.18). The findings were:

- Female full-time students reported higher levels of participation costs than men (£2,064 on average for women compared with around £1,868 for men, Table A5.1 at the end of the chapter). The difference was mainly explained by a higher spend on direct course costs by women, and their reporting of a greater spend on facilitation costs (which

Table 5.2: Total participation costs and main sources of participation costs for students who incurred costs in these categories by mode of study (£)

		Full-time	Part-time
Tuition fee cost	Mean	1,150	758
	Median	1,150	650
	Standard error	n/a	22
	N	2,219	700
	per cent incurring cost	100	96
Direct course costs (eg books and equipment)	Mean	429	388
	Median	235	199
	Standard error	25	22
	N	2,202	713
	per cent incurring cost	99	95
Costs of facilitating participation (eg travel and study-related childcare)	Mean	664	616
	Median	390	390
	Standard error	22	72
	N	1,431	635
	per cent incurring cost	61	85
Total participation costs	Mean	1,980	1,614
	Median	1,705	1,334
	Standard error	32	70
	per cent incurring cost	100	100
N = (2,963) unweighted		2,219	744

Base: all English domiciled students who incurred costs in these expenditure categories

Source: NatCen/IES SIES Survey 2004/05

included course-related childcare). Accordingly, gender was found to be highly significant in predicting level of expenditure on participation costs in the multiple regression model.

- Older full-time students (aged over 25) spent considerably more on course participation than their younger counterparts (£2,600 for 25-year-olds and over, compared to around £1,860 for under 25s, Table A5.2). They reported a greater spend on all aspects of participation except tuition fees, which remained the same across the age groups. In particular, facilitation costs (including course-related travel and childcare) were higher for older full-time students (Table A5.2). These differences were not found to be significant in the multiple regression model, which indicates that they were determined by other factors (such as family type and gender).
- For the same reason, whether the student was classed as dependent or independent was not found to have a significant relationship with expenditure. However (as can be expected), independent students had a considerably higher spend on

participation than dependent students (£2,490 compared to £1,845, Table A4.5).

- Differences were also evident by socio-economic group: full-time students whose parental or own occupations were classified as routine, manual or unemployed had slightly higher participation costs than those who had a managerial or professional background (£2,159 compared with £1,887, Table A4.3).
- Family type also showed a strong relationship with participation costs. Full-time students who were lone parents reported the highest level of participation costs (£3,435) and those who were part of a two-adult family reported the second highest level (£2,866). The costs of both types of parent were much higher than those of single people (£1,871, Table A4.4). Lone parents reported by far the highest expenditure on facilitation costs, particularly childcare costs, which represented a quarter of their total participation cost.
- Full-time students living in London reported higher participation costs (£2,235) than those living elsewhere in the country (£1,959, Table A4.7).
- Full-time students who were studying for a bachelor degree, HND, HNC, PGCE or initial teacher training qualification had lower costs than those studying for a foundation degree or another qualification (Table A5.3). Part of this difference is explained by the different age profile of these students. Fifty-three per cent of full-time students studying for a foundation degree or other qualification were aged 25 or over compared with just 15 per cent of those studying for a bachelor degree. Institution type, however, was not found to have a significant effect on expenditure, although students attending a FEI reported higher participation costs (£2,285) than those studying at a HEI in England (£1,989) or Wales (£1,510, Table A4.9).
- A further study-related factor found to be strongly associated with expenditure on participation among full-time students was year of study. Students in their first year of study reported a higher spend on participation (£2,079) than those in their second year (£1,901) and those in their third year or studying on a one-year course (£1,950)¹. This difference can largely be explained by a considerably higher spend on direct course costs (ie books and equipment) in the first year of study (Table A4.10).

¹ The final-year group included students who were studying in their third year or later years, who had participation costs of £1,900, and those studying on a one-year course, who had participation costs of £2,300.

5.3.2 Part-time students

English domiciled part-time students reported spending an average (mean) of £1,614 on total participation costs in the year 2004/05 (Table 5.1), a lower average figure than for full-time students. In particular, the average amount of tuition fees was much lower than for full-time students, £725 compared with £1,150.

Part-time students' spending on direct course costs such as books and equipment was slightly lower, at £367, than that for full-time students, and their expenditure on facilitation costs, such as course-related travel and childcare, was slightly higher, at £522.

The breakdown of total participation costs between the three categories was more evenly distributed for part-time than for full-time students (Figure 5.2). However, the largest component was still tuition fees (45 per cent of the total for part-time students), with direct course costs making up 23 per cent and facilitation costs 32 per cent.

Looking at the average costs of just those who had incurred the costs (Table 5.2), most part-time students incurred costs under all three headings. The average figures are only slightly higher in each case than the averages shown for all part-time students, at £758 (tuition fees), £388 (direct costs) and £616 (course facilitation).

Differences between groups of part-time students

As with full-time students, a multiple linear regression analysis was carried out to identify which characteristics were most strongly associated with high or low participation costs (Table A5.19). The findings were:

- Part-time students who lived in London had higher participation costs than those who lived outside the capital (almost £2,000 compared with £1,570, Table A4.7). This difference was observed for tuition costs, direct course costs and facilitation costs.
- Part-time students who were studying for a bachelor degree, HND, HNC, PGCE or initial teacher training qualification had higher participation costs than those on courses leading to Foundation degrees or another qualification. Again, this difference was observed for all items of participation (Table A5.3).
- The last two patterns were also observed for full-time students. However, the other differences noted above among full-time students (higher participation costs among women, older students, those with non-manual social class backgrounds and those in their first year of study) were not observed among part-time students.

- Family type was found to have a small but significant effect on participation. However, in contrast to full-time students, part-time lone parents reported the lowest expenditure on participation, at £1,493, while two-adult families reported the highest spend (£1,660), closely followed by single students (£1,645, Table A4.4).

5.4 Tuition fee costs and support

5.4.1 Full-time students

As noted in the previous section, the tuition fee cost for all full-time and PGCE students was set as £1,150, which was the maximum amount a student might be expected to contribute. Where students received help with their tuition fees, the amount of that help was treated as income (and included in the discussion in Chapters 2 and 3). Thus, the level of tuition fees was the same for all full-time students. This section therefore focuses on whether students made applications for support with their fees and how much they were assessed to contribute to them.

The majority of full-time students (81 per cent) applied to their Local Education Authority (LEA) for financial support towards their tuition fees. Three quarters of these applicants were dependent students and a quarter were independent students¹. Overall, half of the applicants to LEAs (53 per cent) were assessed to make a contribution to their tuition fees, while half made no contribution. Applicants who were dependent students were much more likely to be asked to make a contribution than those who were independent students (47 per cent of dependent students compared with just five per cent of independent students).

Where full-time students were assessed by their LEA to pay a contribution to tuition fees, the average amount they were asked to pay was £472. If participation costs are defined to only include this amount rather than the full tuition cost, tuition fees for these students (the ones who were assessed) accounted for just over a third (36 per cent) of the total costs of taking their course. This compares with tuition fees accounting for 58 per cent of participation costs if the full tuition fee is considered (see section 5.3.1).

Certain sub-groups of full-time students were assessed to pay less in tuition fees than others (Table 5.3).

¹ See Glossary in Chapter 1 for definition of dependent/independent student.

Table 5.3: Variations in full-time students' assessed fees by student characteristics (£)

Student characteristic	Mean	Base (N)
Status		
Independent	197	480
Dependent	553	1,309
Age		
Under 20	564	589
20 to 24	521	839
25 and over	114	361
Social class		
Managerial/professional	638	895
Intermediate	366	353
Routine/manual	289	427
Parental income		
Up to £10,000	– ¹	0
£10,001–£20,000	164	264
£20,001–£30,000	634	317
£30,001–£40,000	879	186
£40,001+	953	239
Family type		
Two-adult family	137	98
Lone-parent family	29	64
Couple	282	126
Single	515	1,501
Programme type		
Bachelor degree, HND/C,	507	1,576
Foundation/another degree	208	119
PCGE/ITT	46	94

Base: all English domiciled students

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

- Independent students were assessed to pay lower fees than dependent students, an average of almost £200 compared with just over £550. Older students (over 25 years), who were more likely to have independent status (by definition), were assessed to pay lower contributions on average than their younger counterparts (£114 for those aged 25 or older compared with £521 for those aged 20 to 24 and £564 for those aged under 20).
- Students whose parents' or own occupations were classified as routine, manual or intermediate were assessed to pay less on average than those with managerial or professional backgrounds. Similarly, those dependent students whose

parental income was lowest were assessed to pay the lowest amount in tuition fees. These expected patterns confirm that more support with tuition fees was being delivered to appropriate students, ie lower socio-economic groups and students with lower parental incomes.

- Students living as lone parents were assessed to pay less on average towards their tuition fees than those living in two-adult families. Both of these groups were assessed to pay less than those who lived in a couple and those who were single (who had the highest assessed fees, £515 on average).
- Finally, students studying towards a PGCE or on initial teacher training were assessed to pay less than those studying for a foundation degree or another qualification that was below degree level, while those studying for a bachelor degree, HND or HNC were assessed to pay the most on average.

Some full-time students received contributions towards their tuition fees from sources other than the individual(s) assessed for fee contributions, for example other family members, employers or other organisations. Such contributions were most common among students who had not applied for support from their LEA.

5.4.2 Part-time students

The average part-time student's tuition fee charges were much lower on average than those of full-time students, at £725 compared with £1,150 (Table 5.1). However, as previously noted, many students did not have to pay the full cost of their tuition fees personally. Just under a third (29 per cent) of part-time students either received or expected to receive a grant for fees from their LEA. Among those who had received a grant by the time of the interview, the average amount received was £459 and the average amount paid towards tuition fees (that is the total fees minus the grant) was £207.

Overall, part-time students paid an average of £611 towards their tuition fees compared with an average tuition fee cost of £725.

Where the grant for fees was less than the tuition fee cost, part-time students were asked about who/what body paid the remaining fees. Just under half (48 per cent) said that they personally paid some of the difference while a similar proportion (55 per cent) said that someone else contributed. Seven per cent of these part-time students received help with tuition fees from an employer (note that more than one source could be named).

If participation fees are defined to include only assessed fees rather than the total tuition fee cost, part-time students paid more in tuition fees on average than those full-time students who were assessed by their LEA (£611 compared with £472).

5.5 Direct course costs

As already highlighted, direct course costs are the second element of participation costs that we looked at. They include spending on books, computers, special equipment for the student's course and other course-related expenditure, such as amenity fees, and photocopying, printing and stationery.

5.5.1 Full-time students

Full-time students reported spending a total of £426 over the academic year on these types of item, spending the most on computers, an average of £163 for the year. The second and third largest types of course costs were books (£133) and printing, photocopying and stationery (£75), as shown in Table 5.4.

Direct course costs varied according to subject taken, in a range from £348 to £529. Full-time students who studied creative arts, languages or humanities had the highest figure in this range, which is almost a quarter higher than the average; and sciences/engineering and medicine/dentistry the lowest (Table A5.4). Higher spending by creative arts students was on equipment, and photocopying, printing and stationery in particular.

Table 5.4: Direct course costs and main sources of direct course costs by mode of study (£)

		Full-time	Part-time
Books	Mean	133	105
	Median	100	70
	Standard error	4	5
Computer	Mean	163	176
	Median	0	0
	Standard error	15	21
Equipment	Mean	37	25
	Median	0	0
	Standard error	7	6
Other course expenditure	Mean	18	4
	Median	0	0
	Standard error	3	1
Printing, photocopying and stationery	Mean	75	56
	Median	35	25
	Standard error	4	4
Total direct course costs	Mean	426	367
	Median	235	174
	Standard error	24	22
N = (2,963) unweighted		2,219	744

Base: all English domiciled students

Source: NatCen/IES SIES Survey 2004/05

First-year students reported greater expenditure on direct course costs than those in their final year (£522 compared with £391, Table A5.6)¹. In particular, first-year students reported higher expenditure on books and computers than those in later years of study.

5.5.2 Part-time students

Part-time students reported spending an average of £367 over the academic year on direct course costs, a slightly lower level than full-time students (£426).

Part-time education students reported the highest level of direct course costs (an average of £508 for the year), which was mainly due to their higher spending on computers than other students. Otherwise, there was very little variation in part-time students' direct course costs according to their subject of study (Table A5.5).

As with full-time students, part-time students who were in their first year of study reported higher spending in this category than those in later years of study (Table A5.6).

5.6 Facilitation costs

The third element of participation (*ie* course) costs is those costs associated with facilitating study – such as travel to and from the university or college, any trips associated with the student's course and any childcare related to the course.

5.6.1 Full-time students

Full-time students spent an average of £403 over the academic year on this category of participation costs (as shown earlier in Table 5.1). The main element was travel. Combining petrol and other travel costs, full-time students spent an average of £332 per year on travelling to and from their place of study. The cost of course-related trips was a further £32 on average and an average of £40 was spent on course-related childcare (Table 5.5).

It is important, though, to put these average figures in context.

- Firstly, in relation to travel: just under half of full-time students (46 per cent) reported that they usually travelled to their place of study without using either a vehicle of their own or public transport, and so incurred no travel costs (note that this also explains why the median figures for travel in Table 5.5 are zero). Just over a quarter of students (27 per cent)

¹ The final-year group included students who were studying in their third or later years, who spent £370 on direct course costs, and those studying on a one-year course, who spent £560 on direct course costs.

usually travelled by their own car or motorbike, while a similar proportion (29 per cent) usually went by public transport¹.

- Secondly, in relation to course-related childcare: childcare costs were relevant to only some students, *ie* mainly parents, as Table A5.7 shows. The average annual spending on course-related childcare was £403 for parents in two-adult families and £859, roughly twice as high, for lone parents, but zero for others (singles and couples). Costs of course-related childcare were treated as individual expenditure, so no adjustment was made for parents in two-adult families. Consequently, the higher total for lone parents implies a greater need for paid-for childcare among this group. As well as having the additional burden of childcare costs, full-time students who were parents also reported higher expenditure on travel and petrol than non-parents. Total course facilitation costs were £1,686 for lone parents and £1,154 for those in two-adult families, compared with only £602 for those in a couple (without children) and £314 for those who were single.

Table 5.5: Facilitation costs and main sources of facilitation costs by mode of study (£)

		Full-time	Part-time
Travel	Mean	153	118
	Median	0	0
	Standard error	13	14
Petrol	Mean	179	330
	Median	0	156
	Standard error	14	65
Course-related trips	Mean	32	10
	Median	0	0
	Standard error	3	3
Childcare costs	Mean	40	53
	Median	0	0
	Standard error	9	13
Total facilitation costs	Mean	403	475
	Median	195	242
	Standard error	21	63
N = (2,963) unweighted		2,219	744

Base: all English domiciled students

Source: NatCen/IES SIES Survey 2004/05

¹ These percentages add to slightly more than the total of 54 per cent who used either mode of transport as a small proportion of students reported using both modes.

Whether full-time students lived with their parents also affected facilitation costs. Those living with their parents during term-time spent an average of £762 over the academic year on facilitation costs, which was over double the amount spent by those who lived away from home (Table A5.8). London students reported particularly high spending on petrol and course-related travel, an average of £433 compared with £332 for those who lived outside the capital (Table A5.9).

5.6.2 Part-time students

Part-time students reported higher facilitation costs than full-time students, an average of £475 compared with £403 (Table 5.1). Of this amount, £448 was spent by part-time students on travel to and from the place of study (including petrol), Table 5.5. This was a higher cost (both in absolute terms and as a share of total facilitation costs) than for full-time students. In particular, it reflected higher car usage (85 per cent compared with 46 per cent for full-time students) and greater use of the more expensive modes of transport generally. Nearly two-thirds of part-time students (65 per cent) usually travelled to or from their place of study using their own car or motorbike and 24 per cent used public transport. Overall, only 15 per cent of part-time students used neither of these methods, and so usually incurred no travel costs. This proportion was much lower than for full-time students (46 per cent) because relatively few part-time students lived at or near their university campus.

Part-time students who were in two adult families had significantly higher facilitation costs than those who were not parents, which reflects the pattern observed for full-time students (Table A5.7). However, no difference was observed between the facilitation costs of lone parents compared with those of non-parents.

5.7 Living costs

This next section examines the living costs of students in greater detail, showing the relative importance of the different types of costs that fall within this category. As highlighted above, and discussed in Chapter 4, more than half the costs reported by full- and part-time student were living costs.

5.7.1 Full-time students

Full-time students reported spending an average of £5,870 on living costs over the academic year.

- Food accounted for a quarter of these costs (£1,491, Figure 5.3 and Table 5.6).

- A slightly higher share (30 per cent, £1,710) was spent on personal items such as clothes, toiletries, mobile phones, CDs, magazines and cigarettes.
- Entertainment spending contributed a further 19 per cent of living costs (£1,199).
- Students spent a similar amount (19 per cent, £1,092) on travel that was not associated with their degree course.
- A relatively small amount (just four per cent of living costs) was spent on household goods.

The largest types of spending within the personal items category were clothes, shoes and accessories (an average of £478 per full-time student), gifts and cards (£267) and eye products, medical treatment and other large personal items (£254 in total, Table A5.14)¹.

Table 5.6: Total living costs and main sources of living costs by mode of study (£)

		Full-time	Part-time
Food*	Mean	1,491	2,313
	Median	1,236	1,973
	Standard error	29	85
Personal items*	Mean	1,710	2,224
	Median	1,160	1,710
	Standard error	53	89
Entertainment*	Mean	1,199	1,298
	Median	867	889
	Standard error	41	81
Household goods*	Mean	239	735
	Median	20	288
	Standard error	19	55
Non-course travel*	Mean	1,092	2,193
	Median	690	1,538
	Standard error	36	118
Other living costs*	Mean	139	292
	Median	0	0
	Standard error	16	42
Total living costs*	Mean	5,870	9,056
	Median	5,020	7,805
	Standard error	125	239
N = (2,963) unweighted		2,219	744

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

¹ This category was collected in the questionnaire and included purchases of mobile phones and miscellaneous personal items costing more than £50 that were not specifically prompted.

- The most significant types of spending within the entertainment category were alcohol consumed outside the home (an average of £548 for the year, Table A5.15) and alcohol bought to consume at home (£102). Others were related to sports, hobbies, clubs and societies (£146); TVs and other audio-visual equipment (£140); cinema, theatre and concert trips (£118); and nightclubs or discos (£106).

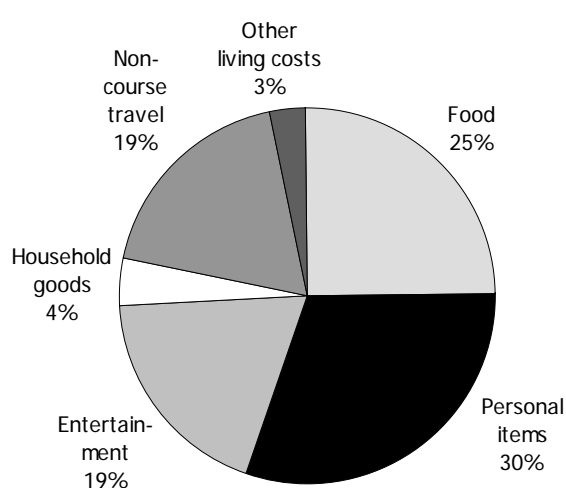
The characteristics that were associated with high living costs were similar to those that were associated with high total expenditure (Table A4.11). Living costs were relatively high for full-time students who were aged 25 or over, who were parents (especially lone parents) and who lived in London (Tables A5.11 to A5.13). These groups tended to report a higher spend on food, personal items and household goods.

5.7.2 Part-time students

Part-time students reported spending an average of £9,056 on their living costs over the academic year (Table 5.6)¹. This was 54 per cent higher than the total for full-time students (£5,870).

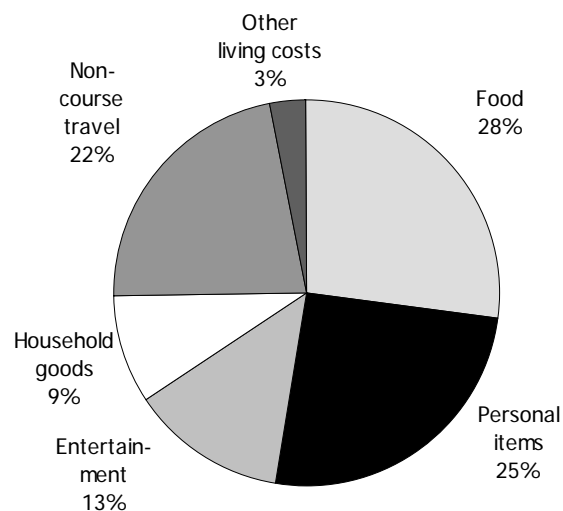
Although part-time students spent more on living costs overall, the profile of their spending in this category was broadly comparable with that for full-time students. Proportionately, part-time students spent slightly more on non-course travel and slightly less on personal items and entertainment than their full-time counterparts (Figures 5.3 and 5.4).

Figure 5.3: Profile of living costs for English domiciled full-time students



N = (2,219) unweighted
Base: all English domiciled full-time students

Figure 5.4: Profile of living costs for English domiciled part-time students



N = (744) unweighted
Base: all English domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

¹ Estimates of living costs for part-time students include imputed data for OU students (see Appendix 1: Technical Report for details).

5.8 Housing costs

This section examines students' housing costs, showing how these varied according to their housing tenure and the relative importance of different types of cost that fall within this category. Full-time students, who typically lived in university accommodation, had lower average housing costs than part-time students, who typically owned their home or were buying it with a mortgage (Figures 5.5 and 5.6).

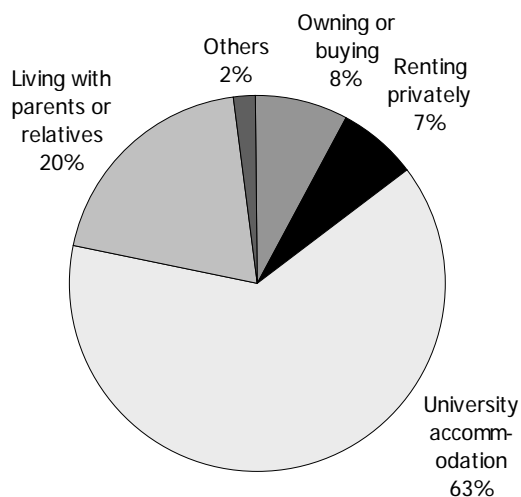
5.8.1 Full-time students

Just under two-thirds (63 per cent) of English domiciled full-time students lived in university accommodation (Figure 5.5). A further fifth lived with their parents (while a further two per cent lived away from their parents but in a property owned by them). Seven per cent of full-time students rented privately and eight per cent owned their home or were buying it with a mortgage.

The average annual expenditure on housing costs for full-time students was £2,276. As would be expected, this varied somewhat according to housing tenure (Table A5.16).

- Full-time students who lived in university accommodation reported average housing costs of £2,703. Three-quarters of this cost (£2,071) was rent and retainer costs were also notable (£487).

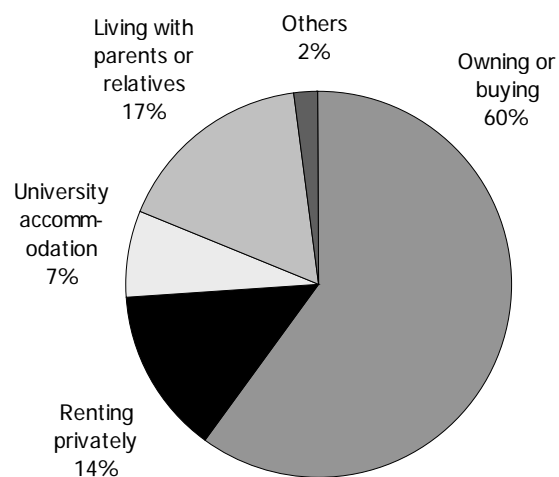
Figure 5.5: Housing tenure profile of English domiciled full-time students



N = (2,219) unweighted

Base: all English domiciled full-time students

Figure 5.6: Housing tenure profile of English domiciled part-time students



N = (744) unweighted

Base: all English domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

- Those who rented privately reported average housing costs of £3,268. A little over three-quarters of this cost (£2,575) was rent and the cost of renting was 24 per cent higher than for students who rented university accommodation. The 'other housing costs' sub-category, which includes council tax payments and household bills, was also higher for this group, an average of £561 for the year.
- Those who owned their accommodation or were buying it with a mortgage reported similar housing costs overall to those who privately rented, an average of £3,149. This group paid less in mortgage payments than students who rented (£2,212) but more on other housing costs such as council tax and bills (£875).
- Full-time students who lived with their parents reported substantially lower housing costs than any other group, an average of just £321. Most of this total was rent and the total was so low because only about a quarter (24 per cent) of this group reported paying any rent to their parents.

In conclusion, these results highlight the substantial cost savings that full-time students who lived with their parents made compared with other students. Although these savings were partly offset by greater travel costs, as explained in the previous section, these students nonetheless reported the lowest levels of total expenditure overall. Students who lived in university accommodation had slightly lower housing costs than those who rented privately or who owned their home or were buying it with a mortgage.

5.8.2 Part-time students

Patterns of housing tenure for part-time students were very different from those for full-time students and this was reflected in the overall level of housing costs reported¹. Sixty per cent of part-time students owned their home or were buying it with a mortgage (Figure 5.6). Those who lived with parents or relatives (17 per cent) and those who rented privately (14 per cent) were the next largest groups. Only seven per cent lived in university accommodation.

The average annual expenditure on housing costs for part-time students was £3,042, which was a third higher than the level for full-time students (£2,276). This difference reflected the higher proportion of part-time students who were owners or mortgage holders. The housing costs of part-time students who owned their homes or had a mortgage were only slightly higher than those of full-time students in the same tenure group (Table A5.17).

¹ Estimates of housing costs for part-time students include imputed data for OU students (see Appendix 1: Technical Report for details).

5.9 Spending on children

The previous chapter explored the proportion of students who had children and showed a strong relationship between family type and overall expenditure¹. This section reports on the amounts that students spent on children. This category of spending includes the costs of children's toys, books, presents, clothes, shoes, school uniforms, entertainment, toiletries, packed lunches, school travel, school trips, school fees and any baby equipment and non-course-related childcare. It excludes course-related childcare (which was included in facilitation costs above, section 5.6) and general food and drink (which was included in living costs, section 5.7).

As spending on children was treated as joint expenditure, students in two-adult families had their spending divided by two. Consequently, lone parents were typically recorded as having higher spending on their children than those in two-adult families.

5.9.1 Full-time students

Seven per cent of full-time students were parents who lived with their children. These parents reported spending an average of £2,100 on their children over the academic year. This was 12 per cent of their total expenditure.

5.9.2 Part-time students

Thirty-seven per cent of part-time students were parents who lived with their children, a much higher proportion than for full-time students. These parents reported spending an average of £1,750 on their children over the academic year. This was 11 per cent of their total spending, a similar proportion to that reported for full-time students.

¹ Estimates of spending on children for part-time students include imputed data for OU students (see Appendix 1: Technical Report for details).

Chapter 5: Additional Tables

Table A5.1: Total participation costs and main sources of participation costs by sex (full-time) (£)

		Male	Female
Tuition fee cost	Mean	1,150	1,150
	Median	1,150	1,150
	Standard error	n/a	n/a
Direct course costs (<i>eg</i> books and equipment)	Mean	412	437
	Median	215	248
	Standard error	37	23
Costs of facilitating participation (<i>eg</i> travel and study-related childcare)	Mean	306	476
	Median	78	234
	Standard error	25	24
Total participation costs	Mean	1,868	2,064
	Median	1,634	1,783
	Standard error	48	35
N = (2,219) unweighted		691	1,528

Base: all English domiciled full-time students

NatCen/IES SIES Survey 2004/05

Table A5.2: Total participation costs and main sources of participation costs by age (full-time) (£)

		Under 20	20-24	25 and over
Tuition fee cost	Mean	1,150	1,150	1,150
	Median	1,150	1,150	1,150
	Standard error	n/a	n/a	n/a
Direct course costs (<i>eg</i> books and equipment)	Mean	428	387	552
	Median	240	207	324
	Standard error	29	29	43
Costs of facilitating participation (<i>eg</i> travel and study-related childcare)	Mean	275	324	955
	Median	29	117	634
	Standard error	20	20	58
Total participation costs	Mean	1,853	1,861	2,657
	Median	1,650	1,623	2,354
	Standard error	37	40	82
N = (2,219) unweighted		726	1,055	438

Base: all English domiciled full-time students

NatCen/IES SIES Survey 2004/05

Table A5.3: Total participation costs and main sources of participation costs by mode of study and programme (£)

		Full-time			Part-time	
		Bachelor degree, HNC/D	Foundation degree, non-degree	PGCE/ITT	Bachelor degree, HNC/D	Foundation degree, non-degree
Tuition fee cost	Mean	1,150	1,150	1,150	738	671
	Median	1,150	1,150	1,150	650	600
	Standard error	n/a	n/a	n/a	24	30
Direct course costs (<i>eg</i> books and equipment)	Mean	419	493	511	391	271
	Median	230	253	280	185	166
	Standard error	23	67	74	26	33
Costs of facilitating participation (<i>eg</i> travel and study-related childcare)	Mean	358	945	578	539	457
	Median	150	390	473	288	242
	Standard error	21	136	68	77	65
Total participation costs	Mean	1,927	2,588	2,239	1,668	1,399
	Median	1,670	2,094	2,219	1,367	1,284
	Standard error	34	108	122	84	69
N = (2,963) unweighted		1,961	154	104	600	144

Base: all English domiciled students

NatCen/IES SIES Survey 2004/05

Table A5.4: Direct course costs and main sources of direct course costs by subject (full-time)(£)

		Medicine/ dentistry	Subjects allied to health	Sciences/ engin- eering	Human/ social sciences	Creative arts	Educ- ation	Others
Books	Mean	159	139	105	158	130	117	152
	Median	140	100	80	130	100	85	100
	Standard error	16	9	6	7	6	14	15
Computer	Mean	96	167	151	157	186	134	196
	Median	0	0	0	0	0	0	0
	Standard error	41	31	26	17	28	34	41
Equipment	Mean	34	21	22	4	82	31	59
	Median	0	0	0	0	0	0	0
	Standard error	7	4	3	1	19	10	17
Other course expenditure	Mean	27	10	17	14	31	9	10
	Median	0	0	0	0	0	0	0
	Standard error	13	4	5	4	6	3	3
Printing, photocopy- ing and stationery	Mean	40	69	54	65	101	79	97
	Median	25	40	30	30	45	40	37
	Standard error	5	7	5	5	10	12	20
Total direct course costs	Mean	356	405	348	398	529	371	513
	Median	227	225	182	231	292	190	290
	Standard error	49	38	30	21	51	57	75
N = (2,207) unweighted		151	187	370	547	546	261	145

Base: all English domiciled full-time students

Source: NatCen/IES SIES Survey 2004/05

TableA5.5: Direct course costs and main sources of direct course costs by subject (part-time)(£)

		Subjects allied to health	Sciences/ engineering	Human/ social sciences	Creative arts	Education	Others
Books	Mean	102	76	125	117	142	71
	Median	60	41	90	80	100	40
	Standard error	16	10	13	12	17	16
Computer	Mean	168	168	129	112	287	235
	Median	0	0	0	0	0	0
	Standard error	41	45	28	26	96	86
Equipment	Mean	11	15	6	72	23	33
	Median	0	0	0	0	0	0
	Standard error	6	5	5	25	15	18
Other course expenditure	Mean	6	5	4	6	5	0
	Median	0	0	0	0	0	0
	Standard error	5	2	3	3	3	- ¹
Printing, photocopying and stationery	Mean	52	60	62	58	52	35
	Median	25	20	20	30	31	10
	Standard error	8	9	13	9	5	8
Total direct course costs	Mean	340	324	325	365	508	372
	Median	167	140	180	263	247	199
	Standard error	49	50	42	41	112	83
N = (735) unweighted		93	153	190	132	108	59

Base: all English domiciled part-time students

Note: figures are not shown for medicine and dentistry due to low base sizes

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A5.6: Direct course costs and main sources of direct course costs by mode of study and year of study (£)

		Full-time			Part-time		
		1st yr	2nd yr/ other yr	Final yr/ 1-yr course	1st yr	2nd yr/ other yr	Final yr/ 1-yr course
Books	Mean	160	124	115	117	118	86
	Median	120	100	80	80	75	50
	Standard error	6	5	5	8	10	8
Computer	Mean	33	27	49	32	29	16
	Median	0	0	0	0	0	0
	Standard error	24	20	12	34	34	36
Equipment	Mean	33	27	49	32	29	16
	Median	0	0	0	0	0	0
	Standard error	8	6	10	11	11	5
Other course expenditure	Mean	21	17	16	2	7	4
	Median	0	0	0	0	0	0
	Standard error	4	4	4	1	3	2
Printing, photocopy- ing and stationery	Mean	68	63	94	55	57	56
	Median	30	30	45	25	23	24
	Standard error	8	5	6	10	5	8
Total direct course costs	Mean	522	359	391	420	364	326
	Median	302	205	220	250	172	160
	Standard error	35	26	23	41	45	36
N = (2, 963) unweighted		748	686	785	217	291	236

Base: all English domiciled students

Note: figures are not shown for medicine and dentistry due to low base sizes

Source: NatCen/IES SIES Survey 2004/05

Table A5.7: Facilitation costs and main sources of facilitation costs by mode of study and family type (£)

		Full-time				Part-time			
		2- adult family	Lone parent	Couple	Single	2- adult family	Lone parent	Couple	Single
Travel	Mean	135	241	215	147	46	122	130	175
	Median	0	0	0	0	0	0	0	0
	Standard error	49	60	43	13	11	52	30	31
Petrol	Mean	605	536	328	137	419	161	320	293
	Median	390	585	0	0	195	40	156	39
	Standard error	59	68	43	13	114	28	91	48
Course-related trips	Mean	8	32	56	31	7	21	16	7
	Median	0	0	0	0	0	0	0	0
	Standard error	3	18	18	4	3	12	5	3
Childcare costs	Mean	403	859	0	0	125	154	0	0
	Median	0	0	0	0	0	0	0	0
	Standard error	113	197	- ¹	-	33	81	-	-
Total facilitation costs	Mean	1,154	1,686	602	314	602	490	476	488
	Median	780	1,087	390	90	312	195	234	273
	Standard error	121	207	46	19	108	100	92	50
N = (2,963) unweighted		128	75	164	1,852	234	79	186	245

Base: all English domiciled students

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A5.8: Facilitation costs and main sources of facilitation costs by whether student lives with parents during term-time (full-time) (£)

		Yes	No
Travel	Mean	330	111
	Median	0	0
	Standard error	36	13
Petrol	Mean	394	128
	Median	28	0
	Standard error	26	12
Course-related trips	Mean	29	33
	Median	0	0
	Standard error	7	4
Childcare costs	Mean	7	48
	Median	0	0
	Standard error	4	11
Total facilitation costs	Mean	762	318
	Median	595	39
	Standard error	39	20
N = (2,219) unweighted		438	1,781

Base: all English domiciled full-time students

Source: NatCen/IES SIES Survey 2004/05

Table A5.9: Facilitation costs and main sources of facilitation costs by whether student lives in London (full-time) (£)

		Lives in London	Lives elsewhere
Travel	Mean	323	130
	Median	130	0
	Standard error	33	14
Petrol	Mean	110	202
	Median	0	0
	Standard error	23	16
Course-related trips	Mean	33	32
	Median	0	0
	Standard error	10	4
Childcare costs	Mean	38	42
	Median	0	0
	Standard error	19	10
Total facilitation costs	Mean	504	401
	Median	390	156
	Standard error	36	23
N = (2,219) unweighted		312	1,768

Base: all English domiciled full-time students

Source: NatCen/IES SIES Survey 2004/05

Table A5.10: Total living costs and main sources of living costs for students who incurred costs in these categories by mode of study (£)

		Full-time	Part-time
Food*	Mean	1,501	2,323
	Median	1,243	1,977
	Standard error	29	85
	N	2,205	738
	per cent incurring cost	99	100
Personal items*	Mean	1,712	2,230
	Median	1,164	1,713
	Standard error	53	89
	N	2,217	739
	per cent incurring cost	100	100
Entertainment*	Mean	1,283	1,354
	Median	943	934
	Standard error	44	83
	N	2,052	702
	per cent incurring cost	93	96
Household goods*	Mean	472	927
	Median	195	430
	Standard error	32	67
	N	1,168	595
	per cent incurring cost	51	79
Non-course travel*	Mean	1,156	2,316
	Median	751	1,631
	Standard error	38	120
	N	2,088	697
	per cent incurring cost	94	95
Other living costs*	Mean	658	1,011
	Median	200	390
	Standard error	62	153
	N	488	206
	per cent incurring cost	21	28
Total living costs*	Mean	5,870	9,056
	Median	5,020	7,805
	Standard error	125	239
	per cent incurring cost	100	100
N = (2,963) unweighted		2,219	744

Base: all English domiciled students who incurred costs in these expenditure categories

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A5.11: Total living costs and main sources of living costs by mode of study and age (£)

		Full-time			Part-time			
		Under 20	20-24	25+	Under 20	25-29	30-39	40+
Food*	Mean	1,222	1,417	2,351	1,598	2,028	2,837	2,703
	Median	1,060	1,203	1,950	1,209	1,790	2,470	2,388
	Standard error	36	29	84	130	151	120	124
Personal items*	Mean	1,578	1,660	2,180	2,195	2,384	2,386	2,241
	Median	1,077	1,112	1,665	1,884	1,713	1,853	1,437
	Standard error	72	58	104	169	315	107	170
Entertainment*	Mean	1,291	1,173	1,069	1,448	1,108	1,031	1,165
	Median	968	860	644	967	753	705	731
	Standard error	49	50	85	188	147	78	144
Household goods*	Mean	171	207	502	745	781	856	843
	Median	0	0	224	156	272	390	420
	Standard error	20	31	52	149	128	79	97
Non-course travel*	Mean	989	1,082	1,366	2,186	2,358	1,814	2,050
	Median	538	689	1,015	1,415	1,590	1,418	1,517
	Standard error	57	46	62	358	390	133	131
Other living costs*	Mean	120	116	260	204	344	219	367
	Median	0	0	0	0	0	0	0
	Standard error	22	18	55	88	159	36	107
Living costs*	Mean	5,371	5,655	7,727	8,377	9,002	9,142	9,370
	Median	4,729	4,836	6,802	6,642	7,544	8,535	7,996
	Standard error	149	138	259	504	697	308	487
N = (2,963) unweighted		726	1,055	438	121	97	254	271

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A5.12: Total living costs and main sources of living costs by mode of study and family situation (£)

		Full-time				Part-time			
		2-adult family	Lone parent	Couple	Single	2-adult family	Lone parent	Couple	Single
Food*	Mean	2,655	3,474	1,861	1,353	2,704	3,595	2,476	1,917
	Median	2,418	3,198	1,720	1,150	2,458	3,005	2,171	1,571
	Standard error	120	287	97	25	102	240	181	100
Personal items*	Mean	2,529	2,536	2,194	1,703	2,225	2,550	2,319	2,284
	Median	1,861	2,148	1,540	1,164	1,660	2,023	1,730	1,650
	Standard error	169	244	179	52	122	205	178	181
Entertainment*	Mean	938	923	928	1,171	1,106	842	1,293	1,208
	Median	552	500	758	843	692	585	841	828
	Standard error	106	185	85	44	125	116	151	134
Household goods*	Mean	622	931	449	191	764	1,013	710	911
	Median	252	515	150	0	386	500	382	240
	Standard error	56	229	90	18	68	182	120	97
Non-course travel*	Mean	1,826	1,367	1,336	1,074	2,245	1,934	1,913	1,949
	Median	1,466	1,015	995	645	1,773	1,362	1,525	1,257
	Standard error	126	174	94	39	135	357	153	249
Other living costs*	Mean	255	238	199	143	203	250	316	364
	Median	0	0	0	0	0	0	0	0
	Standard error	66	64	116	16	67	76	98	83
Living costs*	Mean	8,669	9,600	6,858	5,551	9,247	10,183	9,028	8,632
	Median	7,836	8,020	5,487	4,828	8,215	9,308	7,906	6,955
	Standard error	383	651	393	119	325	775	541	416
N = (2,963) unweighted		128	75	164	1,852	234	79	186	245

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A5.13: Total living costs and main sources of living costs by mode of study and whether living in London (£)

		Full-time		Part-time	
		Lives in London	Lives elsewhere	Lives in London	Lives elsewhere
Food*	Mean	1,861	1,493	2,341	2,518
	Median	1,541	1,217	1,875	2,226
	Standard error	104	29	149	97
Personal items*	Mean	2,263	1,775	2,437	2,294
	Median	1,469	1,230	1,679	1,727
	Standard error	182	52	218	97
Entertainment*	Mean	1,141	1,127	1,029	1,170
	Median	778	812	633	793
	Standard error	69	46	145	90
Household goods*	Mean	283	262	820	835
	Median	51	39	228	364
	Standard error	71	18	207	59
Non-course travel*	Mean	1,067	1,160	1,476	2,146
	Median	684	750	1,000	1,556
	Standard error	63	42	137	133
Other living costs*	Mean	226	145	260	290
	Median	0	0	0	0
	Standard error	52	16	51	48
Living costs*	Mean	6,542	5,790	8,362	9,252
	Median	5,662	4,934	7,123	7,949
	Standard error	398	121	542	261
N = (2,963) unweighted		312	1,768	102	619

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A5.14: Spending on personal items by mode of study (£)

		Full-time	Part-time
Clothes, shoes, accessories	Mean	478	584
	Median	0	0
	Standard error	28	58
Gifts and cards, eg for birthdays	Mean	267	382
	Median	0	78
	Standard error	17	40
Eye products, medical treatment, other large items (over £50)*	Mean	254	345
	Median	196	260
	Standard error	6	14
Music and DVDs / videos	Mean	155	165
	Median	0	0
	Standard error	11	21
Mobile phone bills	Mean	139	94
	Median	113	68
	Standard error	4	6
Toiletries	Mean	119	175
	Median	0	0
	Standard error	4	14
Newspapers, magazines, non-course books and stationery	Mean	123	161
	Median	16	54
	Standard error	7	15
Cigarettes and tobacco	Mean	64	92
	Median	0	0
	Standard error	6	13
Prescriptions and other medicines	Mean	40	74
	Median	0	0
	Standard error	4	9
Miscellaneous small personal items	Mean	79	117
	Median	0	0
	Standard error	8	22
Personal items*	Mean	1,712	2,197
	Median	1,164	1,676
	Standard error	52	89
N = (2,963) unweighted		2,219	744

Base: all English domiciled students who incurred costs in these expenditure categories

* Note: figures adjusted for partner contributions where relevant

Items are ranked in descending order of value for full-time students.

Source: NatCen/IES SIES Survey 2004/05

TableA5.15: Spending on entertainment by mode of study (£)

		Full-time	Part-time
Alcohol consumed outside home	Mean	548	444
	Median	296	0
	Standard error	25	53
Sports, hobbies, clubs, societies	Mean	146	183
	Median	0	0
	Standard error	10	24
TV, video/DVD, radio, music equipment over £50 *	Mean	140	216
	Median	60	100
	Standard error	7	n/a
Cinema, theatre, concerts	Mean	118	167
	Median	0	0
	Standard error	8	n/a
Alcohol bought for home	Mean	102	169
	Median	0	0
	Standard error	7	17
Nightclubs, discos	Mean	106	46
	Median	0	0
	Standard error	7	9
National lottery or betting	Mean	23	62
	Median	0	0
	Standard error	3	8
Religious activities	Mean	17	16
	Median	0	0
	Standard error	4	5
Entertainment*	Mean	1,283	1,342
	Median	943	912
	Standard error	44	83
N = (2,963) unweighted		2,219	744

Base: all English domiciled students who incurred costs in these expenditure categories

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Items are ranked in descending order of value for full-time students.

Source: NatCen/IES SIES Survey 2004/05

Table A5.16: Total housing costs and main sources of housing costs by mode of study and tenure (£)

		Full-time				Part-time			
		Univer- sity accomm- odation	Renting privately	Owning or buying	Living with parents or relatives	Total	Owning or buying	Others	Total
Mortgage and rent	Mean	2,071	2,575	2,212	270	1,734	2,194	1,927	2,096
costs*	Median	1,740	2,250	1,932	0	1,425	1,916	1,426	1,763
	Standard error	50	143	98	119	71	95	145	72
Retainer costs*	Mean	487	131	61	26	334	116	63	96
	Median	279	0	0	0	0	0	0	0
	Standard error	8	18	34	32	23	18	18	14
Other housing costs*	Mean	146	561	875	25	210	1,067	480	850
	Median	100	500	823	0	83	947	342	838
	Standard error	6	31	7	41	10	33	39	36
Total housing costs*	Mean	2,703	3,268	3,149	321	2,276	3,378	2,470	3,042
	Median	2,177	2,880	2,940	0	1,958	3,013	1,974	2,645
	Standard error	55	146	115	132	82	98	171	89
N = (2,963) unweighted		1,307	186	229	438	2,219	503	241	744

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A5.17: Total housing costs and main sources of housing costs for students who incurred costs in these categories by mode of study and tenure (£)

		Full-time				Part-time			
		Univer- sity accomm- odation	Renting privately	Owning or buying	Living with parents or relatives	Total	Owning or buying	Others	Total
Mortgage and rent costs*	Mean	2,081	2,584	2,607	1,151	2,216	2,578	2,451	2,534
	Median	1,750	2,250	2,250	802	1,800	2,250	1,782	2,025
	Standard error	119	163	99	135	81	83	166	72
	N	1,300	184	194	104	1,798	409	200	609
	per cent incurring cost	99	100	85	24	98	85	79	83
Retainer costs*	Mean	871	868	972	652	871	948	615	839
	Median	640	604	740	480	639	750	550	720
	Standard error	123	123	207	113	44	88	77	63
	N	731	27	17	19	794	57	24	81
	per cent incurring cost	56	15	6	4	39	12	10	11
Other housing costs*	Mean	248	605	921	(344)	390	1,097	752	1,001
	Median	198	519	841	(265)	243	956	717	894
	Standard error	39	60	11	(28)	17	33	44	31
	N	779	174	219	33	1,205	490	166	656
	per cent incurring cost	59	93	95	7	54	97	64	85
Total housing costs*	Mean	2,711	3,277	3,206	1,190	2,690	3,428	2,853	3,233
	Median	2,187	2,880	3,022	900	2,210	3,054	2,290	2,778
	Standard error	115	132	150	161	96	99	169	80
	per cent incurring cost	100	100	98	27	85	99	87	94
N = (2,963) uweighted		1,302	185	225	120	1,832	496	214	710

Base: all English domiciled students who incurred costs in these expenditure categories

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A5.18: Linear regression of participation costs for full-time students

Variables	Regression coefficient	Significance level	95% confidence limits
Sex			
Male (ref. category)	0		
Female***	122	0.001	48, 196
Age group			
Under 20 (ref. category)	0		
20 to 24	37	0.496	-69, 143
25 and over	202	0.171	-88, 492
Socio-economic group			
Managerial/professional (ref. category)	0		
Intermediate*	110	0.025	16, 205
Routine/manual	89	0.144	-30, 209
Family/household type			
Two-adult family (ref. category)	0		
Lone-parent family	545	0.081	-67, 1,158
Married/couple*	-355	0.025	-665, -45
Single***	-601	0.000	-936, -265
Student status			
Dependent (ref. category)	0		
Independent	173	0.075	-18, 364
Institution type			
English HEI (ref. category)	0		
English FEI	40	0.716	-178, 258
Year of study			
First year (ref. category)	0		
Second/other year*	-102	0.051	-204, 0
Third year/one-year course*	-123	0.036	-239, -8
Living in London			
Yes (ref. category)	0		
No**	-232	0.002	-380, -84
Programme type			
Bachelor degree/HND/C (ref. category)	0		
Foundation degree/other non-degree**	263	0.006	76, 451
PGCE/ITT	-43	0.796	-371, 284
N (2,219) unweighted			

Base: all English domiciled full-time students

Note: R-squared 0.1742, *p<0.05, **p<0.01, ***P<0.001

Source: NatCen/IES SIES Survey 2004/05

Table A5.19: Linear regression of participation costs for part-time students

Variables	Regression coefficient	Significance level	95% confidence limits
Gender			
Male (ref. category)	0		
Female	-18	0.890	-275, 239
Age group			
Under 25 (ref. category)	0		
25 to 29	-36	0.852	-412, 341
30 to 39	-16	0.945	-474, 442
40 and over	-177	0.265	-489, 135
Socio-economic group			
Managerial/professional (ref. category)	0		
Intermediate	-105	0.378	-338, 128
Routine/manual	-46	0.685	-271, 178
Family/household type			
Two-adult family (ref. category)	0		
Lone-parent family	-159	0.485	-604, 287
Married/couple*	-180	0.044	-354, -5
Single	-141	0.219	-367, 84
Year of study			
First year (ref. category)	0		
Second/other year	-231	0.094	-501, 39
Final year/one-year course	-105	0.559	-456, 246
Living in London			
Yes (ref. category)	0		
No**	-407	0.002	-669, -145
Programme type			
Bachelor degree, HND/C (ref. category)	0		
Foundation degree, non-degree**	-251	0.017	-456, -46
N (744) unweighted			

Base: all English domiciled part-time students

Note: R-squared 0.0408, *p<0.05, **p<0.01, ***P<0.001

Source: NatCen/IES SIES Survey 2004/05

6. Financial Well-being

6.1 Summary of key findings

- Overall, around half of full-time and part-time students believed they had at least as much money as they needed. However, 13 per cent of students felt they had a lot less than they needed. The groups with the least positive views about their finances were, for both full- and part-time students, lone parents and minority ethnic students. Among full-time students black/black British students were the most negative.
- One-third of full-time students and 40 per cent of part-time students had considered dropping out of their course at some point. However, full-time students were around twice as likely to feel that the main contributor to this was financial difficulties. Among part-time students, personal/domestic reasons were the most common.
- Sixty per cent of full-time students felt that financial difficulties had affected their academic performance, although half of these felt that the effects had been relatively small. Part-time students were less likely to feel that their performance had been affected, and 60 per cent felt there had been no financial effect on their studying. For both groups of students, the most apparent effects of financial difficulties were worry/stress and having to work while studying.
- Part-time students' predictions suggested that they would have slightly higher levels of savings at the end of the academic year than full-time students, just over £2,500 compared to around £1,850. Full-time students appeared able to maintain their levels of savings over time more effectively, whereas part-time students saw their levels of savings fall slightly.
- Full-time students were borrowing almost exclusively from student loans, which made up 83 per cent of the borrowing of this group (almost £5,600 out of a total current borrowings of around £6,850 on average). The rest mainly came from commercial credit and overdrafts. Though less than one-quarter had commercial credit loans, and around one-half had an overdraft, those who were borrowing in these ways were

doing so fairly heavily, particularly from commercial credit (where almost £2,500 was reported on average).

- Part-time students were not only borrowing less heavily (the average level of borrowing was around £3,000), but were also tending to use other sources, such as commercial credit more (this form of loan made up 70 per cent of the average part-time student's borrowing).
- The current borrowing patterns of students varied by a range of characteristics, including, for full-time students, age, living away from home, family type, parental experience of HE and socio-economic group. For part-time students the main variations were by gender, region of domicile and family type.
- When savings were deducted from borrowings, among final-year students the average predicted debts by the end of the course were around £7,900 for full-time students. In comparison part-time students owed around £350 less than they had saved, leaving them in credit. However, the estimated end-of-course levels of debt varied significantly in a number of ways, reflecting many of the student variations outlined above. In particular, higher than average debt levels for full-time students were expected among students from manual occupational backgrounds, lone parents, medical and dental students, and students studying in Wales, while lower than average debt levels were expected among black and minority ethnic students, those living at home, and in London.
- Nearly all full-time students said they had to go without certain items of expenditure because of lack of money (most commonly going out, clothes or holidays). Four out of five students never got into arrears on any regular payments (five per cent had fallen behind with credit card payments or telephone bill, but very few had been disconnected as a result). One in two full-time and one in three part-time students had problems with their accommodation – mainly shortage of space.

6.2 Introduction

Having considered the income levels of students and how much they spent in the academic year 2004/05, it is important to focus on the gap between the two, if any, and how students meet it from savings or borrowings. In this chapter we concentrate on where the survey can shed light on students' overall financial position. In particular, we discuss how much students are borrowing and from which sources, the extent of the debt they expect to have by the end of their course, and which students are more likely to be experiencing financial difficulties or hardship.

There are a number of claims circulating about levels of student debt and the impact this has on current students and potential students. For both groups, financial issues have been shown to

affect the decision to participate in HE and also choices about where and what to study in HE¹. The planned changes for 2006 to the student funding system, specifically the introduction of variable student fee contributions (the increase, up to £3,000, which universities can charge from 2005/06), are likely to affect the way that students view the financial aspects of HE. The advantage of the 2004/05 SIES is that it provides a baseline measure of student finances before the increased fees are introduced, based on the experiences of a large, representative, sample of students. This means that the reliability of the results on which conclusions are based in this report is superior to most other surveys of this type.

This chapter includes:

- a discussion of student views on their own financial well-being, including how they are managing on their available income and any impact on their academic performance
- an assessment of students' overall financial position, focusing on savings and borrowings, and expected levels of debt by the end of the year
- an analysis of which students are experiencing the greatest hardship.

6.3 Measurement issues

The findings in this chapter come from specific questions on student savings, borrowings and debt, as well as student views on their own financial situation. No analysis has been conducted of the net difference between students' reported total income and expenditure. This is in keeping with the analysis conducted in previous SIES reports. However, as these reports and previous chapters (also Chapter 8) show, students have more disposable income and also spend more than in the past. There is a gap between the two that is negative overall but varies between groups of students.

Students bridge this gap in a number of ways, using savings, borrowing from families or banks, or credit cards. In some cases the gap may be temporary and can be dealt with by simply 'doing without', delaying repayments or economising on certain items. Although the survey attempts to isolate all the components of income and expenditure, there will always be some measurement errors due to the process itself (relying on memory/accuracy of recall of facts during interviews and diary keeping), and also because some spending within couples and families will have been met by the income of the student's partner. We have attempted to

¹ See for example, Callendar, C and Wilkinson D (2003) *2002/03 Student Income and Expenditure Survey*, Research Report 487, DfES, Nottingham, or MORI (2004) *Student Living Report 2004*, UNITE.

deal with the latter by assuming a 50/50 split between partners, but this will inevitably vary. Any detailed comparisons between income and expenditure of students are likely to exacerbate any measurement inaccuracies, and could lead to spurious results. These points need to be taken account of if such a comparison of income and expenditure is to be undertaken.

Another issue is that the 1998/99 SIES, in line with the Family Expenditure Survey (FES)¹, examined savings and borrowing separately from income and expenditure. The FES excluded savings and loan payments from income estimates, and doing so in the 1998/99 SIES survey meant that a more direct comparison between the two surveys was possible. The current equivalent of the FES is the Expenditure and Food Survey 2003/04. However, as the questions within this are based on the FES, the decision has been taken for the SIES 2004/05 to report separately on income, savings and debt.

6.4 Student views on their finances

The survey has provided a huge amount of detailed information on student finances to allow an objective picture to be built up of their financial situation (as previous chapters have shown). In addition, students were asked questions designed to reveal how they felt about their finances. Students were asked:

- how they felt about the amount of money they had
- whether they had experienced any financial difficulties
- what impact, if any, their financial situation had had on their studies.

6.4.1 Do they have 'enough'?

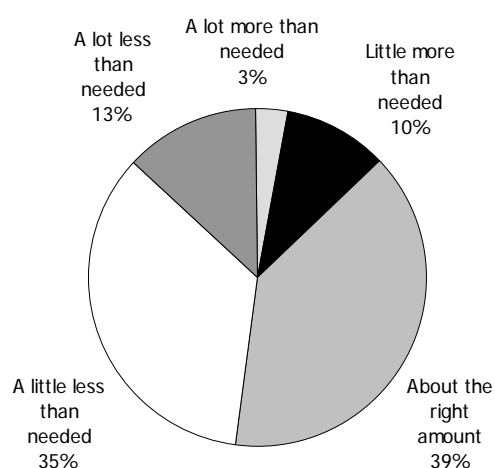
Overall, the majority of students felt that they either have more than they need, or about the right amount of money. This is true for both full-time and part-time students (Figures 6.1 and 6.2). However, a large minority (48 per cent of full-time students and 45 per cent of part-timers) considered they had either a little or a lot less money than they needed.

There were a number of significant differences in the way that different groups of students viewed their financial situation. For ease of comparison, the question has been analysed as a five-point scale to allow mean scores for different groups of students to be compared. A score of 1 means that the student felt that they had a lot less than they needed, and a score of 5 means that they had a lot more than they needed. Therefore the lower the score that each

¹ The latest version of the annual survey is available from the Office for National Statistics, and was conducted in 2000/01.

student group has, the worse they feel their financial situation to be (Table 6.1 presents the results for some of the key variables).

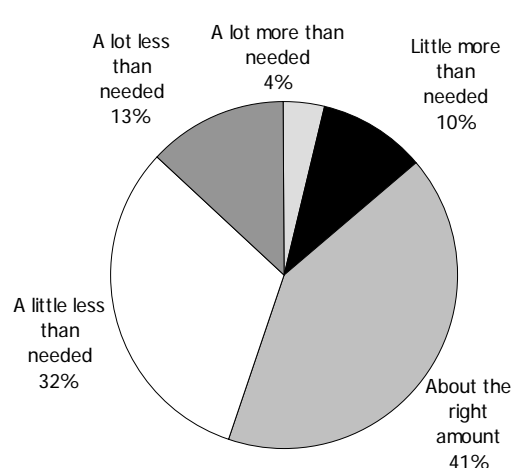
Figure 6.1: Assessment of own financial situation (full-time students)



N = (2,509) unweighted

Base: all English domiciled full-time students

Figure 6.2: Assessment of own financial situation (part-time students)



N = (890) unweighted

Base: all English domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

Table 6.1: Assessment of financial situation – comparison of mean scores

Student characteristic	Full-time Mean score	Part-time Mean score
Gender		
Male	2.6	2.8
Female	2.5	2.5
Social class		
Managerial/professional	2.7	2.8
Intermediate	2.5	2.5
Routine/manual	2.3	2.4
Family type		
Two-adult family	2.2	2.5
Lone-parent family	1.9	2.1
Couple	2.4	2.9
Single	2.6	2.6
Ethnicity		
White	2.6	2.6
Black/minority ethnic	2.4	2.3
Year of study		
First or one-year course	2.6	2.5
Second or intermediate year	2.6	2.4
Third or final year	2.4	2.8
<i>All students</i>	<i>2.5</i>	<i>2.6</i>
N = (3,399) unweighted	2,509	890

Base: all students English domiciled

Source: NatCen/IES SIES Survey 2004/05

Full-time students

As Table 6.1 shows, the mean score for all full-time students was about the mid-point of the range, at 2.5, as we might expect from the distribution of responses shown in Figures 6.1 and 6.2. The mean scores ranged from a low of 1.9 for lone parents to a high of 2.7 for the highest socio-economic group, but most groups were above 2.4. There was some variation between groups, as follows:

- Women assessed their financial situation as slightly worse than men.
- Age was a significant factor among full-time students (but not, interestingly, part-time students): the average score decreased with age.
- The lower the socio-economic group of students, the worse they viewed their financial situation.
- Lone parents gave the most negative assessment of their finances of any student group (just 1.9), and the average scores of all students in families with children were lower than those without (*ie* couple or singles).
- Students with independent financial status were more negative about their situation than dependent students (with a mean score of 2.2, compared to 2.6).
- Non-white students had a lower score than white students, but this was almost entirely due to the views of black/black British students, who (aside from lone parents) were the group most negative about their finances (with a mean score of 2.0).
- Medical/dental students were more positive than any other subject group, with an average score of 2.9.

There was no difference between students living away from, or in, the family home regarding their perception of their financial well-being.

Part-time students

There were broadly similar patterns among part-time students. However:

- Women were more negative than men.
- Lone parents were more negative than other groups, and students living as part of a couple (*ie* no children) were the most positive.
- Lower socio-economic groups were more negative about the amount of money they had.
- Non-white students were more negative about their finances, but there are insufficient numbers to state with confidence whether this is due to the views of any particular ethnic group.

One result which contrasts with the finding for full-time students is that final-year part-time students were actually more positive than students at other points in their course.

6.4.2 Extent of financial difficulties

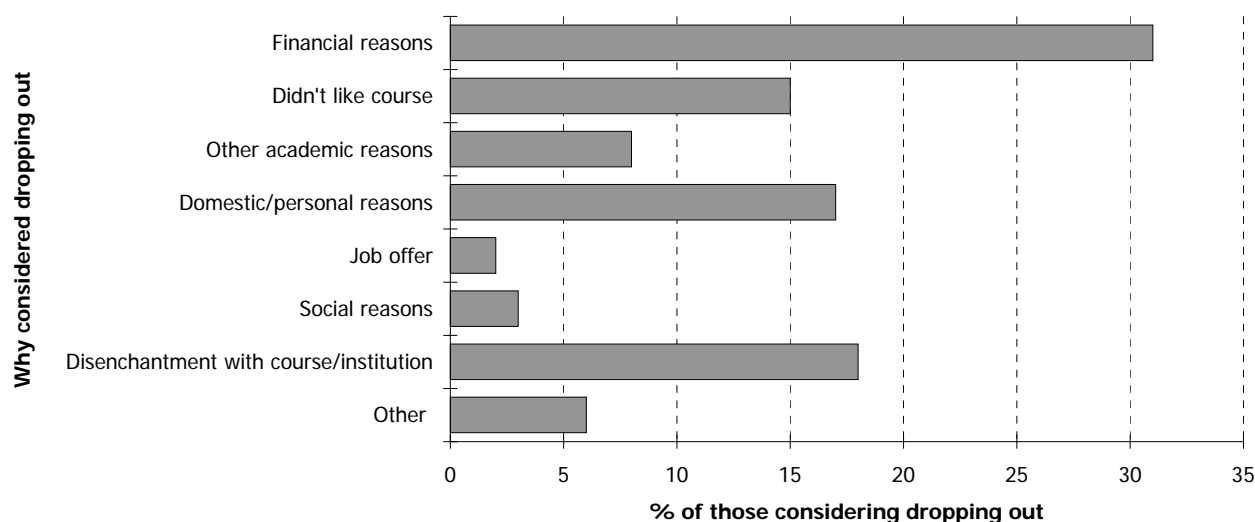
Roughly half of both full-time and part-time students felt that they did not have enough money to meet their needs, including around one-eighth who said they had ‘a lot less than needed’ (Figures 6.1 and 6.2). To identify how many were experiencing real difficulties, students were asked if they had any difficulties, including but not exclusively financial ones, while being a student and the extent to which these had affected their student experience. In particular, had these difficulties:

- caused them to consider dropping out or leaving the course before completion?
- affected their academic performance?

Contribution to drop-out

Full-time students were less likely to have considered dropping out than part-time students (34 per cent compared to 42 per cent). Although financial reasons were the most likely contributor to drop out for full-time students, other reasons were also given. Part-time students were far more likely to cite personal reasons than financial ones (Figures 6.3 and 6.4).

Figure 6.3: Reasons given for considering dropping out (full-time students)

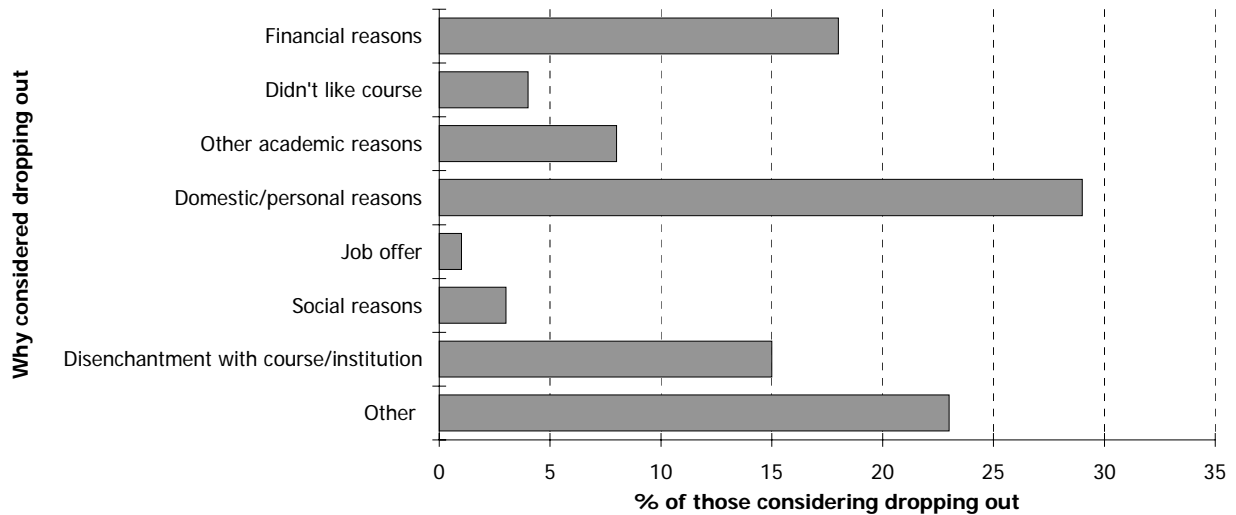


N = (2,509) unweighted

Base: all English domiciled full-time students who considered dropping out

Source: NatCen/IES SIES Survey 2004/05

Figure 6.4: Reasons given for considering dropping out (part-time students)



N = (890) unweighted

Base: all English domiciled part-time students who considered dropping out

Source: NatCen/IES SIES Survey 2004/05

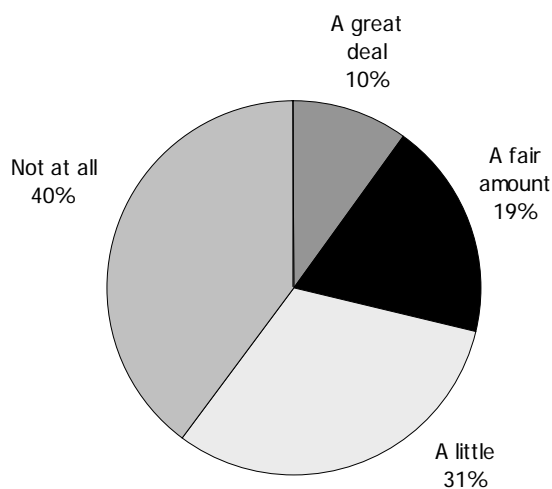
Effect of financial situation on studies

Full-time students were more likely to feel that their financial situation had had some effect on their academic performance, even if the impact was only small. Around 60 per cent of full-time students felt that their finances had had some form of detrimental effect on their studies, compared to 40 per cent of part-time students. However, only ten per cent of full-time, and slightly less, eight per cent of part-time students, felt their financial situation had affected their studies 'a great deal'. The groups most likely to feel that financial difficulties had affected their studies a great deal are presented below.

Among full-time students:

- older students more than younger ones – 17 per cent of students aged over 25, compared to just six per cent of students under 20
- students from a lower more than those from a higher socio-economic group – 15 per cent of the manual group, compared to just six per cent of those in the managerial group
- lone parents, 26 per cent, compared to just nine per cent of single students (who were the least likely to have had problems)
- black/black British students, 35 per cent, compared to just eight per cent of white students
- students not required to pay fees, 14 per cent, compared to six per cent of those paying full fees.

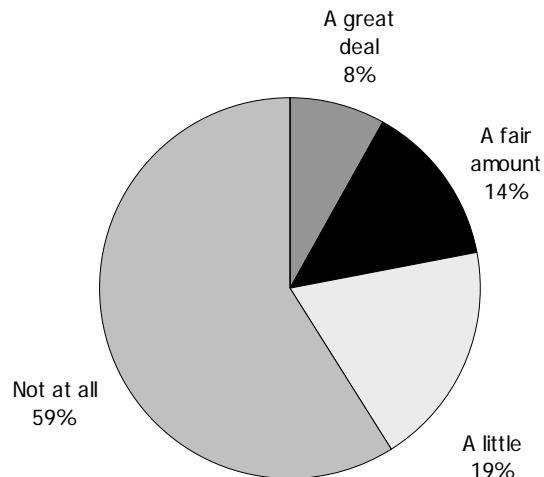
Figure 6.5: Extent to which financial difficulties have affected attainment (full-time students)



N = (2,509) unweighted

Base: all English domiciled full-time students

Figure 6.6: Extent to which financial difficulties have affected attainment (part-time students)



N = (890) unweighted

Base: all English domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

Among part-time students:

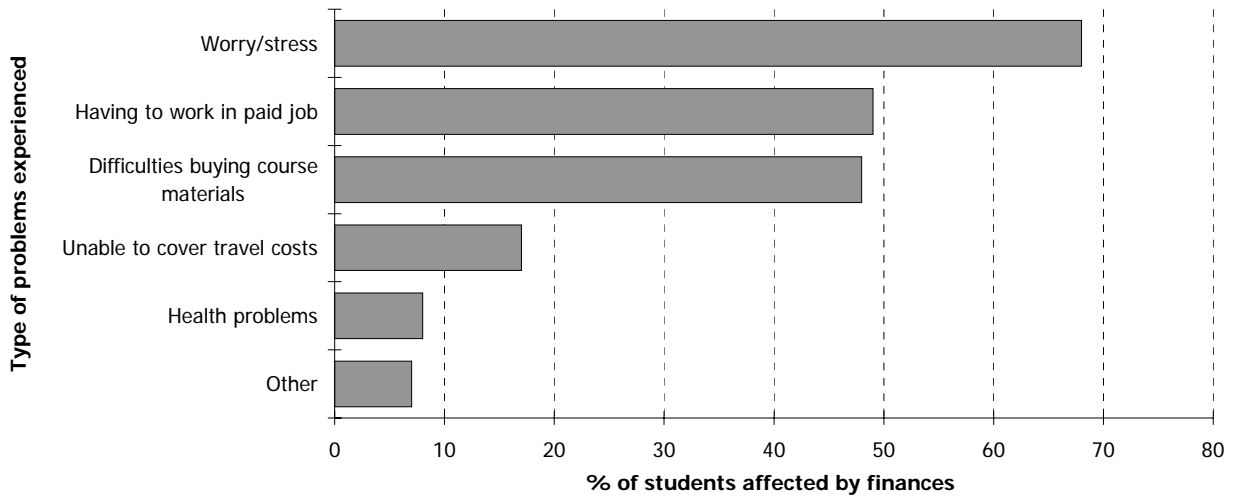
- students from a lower slightly more than those from a higher socio-economic group – 11 per cent of the manual group compared to six per cent of the managerial group
- lone parents, 18 per cent, compared to just three per cent of childless couples (the family type least likely to have experienced difficulties)
- black and minority ethnic students, 27 per cent of whom had been affected a great deal by financial difficulties compared to six per cent of white students.

When students were asked further about how their financial situation had affected their studies, there was a varied pattern of responses, but there was a similar pattern for both full-time and part-time students (Figures 6.7 and 6.8). For both groups, the most common effect was worry and stress (68 per cent of full-time students affected, and 59 per cent of part-time students) followed by having to take on paid work (49 per cent of full-time students and 54 per cent of part-time students).

6.5 Savings

There are several ways of offsetting the financial demands of being a student, including taking on paid work to increase income as highlighted in the previous chapter. However, one way is to rely on savings. This section examines how students use and build up or deplete savings while studying in HE.

Figure 6.7: Effects of finances on academic performance (full-time students)

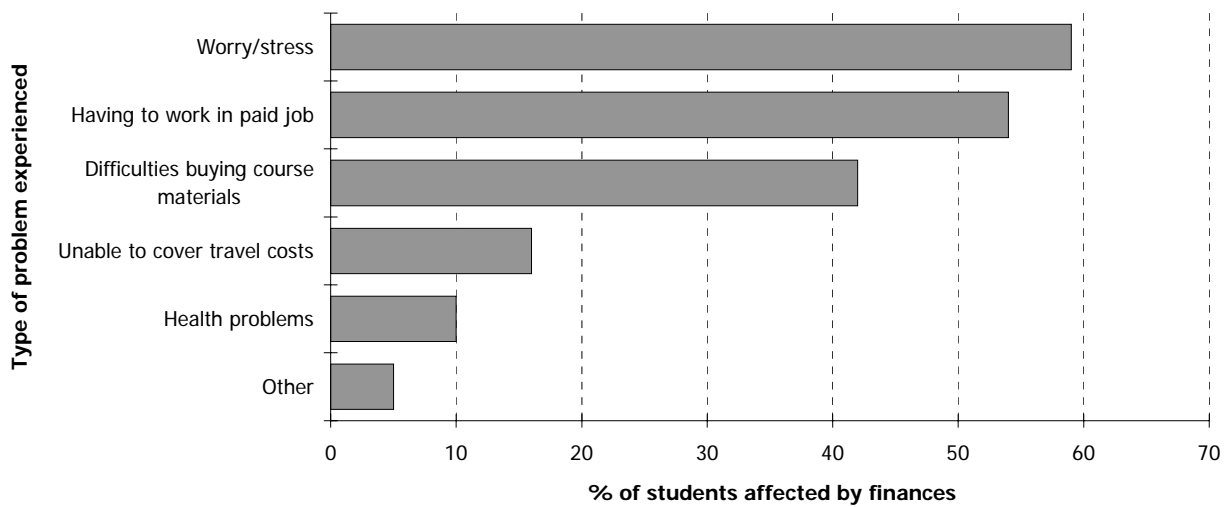


N = (1,526) unweighted

Base: all full-time English domiciled students who felt that their finances had some effect

Source: NatCen/IES SIES Survey 2004/05

Figure 6.8: Effects of finances on academic performance (part-time students)



N = (397) unweighted

Base: all part-time English domiciled students who felt that their finances had some effect

Source: NatCen/IES SIES Survey 2004/05 (Base: all those who felt that their finances had some effect)

Savings are defined in this section as money that students have 'set aside'. This could be money kept in banks, building society accounts or ISAs. It may also be money that students have set aside in their current accounts but which they do not intend to spend. Where individuals are defined as having shared financial responsibility with a partner (see Glossary in Chapter 1), joint savings are taken into account, but the overall amount has been divided by two to provide individual estimates of savings.

6.5.1 Savings over time

Overall, approximately almost two out of three students had savings at the beginning of the academic year (Table 6.3). A slightly higher proportion of full-time students started the year with savings (66 per cent) compared to part-time students (61 per cent). However, predictions for the end of the year suggest that at least some full-time students will have exhausted their savings by then, as only 58 per cent of full-time students expected to still have savings at this point. In contrast, part-time students were just as likely to have savings by the end of the year as they were at the beginning. However, as the proportions of students reporting savings at different times varies only slightly, this suggests that there are not huge swings between being a saver and a non-saver over time.

Estimates of the levels of total savings by the end of the current academic year ranged widely: the average (mean) was much lower for full-time students, at £1,849, than for part-time students, £2,543 (Table 6.2). However, these average figures are misleading as the median figures were just £250 and £300 respectively. This means that half of full-time students had less than £250 set aside, while half of all part-time students had less than £300, and a few had very high levels of savings (ten per cent of full-time students had £5,000 or more in savings).

Full-time students

On average, full-time continuing students (*ie* those who had already started HE, not first-year students) had savings averaging around £2,000 at the end of the previous academic year. Saving

Table 6.2: Levels of savings (£): all students

		Full-time	Part-time
Savings at end of last academic year*	Mean	1,998	3,191
	Median	400	1,000
	Standard error	135	372
N = (2,044) unweighted ¹		1,573	471
Savings at start of academic year*	Mean	2,027	2,652
	Median	500	500
	Standard error	144	220
Predicted savings by end of academic year*	Mean	1,849	2,543
	Median	250	300
	Standard error	121	210
N = (3,399) unweighted ²		2,509	890

¹ Base: all English domiciled students in their second year or above

² Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

levels remained steady over the summer vacation and were predicted to fall only slightly to around £1,850 by the end of the current academic year.

If we consider just those students with savings, however, average levels are much higher. Half of full-time 'savers' started the year with more than £1,400, and the average amount put aside by the end of the vacation was £3,367 (Table 6.3). The level of savings among this group remained at a fairly constant level from the end of one academic year through the vacation and onto the end of the next. On average, students working over the long vacation had higher savings, but there is no evidence of a savings 'peak' following the long vacation. Therefore, while students work during vacation periods, they do so to maintain savings levels from one year to the next, rather than to increase them, although vacation work does lead to higher levels of savings.

Part-time students

The average part-time continuing student (*ie* in HE the previous year) had savings of £3,191 at the end of that academic year. This fell slightly to £2,652 over the vacation period and then again over the next academic year to £2,543. At the end of the previous academic year, 66 per cent of part-time students had something

Table 6.3: Levels of savings (£): those with savings

		Full-time	Part-time
Savings at end of last academic year	Mean	3,367	4,840
	Median	1,500	2,500
	Standard error	219	529
	Percentage	59	66
	Count	1,085	202
N = (2,044) unweighted ¹		1,573	471
Savings at beginning of academic year	Mean	3,053	4,331
	Median	1,400	1,600
	Standard error	212	345
	Count	1,938	332
	Percentage	66	61
Predicted savings	Mean	3,236	4,276
	Median	1,500	1,500
	Standard error	210	326
	Percentage	58	61
	Count	1,683	331
N = (3,399) unweighted ²		2,509	890

¹ Base: all English domiciled students in their second year or above

² Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

set aside. This figure fell over the vacation period to 61 per cent, but then remained stable over that year.

Students with savings saw the amounts they had set aside fall from £4,840 at the end of 2003/4, to £4,331 after the vacation period, and their estimates suggest that these levels will fall again by the end of 2004/05 to £4,276. However, half of these 'savers' predicted that they would have less than £1,500 remaining by the end of this year. As for full-time students, part-timers working over the long vacation had higher levels of savings than those not working.

6.5.2 Predicted savings

The amount of savings students estimated that they would have accrued by the end of the current academic year varied according to a number of individual characteristics. Those where the differences appear greatest are discussed here for both full- and part-time students. The clearest trends for both full- and part-time students are that both family type and socio-economic group have a major bearing on an individual's access to savings. Lone parents are particularly vulnerable (tying in with lower assessments of financial well-being, see beginning of this chapter and also greater levels of poverty among this group in the general population – over 60 per cent of lone parents were found to be living in poverty by a Joseph Rowntree Foundation study¹).

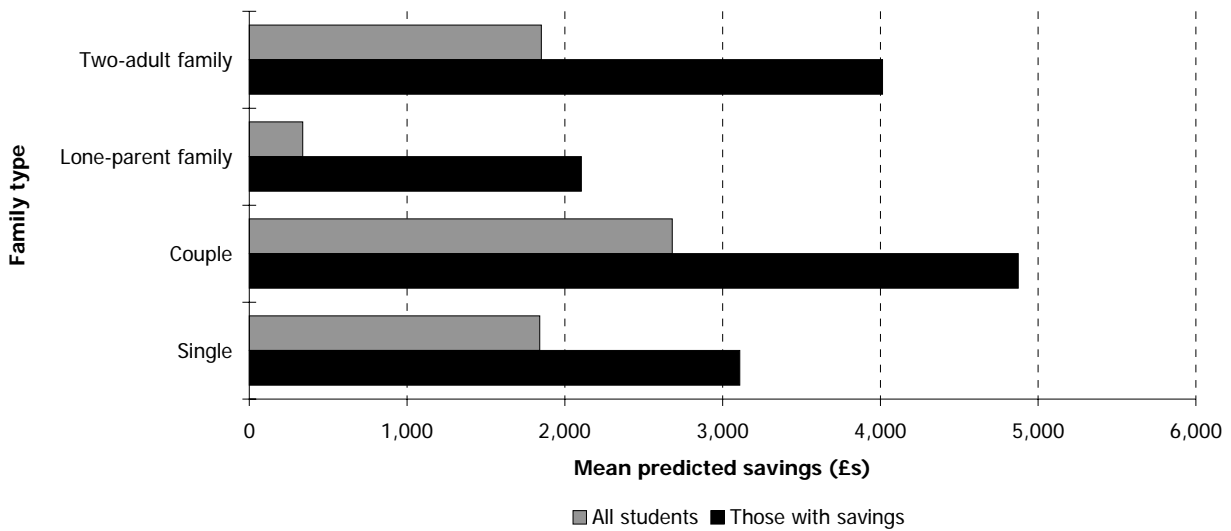
Full-time students

The main differences in savings levels of full-time students were by age and family circumstances (Figure 6.9). It is also clear that those from lower socio-economic groups and lower-income families have fewer savings on which to rely (Figure 6.10). These differences can be summarised as follows.

- Young students (under 20 years of age at the start of their course) were most likely to have savings (66 per cent had savings, compared to just 46 per cent of older students). This young group also had the highest level of average predicted savings (£2,035) although only marginally more than the over 25s (£1,958). The 20- to 24-year-old group had an average of around £600 less than the other groups.
- The managerial/professional socio-economic group had an average of £2,386 in predicted savings, compared to £1,292 on average among those in the intermediate group, and £1,083 for those in the lowest group (see Table A6.1 at the end of the chapter).

¹ Gordon D, Levitas R, Pantazis C, Patsios D, Payne S, Townsend P, Adelman L, Ashworth K, Middleton S, Bradshaw J, Williams J (2000), *Poverty and Social Exclusion in Britain*, Joseph Rowntree Foundation

Figure 6.9: Levels of savings by family type (full-time students)

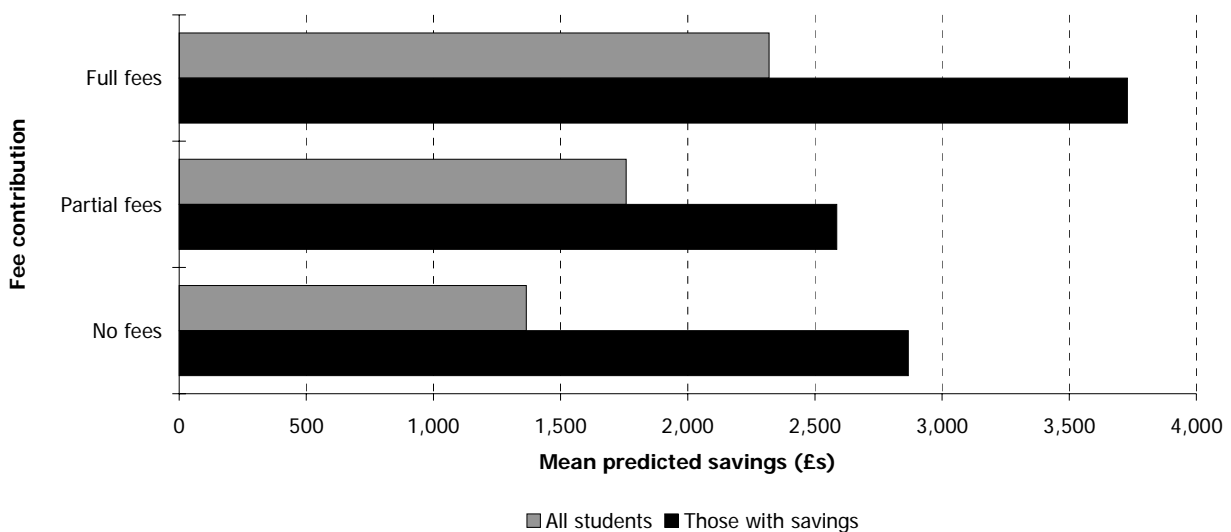


N = (2,509) unweighted

Base: English domiciled full-time students

Source: NatCen/IES SIES Survey 2004/05

Figure 6.10: Levels of savings by type of fee contribution (full-time students)



N = (2,509) unweighted

Base: English domiciled full-time students

Source: NatCen/IES SIES Survey 2004/05

- Lone-parent families were the least likely to have any savings by the end of the year (just 16 per cent). The level of savings for this group was also low, an average of just £339, indicating the likely financial vulnerability of this group. Couples without children had the most savings, with an average of £2,681 in expected savings (Table A6.1).
- Students not required to make any contribution to their fees, and hence from the lowest-income families, had both the lowest levels of savings (£1,365 compared to £2,319 among

those paying full fees), and were also least likely to have savings (just 48 per cent compared to 64 per cent of other students) (Table A6.1).

Part-time students

Among part-time students, patterns of saving varied significantly by gender, age and family type (Figure 6.11) and the year of their course. Differences were also apparent among different socio-economic groups (Figure 6.12). In more detail these differences were as follows.

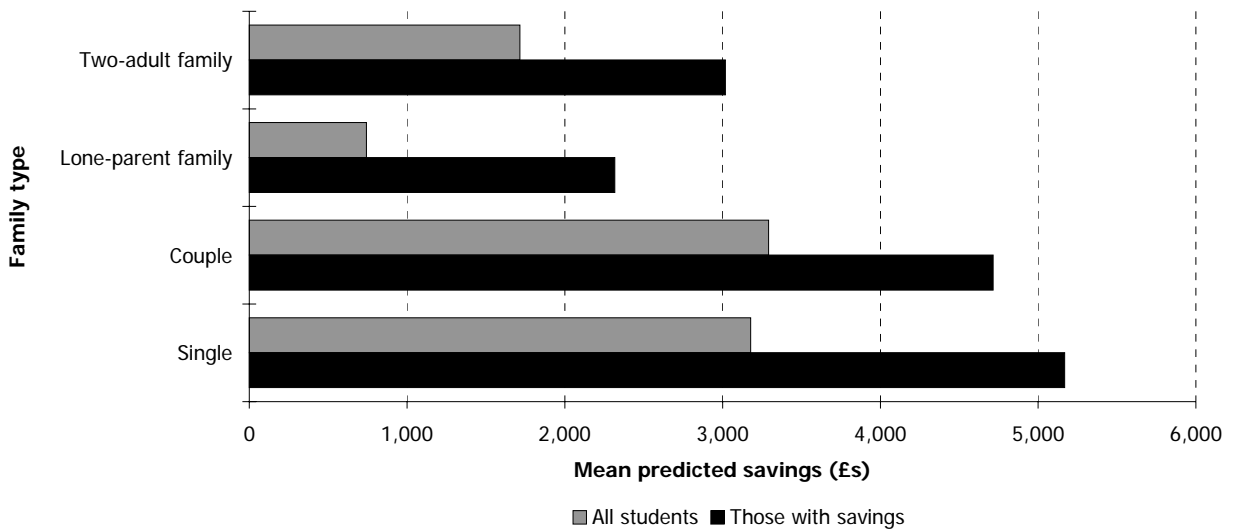
- There was a major difference between men and women. Men had by far the most savings, with around £3,676 set aside, compared to an average of £2,758 for women.
- The amount of savings was highest among the over 40s, who had an average of £4,504 set aside. The under 25-year-olds also had higher levels than the other two age groups (£2,957 compared to around £2,500).
- Lone parents lived without substantial savings, and were the most financially precarious, with just £742 set aside on average. This contrasts with £1,714 among two-adult households and over £3,000 among childless couples and those living alone (Table A6.1).
- The amount of part-time students' savings had increased with the time spent on their course. Those in their final year had, on average, £2,993 saved, compared to £2,160 among first years (Table A6.1).
- The amount individuals had set aside in savings varied according to their socio-economic group, and levels decreased through the managerial group (on average, £3,094) to the intermediate group (£2,282) and finally to the manual group (£1,802). Manual workers were also those least likely to have savings (Table A6.1).

6.6 Levels of borrowing

Students have access to a wide range of borrowing options and, as has been widely discussed in the media, can be accruing substantial debt as students. The main categories of borrowing are:

- commercial sources of credit, such as bank loans, credit cards and any higher purchase agreements
- bank overdrafts
- arrears, including any outstanding unpaid bills

Figure 6.11: Levels of savings by family type (part-time students)

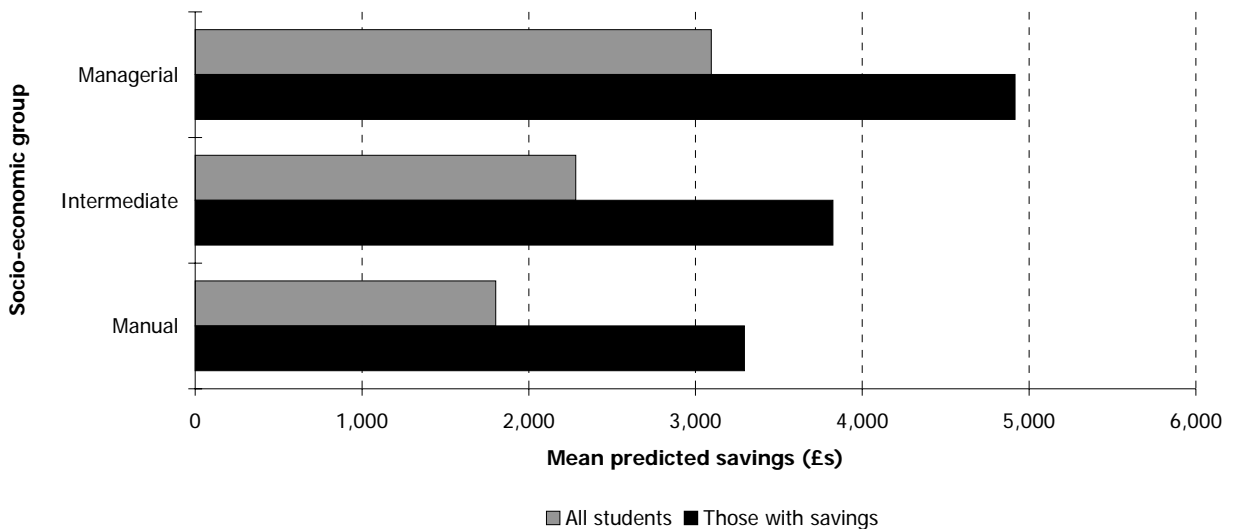


N = (890) unweighted

Base: English domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

Figure 6.12: Levels of savings by socio-economic group (part-time students)



N = (890) unweighted

base: English domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

- informal loans, such as borrowing from family and friends
- career development loans
- student loans
- any outstanding (and repayable) Access to Learning Funds (ALF).

Levels of borrowing overall were over twice as high among full-time as among part-time students (Table 6.4).

Table 6.4: Student borrowing (£)

		Full-time	Part-time
Commercial credit*	Mean	545	2,069
	Median	0	200
	Standard error	60	204
Overdraft*	Mean	536	237
	Median	100	0
	Standard error	22	35
Arrears*	Mean	42	59
	Median	0	0
	Standard error	5	12
Informal loans	Mean	16	1
	Median	0	0
	Standard error	4	1
Career Development Loans	Mean	2	1
	Median	0	0
	Standard error	2	1
Outstanding student loan debt	Mean	5,701	604
	Median	4,200	0
	Standard error	145	145
Outstanding Access to Learning Funds (if to be repaid)	Mean	3	0
	Median	0	0
	Standard error	1	0
Estimated total borrowing at end of year*	Mean	6,845	2,971
	Median	5,564	808
	Standard error	145	260
N = (3,399) unweighted		2,509	890

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

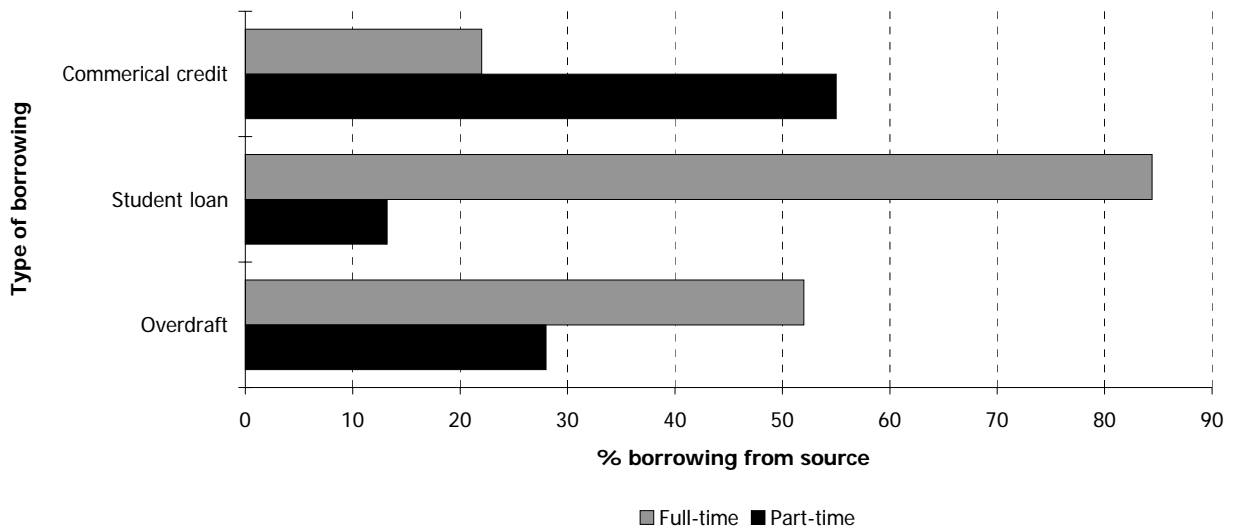
Source: NatCen/IES SIES Survey 2004/05

- Full-time students predicted that their levels of borrowing would be £6,845, on average, by the end of the academic year, and over half would owe around £5,500 or more.
- Part-time students anticipated their borrowing would be £2,971, but only half would owe around £800 or more.

These differences are clearly the result of different borrowing patterns among the two groups, as Figure 6.13 shows, and also the greater prevalence of borrowing among full-time students: 92 per cent had some form of borrowing compared to 66 per cent of part-time students (Table 6.5). A key component here is the take up of student loans. As already noted, a very high proportion of full-time students take out a student loan, and it forms the largest

component of full-time students' borrowing. By contrast, most part-time students are not eligible for a student loan (though some reported having a student loan of some kind) and therefore rely on other sources of credit.

Figure 6.13: Main sources of credit

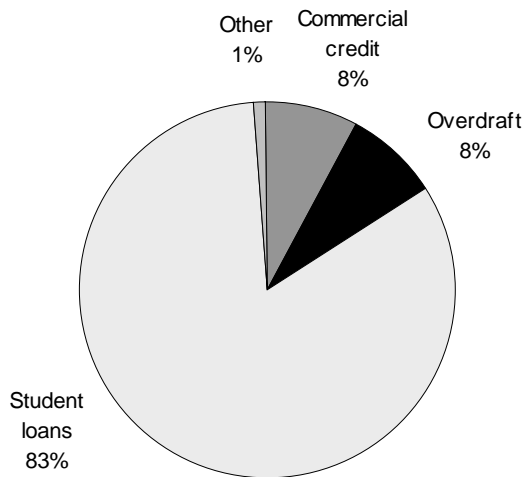


N = (3,399) unweighted

Base: all English domiciled students

Source: NatCen/IES SIES Survey 2004/05

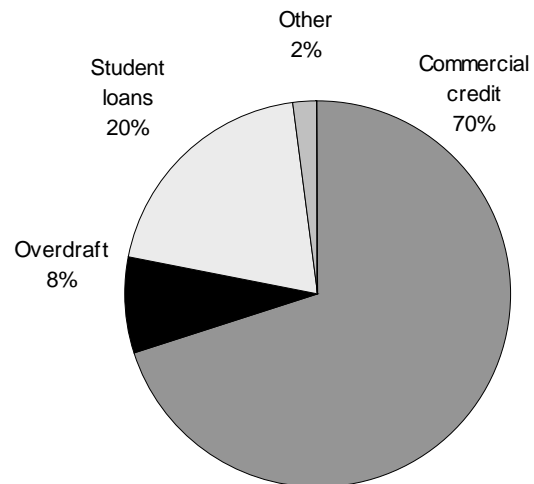
Figure 6.14: Proportion of overall borrowing attributed to main sources (full-time students)



N = (2,509) unweighted

Base: all English domiciled full-time students

Figure 6.15: Proportion of overall borrowing attributed to main sources (part-time students)



N = (890) unweighted

Base: all English domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

6.6.1 Student debt – full-time students

All full-time students

The major source of debt among full-time students was their student loans, with the average outstanding loan amount £5,600 in total (*ie* for multiple study years, as opposed to within this academic year as described in Chapter 2). Levels of student loan take-up were high, and 84 per cent of students had taken advantage of this form of student support. Around half of full-time students also relied on overdrafts. The overall mean amount owing on overdrafts was £536 for all full-time students. However, the average figure owed by those who had an overdraft was around double that, at just over £1,038 (Table 6.5).

The average full-time student owed £545 in commercial loans. However, only a quarter (23 per cent) of full-time students had taken out commercial loans, and the average amount owing in debts of this kind was £2,480. This demonstrates that where full-

Table 6.5: Main sources of student borrowing (£): those with debts

		Full-time	Part-time
Commercial credit*	Mean	2,480	3,788
	Median	900	2,250
	Standard error	191	373
	<i>Percentage</i>	22	55
	<i>Count</i>	644	304
Overdraft*	Mean	1,038	854
	Median	1,000	500
	Standard error	32	117
	<i>Percentage</i>	52	28
	<i>Count</i>	1,520	155
Outstanding student loan debt	Mean	6,755	4,583
	Median	6,000	3,391
	Standard error	127	686
	Percentage	84	13
	Count	2,485	73
Estimated total borrowing at end of year*	Mean	7,451	4,517
	Median	6,145	2,500
	Standard error	144	369
	<i>Percentage</i>	92	66
	<i>Count</i>	2,706	366

Base: all English domiciled students with debts

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

time students do use commercial credit, they borrow relatively heavily.

Differences by student characteristics

The borrowing patterns of full-time students varied according to a range of characteristics, including age, family type, social class and ethnicity. In our multiple regression model the factors and characteristics significantly associated with debts (among final-year students) were age, living away from home and family type for all types of students. For full-time students they also included subject, parental experience of HE and socio-economic group (Tables 6.6 and 6.7).

Table 6.6: Linear regression model of total debt for full-time final year students (with debt)

Variables	Regression coefficient	Significance level	95% confidence limits
Gender			
Male (ref. category)	0		
Female	157	0.707	-633, 977
Age-group			
Under 20 (ref. category)	0		
20 to 24***	1,351	0.001	537, 2,164
25 and over*	2,307	0.043	76, 4,539
Socio-economic group			
Managerial/professional (ref. category)	0		
Intermediate	499	0.355	-559, 1,557
Routine/manual*	1,161	0.017	211, 2,112
Family/household type			
Two-adult family (ref. category)	0		
Married /couple	723	0.641	-2,317, 3,763
Single*	3,187	0.026	379, 5,995
Student status			
Dependent (ref. category)	0		
Independent	1,084	0.189	-533, 2,701
Ethnicity			
White (ref. category)	0		
Asian/Asian British	300	0.806	-2,089, 2,688
Black/black British	930	0.559	-2,191, 405
Mixed/other	1,789	0.089	-273, 3,851
Living circumstances			
Lives with parents (ref. category)	0		
Lives away***	2,197	0.000	1,126, 3,268
Living in London			
London (ref. category)	0		
Elsewhere	860	0.187	-417, 2,138

Parental experience of HE			
Yes (ref. category)	0		
No*	909	0.028	101, 1,717
Type of institution			
HEI England (ref. category)	0		
FEI England	-2,175	0.218	-5,634, 1,283
HEI Wales	1,708	0.115	-416, 3,834
Subject of study			
Medical/dental (ref. category)	0		
Allied to health***	-8,253	0.000	-11,963, -4,543
Science, engineering, technology and IT	-3,239	0.074	-6,587, 309
Human and social sciences**	-4,622	0.008	-8,059, -1,184
Creative arts, languages and humanities	-2,911	0.105	-6,436, 613
Education	-3,544	0.054	-7,154, 6,495
Other subjects and combinations*	-3,593	0.039	-7,004, -181
N = (706) unweighted			

Base: all English domiciled full-time students

Note: R-squared 0.1293, *p<0.05, **p<0.01, ***p<0.001

Source: NatCen/IES SIES Survey 2004/05

Table 6.7: Linear regression model of total debt for part-time final year students (with debt)

Variables	Regression coefficient	Significance level	95% confidence limits
Gender			
Male (ref. category)	0		
Female	2,171	0.267	-1,666, 6,008
Age-group			
Under 25 (ref. category)	0		
25 to 29	-2,678	0.056	-5,430, 72
30 to 39**	-5,579	0.006	-9,537, -1,621
40 and over**	-2,304	0.131	-5,292, 684
Socio-economic group			
Managerial/professional (ref. category)	0		
Intermediate	-1,745	0.244	-4,684, 1,194
Routine/manual	-715	0.698	-4,323, 2,893
Family/household type~			
Two-adult family (ref. category)	0		
Lone-parent family	-2,364	0.105	-5,222, 493
Married/couple*	-4,889	0.017	-8,908, 870
Marital status			
Married (ref. category)	0		
Living with partner	-2,200	0.151	-800, 5,201
Single	-1,272	0.420	-4,355, 1,820
Ethnicity			
White (ref. category)	0		
Black and minority ethnic student	-1,167	0.556	-5,057, 2,724

Living circumstances			
Lives with parents (ref. category)	0		
Lives away*	3,484	0.043	104, 6,863
Living in London			
London (ref. category)	0		
Elsewhere	-2,544	0.152	-6,026, 938
Parental experience of HE			
Yes (ref. category)	0		
No	1,600	0.164	-655, 3,854
Type of institution			
HEI England (ref. category)	0		
FEI England	-208	0.889	-3,141, 2,724
HEI Wales	-5,492	0.076	-11,565, 582
Open University	654	0.761	-3,553, 4,860
Subject of study			
Medical/dental (ref. category)#	0		
Allied to health	2,101	0.457	-3,436, 7,638
Science, engineering, technology and IT	3,494	0.249	-2,447, 9,435
Human and social sciences	1,951	0.340	-2,059, 5,952
Creative arts, languages and humanities	1,301	0.629	-3,986, 6,587
Education	1,100	0.649	-5,895, 3,675
Other subjects and combinations	2,487	0.420	-3,557, 8,532
N = (122) unweighted			

Base: all English domiciled part-time students

Note a: ~ single category dropped from analysis as included in marital status, # only 6 unweighted cases in this ref category

Note b: R-squared 0.1885, *p<0.05, **p<0.01, ***p<0.001

Source: NatCen/IES SIES Survey 2004/05

In more detail the main results were as follows:

- Women had lower rates of debt from student loans than men, which contributed to their slightly lower overall average debt levels (£5,496 compared to £5,966 for men, Table A6.2). This was due to a lower outstanding student loan debt on average among women taking one out.
- Debt from commercial sources of credit significantly increased with age. Those aged over 25 owed an average of £1,893, compared to £589 among 20- to 24-year-olds and just £170 among those aged below 20 (Table A6.3). Around half of those aged 25 and over had taken out commercial credit, owing an average of £3,800. So for full-time mature students this was an important way of supporting their studies. However, it may reflect the fact that they were more likely to have accrued debt before starting their course. Only 65 per cent of mature students had taken out student loans, compared to 88 per cent of younger students.
- Black and minority ethnic students had, on average, lower levels of overall debt, due mainly to lower levels of student

loan debt (£5,014 compared to £5,821 for white students, Table A6.5). This can be explained by the lower proportions of black and minority ethnic students taking up student loans (76 compared to 86 per cent of white students). Among those taking out student loans, white students tended to borrow more (£6,779 compared to £6,301 among Asian/Asian British students and £6,215 among black/black British students).

- Lone-parent families had the highest levels of debt, at around £8,390 on average, compared to £5,839 for two parent couples, who had the lowest levels of debt of any family type (Table A6.7). Lone parents were both the most likely to have commercial borrowing and to owe the most (those with credit owed more than any other family type, £4,834 compared to £3,067 among two-adult households). Two-adult households were least likely to have taken out a student loan (just 57 per cent). The highest levels of student loan borrowing were among childless couples, where 71 per cent had student loans, and owed an average of £8,256.
- Full-time English domiciled students studying in Wales had much higher levels of debt than those who stayed in England to study, borrowing on average £9,808 compared to £6,707. This was due to higher amounts of outstanding student loan debts (Table A6.10).
- Medical students had by far the highest debt levels of any subject group, with an average of £10,119 outstanding, mainly due to an average estimated student loan debt of £8,808 (Table A6.13). This reflects the greater number of student loans per year that medical students can take out as a result of the longer length of their courses.
- On average, students from the highest socio-economic group, managerial/professional, owed the lowest amounts, £6,559, by comparison with individuals from the intermediate and manual classes (an average of £7,096 and £7,179 respectively, Table A6.14). Students in the manual group owed more than double the amount to commercial credit than that owed by students from the managerial group, an average of £875. They were also more likely to take up commercial credit (31 per cent had commercial debts compared to just 17 per cent of individuals from the managerial group).
- Borrowing increases with time on courses, almost exclusively due to the amount of borrowing in the form of student loans. The average projected borrowing from student loans rose from an average of £3,108 at the end of year one, to £8,098 by the final year of study (Table A6.16). While other borrowing increases, these amounts are minimal for the average student.
- Both the take-up of student loans and the amounts that students borrow were greater for those who did not live with their parents. As a result, students living away from home

borrowed an average of £7,283, which is around £2,200 more than those living with parents (Table A6.17).

6.6.2 Student debt – part-time students

All part-time students

Part-time students' main source of borrowing was commercial loans; they owed an average of £2,069, and 55 per cent borrowed from this source. Those with commercial borrowing owed an average of £3,788 (Table 6.5). A small minority of students, 13 per cent, also had outstanding student loans (presumably accrued during earlier periods of full-time study), and for this small group they represented a significant debt, an average of £4,583.

Differences by student characteristics

The main variations in part-time student debt are related to their gender, family type, or region of domicile. Specifically:

- Women and men borrow similar amounts, but their patterns of borrowing are slightly different. Women were more likely to have an overdraft, 33 per cent, compared to 21 per cent of men, but actually borrowed less if they had taken one out (£764 compared to £1,029). Women were just as likely as men to borrow commercially, but they tended to borrow more from this source than men, (£3,958 on average among those with commercial debts, compared to £3,582).
- A student's socio-economic group has a small affect on the amount of debt. However, students in the manual group owed the most, an average of £3,294 compared to £2,892 among the professional group and £2,749 among students in the intermediate group (Table A6.14).
- Lone-parent families had the highest average levels of debt, owing an estimated £3,500 in total (Table A6.7). This is due to a greater take-up of, and higher levels of borrowing from, commercial credit, and greater incidence of debts owing in arrears. Part-time students in couples without children tended to owe the least. We know that this group contributed, on average, to their overall household income while studying, rather than being supported by partners, but there is no evidence that this results in higher levels of borrowing.
- Part-time students living outside of London had slightly higher levels of debt than those living in the capital, £3,009 compared to £2,670 (Table A6.15). This is almost solely due to higher levels of borrowing on commercial credit.
- Student borrowing among part-timers remained fairly constant regardless of year of study (Table A6.16).

6.7 Overall financial position

By comparing student savings and borrowings, it is possible to consider a student's overall financial position. Student debt has been calculated by subtracting the amount of savings individuals predict they will have accrued by the end of the year, from the amount of debt they predict they will owe by this point.

The length of time that a student has been studying is such a major factor in the levels of debt among full-time students that this overshadows all other student characteristics. Additionally, the estimates of final-year students are potentially the most interesting as they provide a reasonably accurate estimate of a student's average debts on graduation, regardless of the length of their course. In this section, therefore, the focus is on the overall financial situation of final-year students, although the situation for all students is also examined in brief.

6.7.1 All students

Full-time students estimated that their overall levels of debt will be £4,996 by the end of the academic year (Table 6.8). However, levels of debt for full-time students increased dramatically from the first to final year. First-year students estimated that they would owe an average of £2,170, other years £4,884 and final year students £7,918 by the end of the 2004/05 academic year.

Part-time students had much smaller debts, an average of £429, and half were in debt by less than a few hundred pounds. Debt levels actually decreased for part-time students from their first to final year. From having a deficit of £1,201 in the first year, students, on average, move to being in credit to the tune of £347 by their final year.

Table 6.8: Student debt (£) all students

		Full-time	Part-time
Savings*	Mean	1,849	2,543
	Median	250	300
	Standard error	121	210
Estimated total borrowing at end of year*	Mean	6,845	2,971
	Median	5,564	808
	Standard error	145	260
Estimated debt at end of year*	Mean	4,996	429
	Median	4,576	150
	Standard error	188	381
N = (3,399) unweighted		2,509	890

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

6.7.2 Final-year students

As we have seen, debt levels of full-time students are much higher than part-time students. This is particularly marked when considering final-year students. As already noted, the debts of full-time students in their final year are estimated at £7,918 (due to £1,710 in savings, and £9,628 in borrowing, Table 6.9). Final-year part-timers have higher levels of savings than loans (£2,993 compared to £2,646), leaving them 'in the black' by around £350.

The final-year figures include results for 68 full-time and 27 part-time students who are taking one-year courses. The decision was taken to analyse the results for these students along with final-year students on longer courses as all these students were completing their course in the year of the survey. Therefore their estimates of the levels of savings, borrowing and debt will all be reflective of their final position on leaving HE, unless they go on to further study. The average level of debt for the full-time students on one-year courses was £8,531. The fact that this is higher than for the final-year group as a whole is likely to reflect that 42 of the 68 students involved were on PGCE courses. Therefore, although they were currently taking a one-year course, for many their current course is an additional year, rather than the only year of study they have undertaken. Some may therefore carry debts with them from their previous course. For the part-time students, the average level of debt was £238. Further analysis of these students has not been conducted separately from the other final-year students due to the small numbers involved. However, their results do contribute to the overall figures in the remainder of this section.

Table 6.9: Student debt, final year students (£)

		Full-time	Part-time
Savings*	Mean	1,710	2,993
	Median	200	500
	Standard error	161	451
Estimated total borrowing at end of year*	Mean	9,628	2,646
	Median	10,000	500
	Standard error	251	368
Estimated debt at end of year*	Mean	7,918	-347
	Median	8,665	0
	Standard error	303	660
N = (1,143) unweighted		874	269

Base: all English domiciled students, in their final year.

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Full-time students

Estimated debt levels of final-year full-time students varied significantly on the basis of a number of characteristics. These reflect some of the differences already outlined in levels of saving and borrowing for different groups. The largest of these differences were according to social class, family type and whether individuals lived with and/or are dependent on parents. Different patterns of predicted final debt, therefore, exist for full-time final year students according to:

- **gender** – with male full-time final-year students' debt expected to be, on average, £8,198 on the completion of their course, £500 more than the average female student's debt (Table A6.20)
- **socio-economic group** – with those in the manual group predicting average debts of £9,842 compared to £7,733 among the intermediate group students and £6,905 for those from a managerial/professional background (Table A6.34)
- **whether a student has independent status** – with independent students likely to graduate with an average debt of £8,493 compared to £7,721 for those who are classed as dependent (Table A6.29)
- **ethnicity** – as black and minority ethnic students had lower average levels of debt than white students, owing £6,827, compared to £8,083 for white students (Table A6.23)
- **family type** – with lone parents having high levels of debt on graduation, expected to be owing an average of £11,101. Two-adult households expected to owe an average of £6,828 several thousand pounds lower, while the average single student debt (by the far the largest group of full-time students) was £7,919 (Table A6.25)
- **whether a student lives with their parents** – living at home results in significantly lower levels of debt, on average, £5,612, some £2,850 less than those living away (Table A6.35)
- **by subject** – with medical and dental students having the highest levels of debt of all full-time student groups, with an average of £12,946 to pay back on graduation. This reflects their higher levels of borrowing (Table A6.30)
- **students living in London** – owed less, due to lower levels of borrowing, and had a debt of £6,819, whereas those living elsewhere expect to have to pay back £8,101 at the end of their course (Table A6.32)
- **location of institution** – as English students studying in Wales had higher levels of debt, owing an average of £9,470 when they completed their course (Table A6.27).

Part-time students

Among part-time students, indicators such as family type and socio-economic group are just as important as for full-time students. However, as we have seen above, levels of borrowing are far lower than for full-time students, and levels of savings much higher. This results in predicted levels of debt which are much smaller for part-time compared to full-time students, and the situation where the average part-time student completes their course without any overall debt at all. However, there are still some interesting variations in levels of debt according to:

- **gender** – with the average male part-time student completing their course in credit by £699, whereas women have an average debt of £82 (Table A6.20)
- **socio-economic group** – with a marked difference between those in the manual group and other students. Students in the manual group are the only group with any debts on completion – an average of £2,128 (Table A6.34). In contrast, those in the managerial group predict they will be in credit by £1,138, while students in the intermediate group expect to be in credit by £1,396
- **family type** – with the highest overall levels of debt among households with children. Two-adult households estimated that they will need to pay back an average of £1,911 on completing their course, while lone parents will owe an average of £1,633 (Table A6.25). Due to their significantly higher levels of savings, both single students and childless couples will both be in credit by £2,028 and £1,486 respectively
- **ethnicity** – black and minority ethnic students had higher levels of both savings and borrowing, but will complete their course in credit by around £1,441 (Table A6.23)
- **whether the student is living in London** – as London-based students predict they will owe around £885 whereas those living elsewhere predict they will be credit by £459 (Table A6.32).

6.8 Indicators of hardship

In order to get an idea of levels of hardship among students, respondents were asked whether, at some point over the academic year, they had cut down their spending on a list of items or fallen into arrears on regular payments.

6.8.1 Items students could not afford

For full-time students the items most likely to be economised on were: going out (68 per cent), clothes (61 per cent), and holidays (52 per cent), with shoes (51 per cent), visits to the pub (49 per

cent), and visits to family and friends (42 per cent) close behind (Table 6.10). This said, full-time students were much less likely to cut back on more essential items, such as heating and prescriptions/medicines on which only eight per cent of the group cut back. Overall, for full-time students only five per cent said that they *'never had to go without'* and six per cent said that *'money was never tight'*.

Part-time students were most likely to cite going out (60 per cent), holidays (54 per cent) and clothes (49 per cent) as being things that they have had to cut back on over the academic year. Again, as with full-time students, heating (six per cent), prescriptions (six per cent) and toiletries (eight per cent) were the least likely items to be budgeted on by part-time students, over the academic year.

More than half (52 per cent) of full-time students said that they had to cut down or go without at least four items. Ten per cent of full-time students said that they did not have to go without or cut down on any of the items.

Students who have dependent children of their own, or who live with a partner with whom they share financial responsibility and

Table 6.10: Items that students (and/or their partners) have had to cut down on over the academic year, full-time and part-time students (per cent)

	Full-time	Part-time
Items cut down on:		
going out	68	60
clothes	61	49
holiday	52	54
shoes	49	35
visits to the pub	47	45
visiting friends/family	42	27
telephoning friends/family	30	18
books or course equipment	29	23
hobby or sport	23	25
food	19	13
toiletries	13	8
trips/courses for study	12	13
heating	8	6
prescriptions or medicines	7	5
money is never tight	6	11
never go without	5	11
N= (3,399) unweighted	2,509	890

Base: all English domiciled students

Source: NatCen/IES SIES 2004/05

who have dependent children, were asked to respond to a similar question regarding their children. They were asked to indicate, from a list, any items for their children (or their partner's children) that they had had to cut down on over the academic year. Some 42 per cent of full-time students reported that their children never have to go without (Table 6.11). However, it should be noted that only two per cent of this group said that money is never tight. For full-time students, where there was a need to cut down on items for their children, family holidays was by far the most likely item to be cited (46 per cent). It was a similar story for part-time students, 53 per cent of whom said that their children never go without, and 36 per cent of whom said that the family holiday was an area that was cut back on. Again, a relatively low seven per cent said that *'money is never tight'*.

Lone parents were significantly more likely to report they had cut down on items like clothes or a holiday for their children than a two-adult family. For instance, 59 per cent of lone parents said they had cut back on holidays compared with 38 per cent of students with children in a two-adult family.

6.8.2 Arrears and debt

In order to get an idea of the extent to which students were getting into arrears with payments of various kinds, they were asked to look at a list of various payments. They were then asked to indicate those on which, if any, they had fallen behind at least two months over the academic year. Some 84 per cent of full-timers and 81 per cent of part-timers reported that they had not fallen behind on any of the payments shown (Table 6.12). Further, for full-timers, no more than five per cent had fallen behind for more than two months on any one payment. For part-timers no more than seven per cent had gone into arrears, although this figure should be treated with caution due to the low numbers of respondents involved.

Table 6.11: Things for their children that students have had to cut down on (per cent)

	Full-time	Part-time
Item cut down on:		
clothes	24	10
shoes	16	5
food	4	3
hobby or sport	16	10
school trips/holidays	14	6
family holiday	46	35
never go without	42	53
money is never tight	2	8
N= (550) unweighted	248	302

Base: all English domiciled students with dependent children

Source: NatCen/IES SIES 2004/05

Table 6.12: Payments students have gone into two or more months arrears in, full-time and part-time (per cent)

	Full-time	Part-time
Item in arrears:		
rent	4	4
gas	4	3
electricity	4	4
water	3	4
council tax	2	7
credit card payments	5	6
telephone	5	4
tuition fees	2	3
TV licence	2	1
none of these	84	81
N= (3,399) unweighted	2,509	890

Base: all English domiciled students

Source: NatCen/IES SIES 2004/05

Students who had indicated that they had fallen behind on payments for gas, water, electricity or telephone services were consequently asked if they had been cut off for any of these over the academic year. The overwhelming majority of part-time students (90 per cent) and most full-time students (72 per cent) said that they had not been disconnected from any of these main services. The only service that any significant number of students reported to have been cut off from was the telephone, with 27 per cent of full-time students suggesting that this was the case (Table 6.13).

When asked if they expected to go into arrears on any future payments for the rest of the academic year, the overwhelming majority of both full-time and part-time students (94 and 91 per cent respectively) indicated that they did not expect to fall behind more than two months on any payments (Table 6.14).

Table 6.13: Services that students had been disconnected from over the academic year, full-time and part-time students (per cent)

	Full-time	Part-time
Service disconnected		
water	0	1
gas	2	2
electricity	2	1
telephone	26	8
none of these	72	90
N=(468) unweighted	235	233

Base: English domiciled students who said they had fallen behind on water, gas, electricity or telephone bills

Source: NatCen/IES SIES 2004/05

Table 6.14: Expected arrears by the end of the academic year, full-time and part-time students (per cent)

	Full-time	Part-time
Expected arrears:		
rent	2	1
gas	1	2
electricity	1	2
credit card payments	2	4
telephone	2	22
none of these items	93	91
N= (3,399) unweighted	2,509	890

Base: all English domiciled students

Source: NatCen/IES SIES 2004/05

All students were asked to indicate which, if any, of a list of problems they had had with their accommodation. Two-thirds of part-time students reported that they had had no problems with their accommodation (Table 6.15). The most frequently reported accommodation problem for this group was having a shortage of space, with one-fifth (19 per cent) of part-timers suggesting that this was so. For full-timers, just over a half (54 per cent) said that they had not had any problems with their accommodation. Again, a shortage of space was the most likely accommodation problem to be reported (18 per cent), although having no outside space was also as likely to be indicated as a problem by this group (18 per cent).

6.8.3 Reliance on different borrowing sources

Another potential indicator of student hardship is the extent to which students are reliant on the generally higher cost repayment borrowing, such as commercial credit, rather than the potentially lower cost borrowing from student loans or family/friends likely to be paid back over a longer period. In order to determine which students are most reliant on commercial credit and/or overdrafts, a multiple regression model was constructed looking at levels of borrowing from these sources (as oppose to the models presented in sections 6.6.1 and 6.6.2 which relate to total borrowing from all sources). The models show that the characteristics significantly associated with high-cost debts were:

- for full-time students – age, student status, parental experience of higher education and subject of study. Students aged over 20, who have independent status, who do not have parents who have attended HE, and medical students all have higher levels of borrowing from high cost sources
- for part-time students – family and institution type. The results showed that students who are married/living as a couple have significantly lower rates of borrowing from high-

Table 6.15: Reported problems with accommodation, full and part-time students (per cent)

	Full-time	Part-time
Accommodation problem:		
shortage of space	18	19
dark, not enough light	6	2
lack of adequate heating	10	5
leaky roof	3	2
damp walls, floors etc	12	6
rot in window frames or floors	8	5
mould	11	4
no outside space	18	7
other problem	6	3
no problems	54	67
N= (3,399) unweighted	2,509	890

Base: English domiciled students

Source: NatCen/IES SIES 2004/05

cost sources. This is also true of students within Welsh HEIs (although the numbers here are small).

6.9 Measuring hardship

There are no recognised measures of student hardship. Various measures have been established for measuring adult poverty¹, but these may not be appropriate for students. The baseline data collected in this survey allow various measures to be developed, tested and assessed as reliable and valid indicators of student hardship. This has not been done as part of this initial, primarily descriptive, survey analysis, other than a brief analysis of the relationship between the number of items on which students economised (Table 6.10). This indicated, for example, that full-time students who said they had economised on at least four items were significantly more likely to also report above average debt levels, that they had gone into arrears or that they thought they had less money than they needed. We found no correlation between economising and income levels.

¹ See Gordon D *et al.* op cit.

Table 6.16: Linear regression model of total commercial debt and overdraft for full-time final year students

Variables	Regression coefficient	Significance level	95% confidence limits
Gender			
Male (ref. category)	0		
Female	11	0.907	-181, 204
Age-group			
Under 20 (ref. category)	0		
20 to 24***	512	0.000	330, 693
25 and over*	753	0.005	231, 1,276
Socio-economic group			
Managerial/professional (ref. category)	0		
Intermediate	101	0.438	-154, 356
Routine/manual*	63	0.628	-194, 320
Family/household type			
Two-adult family (ref. category)	0		
Married/couple	1,260	0.102	-250, 2,769
Single*	358	0.220	-215, 930
Student status			
Dependent (ref. category)	0		
Independent***	798	0.001	339, 1,257
Ethnicity			
White (ref. category)	0		
Asian/Asian British	-63	0.823	-614, 489
Black/black British	58	0.823	-450, 565
Mixed/other	-110	0.483	-417, 197
Living circumstances			
Lives with parents (ref. category)	0		
Lives away	30	0.822	-233, 293
Living in London			
London (ref. category)	0		
Elsewhere	129	0.387	-163, 421
Parental experience of HE			
Yes (ref. category)	0		
No**	276	0.009	70, 484
Type of institution			
HEI England (ref. category)	0		
FEI England	-69	0.799	-596, 459
HEI Wales	624	0.057	-20, 1,267

Subject of study

Medical/dental (ref. category)	0		
Allied to health*	-727	0.024	-1,355, -98
Science, engineering, technology and IT**	-574	0.022	-1,066, -84
Human and social sciences*	-473	0.065	-978, 30
Creative arts, languages and humanities*	-465	0.074	-976, 46
Education***	-912	0.005	-1,552, -272
Other subjects and combinations	-128	0.685	-748, 492

N = (2,352) unweighted

Base: all English domiciled full-time students

Note: R-squared 0.0863, *p<0.05, **p<0.01, ***p<0.001

Source: NatCen/IES SIES Survey 2004/05

Table 6.17: Linear regression model of total commercial debt and overdraft for part-time final year students

Variables	Regression coefficient	Significance level	95% confidence limits
Gender			
Male (ref. category)	0		
Female	16	0.981	-1,310, 1,342
Age-group			
Under 25 (ref. category)	0		
25 to 29	-970	0.376	-3,119, 1,178
30 to 39	-1,566	0.184	-3,880, 746
40 and over	-1,107	0.369	-3,521, 1,307
Socio-economic group			
Managerial/professional (ref. category)	0		
Intermediate	-333	0.567	-1,474, 808
Routine/manual	-919	0.073	-1,924, 86
Family/household type~			
Two-adult family (ref. category)	0		
Lone-parent family	929	0.412	-1,292, 3,150
Married/couple**	-1,267	0.002	-2,055, -479
Ethnicity			
White (ref. category)	0		
Black and minority ethnic student	351	0.562	-836, 1,538
Living circumstances			
Lives with parents (ref. category)	0		
Lives away*	1,647	0.131	-494, 3,787
Living in London			
London (ref. category)	0		
Elsewhere	376	0.395	-491, 1,243
Parental experience of HE			
Yes (ref. category)	0		
No	-33	0.929	

Type of institution

HEI England (ref. category)	0		
FEI England	14	0.981	-1,091, 1,118
HEI Wales	-1,296	0.042	-2,548, -44
Open University	-827	0.134	-1,908, 254

Subject of study

Medical/dental (ref. category)#	0		
Allied to health	-3,080	0.220	-7,999, 1,838
Science, engineering, technology and IT	-3,112	0.273	-8,684, 2,460
Human and social sciences	-2,366	0.398	-7,857, 3,125
Creative arts, languages and humanities	-3,765	0.161	-9,033, 1,504
Education	-2,551	0.408	-8,597, 3,496
Other subjects and combinations	-3865	0.160	-9,251, 1,522

N = (122) unweighted

Base: all English domiciled part-time students

Note: R-squared 0.0862, *p<0.05, **p<0.01, ***p<0.001

Source: NatCen/IES SIES Survey 2004/05

Chapter 6: Additional Tables

Table A6.1: Predicted savings (£)

	Full-time			Part-time		
	Mean	Median	Standard error	Mean	Median	Standard Error
All students	1,849	250	121	2,543	300	210
Social class						
Managerial/professional	2,386	500	210	3,094	500	398
Intermediate	1,292	200	111	2,282	275	644
Routine/manual	1,083	0	124	1,802	150	352
Family situation						
Two-adult family	1,851	0	409	1,714	250	257
Lone-parent family	339	0	131	742	0	210
Married or living in couple	2,681	130	600	3,291	1,000	383
Single	1,842	300	130	3,178	400	487
Year of study						
First year	1,786	200	176	2,160	300	359
Other year (not final)	2,082	300	255	2,409	200	336
Final year or one-year course	1,710	200	161	2,993	500	451
Whether pays tuition fees and how much						
FT and pays full fees or PT (incl DK if pay full or part)	2,319	500	202	2,566	300	211
FT and pays part contribution to fees	1,758	500	325			
FT and pays no fees (incl NHS bursaries)	1,365	0	154			
N = (3,399) unweighted (2,509 full-time and 890 part-time)						

Base: all English domiciled students

Source: NatCen/IES SIES Survey 2004/05

Table A6.2: Type of student borrowing by sex (£)

		Full-time		Part-time	
		Male	Female	Male	Female
Commercial credit*	Mean	447	623	1,977	2,143
	Median	0	0	250	150
	Standard error	80	73	330	255
Overdraft*	Mean	579	502	217	253
	Median	20	100	0	0
	Standard error	41	23	65	32
Arrears*	Mean	33	49	55	63
	Median	0	0	0	0
	Standard error	7	7	20	14
Informal loans	Mean	18	15	0	2
	Median	0	0	0	0
	Standard error	6	4	0	1
Career Development Loans	Mean	0	4	0	1
	Median	0	0	0	0
	Standard error	0	3	0	1
Outstanding student loan debt	Mean	5,966	5,496	758	479
	Median	4,995	4,095	0	0
	Standard error	195	176	258	159
Outstanding Access to Learning Funds (if to be repaid)	Mean	4	3	0	0
	Median	0	0	0	0
	Standard error	2	1	0	0
Estimated total borrowing at end of year*	Mean	7,046	6,691	3,007	2,942
	Median	6,040	5,200	1,000	750
	Standard error	218	168	405	296
N = (3,399) unweighted		800	1,708	291	599

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.3: Type of student borrowing by age (full-time) (£)

		Under 19	20-24	25 and over
Commercial credit*	Mean	170	589	1,893
	Median	0	0	0
	Standard error	29	79	216
Overdraft*	Mean	476	666	527
	Median	0	400	0
	Standard error	27	33	55
Arrears*	Mean	16	55	114
	Median	0	0	0
	Standard error	5	14	16
Informal loans	Mean	18	14	10
	Median	0	0	0
	Standard error	6	5	4
Career Development Loans	Mean	1	0	10
	Median	0	0	0
	Standard error	1	0	10
Outstanding student loan debt	Mean	5,678	6,321	4,657
	Median	4,168	5,050	4,000
	Standard error	151	201	312
Outstanding Access to Learning Funds (if to be repaid)	Mean	1	3	10
	Median	0	0	0
	Standard error	1	2	5
Estimated total borrowing at end of year*	Mean	6,361	7,649	7,222
	Median	5,118	6,480	5,100
	Standard error	153	210	406
N = (2,509) unweighted		1,369	661	478

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.4: Type of student borrowing by age (part-time) (£)

		Under 25	25-29	30-39	40 and over
Commercial credit*	Mean	2,422	1,977	1,799	2,101
	Median	250	225	500	0
	Standard error	607	367	212	412
Overdraft*	Mean	227	134	263	271
	Median	0	0	0	0
	Standard error	56	31	54	99
Arrears*	Mean	21	82	75	65
	Median	0	0	0	0
	Standard error	8	34	28	17
Informal loans	Mean	2	0	1	2
	Median	0	0	0	0
	Standard error	2	0	1	2
Career Development Loans	Mean	0	0	2	0
	Median	0	0	0	0
	Standard error	0	0	2	0
Outstanding student loan debt	Mean	1,315	1,077	288	80
	Median	0	0	0	0
	Standard error	401	630	128	27
Outstanding Access to Learning Funds (if to be repaid)	Mean	0	0	0	1
	Median	0	0	0	0
	Standard error	0	0	0	1
Estimated total borrowing at end of year*	Mean	3,986	3,269	2,427	2,519
	Median	2,400	900	850	195
	Standard error	706	700	283	478
N = (890) unweighted		152	123	298	316

Base: all English domiciled part-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.5: Type of student borrowing by ethnicity (£)

		Full-time		Part-time	
		White	Black or minority ethnic group	White	Black or minority ethnic group
Commercial credit*	Mean	542	564	2,061	2,113
	Median	0	0	150	500
	Standard error	65	124	217	427
Overdraft*	Mean	545	487	191	436
	Median	100	0	0	0
	Standard error	27	48	27	100
Arrears*	Mean	30	108	49	158
	Median	0	0	0	0
	Standard error	4	25	11	60
Informal loans	Mean	17	9	1	0
	Median	0	0	0	0
	Standard error	4	5	1	0
Career Development Loans	Mean	2	5	1	0
	Median	0	0	0	0
	Standard error	2	5	1	0
Outstanding student loan debt	Mean	5,821	5,014	612	512
	Median	4,314	4,095	0	0
	Standard error	147	339	148	301
Outstanding Access to Learning Funds (if to be repaid)	Mean	3	5	0	0
	Median	0	0	0	0
	Standard error	1	4	0	0
Estimated total borrowing at end of year*	Mean	6,960	6,193	2,915	3,219
	Median	5,890	4,950	750	1,850
	Standard error	154	339	268	564
N = (3,391) unweighted		2,119	387	781	104

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.6: Type of student borrowing by ethnicity (in four groups) (full-time) (£)

		White	Asian or Asian British	Black or black British	Mixed or other
Commercial credit*	Mean	542	433	1,017	420
	Median	0	0	0	0
	Standard error	65	216	249	106
Overdraft*	Mean	545	365	529	572
	Median	100	0	250	0
	Standard error	27	77	53	73
Arrears*	Mean	30	29	298	70
	Median	0	0	0	0
	Standard error	4	11	86	31
Informal loans	Mean	17	5	15	10
	Median	0	0	0	0
	Standard error	4	5	13	8
Career Development Loans	Mean	2	1	22	0
	Median	0	0	0	0
	Standard error	2	1	23	0
Outstanding student loan debt	Mean	5,821	4,822	4,654	5,396
	Median	4,314	4,000	4,000	4,300
	Standard error	147	550	431	436
Outstanding Access to Learning Funds (if to be repaid)	Mean	3	10	6	0
	Median	0	0	0	0
	Standard error	1	10	6	
Estimated total borrowing at end of year*	Mean	6,960	5,665	6,540	6,468
	Median	5,890	4,095	5,095	5,300
	Standard error	154	604	487	488
N = (2,506) unweighted		2,119	137	103	147

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.7: Type of student borrowing by family situation (£)

		Full-time				Part-time			
		2-adult family	Lone parent	Married/couple	Single	2-adult family	Lone parent	Married/couple	Single
Commercial credit*	Mean	1,565	2,736	1,375	361	2,216	2,706	1,423	2,192
	Median	100	280	0	0	500	600	30	0
	Standard error	253	722	258	50	227	959	251	374
Overdraft*	Mean	254	584	460	555	172	229	101	374
	Median	0	0	125	100	0	0	0	0
	Standard error	38	106	73	24	29	60	26	90
Arrears*	Mean	52	292	20	34	44	155	23	73
	Median	0	0	0	0	0	0	0	0
	Standard error	26	71	9	6	15	56	11	25
Informal Loans	Mean	15	21	8	16	0	7	0	1
	Median	0	0	0	0	0	0	0	0
	Standard error	9	12	8	4	0	6	0	1
Career Development Loans	Mean	0	0	26	1	2	0	0	0
	Median	0	0	0	0	0	0	0	0
	Standard error	0	0	26	1	2	0	0	0
Outstanding student loan debt	Mean	3,943	4,758	5,877	5,816	276	402	453	1,011
	Median	3,070	3,774	5,600	4,314	0	0	0	0
	Standard error	511	617	405	152	121	132	220	330
Outstanding Access to Learning Funds (if to be repaid)	Mean	9	0	14	2	0	0	0	0
	Median	0	0	0	0	0	0	0	0
	Standard error	7	0	10	1	0	0	0	0
Estimated total borrowing at end of year*	Mean	5,839	8,390	7,780	6,786	2,710	3,500	2,000	3,651
	Median	4,350	5,800	7,200	5,541	750	1,300	250	1,250
	Standard error	605	955	487	153	275	976	325	533
N = (3,399) unweighted		156	92	181	2,080	284	106	211	289

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.8: Type of student borrowing by parental experience of HE (£)

		Full-time		Part-time	
		Yes	No	Yes	No
Commercial credit*	Mean	347	783	1,958	2,131
	Median	0	0	195	225
	Standard error	47	108	274	293
Overdraft*	Mean	513	564	227	244
	Median	100	100	0	0
	Standard error	22	34	46	50
Arrears*	Mean	29	57	33	73
	Median	0	0	0	0
	Standard error	5	9	11	17
Informal loans	Mean	21	10	2	1
	Median	0	0	0	0
	Standard error	6	4	1	1
Career Development Loans	Mean	4	0	0	1
	Median	0	0	0	0
	Standard error	3	2	0	1
Outstanding student loan debt	Mean	5,572	5,862	815	496
	Median	4,095	4,314	0	0
	Standard error	167	187	245	164
Outstanding Access to Learning Funds (if to be repaid)	Mean	4	2	0	0
	Median	0	0	0	0
	Standard error	2	1	0	0
Estimated total borrowing at end of year*	Mean	6,490	7,278	3,035	2,946
	Median	5,300	6,055	1,000	660
	Standard error	159	216	335	367
N = (3,389) unweighted		1,350	1,153	271	615

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.9: Type of student borrowing by location of institution (£)

		Full-time		Part-time		OU
		England	Wales	England	Wales	
Commercial credit*	Mean	537	716	2,155	- ¹	1,689
	Median	0	0	200	-	150
	Standard error	62	274	232	-	224
Overdraft*	Mean	523	807	228	-	150
	Median	50	500	0	-	0
	Standard error	22	87	39	-	39
Arrears*	Mean	43	17	37	-	238
	Median	0	0	0	-	0
	Standard error	6	11	9	-	77
Informal loans	Mean	16	9	1	-	0
	Median	0	0	0	-	0
	Standard error	4	6	1	-	0
Career Development Loans	Mean	3	0	1	-	0
	Median	0	0	0	-	0
	Standard error	2	0	1	-	0
Outstanding student loan debt	Mean	5,582	8,244	586	-	356
	Median	4,100	7,880	0	-	0
	Standard error	152	431	162	-	86
Outstanding Access to Learning Funds (if to be repaid)	Mean	3	14	0	-	0
	Median	0	0	0	-	0
	Standard error	1	12	0	-	0
Estimated total borrowing at end of year*	Mean	6,707	9,808	3,008	-	2,433
	Median	5,387	8,380	725	-	1,000
	Standard error	150	583	295	-	284
N = (3,399) unweighted		2,356	153	701	25	164

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A6.10: Type of student borrowing by institution type (£)

		Full-time			Part-time			OU
		HEI England	FEI England	HEI Wales	HEI England	FEI England	HEI Wales	
Commercial credit*	Mean	516	954	716	2,124	2,242	- ¹	1,689
	Median	0	0	0	100	500	-	150
	Standard error	63	208	274	292	324	-	224
Overdraft*	Mean	529	418	807	203	297	-	150
	Median	100	0	500	0	0	-	0
	Standard error	23	61	87	32	111	-	39
Arrears*	Mean	42	62	17	37	36	-	238
	Median	0	0	0	0	0	-	0
	Standard error	6	35	11	10	22	-	77
Informal loans	Mean	17	4	9	1	2	-	0
	Median	0	0	0	0	0	-	0
	Standard error	4	3	6	1	2	-	0
Career Development Loans	Mean	3	0	0	1	0	-	0
	Median	0	0	0	0	0	-	0
	Standard error	2	0	0	1	0	-	0
Outstanding student loan debt	Mean	5,689	3,431	8,244	791	16	-	356
	Median	4,241	3,240	7,880	0	0	-	0
	Standard error	156	311	432	213	12	-	86
Outstanding Access to Learning Funds (if to be repaid)	Mean	3	0	14	0	0	-	0
	Median	0	0	0	0	0	-	0
	Standard error	1	0	12	0	0	-	0
Estimated total borrowing at end of year*	Mean	6,798	4,869	9,808	3,157	2,593	-	2,433
	Median	5,577	4,095	8,380	750	550	-	1,000
	Standard error	155	254	583	368	428	-	284
N = (3,399) unweighted		2,226	130	153	621	80	25	164

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A6.11: Type of student borrowing by status (full-time) (£)

		Dependent	Independent
Commercial credit*	Mean	259	1,598
	Median	0	0
	Standard error	37	178
Overdraft*	Mean	520	595
	Median	100	150
	Standard error	23	51
Arrears*	Mean	24	108
	Median	0	0
	Standard error	5	16
Informal loans	Mean	17	12
	Median	0	0
	Standard error	5	3
Career Development Loans	Mean	1	7
	Median	0	0
	Standard error	1	7
Outstanding student loan debt	Mean	5,832	5,220
	Median	4,500	4,095
	Standard error	144	281
Outstanding Access to Learning Funds (if to be repaid)	Mean	2	8
	Median	0	0
	Standard error	1	4
Estimated total borrowing at end of year*	Mean	6,654	7,548
	Median	5,465	5,800
	Standard error	146	321
N = (2,509) unweighted		1,867	642

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.12: Type of student borrowing by medical subject or other (full-time) (£)

		Medical/dental	Other
Commercial credit*	Mean	464	548
	Median	0	0
	Standard error	161	61
Overdraft*	Mean	821	527
	Median	500	100
	Standard error	137	22
Arrears*	Mean	2	43
	Median	0	0
	Standard error	2	5
Informal loans	Mean	20	16
	Median	0	0
	Standard error	14	4
Career Development Loans	Mean	3	2
	Median	0	0
	Standard error	3	2
Outstanding student loan debt	Mean	8,808	5,603
	Median	6,070	4,187
	Standard error	901	141
Outstanding Access to Learning Funds (if to be repaid)	Mean	1	3
	Median	0	0
	Standard error	1	1
Estimated total borrowing at end of year*	Mean	10,119	6,742
	Median	7,241	5,516
	Standard error	951	144
N = (2,509) unweighted		169	2,340

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.13: Type of student borrowing by subject studied (full-time) (£)

		Medical/ dental	Subjects allied to health	Sci/eng/ tech/IT	Hum/soc sci	Creative arts/lang /Hum	Educ- ation	Other/ combined
Commercial credit*	Mean	464	957	349	458	460	941	863
	Median	0	0	0	0	0	0	0
	Standard error	161	145	77	80	94	263	240
Overdraft*	Mean	821	560	489	589	547	329	560
	Median	500	300	0	200	200	0	150
	Standard error	137	50	39	53	29	42	66
Arrears*	Mean	2	42	31	46	37	49	79
	Median	0	0	0	0	0	0	0
	Standard error	2	10	8	11	9	11	34
Informal loans	Mean	20	9	12	20	21	12	5
	Median	0	0	0	0	0	0	0
	Standard error	14	7	9	7	7	4	3
Career Development Loans	Mean	3	0	0	3	6	0	0
	Median	0	0	0	0	0	0	0
	Standard error	3	0	0	3	5	0	0
Outstanding student loan debt	Mean	8,808	1,974	6,146	5,604	5,610	6,981	5,525
	Median	6,070	0	5,050	4,314	4,168	7,300	4,241
	Standard error	901	267	218	174	179	386	338
Outstanding Access to Learning Funds (if to be repaid)	Mean	1	7	4	5	2	0	2
	Median	0	0	0	0	0	0	0
	Standard error	1	5	3	3	1	0	1
Estimated total borrowing at end of year*	Mean	10,119	3,548	7,033	6,724	6,682	8,313	7,033
	Median	7,241	1,955	6,060	5,895	5,200	8,365	6,095
	Standard error	951	319	264	193	213	412	346
N = (2,509) unweighted		169	210	412	622	627	285	169

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.14: Type of student borrowing by socio-economic group (£)

		Full-time			Part-time		
		Managerial /profess- ional	Inter- mediate	Routine/ manual	Managerial /profess- ional	Inter- mediate	Routine/ manual
Commercial credit*	Mean	387	569	875	2,341	2,150	1,558
	Median	0	0	0	100	300	200
	Standard error	54	111	124	319	356	180
Overdraft*	Mean	526	571	520	163	236	319
	Median	100	100	2	0	0	0
	Standard error	27	64	40	25	88	98
Arrears*	Mean	30	27	74	55	66	63
	Median	0	0	0	0	0	0
	Standard error	7	9	17	17	28	19
Informal loans	Mean	18	25	6	1	0	3
	Median	0	0	0	0	0	0
	Standard error	5	13	2	0	0	2
Career Development Loans	Mean	0	8	4	0	3	0
	Median	0	0	0	0	0	0
	Standard error	0	8	4	0	3	0
Outstanding student loan debt	Mean	5,596	5,893	5,695	332	293	1,350
	Median	4,314	4,300	4,095	0	0	0
	Standard error	153	253	263	106	121	409
Outstanding Access to Learning	Mean	3	4	6	0	0	1
Funds (if to be repaid)	Median	0	0	0	0	0	0
	Standard error	2	2	3	0	0	1
	Estimated total borrowing at end of year*	Mean	6,559	7,096	7,179	2,892	2,749
	Median	5,577	5,550	5,500	550	1,000	1,200
	Standard error	158	293	286	369	452	432
N = (3,238) unweighted		1,342	471	558	463	163	241

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.15: Type of student borrowing by whether living in London (£)

		Full-time		Part-time	
		Lives in London	Lives elsewhere	Lives in London	Lives elsewhere
Commercial credit*	Mean	515	551	1,750	2,109
	Median	0	0	200	200
	Standard error	110	66	337	220
Overdraft*	Mean	559	532	346	223
	Median	0	100	0	0
	Standard error	39	24	81	39
Arrears*	Mean	96	31	103	54
	Median	0	0	0	0
	Standard error	18	5	41	12
Informal loans	Mean	15	16	0	1
	Median	0	0	0	0
	Standard error	12	4	0	1
Career Development Loans	Mean	15	0	0	1
	Median	0	0	0	0
	Standard error	10	0	0	1
Outstanding student loan debt	Mean	4,818	5,866	471	621
	Median	4,000	4,314	0	0
	Standard error	286	148	249	150
Outstanding Access to Learning Funds (if to be repaid)	Mean	4	3	0	0
	Median	0	0	0	0
	Standard error	4	1	0	0
Estimated total borrowing at end of year*	Mean	6,021	7,000	2,670	3,009
	Median	5,050	6,000	500	900
	Standard error	312	152	411	276
N = (3,398) unweighted		377	2,132	129	761

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.16: Type of student borrowing by year of study (£)

		Full-time			Part-time		
		1st Yr	Other yr (not final)	Final yr/1 yr course	1st Yr	Other yr (not final)	Final yr/1 yr course
Commercial credit*	Mean	449	418	752	2,631	1,991	1,637
	Median	0	0	0	500	250	100
	Standard error	71	64	110	463	308	223
Overdraft*	Mean	354	541	714	194	366	167
	Median	0	200	500	0	0	0
	Standard error	38	29	41	38	84	70
Arrears*	Mean	29	51	46	88	53	40
	Median	0	0	0	0	0	0
	Standard error	7	12	9	29	14	14
Informal loans	Mean	9	28	12	1	2	1
	Median	0	0	0	0	0	0
	Standard error	4	10	3	1	1	1
Career Development Loans	Mean	7	0	0	0	0	2
	Median	0	0	0	0	0	0
	Standard error	5	0	0	0	0	2
Outstanding student loan debt	Mean	3,108	5,924	8,098	448	536	799
	Median	3,210	6,070	9,000	0	0	0
	Standard error	107	165	223	184	163	299
Outstanding Access to Learning Funds (if to be repaid)	Mean	1	2	6	0	0	0
	Median	0	0	0	0	0	0
	Standard error	1	1	3	0	0	0
Estimated total borrowing at end of year*	Mean	3,956	6,966	9,628	3,362	2,947	2,646
	Median	3,649	6,800	10,000	1,350	928	500
	Standard error	124	166	251	484	386	368
N = (3,399) unweighted		858	777	874	270	351	269

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.17: Type of student borrowing by whether living with parents (full-time) (£)

		Yes	No
Commercial credit*	Mean	546	545
	Median	0	0
	Standard error	115	63
Overdraft*	Mean	363	578
	Median	0	200
	Standard error	33	27
Arrears*	Mean	56	38
	Median	0	0
	Standard error	17	5
Informal loans	Mean	12	17
	Median	0	0
	Standard error	5	4
Career Development Loans	Mean	0	3
	Median	0	0
	Standard error	0	2
Outstanding student loan debt	Mean	4,062	6,099
	Median	3,240	5,050
	Standard error	201	146
Outstanding Access to Learning Funds (if to be repaid)	Mean	3	3
	Median	0	0
	Standard error	2	2
Estimated total borrowing at end of year*	Mean	5,042	7,283
	Median	3,485	6,120
	Standard error	236	156
N = (2,509) unweighted		499	2,010

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.18: Type of student borrowing by whether student pays fees (full-time) (£)

		Pays full fees or PT (incl DK if pay full or part)	Pays part contribution to fees	Pays no fees (incl NHS bursaries)
Commercial credit*	Mean	318	385	856
	Median	0	0	0
	Standard error	45	107	111
Overdraft*	Mean	506	474	595
	Median	100	0	200
	Standard error	26	54	39
Arrears*	Mean	32	20	60
	Median	0	0	0
	Standard error	7	9	9
Informal Loans	Mean	18	14	15
	Median	0	0	0
	Standard error	7	7	5
Career Development Loans	Mean	3	1	2
	Median	0	0	0
	Standard error	3	1	2
Outstanding student loan debt	Mean	4,973	6,851	6,168
	Median	4,000	6,000	4,314
	Standard error	126	297	224
Outstanding Access to Learning Funds (if to be repaid)	Mean	4	0	4
	Median	0	0	0
	Standard error	2	0	2
Estimated total borrowing at end of year*	Mean	5,854	7,745	7,699
	Median	4,800	7,137	6,145
	Standard error	138	303	236
N = (2,509) unweighted		1,088	310	1,100

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.19: Overall financial position at end of final year (£)

		Full-time	Part-time
Savings*	Mean	1,710	2,993
	Median	200	500
	Standard error	161	451
Estimated total borrowing at end of year*	Mean	9,628	2,646
	Median	10,000	500
	Standard error	251	368
Estimated debt at end of year	Mean	7,918	-347
	Median	8,665	0
	Standard error	303	660
N = (3,399) unweighted		2,509	890

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.20: Overall financial position at end of final year by sex (£)

		Full-time		Part-time	
		Male	Female	Male	Female
Savings*	Mean	1,816	1,628	3,265	2,661
	Median	200	200	500	200
	Standard error	317	151	755	669
Estimated total borrowing at end of year*	Mean	10,014	9,328	2,566	2,743
	Median	10,360	9,758	500	300
	Standard error	431	251	496	570
Estimated debt at end of year	Mean	8,198	-699	7,699	82
	Median	8,800	8,455	0	0
	Standard error	551	308	900	975
N = (3,398) unweighted		800	1,708	291	599

Base: all English domiciled students, in their final year

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.21: Overall financial position at end of final year by age (full-time) (£)

		Under 19	20-24	25 and over
Savings*	Mean	2,103	917	1,764
	Median	500	0	0
	Standard error	280	125	435
Estimated total borrowing at end of year*	Mean	9,147	10,413	9,864
	Median	9,840	10,585	8,850
	Standard error	311	372	678
Estimated debt at end of year	Mean	7,045	9,496	8,099
	Median	8,000	9,570	8,150
	Standard error	413	408	911
N = (2,508) unweighted		1,369	661	478

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.22: Overall financial position at end of final year by age (part-time) (£)

		Under 25	25-29	30-39	40 and over
Savings*	Mean	3,260	2,859	1,107	4,739
	Median	0	1,500	0	750
	Standard error	1,329	716	238	1,264
Estimated total borrowing at end of year*	Mean	3,304	3,503	1,977	2,225
	Median	1,500	725	550	0
	Standard error	787	1,294	370	909
Estimated debt at end of year	Mean	45	644	869	-2,514
	Median	1,100	0	250	0
	Standard error	1,801	1,349	447	1,816
N = (890) unweighted		152	29	298	316

Base: all English domiciled part-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.23: Overall financial position at end of final year by ethnicity (£)

		Full-time		Part-time	
		White	Black or minority ethnic group	White	Black or minority ethnic group
Savings*	Mean	1,703	1,762	2,865	5,291
	Median	300	0	500	250
	Standard error	129	914	457	3,463
Estimated total borrowing at end of year*	Mean	9,787	8,589	2,472	3,849
	Median	10,095	7,828	345	800
	Standard error	275	702	348	1,408
Estimated debt at end of year	Mean	8,083	6,827	-393	-1,441
	Median	8,755	7,000	0	750
	Standard error	304	1,213	628	4,361
N = (3,399) unweighted		2,119	390	781	109

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.24: Overall financial position at end of final year by ethnicity (in four groups) (full-time) (£)

		White	Asian/Asian British	Black/ black British	Mixed/other
		Savings*	Mean	1,703	1,099
	Median	300	400	0	0
	Standard error	129	338	334	2,378
Estimated total borrowing at end of year*	Mean	9,787	8,864	7,655	8,887
	Median	10,095	7,000	5,650	9,865
	Standard error	275	1,200	1,267	1,228
Estimated debt at end of year	Mean	8,083	7,766	7,014	5,735
	Median	8,755	6,000	5,650	7,900
	Standard error	303	112	1,352	2,937
N = (2,506) unweighted		2,119	137	103	147

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.25: Overall financial position at end of final year by family situation (£)

		Full-time				Part-time			
		2-adult family	Lone parent	Married/couple	Single	2-adult family	Lone parent	Married/couple	Single
Savings*	Mean	1,280	473	2,191	1,726	1,317	456	2,991	5,045
	Median	0	0	100	300	0	0	1,000	600
	Standard error	341	271	638	182	360	247	533	1,335
Estimated total borrowing at end of year*	Mean	8,108	11,574	9,784	9,646	3,228	2,088	1,505	3,017
	Median	7,645	10,800	9,750	10,039	725	1,000	100	600
	Standard error	1,180	2,199	721	272	496	575	368	790
Estimated debt at end of year	Mean	6,828	11,101	7,592	7,919	1,911	1,633	-1,486	-2,028
	Median	6,725	10,800	8,600	8,750	300	1,000	-500	0
	Standard error	1,369	2,267	1,027	321	696	669	708	1,622
N = (3,399) unweighted		156	92	181	2,080	284	106	211	289

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.26: Overall financial position at end of final year by parental experience of HE (£)

		Full-time		Part-time	
		Yes	No	Yes	No
Savings*	Mean	1,980	1,444	3,324	2,837
	Median	500	0	250	500
	Standard error	162	286	879	576
Estimated total borrowing at end of year*	Mean	9,341	9,950	2,559	2,673
	Median	9,665	10,500	250	500
	Standard error	294	388	535	525
Estimated debt at end of year	Mean	7,361	8,507	-765	-164
	Median	7,770	9,205	150	0
	Standard error	319	488	1,164	835
N = (3,389) unweighted		1,350	1,153	271	615

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.27: Overall financial position at end of final year by location of institution (£)

		Full-time		Part-time		OU
		England	Wales	England	Wales	
Savings*	Mean	1,609	3,319	2,981	- ¹	2,048
	Median	200	150	500	-	0
	Standard error	118	1,938	465	-	1,686
Estimated total borrowing at end of year*	Mean	9,428	12,789	2,662	-	2,296
	Median	9,865	11,800	500	-	800
	Standard error	258	948	386	-	804
Estimated debt at end of year	Mean	7,820	9,470	-319	-	248
	Median	8,625	10,055	0	-	0
	Standard error	281	2,447	687	-	1,921
N = (3,399) unweighted		2,356	153	701	25	164

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A6.28: Overall financial position at end of final year by type of institution (£)

		Full-time			Part-time			OU
		HEI England	FEI England	HEI Wales	HEI England	FEI England	HEI Wales	
Savings*	Mean	1,635	1,059	3,319	3,373	2,324	- ¹	2,048
	Median	250	0	150	850	250	-	0
	Standard error	121	552	1,938	651	618	-	1,686
Estimated total borrowing at end of year*	Mean	9,591	6,026	12,789	3,029	2,046	-	2,296
	Median	10,000	5,000	11,800	900	250	-	800
	Standard error	262	1,135	948	507	604	-	804
Estimated debt at end of year	Mean	7,956	4,966	9,470	-344	-278	-	248
	Median	8,755	4,471	10,055	0	0	-	0
	Standard error	282	1,617	2,447	909	1,029	-	1,921
N = (3,399) unweighted		2,226	130	153	621	80	25	164

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A6.29: Overall financial position at end of final year by student status (full-time) (£)

		Dependent	Independent
Savings*	Mean	1,722	1,677
	Median	400	0
	Standard error	208	321
Estimated total borrowing at end of year*	Mean	9,443	10,170
	Median	10,000	9,570
	Standard error	254	517
Estimated debt at end of year	Mean	7,721	8,493
	Median	8,612	8,782
	Standard error	320	699
N = (2,509) unweighted		1,867	642

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.30: Overall financial position at end of final year by medical subject or other (full-time) (£)

		Medical/dental	Other
Savings*	Mean	1,496	1,715
	Median	0	200
	Standard error	585	163
Estimated total borrowing at end of year*	Mean	14,442	9,523
	Median	16,800	9,950
	Standard error	1,773	242
Estimated debt at end of year	Mean	12,946	7,808
	Median	12,500	8,655
	Standard error	1,504	301
N = (2,494) unweighted		169	2,325

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.31: Overall financial position at end of final year by subject studied (full-time) (£)

		Medical/ dental	Subjects allied to health	Sci/eng/ tech/IT	Hum/soc sci	Creative arts/lang /Hum	Educ- ation	Other/ combined
Savings*	Mean	1,496	2,449	1,732	1,749	1,898	1,378	1,118
	Median	0	200	500	250	0	200	300
	Standard error	585	715	287	257	520	182	238
Estimated total borrowing at end of year*	Mean	14,442	4,641	9,942	9,353	9,623	10,431	9,816
	Median	16,800	2,500	10,100	9,865	10,360	10,383	9,150
	Standard error	1,773	835	523	364	534	673	696
Estimated debt at end of year	Mean	12,946	2,192	8,210	7,605	7,726	9,053	8,697
	Median	12,500	1,500	8,640	7,828	9,165	9,230	8,240
	Standard error	1,504	1,263	629	456	736	803	768
N = (2,494) unweighted		169	210	412	622	627	285	169

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.32: Overall financial position at end of final year whether living in London (£)

		Full-time		Part-time	
		Lives in London	Lives elsewhere	Lives in London	Lives elsewhere
Savings*	Mean	1,519	1,742	2,021	3,081
	Median	100	250	1,500	300
	Standard error	382	180	501	484
Estimated total borrowing at end of year*	Mean	8,338	9,844	2,906	2,622
	Median	8,655	10,055	200	500
	Standard error	629	256	963	390
Estimated debt at end of year	Mean	6,819	8,101	885	-459
	Median	7,100	8,800	0	0
	Standard error	712	316	1,278	699
N = (3,398) unweighted		377	2,132	129	761

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.33: Overall financial position at end of final year or one year course (£)

		Full-time Final yr/ 1-yr course	Part-time Final yr/ 1-yr course
Savings*	Mean	1,710	2,993
	Median	200	500
	Standard error	161	451
Estimated total borrowing at end of year*	Mean	9,628	2,646
	Median	10,000	500
	Standard error	251	368
Estimated debt at end of year	Mean	7,918	-347
	Median	8,665	0
	Standard error	303	660
N = (1,143) unweighted		874	269

Base: all English domiciled students in their final year

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.34: Overall financial position at end of final year by social class (£)

		Full-time			Part-time		
		Managerial /profess- ional	Inter- mediate	Routine /manual	Managerial /profess- ional	Inter- mediate	Routine/ manual
Savings*	Mean	2,273	1,336	1,093	3,412	3,669	1,691
	Median	500	200	0	750	0	100
	Standard error	307	215	195	738	2,086	610
Estimated total borrowing at end of year*	Mean	9,178	9,069	10,935	2,274	2,274	3,819
	Median	9,665	9,840	11,330	150	1,325	1,100
	Standard error	258	549	476	371	549	998
Estimated debt at end of year	Mean	6,905	7,733	9,842	-1,138	-1,396	2,128
	Median	7,900	8,065	9,975	0	500	300
	Standard error	412	580	473	903	2,386	965
N = (3,238) unweighted		1,342	471	558	463	163	241

Base: all English domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.35: Overall financial position at end of final year by whether living with parents (full-time) (£)

		Yes	No
Savings*	Mean	1,202	1,830
	Median	250	160
	Standard error	256	193
Estimated total borrowing at end of year*	Mean	6,814	10,294
	Median	5,950	10,600
	Standard error	515	231
Estimated debt at end of year	Mean	5,612	8,463
	Median	4,730	9,242
	Standard error	546	314
N = (2,509) unweighted		499	2,010

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A6.36: Overall financial position at end of final year by whether paying fees (full-time) (£)

		Pays full fees or PT (incl DK if pay full or part)	Pays part contribution to fees	Pays no fees (incl NHS bursaries)
Savings*	Mean	2,381	1,709	1,026
	Median	500	1,000	0
	Standard error	352	264	144
Estimated total borrowing at end of year*	Mean	8,025	11,067	10,836
	Median	9,000	11,555	11,400
	Standard error	291	378	392
Estimated debt at end of year	Mean	5,644	9,358	9,810
	Median	6,665	9,608	10,100
	Standard error	481	440	434
N = (2,498) unweighted		1,088	310	1,100

Base: all English domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

7. Student Choices and Attitudes

7.1 Summary of key findings

- Around one-quarter of full-time students and almost one-third of part-time students felt that their decision to enter higher education had been affected by financial considerations and most said that they would not have studied without state financial support (such as a student loan or NHS Bursary (full-time students) or course grant (part time)). Financial concerns also affected full-time students' decision about whether or not to live with their parents and part-time students' decision about whether to study full-time.
- One-quarter of students felt that their concerns over debt nearly stopped them going to university, while the vast majority (four out of five) thought that the long-term benefits of HE were greater than the costs and that they would earn more as a result of going to university.
- Two-thirds of full-time students expected to get a job in their chosen career once they had completed their course and 30 per cent expected to continue studying.
- Full-time students expected to earn an average (mean) of £18,400 on graduation, rising to £29,800 after five years (a rise of over 60 per cent). Part-time students had higher initial expectations (£20,500), presumably reflecting that most were already in work, but their ambitions were more modest. Part-time students expected their average salary to increase to £27,600 five years after graduation (a rise of 35 per cent). Generally male students expected to earn more than female, younger more than older (at least in the long term) and students from an ethnic minority background more than white students.

7.2 Introduction

We have already presented results outlining how students view their financial situation now they are studying within HE, and the extent to which individuals have both savings and borrowing. In this chapter we go on to examine overall student attitudes towards their finances. This includes the extent to which

perceptions of potential financial hardship affected their decision towards HE study and its perceived value in their broader lives, and whether they feel their future plans have been affected by their present financial situation.

The remainder of the chapter is therefore structured as:

- the extent to which students' perceptions of the likely financial demands of being a student affected their pre-entry decision making
- students' attitudes towards HE including their likely labour market outcomes
- whether students' current financial situation is likely to affect their future plans
- students' short-term and longer-term salary expectations.

7.3 Influence of finances pre-entry

Students were asked whether student funding and the support available to them affected aspects of their decisions about HE study. A greater proportion of part-time students (32 per cent compared to 26 per cent of full-time students) felt that financial issues had affected their HE decision making. Students who had been affected were also asked whether any particular aspect of student funding or support affected their decision. Overall, around one in ten students had been affected by the availability of a specific fund (Figures 7.1 and 7.2).

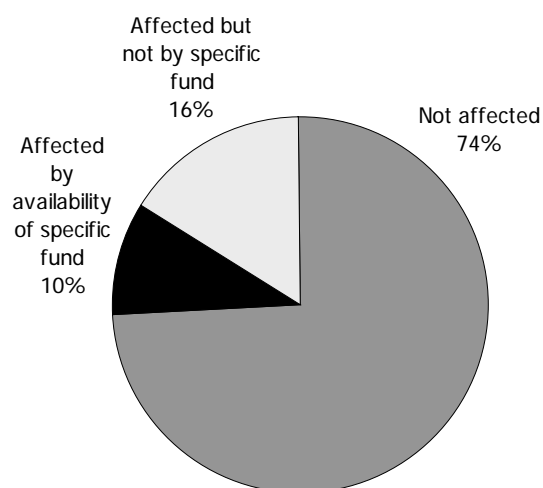
Among those students who felt that funding and support had affected their HE decisions, just under two-thirds (of both full-time and part-time students) felt that they would not have studied without some funding. There were a range of other aspects of decision making where students felt finances had influenced them (Figures 7.3 and 7.4). Among full-time students the most common effect was on whether to leave home to study, whereas for part-time students, the main issue was their decision not to study full-time. The most important sources of financial support to full-time students were student loans and NHS bursaries, whereas for part-time students the major source was course grants (Table 7.1).

7.4 Economic and social returns

In any rational decision-making process, individuals will take account of what they believe are the outcomes of their decisions, considering both the positive and negative elements of any course of action. There are a range of factors that affect the decision to enter HE, including the influence of families and peer groups, alongside prior academic performance etc, and it can be difficult to disentangle what plays the greatest role in decision making for any given student. However, the way in which a student

perceives the potential economic and social returns of HE, is likely to work alongside other factors in affecting decisions (Table 7.2).

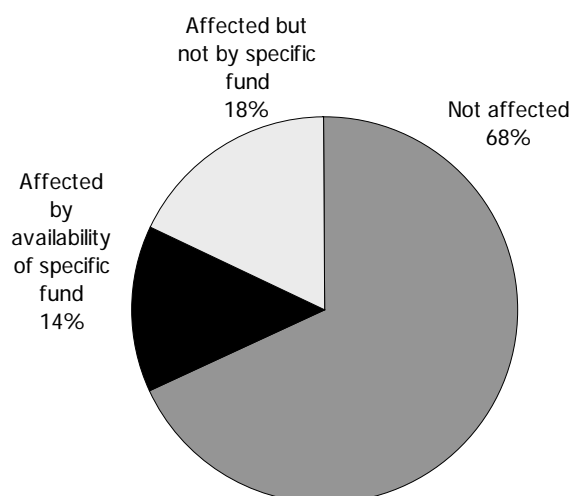
Figure 7.1: Whether decisions affected by funding and financial support (full-time students)



N = (2,509) unweighted

Base: all English domiciled full-time students

Figure 7.2: Whether decisions affected by funding and financial support (part-time students)



N = (890) unweighted

Base: all English domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

Table 7.1: Sources of funding which affected student decisions (per cent)

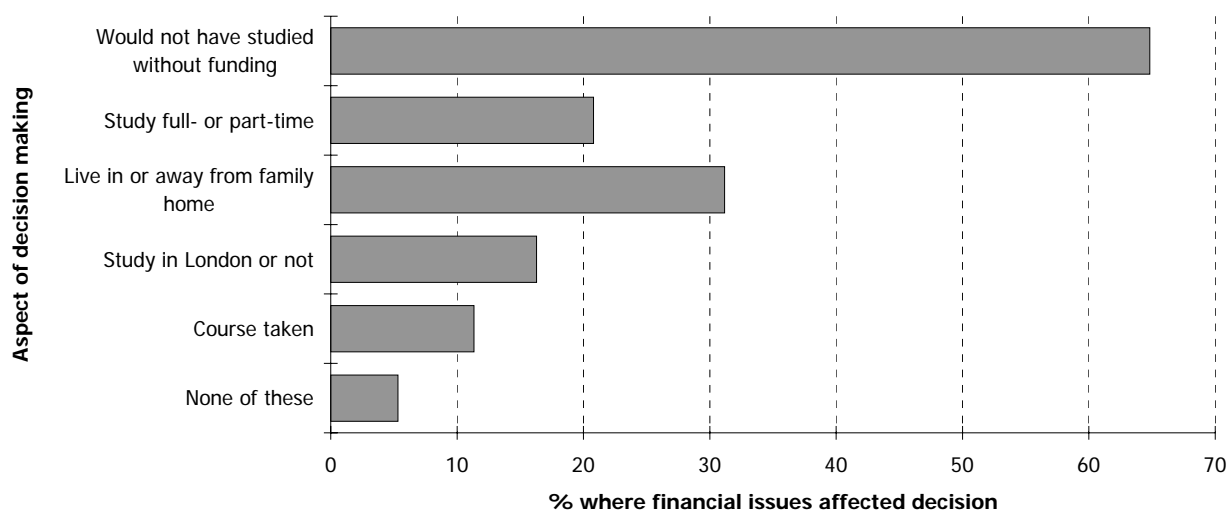
Type of fund	Full-time	Part-time
Course grant	1	38
Student loan/extra weeks allowance	37	8
NHS bursary	17	2
Access to Learning Fund and opportunity bursary	7	7
Teacher training-related funds	8	4
Higher Education Grant for new students	7	2
Disabled students' allowances	1	5
Childcare grant	3	1
Educational trusts and charities	1	2
Parents' learning allowance	2	- ¹
Adult Dependents' Grant	1	-
Other	23	37
N = (421) unweighted	294	127

Base: all English domiciled students where specific funds affected decision to study

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Figure 7.3: Influence of financial issues on HE decision making (full-time students)

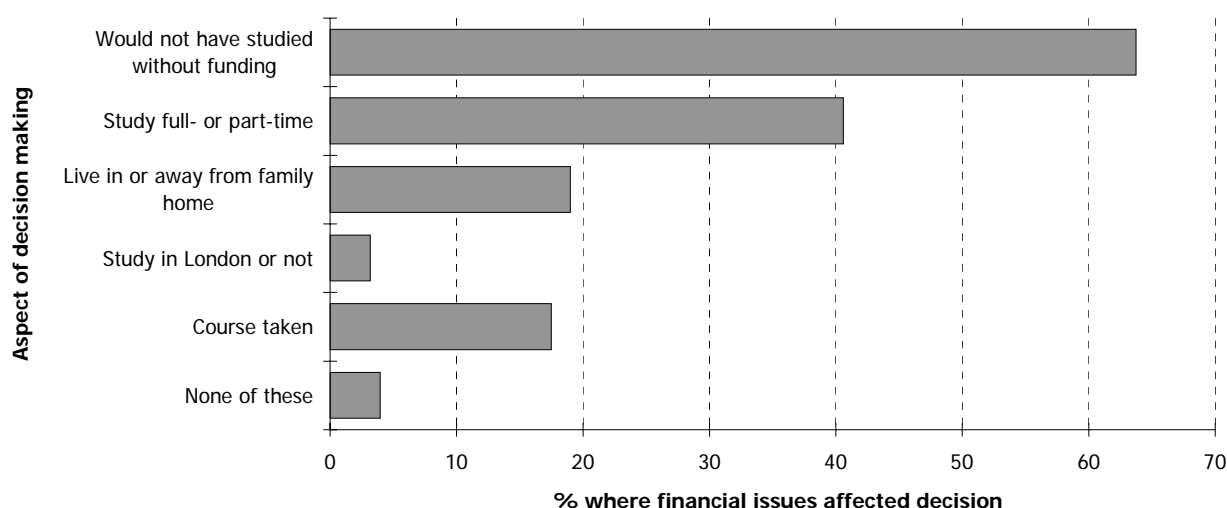


N = 696

Base: all English domiciled full-time students where financial issues affected decision to study

Source: NatCen/IES SIES Survey 2004/05

Figure 7.4: Influence of financial issues on HE decision making (part-time students)



N = 298

Base: all English domiciled part-time students where financial issues affected decision to study

Source: NatCen/IES SIES Survey 2004/05

Survey respondents were asked whether they agreed or not with a series of statements about their expenditure and views of HE.

The views of full-time and part-time students were similar in relation to half of the attitude statements. These were:

- *'whether university so far had lived up to expectations'* – around two-thirds of all students agreed or agreed strongly with this statement, particularly younger white students, those who live away from home and medical students

- *'whether the course is equipping them for the demands of working life'*, again, around two-thirds (a slightly lower proportion among part-timers) agreed or agreed strongly with this statement
- *'whether concern over debts had nearly stopped them coming to university'* – only around one-quarter of students agreed or agreed strongly with this. Older students, student parents, independently funded students, students from lower socio-economic backgrounds and non-medical students were most likely to be concerned about debt
- *'the long-term benefits of HE are greater than the costs'* – eight out of ten students either agreed or agreed strongly with this statement, particularly younger students, medical students and those from an ethnic minority.

The items where these two groups differed in their attitudes were:

- *'whether their qualification will lead to a better job'* – part-time students were slightly more negative and fewer strongly agreed that this would be the case (29 per cent, compared to 41 per cent). On the whole, however, students were overwhelmingly positive about this aspect of HE
- *'the growing number of graduates will make it hard to get a graduate job'* – part-time students were slightly more positive with regard to this, and while over half of full-time students were worried about this, just one-third of part-timers felt this to be the case
- *'earnings will be greater as a result of HE participation'* – overall, individuals were very positive here, but part-timers were slightly more negative. While just 14 per cent of full-timers had concerns about this, 24 per cent of part-time students did not feel this was the case
- *'most people they know have been to university'* – there was a clear difference here in that almost 60 per cent of full-time students agreed or strongly agreed with this statement while only 36 per cent of part-time students did so.

Overall, therefore, the main message is that students are generally positive about the benefits of attending HE in relation to future jobs and earnings. The majority of part-time students who have entered HE have done so without high levels of peer group experiences of what HE is about. While students are worried about the increasing numbers of graduates in the labour market, this does not appear to have affected their view that HE is a worthwhile experience, despite the costs.

Table 7.2: Student views of the economic and social returns of higher education (per cent)

Type of fund	Full-time					Part-time				
	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
So far, my time at university has lived up to my expectations	19	57	11	11	2	19	55	13	10	2
My course is equipping me for the demands of working life	15	51	18	13	3	14	46	20	17	4
My qualification will get me a better job	41	45	10	3	1	29	50	13	6	2
I nearly did not come to university because I was concerned about the debts I would build up	10	16	10	35	30	9	18	11	39	23
I am worried that the growing number of graduates will make it hard for me to get a graduate job	19	37	16	23	5	9	24	18	41	8
I think that I will earn more as a result of being in HE	35	51	9	4	1	29	48	12	9	2
Most of the people I know go to or have gone to university	19	40	15	22	4	10	26	20	38	6
I think that in the long term the benefits of HE are greater than the costs	28	53	15	4	- ¹	30	51	15	4	1

N = (3,399) unweighted

Base: all English domiciled students

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table 7.3: Plans after completion of course (per cent)

	Full-time	Part-time
Get a job in chosen career	67	48
Get a temporary or fill-in job	13	4
Get different job	5	24
Continue studying	30	39
Take time off or travelling	29	7
Something else	3	7
Don't know yet	7	12
N= (3,399) unweighted	2,509	890

Base: all English domiciled students

Source: NatCen/IES SIES 2004/05 (adapted from *The Poverty and Social Exclusion Survey of Britain, 1999*)

7.5 Impact of finance on future plans

When asked what they wanted to do in the future once they had finished their course, only seven per cent of full-time and 12 per cent of part-time students replied that they had not decided what they hoped to do yet. The most common plan for the future was to get a career-type job and this was the case for both full-time (67 per cent) and part-time students (48 per cent). A sizeable portion of both part-timers and full-timers (39 per cent and 30 per cent respectively) suggested that they intend to continue studying (Table 7.3). This could reflect the fact that individuals feel they need to differentiate themselves from the growing number of graduates who are also competing for jobs (see previous section). Almost one-third of full-time students planned to travel in the future, and among part-time students, many of whom are already working, one-quarter planned to change their job after course completion.

7.5.1 Salary expectations

The short-term salary expectations of part-time students were slightly higher than for full-time students, an average of £21,517 compared to £18,374 (Table 7.4). This might reflect the fact that a high proportion of part-time students are already working and receiving a mean income from work of over £15,000. In contrast, full-time students expect to be earning more after five years, an average of £29,745 (a rise of 60 per cent) compared to the expectation of £27,613 (35 per cent up) among part-timers.

Full-time students

Among full-time students, there was some variation in the amounts students expected to be earning in the future (Table 7.5). Overall, some of the groups who expect to be earning the most are the same groups who currently have the highest levels of borrowing or lowest incomes.

Table 7.4: Expected future earnings (£)

		Full-time	Part-time
Expected salary on graduation	Mean	18,374	20,517
	Median	18,000	21,000
	Standard error	n/a	n/a
Expected salary after five years	Mean	29,745	27,613
	Median	26,000	28,613
	Standard error	n/a	n/a
N= (3,399) unweighted		2,509	890

Base: all English domiciled students

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES 2004/05

Table 7.5: Average salary expectations of different student groups (full-time) (£)

Characteristic	Expected salary on graduation	Expected salary after five years
Gender		
Male	19,080	32,034
Female	17,814	27,927
Age		
Under 20	18,401	30,227
20 to 24	17,932	29,907
25 and over	19,082	27,662
Social class		
Managerial/professional	18,552	30,282
Intermediate	18,339	29,667
Routine/manual	17,966	28,102
Family type		
Two-adult family	19,083	26,164
Lone-parent family	19,627	27,853
Couple	18,058	27,537
Single	19,315	30,157
Ethnic group		
White	18,114	28,994
Asian/Asian British	19,698	32,362
Black/black British	21,052	35,861
Mixed or other	16,756	26,878
N = (2,509) unweighted		

Base: all English domiciled full-time students

Source: NatCen/IES SIES 2004/05

The main differences were as follows:

- Men expected to earn more than women, both now and in five years' time. The differential in expectations grows to around £4,000 by the end of five years.
- Older students had the highest short-term salary expectations, but the lowest over five years.
- Individuals from the managerial or professional class had the highest expected earnings both now and over time, and individuals in the manual class had the lowest expected earnings at both time points.
- Lone parents had the highest salary expectations in the short term, but these fall into line with other groups when looking five years into the future. The group with the highest long-term expected earnings were single students.
- Black/black British students had the highest salary expectations in both the short and longer term, and white students had the lowest expectations at both time points.

Part-time students

The trends among the expectations of part-time students were very similar to those among full-timers (Table 7.6). However, some of these were noticeably more marked, for example the gender differential and the effect of social class on expectations.

Among part-time students:

- Men had far higher salary expectations, around £5,000 more on graduation, rising to just over £6,000 more over five years.
- Under 25s and those aged between 25 and 29 had almost identical salary expectations, on average, on completing their course, but the slightly older group tended to expect a little more by the end of five years. The group with the lowest expectations was the over 40s
- Individuals from the managerial class had salary expectations in the short term that exceeded the other groups by between £4,000 and £5,000. By the end of five years this group expected, on average, to be earning just under £5,000 more than the manual group and over £3,000 more than those from the intermediate class.
- Individuals living as a couple, but without children, had the highest initial salary expectations, more than £1,000 in excess of the earnings of any other group. Their expectations for five years' time were also higher. Salary expectations among the other groups were fairly similar.
- The expectations of students from minority ethnic groups were, on average, far higher than those of white students.

They were £2,500 in the short term, rising to £6,000 after five years.

Table 7.6: Average salary expectations of different student groups (part-time) (£)

Characteristic	Expected salary on graduation	Expected salary after five years
Gender		
Male	24,141	31,933
Female	19,191	25,610
Age		
Under 25	21,514	28,660
25 to 29	21,564	31,269
30 to 39	22,835	30,264
40 and over	19,844	24,853
Social class		
Managerial/professional	23,512	30,700
Intermediate	19,635	27,239
Routine/manual	18,261	25,018
Family type		
Two-adult family	21,320	28,046
Lone-parent family	21,042	28,590
Couple	22,527	29,367
Single	21,138	28,657
Ethnic group		
White	21,282	28,019
Other	23,731	34,403
N = (890) unweighted		

Base: all English domiciled part-time students

Source: NatCen/IES SIES 2004/05

8. Trends in Student Income and Expenditure 1998/99 to 2004/05

8.1 Summary of key findings

- There are differences in scope and method between this latest and the previous survey of student income and expenditure. Although the sample characteristics are broadly similar, reflecting the weighting procedure which ensures they broadly follow the pattern of the student population, the latest survey excludes Northern Ireland and Scotland and has a wider coverage of part-time students. Changes in the method (from quota to random sampling) may build in further (unobserved) differences. However, the differences in the levels and composition of income and expenditure noted between the two surveys are of such a magnitude that they are unlikely to be explained just by the technical differences in the two surveys.
- Taking account of inflation, student income rose by between 18 per cent (for part-time students) and 46 per cent (for full-time students) between 1998/99 and 2004/05. Expenditure rose by between 39 per cent (part-time students) and 44 per cent (full-time) over the same period. Total borrowing went up by 66 per cent (part-time) and 74 per cent (full-time).
- The main reason why full-time student incomes rose is that by 2004/05 students earned more than twice as much as they did in 1998/99 from paid work (not including working during the summer vacation). Income from paid work accounted for 22 per cent of total full-time student income in 2004/05, compared with only 14 per cent in 1998/99.
- Paid work remained the main source of income for part-time students, accounting for over three-quarters of total income.
- Student loans became a more important source of student support for full-time students between 1998/99 and 2004/05, although the contribution of student support as a whole to overall income remained unchanged.
- The largest increase in student spending among full-time students was in participation costs (which more than doubled between 1998 and 2004/05), mainly due to the level of tuition

fees paid by students. Among part-time students spending on children rose the fastest, while remaining a relatively small share of total part-time student income.

- Full-time student living costs rose by 25 per cent in real terms (and by 44 per cent for part-timers), mainly due to increased travel costs. Spending on entertainment fell in real terms by almost 20 per cent. Among part-time students, living costs rose by 41 per cent, again mainly due to increased spending on travel.
- Students borrow more than in the past. (Between 1998/99 and 2004/05 full-time student borrowing rose by 74 per cent and part-time student borrowing by 66 per cent). Students also save more. The main element of borrowing is the student loan and the average amount of outstanding loan debt doubled between 1998/99 and 2004/05.

8.2 Introduction

The funding of tertiary education has undergone marked changes in recent years, and so has the way in which students go about financing their studies in higher and further education. The changes affecting the higher education funding were described in Chapter 1, and include:

- the phasing-out of Student Maintenance Grants in the 1990s, which were replaced with loans and added to the existing, but now expanded, student loans scheme
- a contribution towards tuition fees for full-time undergraduate courses, introduced in 1998, standing in 2004/05 at up to a maximum of £1,150 per year, and set to rise in 2006 to a maximum of £3,000.

Students became eligible in 1998 for means-tested student loans based on their own and their parents' income. Students are expected to repay their loans after leaving university, providing they have earnings in excess of a minimum threshold (currently £15,000 per annum).

These two changes are, therefore, likely to affect student income and expenditure, and their earnings and spending behaviours, in both the long and short terms. These changes did not affect part-time students who were always required to pay tuition fees and were not eligible for the new student loans, although after 1998 some were eligible for some fee remission.

Other changes include:

- the introduction of the Higher Education Grant of up to £1,000 per annum in 2004, targeted at students with low income or from low-income families

- discretionary Access and Hardship Funds distributed by universities and colleges
- traditional allowances and bursaries, and some social security benefits.

In this chapter we contrast the student income and expenditure patterns identified in the present study (2004/05) and those of the previous survey, conducted in 1998/99.¹ The comparison reveals changes in the sources of student income and in the nature and 'destinations' of student spending, which both reflect changes to the public funding of tertiary education. Changes in saving and borrowing behaviours are also apparent.

Before presenting the results, a word of caution is due. Although the sample populations of the two surveys in this comparison were, in many respects, similar (see section 8.2), the sample base differed in two important aspects. First, the 2004/05 SIES focused on students domiciled in England or Wales. The 1998/99 SIES, by contrast, covered Higher and Further Education institutions (HEIs and FEIs) in the United Kingdom and, as a result, students domiciled in all four nations. Because comparative data is drawn from the published report on the 1998/99 SIES, which provided no breakdowns of statistics for individual UK nations, comparisons are made of two somewhat different student populations. In fact, analysis of the 2004/05 data will focus on students domiciled in England. Second, unlike the 1998/99 survey, the present SIES included part-time Open University (OU) students, regardless of their place of residence (or domicile). This group accounted for 11 per cent of all part-time students (Table 8.1). These two sample differences, in addition to some methodological differences discussed earlier in Chapter 1, are likely to affect some of the comparisons, particularly when they concern regional variations in the costs of living.

In this chapter we only report statistics that refer to all full-time or part-time students, and not those drawing income or incurring expenditure under a given heading. All monetary values relating to 1998/99 have been increased by 1.158 to account for inflation, reflecting changes in the Retail Price Index between 1998/99 and 2004/05.

The chapter is divided into four main parts, discussing student income, expenditure, and savings and borrowing respectively. However, it begins with a brief description of the socio-demographic characteristics of the two surveys' sample populations.

¹ Callender C, Kemp M (2000) Changing Student Finances: Income, Expenditure and the Take-up of Student Loans Among Full- and Part-time Higher Education Students in 1998/99, DfEE Research Report RR213.

8.3 Socio-demographic characteristics

The samples of the 1998/99 and the 2004/05 SIES differed with respect to several of their socio-demographic characteristics (Table 8.1). Sometimes these differences were statistically significant, but, with the exception of the location of the HEIs, absolute differences remained small.

Table 8.1: Socio-economic characteristics of the student surveyed (weighted)

	Full-time		Part-time	
	SIES 2004/05	SIES 1998/99	SIES 2004/05	SIES 1998/99
Gender				
Male	44	47	45	42
Female	56	53	55	58
Age				
Under 25	84	85	23	25
25 and over	16	15	77	75
Ethnic origin				
White	85	92	90	88
Black	3	2	3	7
Asian	5	5	2	2
Other	6	1	5	3
Family type				
Single	87	91	38	45
Couple	6	4	22	25
Lone parent	3	2	8	5
Two-adult	5	3	31	25
Location of HEI				
England	96	84	86	80
Scotland	n/a	10	n/a	5
Wales	4	4	3	8
Northern Ireland	n/a	2	n/a	7
Open University	0	n/a	11	n/a
Year of study				
First year	35	37	32	33
Second/other year	30	30	31	24
Final year/one-year course	35	33	37	43
N = unweighted	2,509	2,379	890	320

Base: 2004/05: all English domiciled students

Base: 1998/99: all students

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

8.3.1 Different methods

The 1998/99 and 2004/05 surveys employed different sampling methods, which are likely to have affected the composition of the surveyed population. The 1998/99 survey adopted a two-stage non-random stratified sampling approach, sampling HEIs at the first stage and then using interviewers to recruit students at those institutions using quota sampling, with quota controls for year of study, subject, age and mode of study. The 2004/05 survey used a two-stage stratified sample design, but with strict random sampling at each stage. At the first stage, HEIs and FEIs were selected. Participating institutions were then instructed to draw random samples of students and mail them letters that invited them to return a short questionnaire on which they would give some information about their characteristics and state whether they were willing to be contacted for an interview. The sample of students for interview was selected from those who returned the form, were eligible in terms of their characteristics and were willing to be contacted again.

Quota sampling is essentially pragmatic, with little effort being made to encourage participation from those reluctant to respond. Response rates tend not to be recorded. As a consequence, quota samples run the risk of not being representative of the population they are drawn from. However, random samples can also be insufficiently representative of the population when the response rate is low, as was the case with this survey because only 35 per cent of sampled students consented to be contacted for interview. (Although low, this response rate is still likely to have been higher than the equivalent response rate under a quota survey.) In both studies, corrective weighting was required to correct the distribution of the achieved sample between institutions and to adjust the sex and age profiles to match those in published data. The resulting weighted profiles for the two surveys were thus broadly comparable. However, the sample characteristics are likely to have differed in other ways that are less easily discernible. Both surveys will under-represent people who are reluctant to respond to a survey with the method of recruitment adopted (face-to-face approaches in the case of the 1998/99 survey and a written letter followed by face-to-face visit in the case of the 2004/05 survey). In addition, the quota-based sample is likely to have over-represented students who are more easily accessed at a university campus, whereas the 2004/05 could recruit students wherever they were located.

Below, the two surveys' samples are compared on a number of indicators that are available from the published report of the 1998/99 survey and from the 2004/05 data analysis. It is important to note that these capture only the known, observable differences (or similarities) in the characteristics of the two samples. There may be other, unobserved or, indeed,

unobservable differences that are omitted from this account, but may yet affect the samples and the results of their analysis.

Differences in the samples

With respect to full-time students and compared to the 1998/99 survey, the 2004/05 survey included a greater proportion of women students (56 per cent); and fewer students of ethnic white background (85 per cent), but more students of 'other' ethnic background (six per cent). The 2004/05 full-time student sample also included fewer childless single individuals (87 per cent), but more couples with children (five per cent) and without children (six per cent). Moreover, the latter survey included a larger proportion of students at HEIs based in England (96 per cent). This was the result of the 2004/05 SIES only including students domiciled in England and Wales, whereas the 1998/99 survey was concerned with students at HEIs and FEIs in the United Kingdom, that is, also including Scotland and Northern Ireland.

The part-time student samples, above all, differed with respect to the family type of the student populations. Part-time students in the 2004/05 samples were less likely to be single, childless individuals (38 per cent) and more likely to be living as a couple with or without children (31 per cent, 22 per cent) than part-time students in the 1998/99 sample. Other significant differences included a smaller proportion of part-time students of black ethnic background (three per cent), more part-time students at HEIs in England (86 per cent), but fewer in Wales (three per cent), and a larger proportion in their second year of studies (31 per cent).

Differences in sample populations of the kind described above are likely to affect comparisons of income or expenditure that are averaged across the total student population. Wherever available, income and expenditure data for subgroups are included in the discussion of student income and expenditure in the following sections, providing some opportunity to gauge the likely influence of changes in the characteristics of the student population on incomes and expenditure.

8.4 Change over time in student income

Full-time students

Full-time students' average total income increased from £5,702 in 1998/99¹ to £8,333 in 2004/05 (Table 8.2). This is equivalent to a rise of 46 per cent. The greatest increase was reported for income from paid work, which rose more than two-fold between 1998/99 and 2004/05. Income from social security benefits also more than

¹ Figures for 1998/99 are adjusted for inflation.

doubled, but only amounted to £233 in 2004/05, or 2.8 per cent of average total income. By contrast, income from the typical main sources of student support, which in 2004/05 was above all student loans, rose by 24 per cent, *ie* about the level of the average total income increase. Other sources of student support, which includes bursaries, employer support, career development loans *etc.*, increased six-fold, but contributed only 7.5 per cent to the total income (up from 1.8 per cent in 1998/99).

Part-time students

Part-time students' average incomes increased from £9,469 to £11,196, or 18 per cent, between 1998/99 and 2004/05. Income from paid work, which continued to make up three quarters of part-time students' total income, rose by nine per cent. The largest increase was reported for 'other sources of student income' (bursaries, employer support *etc.*), which increased by approximately 290 per cent. The latter accounted for 4.5 per cent of part-time students' total income in 2004/05, compared to 1.4 per cent in 1998/99.

Income from social security benefits and student support increased by 87 per cent and 138 per cent respectively. Like other sources of support, they continued to account for only small fractions of the total income.

Figure 8.1 illustrates the changes in the relative contribution of different sources of income to the total incomes of full-time and part-time students. In particular, for full-time students, it highlights the growing contribution of paid work to their income and the declining contribution of main sources of student support, which is partially compensated for by greater use of 'other support' sources. For part-time students, Figure 8.1 highlights the

Table 8.2: Comparison of SIES mean income figures (£): 2004/05 data for English domiciled students compared with adjusted 1998/99 data for all students#

	Full-time			Part-time		
	SIES 2004/05	SIES 1998/99	Index (05/99)	SIES 2004/05	SIES 1998/99	Index (05/99)
Total income	8,333	5,702	1.46	11,196	9,469	1.18
Main sources of student support	3,327	2,691	1.24	188	79	2.38
Other sources of student support	629	102	6.20	515	133	3.90
Paid work (excludes summer vac work)	1,821	822	2.20	8,600	7,899	1.09
Family	2,104	1,615	1.30	-15	0	
Social security benefits	233	103	2.26	1,466	785	1.87
Other income	218	369	0.59	440	574	0.77
N = unweighted	2,509	2,379		890	320	

* Note: figures adjusted for partner contributions where relevant

1998/99 data were multiplied by 1.158 to reflect RPI increases

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

declining relative contribution of income from paid work to total income, which contrasted with the greater role of social security benefits and 'other sources' of student support.

8.4.1 Income changes by subgroup

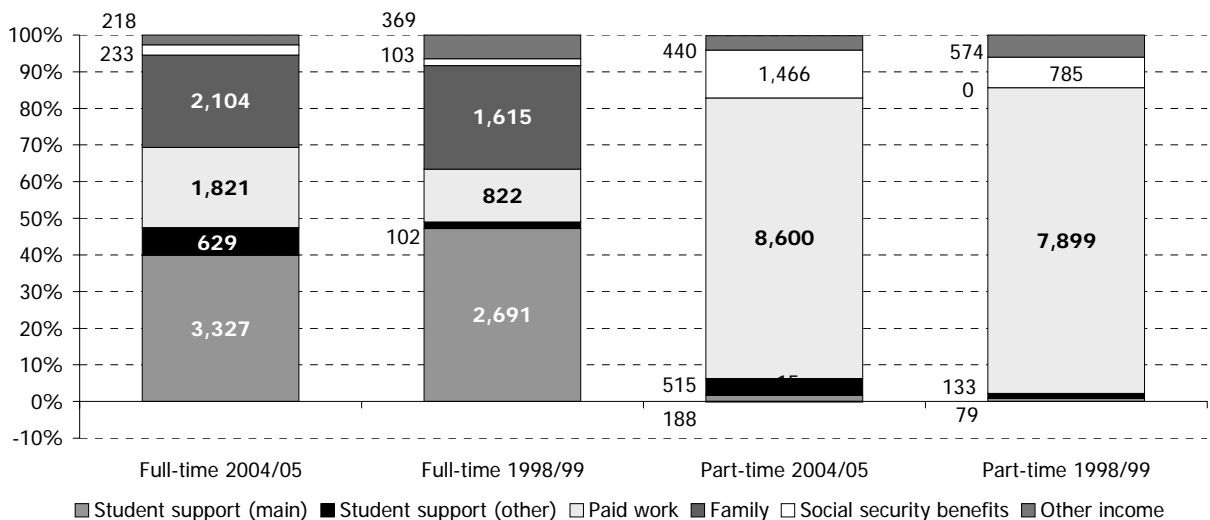
Full-time students

Most subgroups of full-time students experienced increases in income that were close to the average of the total full-time student population. Only full-time students aged 25 or over experienced an increase in income between the two surveys that was substantially larger than average.

Part-time students

In comparison to full-time students, there were greater differences in average total incomes across subgroups among the part-time student population. Unlike the situation with full-time students, it was younger part-time students (those aged under 25) who experienced greater and above-average increases in income. There were also greater differences between male and female students, with only the income of the former increasing above the average total. Students who were single or single parents, and students who were living with their parents, also experienced above-average increases in their income.

Figure 8.1: Components of full-time and part-time students' income, 2004/05 and 1998/99



Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

Table 8.3: Variations in full-time students' total income by student characteristics (£): all students, academic year

Student characteristic	SIES 2004/05		SIES 1998/99		Index (05/99)
	Base (N)	Mean	Base (N)	Mean	Mean
All	2,509	8,333	2,379	5,702	1.46
Gender					
Male	800	7,861	974	5,543	1.42
Female	1,708	8,701	1,080	5,846	1.49
Age					
25 and over	478	10,660	297	6,524	1.63
Family type					
Single	2,080	7,947	1,871	5,424	1.47
Social class					
Managerial/professional	1,342	8,535	1,083	5,770	1.48
Intermediate	471	7,909	608	5,641	1.40
Routine/manual	558	8,376	160	5,793	1.45
Living with parents					
Yes	499	6,721	359	4,554	1.48

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

Table 8.4: Variations in part-time students' total income by student characteristics (£)

Student characteristic	SIES 2004/05		SIES 1998/99		Index (05/99)
	Base (N)	Mean	Base (N)	Mean	Mean
All	890	11,196	890	9,469	1.18
Gender					
Male	291	11,007	315	8,775	1.25
Female	599	11,349	433	9,973	1.14
Age					
Under 25	152	9,781	191	6,375	1.53
25 and over	737	11,693	558	10,526	1.10
Family type					
Two-adult family	284	10,518	188	10,974	0.96
Lone-parent family	106	14,288	36	9,131	1.56
Couple	211	11,111	185	10,450	1.06
Single	289	11,136	340	8,142	1.37
Living with parents					
Yes	84	10,228	126	7,037	1.45

Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

8.4.2 Individual components of student income

In this section, a breakdown of the content and composition of the principal sources of total income, and their changes between the two surveys, is provided for both full-time and part-time students.

Student support

Full-time students

Tuition fee support, that is the mean-tested support that is available from local education authorities to meet tuition fees, accounted for 14 per cent of the total student support available to full-time students in 2004/05. The main component of student support was, however, student loans, which accounted for 82 per cent of student support. The amount of loans increased by 72 per cent between 1998/99 and 2004/05, primarily as a result of the abolition of maintenance grants, which in 1998/99 still accounted for more than 40 per cent of full-time students' average combined student loan and maintenance grant income. Other sources of student support, such as bursaries or Career Development Loans, increased six-fold between 1998/99 and 2004/05, but remained a small additional source of income, averaging only £629 in 2004/05.

The maximum student loan available to full-time students in 2004/05 had increased by more than the average maintenance grant received in 1998/99 (approximately 80 per cent higher; Table 8.6). The increase in the amount of student loans was, therefore, likely to have been influenced by the relatively greater increase in maximum loan facilities, mediated by eligibility conditions, and the greater propensity of full-time students to seek

Table 8.5: Main source of student support: average income for all full-time and part-time students

	Full-time			Part-time		
	SIES 2004/05	SIES 1998/99	Index (05/99)	SIES 2004/05	SIES 1998/99	Index (05/99)
Main sources of student support	3,327	2,691	1.24	188	79	2.38
Student loan	2,713	1,576	1.72	0	6	0.00
Hardship loan	0	2		0	0	
Maintenance grant	0	1,062		0	47	
Access/hardship fund	46	51	0.90	20	25	0.80
Higher Education Grant	79	0		0	0	
Course grant	0	0		38	0	
Tuition fee support	489	0		130	0	
Other sources of student support	629	102	6.17	515	133	3.87
N = unweighted	2,509	2,379		890	320	

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

and obtain income from other sources, including paid employment¹. The latter is typically taken into account when student loans are determined.

Table 8.6: Maximum loans facilities (£)

	SIES 2004/05		SIES 1998/99	
	Full year	1-yr course	Full year	1-yr course
All first-year student (new entrants)				
Students living away from their parents' home and studying:				
in London	5,050	4,380	3,145	2,565
outside London	4,095	3,555	2,735	2,265
Student living in the parental home	3,240	2,830	2,325	1,970
Extra hardship loan	n/a	n/a	250	250
	SIES 2004/05		SIES 1998/99	
			Full year	Final year
All second year + students (existing students)				
Students living away from their parents' home and studying:				
in London	n/a	n/a	2,145	1,565
outside London	n/a	n/a	1,735	1,265
Student living in the parental home	n/a	n/a	1,325	970

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

Part-time students

Part-time students received only a small proportion of their total income from student support sources (about two per cent in 2004/05). This proportion rose between the two surveys mainly as the result of the introduction of course grants and tuition fee support that were not available to part-time students in 1998/99. Average income from access and hardship funds decreased between the two surveys in both absolute and relative terms.

Contributions from family and friends

Full-time students

Contributions from family and friends grew by less than the average total income available to full-time students (or part-time students, see below). Contributions from parents constituted the largest component of income from family and friends, accounting for 77 per cent of the family-and-friend income total in 2004/05 (Table 8.7). However, parental contributions only increased by 23 per cent between 1998/99 and 2004/05, compared to the full-time students' total income increase of 46 per cent. Contributions from

¹ For incomes from paid employment, see Table 8.2.

full-time students' other family members increased by a larger proportion (26 per cent), but remained small in absolute terms (£123 in 2004/05).

Table 8.7: Contributions from family and friends

	Full-time			Part-time		
	SIES 2004/05	SIES 1998/99	Index (05/99)	SIES 2004/05	SIES 1998/99	Index (05/99)
Family	2,104	1,615	1.30	-15	0	
Contributions from parents	1,613	1,309	1.23	131	198	0.66
Contributions from other family members	123	98	1.26	54	38	1.42
Contributions from non-relatives	16	39	0.41	4	12	0.33
Gifts in kind	275	n/a		110	n/a	
Gifts of money from partner	0	n/a		9	n/a	
Share of partner's income	77	161	0.48	-323	-250	1.29
N = unweighted	2,509	2,379		890	320	

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

Part-time students

Partners' incomes that students were able to draw upon remained a small, but important, source of income from family and friends among part-time students. However, as noted earlier, because drawing on partners' incomes is, in fact, a case of internal redistribution of monies rather than a net addition of income, it is here recorded as a negative value, or cost. This share of partner's income increased by 29 per cent between 1998/99 and 2004/05.

Income from paid work

Full-time students

As noted earlier, full-time students' income from paid work more than doubled between 1998/99 and 2004/05. A comparison of changes across different student groups reveals above-average increases among students aged 25 or over, and among couples with or without children (Table 8.8). However, the data for couples without children should be treated with caution because of the small number of cases included in the 1998/99 sample.

Full-time students from a managerial or professional background and, to a lesser extent, lone parents also reported increases in income from work above the average.

Part-time students

Part-time students' income from paid work increased by ten per cent between the two surveys (Table 8.9). The largest increase was reported by students aged under 25, whose incomes from work,

on average, increased by 60 per cent, or more than six times the part-time student average. By contrast, income from work remained unchanged for part-time students aged 25 or over.

Table 8.8: Full-time students' income from paid work, by student characteristics

Student characteristic	SIES 2004/05		SIES 1998/99		Index (05/99)
	Base (N)	Mean	Base (N)	Mean	Mean
All	2,509	1,821	2,054	820	2.22
Gender					
Male	800	1,677	974	844	1.99
Female	1,708	1,931	1,080	802	2.4
Age					
Under 25	2,030	1,657	1,757	782	2.1
25 and over	478	2,737	297	1,062	2.6
Family type					
Two-adult family	156	3,142	88	865	3.6
Lone-parent family	92	1,522	40	665	2.3
Couple	181	3,033	55	962	3.15
Single	2,080	1,676	1,871	820	2.0
Social class					
Managerial/professional	1,342	1,840	1,083	749	2.5
Intermediate	471	1,657	608	887	1.9
Routine/manual	558	1,949	160	1,100	1.8
Living with parents					
Yes	499	2,344	359	1,348	1.7

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

Male part-time students' income from work increased by 30 per cent, whereas female part-time students' income declined.

8.5 Changes over time in student expenditure

Full-time students

Total full-time student expenditure rose by 44 per cent between 1998/99 and 2004/05. The largest increase was accounted for by the cost of children (up 183 per cent), reflecting the greater prevalence of students who had children (Table 8.10, see also Table 8.1). Across the entire student population, however, child costs remained but a small part of their total expenditure.

The largest relative increase in full-time students' expenditure after the cost of children was in participation costs, which more than doubled (up 122 per cent), while housing costs, which rose by 54 per cent, constituted the third largest rise.

Table 8.9: Part-time students' income from paid work, by student characteristics

Student characteristic	SIES 2004/05		SIES 1998/99		Index (05/99)
	Base (N)	Mean	Base (N)	Mean	Mean
All	890	8,600	748	7,899	1.1
Gender					
Male	291	10,765	315	8,441	1.3
Female	599	6,846	433	7,504	0.9
Age					
Under 25	152	7,960	191	4,899	1.6
25 and over	737	8,829	558	8,922	1.0
Family type					
Two-adult family	284	8,757	188	9,292	0.9
Lone-parent family	106	5,501	36	5,036	1.1
Couple	211	10,134	185	9,493	1.1
Single	289	8,232	340	6,562	1.3
Social class					
Managerial/professional	463	10,820	240	9,375	1.2
Intermediate	163	7,252	211	7,418	1.0
Routine/manual	241	5,751	30	4,248	1.4
Living with parents					
Yes	84	8,277	126	6,106	1.4

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

Table 8.10: Comparison of SIES expenditure figures (£): 2004/05 data for English domiciled students compared with adjusted 1998/99 data for all students# (mean)

	Full-time			Part-time		
	SIES 2004/05	SIES 1998/99	Index (05/99)	SIES 2004/05	SIES 1998/99	Index (05/99)
Total expenditure	10,273	7,134	1.44	14,413	10,354	1.39
Participation costs	1,980	893	2.22	1,614	1,365	1.18
Housing costs	2,276	1,475	1.54	3,042	2,274	1.34
Living costs	5,870	4,714	1.25	9,056	6,414	1.41
Children	147	52	2.83	701	300	2.34
N = unweighted	2,219	2,379		744	320	

Base: 2004/05: all English domiciled students

Base: 1998/99: all students

* Note: figures adjusted for partner contributions where relevant
1998/99 data were multiplied by 1.158 to reflect RPI increases

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

Part-time students

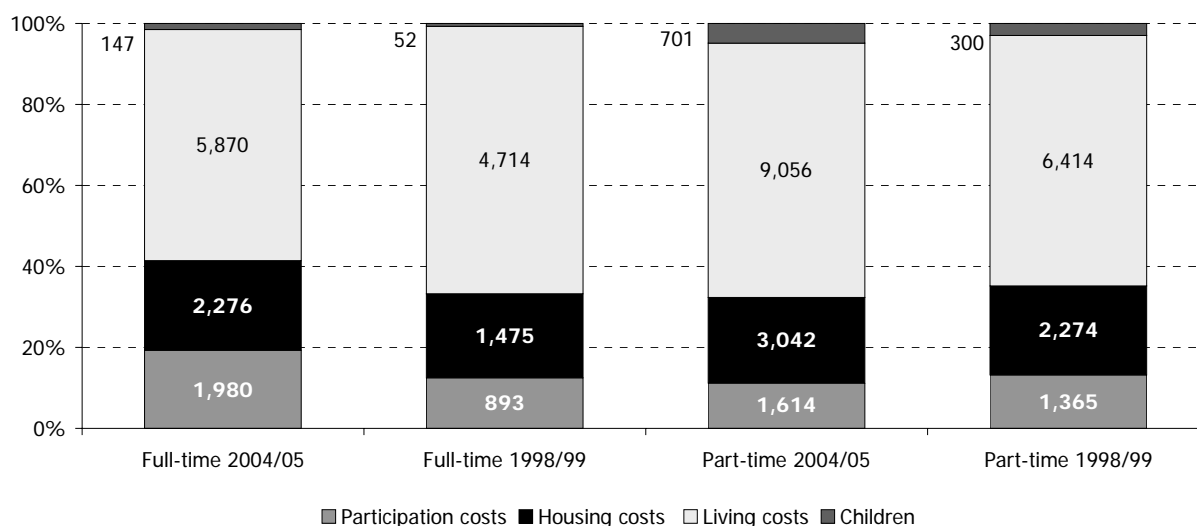
Part-time students' average expenditure rose by 39 per cent between 1998/99 and 2004/05. As with full-time students, the greatest increase was reported with respect to expenditure on

children (up 134 per cent), mainly as a result of a growing proportion of part-time students having children.

Living costs and housing costs were the fastest rising expenditures for part-time students, after the cost of children, rising by 41 per cent and 34 per cent respectively. Part-time students' participation costs, by contrast, increased by 18 per cent, the lowest increase of any expenditure item.

Figure 8.2 illustrates how these changes have affected the contributions of individual expenditure items to full-time and part-time students' total expenditure, including the growing relative contribution of participation costs to full-time students' expenditure. The picture was more stable for part-time students, who reported comparatively smaller changes with respect to the contributions to total expenditure of participation costs and expenditure on children.

Figure 8.2: Components of full-time and part-time students' expenditure, 2004/05 and 1998/99



Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

8.5.1 Expenditure by student subgroup

Full-time students

As in the case of income, there were some, but few substantial, differences in expenditure changes across different full-time student subgroups (Table 8.11). As before, the main difference concerned students aged 25 or over, whose total expenditure more than doubled between 1998/99 and 2004/05, compared to an average increase of 44 per cent across all full-time students. Female full-time students' average expenditure increased by 50 per cent, compared to an increase of 37 per cent in full-time male students' expenditure. This differential was considerably larger than had been observed for full-time students' income (Table 8.3).

Table 8.11: Variations in full-time students' mean total expenditure by student characteristics (£): all students, academic year

Student characteristic	SIES 2004/05		SIES 1998/99		Index (05/99)
	Base (N)	Mean	Base (N)	Mean	
All	2,219	10,273	2,054	7,134	1.44
Gender					
Male	691	9,754	974	7,145	1.37
Female	1,528	10,665	1,080	7,125	1.50
Age					
25 and over	409	14,657	1,757	6,719	2.18
Family type					
Single, no children	1,852	9,603	1,871	6,866	1.40
Social class					
Managerial/professional	1,150	9,971	1,083	7,083	1.41
Intermediate	1,199	10,210	608	7,136	1.43
Routine/manual	409	10,949	160	7,410	1.48
Living with parents					
Yes	1,307	9,023	359	5,982	1.51

Base: 2004/05: all English domiciled students (in full-time studies); 1998/99: all students at UK HEIs and FEIs

Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

Part-time students

Among part-time students, the main variation in expenditure changes concerned the subgroup of students from routine/manual social class backgrounds, whose average expenditure increased by 52 per cent, compared to an overall increase of 39 per cent (Table 8.12). Variations in expenditure changes between male and female part-time students were small, and expenditure increased by 38 per cent for male and 41 per cent for female part-time students. This contrasted markedly with gender differentials in part-time students' income, which had increased far more among male students (66 per cent) than among female students (37 per cent) (Table 8.4).

Participation costs

Full-time students

As observed earlier, participation costs contributed to a markedly larger share of full-time students' total expenditure in 2004/05 than they did in 1998/99. Above all, this was the result of increased tuition fees to be borne by students. These increased from an average of £46 in 1998/99 to £1,150 in 2004/05, or by 25 times the 1998/99 average (Table 8.13). The increase in the

Table 8.12: Variations in part-time students' mean total expenditure by student characteristics (£): all students, academic year

Student characteristic	SIES 2004/05		SIES 1998/99		Index (05/99)
	Base (N)	Mean	Base (N)	Mean	
All	744	14,413	748	10,354	1.39
Gender					
Male	240	13,502	315	9,793	1.38
Female	504	15,143	433	10,760	1.41
Age					
25 and over	525	14,986	558	11,263	1.33
Family type					
Single, no children	245	13,093	340	9,629	1.36
Social class					
Managerial/professional	491	15,073	240	11,020	1.37
Intermediate	398	14,202	211	10,109	1.40
Routine/manual	132	13,226	30	8,729	1.52

Base: 2004/05: all English domiciled students (in full-time studies); 1998/99: all students at UK HEIs and FEIs (in full-time studies)

Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

maximum student loan facilities since 1998/99 matched this substantial increase in the costs of pursuing full-time education. However, in the light of the abolition of maintenance grants and their substitution by student loans, the increase in tuition fees constitutes a genuine rise in student expenditure. Other costs associated with participation in full-time education, such as the direct costs of buying books and equipment and the costs of facilitating participation, such as travel costs, remained largely unchanged.

Table 8.13: Participation costs: average expenditure for all full-time and part-time students

	Full-time			Part-time		
	SIES 2004/05	SIES 1998/99	Index (05/99)	SIES 2004/05	SIES 1998/99	Index (05/99)
Participation costs	1,980	893	2.22	1,614	1,365	1.18
Tuition fee costs	1,150	46	25.00	725	310	2.3
Direct costs (books, equipment)	426	415	1.03	367	393	0.93
Costs of facilitating participation (travel to college, childcare, etc.)	403	433	0.93	522	662	0.79
N = unweighted	2,219	2,379		744		

Base: 2004/05: all English domiciled students

Base: 1998/99: all UK students

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

8.5.2 Individual expenditure items

Part-time students

Part-time students also saw their tuition fees increase, although by a comparatively much smaller amount (130 per cent). Again, other participation costs changed much less, although travel, childcare and fieldtrip expenditures decline to 79 per cent of the 1998/99 level.

Living costs

Full-time students

The increase of 25 per cent in full-time students' expenditure on living costs that was reported earlier (Table 8.10) was, above all, the result of increased expenditure on travel and personal items (Table 8.14). Travel expenditure increased by 154 per cent among full-time students. In contrast, expenditure on personal items increased by 92 per cent and expenditure on food by just 19 per cent, whereas expenditure on household goods, entertainment and other items decreased.

Part-time students

The changes in individual expenditure of part-time students matched the patterns of change observed for full-time students. The greatest increase affected travel expenditure, which rose by 166 per cent, whereas expenditure on personal items increased by 66 per cent and expenditure on foods by 39 per cent. Expenditure on other items decreased or, in the case of household goods, increased slightly.

Table 8.14: Living costs

	Full-time			Part-time		
	SIES 2004/05	SIES 1998/99	Index (05/99)	SIES 2004/05	SIES 1998/99	Index (05/99)
Living costs	5,870	4,714	1.25	9,056	6,414	1.41
Food	1,491	1,254	1.19	2,313	1,666	1.39
Household goods	239	320	0.75	735	710	1.04
Personal	1,710	891	1.92	2,224	1,343	1.66
Travel	1,092	430	2.54	2,193	823	2.66
Other	139	336	0.41	292	365	0.80
Entertainment	1,199	1,485	0.81	1,298	1,507	0.86
N = unweighted	2,219	2,379		744		

Base: 2004/05: all English domiciled students

Base: 1998/99: all UK students

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

8.6 Student savings, borrowing and debt

Full-time students

Full-time students' expected amount of savings at the end of the academic year 2004/05 amounted to more than double the amount students expected in 1998/99 (Table 8.15). The increase in expected savings was greater than the increase in actual savings at the start of the academic year or at the end of the previous academic year. This difference is hard to explain in the light of similarly increased actual borrowings. It may, however, reflect students' reluctance to use their increased savings to pay off debt or inaccuracies in their estimation of expected savings or that some students are 'saving' their student loan, perhaps to cover spending over the summer. Partly it will also reflect the averaging of statistics across all students, *ie*, including students without savings and, to a lesser extent and less likely, without borrowings.

Full-time students' actual borrowing increased from £3,925 in 1998/99 to £6,845 in 2004/05, an increase of 74 per cent. Student loan debt accounted for the largest share of total borrowing (83 per cent in 2004/05). Whereas students' mean overdrafts declined between 1998/99 and 2004/05, the amount borrowed through commercial loans increased. By 2004/05 it exceeded that of overdrafts, whereas it had been only around one-third of their level in 1998/99. The amount of arrears also increased, but remained comparatively low at, on average, £42.

Table 8.15: Savings, borrowings and debt: averages for full-time and part-time students

	Full-time			Part-time		
	SIES 2004/05	SIES 1998/99	Index (05/99)	SIES 2004/05	SIES 1998/99	Index (05/99)
Savings – end of last academic year	1,998	1,055	1.89	3,191	2,501	1.28
Savings – at start of academic year	2,027	1,230	1.65	2,652	1,923	1.38
Savings expected at end academic year	1,849	892	2.07	2,543	1,754	1.45
Commercial loans	545	245	2.22	2,069	1,417	1.46
Overdraft	536	658	0.81	237	266	0.89
Arrears	42	17	2.47	59	19	3.11
Informal loans from family and friends	16	28	0.57	1	16	0.06
Outstanding student loan debt	5,701	2,854	2.00	604	14	43.14
Total borrowing	6,845	3,925	1.74	2,971	1,786	1.66
N = unweighted	2,509	2,379		890	320	

Source: NatCen/IES SIES Survey 2004/05; Callender and Kemp, 2000

Part-time students

Like full-time students, part-time students' expectation of their end-of-year savings increased, between the two survey years, by

more than their actual savings at the start of the academic years or at the end of the previous academic year.

In a similar way to full-time students, part-time students also borrowed more in 2004/05 than in 1998/99, their total borrowing rising from £1,786 to £2,971 (up 66 per cent). Commercial loans made up the bulk of total borrowing (70 per cent).

Part-time students were less likely to have had access to student loans than full-time students were. This is reflected in the lower amount of student loan debt. Yet, although small in comparison to full-time students' loan debts and part-time students' commercial loans, the amount of loan debt increased substantially from, on average, £14 in 1998/99 to £604 in 2004/05.

8.7 Conclusion

The comparison of students' average income and expenditure in 2004/05 and in 1998/99 has highlighted a number of marked changes. Both full-time and part-time students saw their average total income and expenditure increase. There were also significant changes in the make-up of student income and expenditure totals. Specifically, among full-time students, there was:

- an increase in the contribution of paid work to total income
- an increase in the contribution of higher education participation costs to total expenditure.

Among part-time students, there was:

- a modest increase in income from work and a consequent reduction in its contribution to total income
- a modest increase in the contribution of participation costs and expenditure on children to total expenditure.

Student borrowing also increased between 1998/99 and 2004/05 for both full-time and part-time students. For both groups of students, the relative increase in borrowing was greater than the increase in either income or expenditure.

It is conceivable that some of these changes may be due to differences in the two survey methodologies (random versus quota sampling) and scope (the exclusion of Northern Ireland and Scotland from the most recent survey).

However, as noted earlier with reference to Table 8.1, although there were various statistically significant differences between the two survey samples with respect to variables in addition to the UK regional indicator, these typically were comparatively small. Eighty-eight per cent of the 1998/99 SIES full-time and part-time student samples were students from education institutions in

England and Wales, and their presence in the sample would have weighted strongly on aggregate student income and expenditure statistics. For this reason, the comparisons reported in this chapter were unlikely to have been invalidated by the inclusion in the earlier sample of students at UK universities and colleges outside England and Wales.

We cannot easily estimate the impact of the change in sampling method (in terms of unobserved or unobservable differences) between the two surveys. However, while these may be important, they are unlikely to affect the broad thrust of the trends between the two surveys.

9. Student Income and Expenditure in Wales

9.1 Summary of key findings

9.1.1 Income

- On average, full-time students' income of students from Wales in 2004/05 was £8,403. Part-time students' income was one and a quarter times higher at £10,420 and this was mainly attributable to their higher average earnings during the academic year.
- Total incomes and constituent sources varied considerably between different groups of students, particularly by age, family type, student status and living circumstances.
- There were also differences in total income and income sources according to location of institution. When exploring these patterns against those for English domiciled students, we can see there is an in-country, out-country effect – in that English domiciled students studying at English HEIs have a similar pattern of total income and income sources to Welsh domiciled students studying at Welsh HEIs. Similarly, the income patterns of those studying out of their country of domicile (English students at Welsh HEIs and Welsh students at English HEIs) were alike.
 - Students who stay within their own country to study have on average a higher total income due to higher earnings from paid work. Welsh students at Welsh HEIs gained nearly a quarter (22 per cent) of their income from paid work compared to only 10 per cent for Welsh students studying in England (around £1,900 compared to £800).
 - This effect may be caused by a number of factors (*eg* different student profiles for those who study within country and those who study away, and/or better networks within the labour market to access paid work) and would be useful to explore in greater detail.
- Among full-time students, the groups found to have higher average total incomes than their peers were: older, independent, and living with a partner and/or dependent children (*ie* not single).

- Income profiles for full-time students, in terms of the amounts contributed from the various sources of income, differed strongly by age. Younger students relied more heavily on main sources of student support, particularly student loans, and on financial support from family and friends. In comparison, for older students the key source of income was earnings from paid work as well as mainstream student support other than student loans.
- Interestingly, at odds with the findings among English domiciled students, on average the total incomes of Welsh students increased as they progressed through their courses. Students further into their courses tended to rely more heavily on other sources of student support and earnings from paid work.
- Student loans were a key source of income for full-time students, contributing on average £2,606 towards total income (which accounts for 31 per cent). Part-time students were ineligible for this form of support in 2004/05.
- Three-quarters of full-time students took out a student loan; among this group the average loan was £3,503. Traditional students were those most likely to take out a loan, *ie* male, younger, single, dependent. There was no real difference in likelihood of taking out a loan between those living with their parents and those living away, but those living at home tended to borrow less.
- Just over half of all full-time students received government support with their tuition fees, receiving on average £1,000, and 39 per cent of all full-time students received full payment of fees (£1,150).
- Some 13 per cent of full-time students received support from a Welsh Assembly Learning Grant, which on average was around £900.
- Earnings from paid work during the academic year was a key source of income for part-time students, constituting the bulk (81 per cent or £10,420) of their overall net total income. The majority of part-time students engaged in paid work and earned on average just under £11,000 (£10,897).
- Paid work was also an important source of income for full-time students. Among all full-time students, earnings from paid work across the academic year accounted for almost a fifth (17 per cent) of total income, at £1,457. One half (49 per cent) of full-time students engaged in paid work while studying, receiving on average just under £4,000. Those more likely to work were: living with their parents, not in their final year and studying in Wales. However, of those that worked, the highest earners (on average) were: older students, those in families, independent students and Welsh students studying at Welsh HEIs.

- Income from family and friends contributed over a quarter (27 per cent) of full-time students' total income. Much of this income came from students' parents (75 per cent). Those found to rely most heavily on financial support from their parents were younger but also single, dependent, with parents who had experienced HE, and studying in England (*ie* out of country). Those living away from home were only marginally more likely to receive support from their parents than those living with their parents. However, they received almost twice as much.
- In contrast to the findings for full-time students, on average part-time students' income contribution from family and friends was negative. Although on average they received money from parents, relatives and friends, they contributed an average of just under £600 to partners. This results in a net outgoing of £226.
- Social security benefits contributed relatively little to full-time students' total income. The amount was only three per cent or £210, as very few full-time students actually received income from this source (only 11 per cent). Benefits were more prevalent among part-time students where over half (62 per cent) received some benefits, receiving around £2,100. The amounts received in benefits were smaller than found for English domiciled students.

9.1.2 Expenditure

- The average total expenditure of full-time students from Wales in 2004/05 was £10,222.
- The average total expenditure of part-time students was £14,939, that is over 50 per cent higher than the average for full-time students.
- Sixty per cent of the costs reported by full-time students and 71 per cent of those reported by part-time students were living costs.
- Housing costs constituted a further 22 per cent of the costs for full-time students and 15 per cent of those for part-time students.
- Participation costs accounted for 20 per cent of expenditure for full-time students and nine per cent for part-time students.
- Total expenditure was relatively high among full-time students who were aged 25 years or older, those who were not single and those who were classified for funding purposes as independent students.
- Welsh domiciled full-time students spent an average of £1,997 in 2004/05 on participation costs, that is the costs that they incurred as a direct result of attending university or college. This total included the full tuition fee contribution of £1,150.

- Part-time students spent an average of £1,420 on participation costs, which was less than full-time students.
- Among full-time students, participation costs were higher for those who were not single and those who were in their first year of study. Participation costs were also slightly higher for those who were studying at an institution in Wales than for those who were studying in England.
- Full-time students spent an average of £372 on direct course costs such as books, computers and equipment. Part-time students spent a similar amount on these items (£323). For full-time students, spending on these items was highest in the first year of the course.
- Facilitation costs, that is spending on petrol, travel, childcare and other items that made it possible for students to study, contributed an average of £475 per annum for full-time students and £462 for part-time students.
- Living costs, which included food, personal items such as clothes, toiletries and mobile phones, entertainment, household goods and non-course-related travel, contributed £6,179 to full-time students' living costs and £10,965 to those for part-time students (a much higher figure).
- Within living costs, full-time students spent an average of £1,709 on food, £1,726 on personal items, and £1,317 on entertainment. The corresponding totals for part-time students were £2,443, £2,793 and £1,786.
- Housing costs, which included rent, mortgages, retainers, council tax and household bills, were an average of £1,894 per annum for full-time students and £2,282 for part-time students. The composition of housing costs for the different modes of study reflected their housing tenures (full-time students typically lived in university accommodation whereas part-time students were typically owner occupiers).
- Spending on children, which included non-course-related childcare, made an important contribution to expenditure for student parents (who constituted six per cent of full-time students and 38 per cent of part-time students). Full-time students who were parents reported spending £2,204 on their children over the year.

9.1.3 Overall financial position

- A small majority of Welsh-domiciled students felt they had enough or more than enough money than they needed; 47 per cent of full-time and 35 per cent of part-time thought that they did not have enough.
- One in ten full-time and part-time students thought that financial difficulties had affected their studies a great deal, although most part-time students (57 per cent) and 38 per cent

of full-time students felt that their financial situation had had no impact on their studies.

- On average, full-time students start an academic year with savings of around £1,800, which have diminished to around £1,600 by the end of the year. Part-time students have a higher level of savings (£3,080 at the start of the year, rising to £3,311 at the end).
- Full-time students estimate that their borrowings will just exceed £6,800 at the end of the academic year, almost three times the part-time estimate of £2,546. The borrowing among full-timers mostly takes the form of a student loan.
- Taking savings away from borrowings, the predicted level of debt among final year students is around £7,650. Part-time students in general appear to be better off, with savings exceeding borrowings.
- Most students felt that they had had to cut back on certain items of expenditure due to lack of money, although the items gone without tended to be non-essentials. Around 16 per cent of full-time students had gone into arrears on a regular payment and almost a half had found problems with their accommodation.
- Some 28 per cent of full-time and 26 per cent of part-time Welsh-domiciled students felt that financial issues had affected their decision to enter higher education. Overall, students are very positive about the financial and social benefits of going to university, although part-timers are slightly less optimistic than full-timers.
- Most full-time students from Wales plan to get a job on finishing their immediate course at an average salary of just over £18,600, rising to more than £28,500 after five years. These are slightly lower expectations than those of their English counterparts.

9.2 Introduction

This chapter examines the income and expenditure patterns for Welsh domiciled students (also referred to as students from Wales) and those studying at Welsh HEIs¹. The financial position of these students are examined separately from those living in England, as public funding systems differ slightly between England and Wales and are likely to continue to diverge in the future.

¹ Drawn from across ten HEIs. There were no FEIs in the sample for Wales. See Technical Report.

9.2.1 Sample profile

In this section we examine the details of the student sample on which the survey findings for Wales are based (*ie* after weighting) in terms of their key personal characteristics, HE study and their background and routes into HE. We also discuss the finance-related decisions taken by students before starting their courses. Here, and in the rest of this chapter, where appropriate, full-time and part-time students from Wales are discussed separately (the corresponding data for England can be found in section 1.3).

Firstly, in terms of their personal characteristics:

- Fifty-six per cent of Welsh domiciled full-time students were women and 44 per cent were men. The gender profile of part-time students was similar (54 per cent women and 46 per cent men).
- Eighty-five per cent of Welsh domiciled full-time students were aged under 25 years of age and 61 per cent were aged under 20. In contrast, Welsh part-time students were much older on average. Less than a third (29 per cent) were aged under 25 years while just over a quarter (26 per cent) were aged 40 years or older.
- Based on the occupation of a parent (if they were a dependent student) or their own former occupation, the majority (55 per cent) of full-time students were classified as belonging to the managerial or professional socio-economic group. A similar proportion of part-time students (48 per cent) were classified in this group. Only 21 per cent of full-time students and 39 per cent of part-time students were classified as belonging to the routine or manual socio-economic group.
- By ethnicity, 96 per cent of Welsh domiciled full-time students were white while four per cent reported that they belonged to a different ethnic group. All the Welsh domiciled part-time students who were interviewed were white.
- Eighty-four per cent of Welsh domiciled full-time students were single, ten per cent were married or living as a couple without children, four per cent were in a two-adult family and two per cent were lone parents (*ie* in a one-adult family).
- Four-fifths (78 per cent) of full-time students were classified as dependent students and a fifth (22 per cent) as independent students (see the Glossary at the end of Chapter 1 for definitions of dependent/independent).
- Part-time students had a completely different profile in terms of their family type. Thirty-seven per cent were single, 26 per cent were married or living as a couple without children, 31 per cent were in a two-adult family and six per cent were lone parents.

In terms of choice of HE study and student living arrangements:

- The majority (59 per cent) of Welsh domiciled full-time students lived in university accommodation while 21 per cent lived with their parents. In contrast, most part-time students (57 per cent) were owner occupiers.
- The sample of Welsh domiciled full-time students comprised 61 per cent who studied at a Welsh HEI and 37 per cent who studied at an English HEI. Two per cent studied at an English FEL.
- The majority (86 per cent) of Welsh domiciled part-time students studied at a Welsh HEI. Only six per cent of this group studied at an English HEI, while nine per cent studied on an OU course.

Both samples of Welsh domiciled students were fairly evenly divided according to year of study. Among full-time students, 35 per cent were in their first year of study, 34 per cent were in their second year and 32 per cent were in their final year of study (this group included those who were on a one-year course). The corresponding proportions for part-time students were 34 per cent, 26 per cent and 40 per cent.

Overall, the characteristics of Welsh domiciled full-time and part-time students were very similar to those for their counterparts in England (see section 1.3). The main difference was that the Welsh samples had lower proportions of students from minority ethnic groups.

9.3 Income

9.3.1 Total income

A variety of sources make up a student's total income. These include financial support specifically for students in HE, some of which is available to all and some of which is targeted at students with specific backgrounds, characteristics or study patterns; earnings from paid work while studying; monies from family and friends; wider benefits and government support; and other miscellaneous sources. These are explored in greater detail below.

However, it is useful to note that for students of Welsh domicile (or studying in Wales), some of these public sources of support differ from those available to students of English domicile. Key differences include:

- **Assembly Learning Grant** for Welsh Students, which are funds available to students who usually live in Wales and who may be experiencing financial difficulty
- **Financial Contingency Funds**, which are funds available through colleges to help those on low income who need extra

financial support. This source of support is referred to as Access to Learning Funds (ALF) in English institutions

- support for those studying for teaching qualifications (with support gained through the **Training Grant, Secondary Undergraduate Placement Grant, Financial Contingency Funding, and Welsh-Medium Incentive Supplement**).

Taking all of these elements of income together, the average (mean) total income of Welsh domiciled full-time students in the 2004/05 academic year was £8,403 (Table 9.1). This is very similar to the average for all English full-time students (£8,333). The median total income was slightly lower at £7,655, which means that half of all Welsh full-time students had a total income of at least this amount. As would be expected, the average total income among part-time (including Open University) students was higher, at £10,420, though it is a little lower than the figure found for English part-time and Open University students (£11,196). This

Table 9.1: Total student income and its main components¹ (£)

		Full-time	Part-time
Main sources of student support	Mean	3,231	100
	Median	3,486	0
	Standard error	164	24
Other sources of student support	Mean	1,129	545
	Median	0	250
	Standard error	208	80
Total work (excl. summer vac.)	Mean	1,457	8,482
	Median	0	9,000
	Standard error	214	775
Income from family and friends*	Mean	2,232	-226
	Median	1,653	6
	Standard error	288	450
Social security benefits*	Mean	213	1,318
	Median	0	468
	Standard error	56	242
Other income*	Mean	140	200
	Median	3	0
	Standard error	29	68
Estimated total income (excl. summer vac.)*	Mean	8,403	10,420
	Median	7,655	9,992
	Standard error	302	583
N = (321) unweighted		221	100

Base: all Welsh domiciled students

*Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

¹ This table presents the average amounts received across all students. See Table A9.12 for the proportion receiving each type of support and the amounts received.

large difference in income between full-time and part-time students can be explained by the much higher levels of income gained from paid work among part-time students. Indeed, earnings from work made up 81 per cent of part-timers (net) income.

Full-time students rely much less heavily on paid work (contributes only 17 per cent of total income), making greater use of other sources of income (see Figure 9.1).

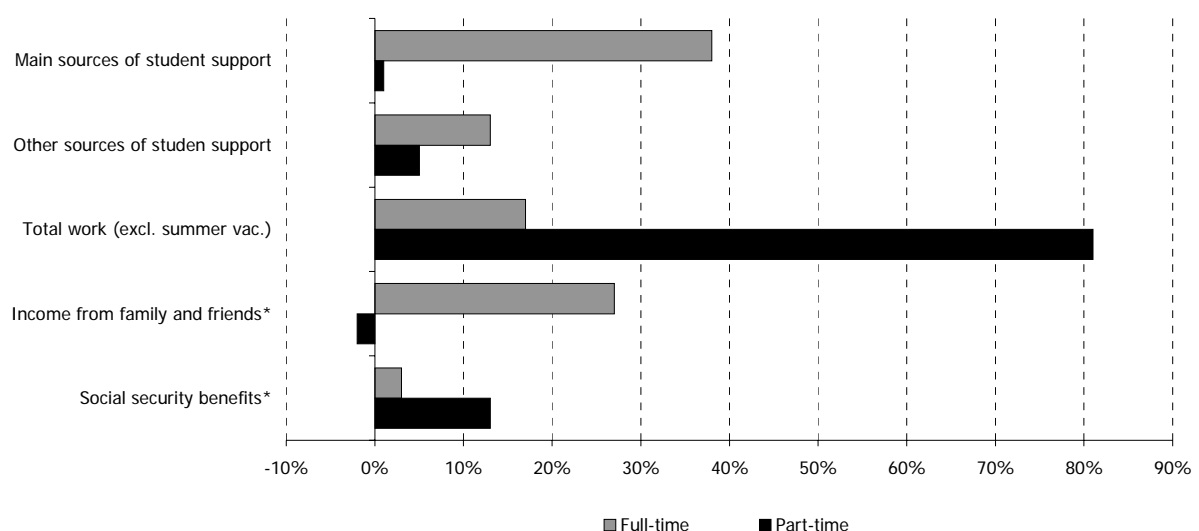
9.3.2 Variations between students in their total income

Full-time students' total income

The highest total average (mean) incomes across all full-time Welsh domiciled students were found among:

- older students, *ie* those aged 25 or older when they started their course, who had an average total income of £10,072, whereas younger students had an average of £8,112 (Table 9.2)
- students of independent status (see Glossary, Chapter 1), who had an average total income of £9,798 compared to just over £8,015 for dependent students
- students not classed as single (in that they had a partner and/or children), whose average income of £10,031 was somewhat more than the single student's average total income of £8,099.

Figure 9.1: Contribution towards total income of different income sources – mean income



Source: NatCen/IES SIES Survey 2004/05

These patterns followed those found among English domiciled students. Other slight differences were noticed, in that females, those whose parents had not experienced HE, were in their final

year of study and were studying in a Welsh institution had a marginally higher average total income than their peers. However, these differences were not significant. Further breakdowns were not possible due to the sample base size.

Income profile (in terms of sources) also differed.

- Males received more and relied relatively more heavily on the main sources of student support and income from work than female students. The latter group, however, gained relatively more income than male students from family and friends and social security benefits.

Table 9.2: Key variations in full-time Welsh-domiciled students' total income by student characteristics (full-time) (£)

Student characteristic	Base (N)	Mean	Median	Standard error
Gender				
Male	78	8,133	7,681	515
Female	143	8,619	7,596	348
Age				
Under 25	153	8,112	7,425	322
25 and over	68	10,072	9,478	692
Family type				
Not single	60	10,031	9,228	699
Single	161	8,099	7,425	328
Student status				
Dependent	136	8,015	7,285	346
Independent	85	9,798	8,673	543
Living with parents				
Yes	47	7,658	6,858	453
No	174	8,597	7,855	362
Parent experience of HE				
Yes	116	8,201	7,456	416
No	105	8,670	7,940	419
Year of study				
First year	65	8,079	7,655	606
Other year	76	8,174	7,596	367
Final year (or 1-year course only)	80	8,993	7,681	533
Location of HEI				
England	54	8,279	7,715	552
Wales	167	8,483	7,425	338

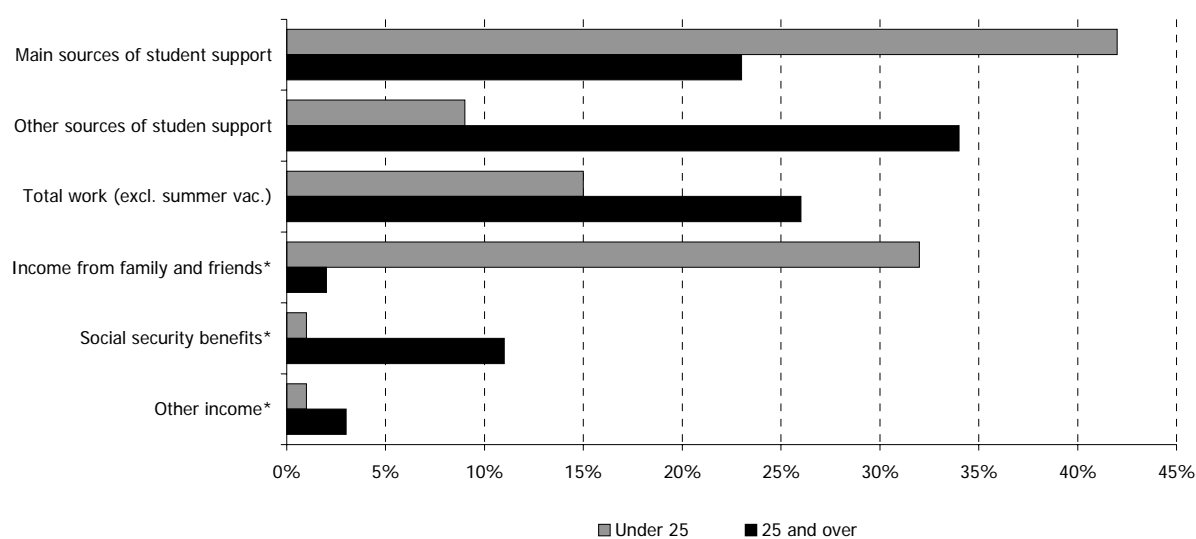
* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Younger students received two-fifths (42 per cent) of their total income, approximately £3,400, from main sources of student support. In comparison, on average, the key sources of income for older students were other sources of HE support, including Assembly Learning Grants (34 per cent, £3,384) followed by paid work (26 per cent at £2,636) and main sources (23 per cent at just over £2,352). Younger students also relied heavily on support from family and friends, which amounted to £2,577 on average or 32 per cent of their total income (Figure 9.2).

- Overall, single students relied heavily on the main sources of HE financial support (42 per cent, £3,419) and on their families (30 per cent, £2,441). Conversely, students with their own families (partners and/or children) relied more heavily on earnings from paid work (23 per cent, £2,328), other sources of student support (29 per cent, £2,910), and social security benefits (12 per cent, £1,200). This group gained a similar contribution from their families in terms of income (11 per cent, £1,231).
- Independent students relied more heavily on other sources of student support and earnings from paid work (37 per cent, £3,650 and 23 per cent, £2,265) than did dependent students. For the latter group, the main forms of HE support were the main source of income, which on average contributed 44 per cent of their total income or £3,524. This group also relied heavily on income from family and friends, receiving almost a third (33 per cent, £2,682) of their income from this source.
- Those living at home while studying relied more heavily on income from paid work during their studies (27 per cent, £2,080) than those who did not live with their parents during

Figure 9.2: Contribution towards total income by age (full-time)

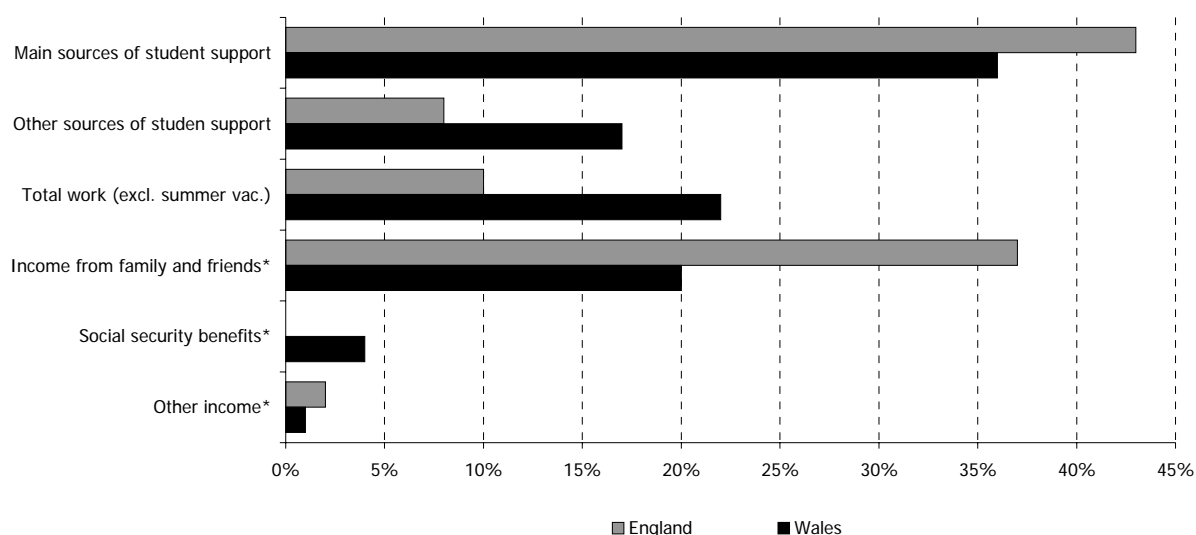


Source: NatCen/IES SIES Survey 2004/05

term time (15 per cent, £1,295). However, this finding should be treated with some degree of caution as the base size was small.¹

- As students moved through their courses, they received a higher level of total income (which differs from that found for English domiciled students, of whom those in their first year had the highest total incomes). They also relied less heavily on the main sources of HE support, instead gaining a greater contribution towards their total income from other sources of HE support and from earnings from paid work (particularly those mid-course).
- Those studying in Wales received a marginally higher total income than Welsh students studying in England and relied more heavily on earnings from paid work. This corresponds with findings among English domiciled students, in that students who stay within their own country to study have on average a higher total income, due to higher earnings from paid work. In aggregate, Welsh students in Welsh HEIs gained more than a fifth (22 per cent, £1,857) of their total income from paid work compared to only ten per cent and £843 for Welsh students studying at English HEIs (Figure 9.3). For this latter group, key sources of income were main sources of financial support (43 per cent, £3,545) and family and friends (37 per cent, £3,073). Interestingly, those at Welsh HEIs also gained more on average from other sources of support than those moving out of Wales to study.

Figure 9.3: Contribution towards total income by institution location (full-time)



Source: NatCen/IES SIES Survey 2004/05

All these findings follow patterns found for English domiciled students.

¹ The unweighted base is 47.

Part-time students' total income

Due to small base sizes, it was not possible to explore differences in total income within the part-time student cohort in Wales.

9.3.3 Main sources of student support

The **main sources** of student support are a central element of government policy. The main sources included in this section reflect the key areas of statutory student support that were the responsibility of the Department for Education and Skills in 2004/05. The statutory financial support was supplemented by the Financial Contingency Fund which enables Higher Education Institutions in Wales to provide discretionary financial support similar to the Access to Learning Fund arrangements in England.

From 2006/07 the responsibility for student support and tuition fees will be transferred to the National Assembly for Wales following the Higher Education Act in 2004.

For 2004/05, included in the main sources category are:

- student loans
- Financial Contingency Funds (for those studying at Welsh HEIs) or Access to Learning Funds (for those studying in English HEIs)
- new Higher Education Grant (available only to first-year students as they were introduced in 2004/05)
- tuition fee support or course grants (essentially the part of the students' fee contribution which they are assessed not to have to pay)

For students from Wales these sources sit alongside the Assembly Learning Grant, which is another key element of the student support policy and the financial package in Wales, available to both full-time and part-time students. From 2006/07 the ALG will be combined with the Higher Education Grant.

While we recognise the importance of this key source of support, to ensure consistency in treatment of the data for English and Welsh domiciled students and to allow comparisons to be made, the ALG does not form part of the category termed (for analysis purposes only) 'main sources of student support'. Instead ALG is included in 'other sources of student support' and is explored in detail in the next section (9.3.4).

Full-time students

Together, the category termed ‘main sources’ of student support totalled on average £3,231 for all Welsh domiciled full-time students (Table 9.3). This represents around 38 per cent of their average total income. It is a much more important source of finance for full-time students than part-time students.

Across all full-time students, those found to rely most heavily on this source/type of income were: male (44 per cent of total income), younger (42 per cent), single (42 per cent), dependent (44 per cent), studying out of Wales (in England, 43 per cent), and in their first year (49 per cent) and those whose parents studied at HE (41 per cent).

The vast majority (82 per cent) of full-time students received income from these main sources, each receiving on average just over £3,900 (Table A9.12).

Table 9.3: Sources of student support (£)

		Full-time	Part-time
Student loan	Mean	2,606	n/a
	Median	3,180	n/a
	Standard error	136	n/a
Financial Contingency Funds/Access to Learning Funds	Mean	42	0
	Median	0	0
	Standard error	15	0
Higher Education Grant	Mean	68	n/a
	Median	0	n/a
	Standard error	19	n/a
Course grant	Mean	0	29
	Median	0	0
	Standard error	0	8
Tuition fee support	Mean	514	72
	Median	80	0
	Standard error	45	18
Main sources of student support	Mean	3,231	100
	Median	3,486	0
	Standard error	164	25
N = (321) unweighted		221	100

Base: all Welsh domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

The main source of funding in this category is the student loan.

Student loan

This repayable loan is administered by a student's Local Education Authority (LEA). The amounts available to students of Welsh domicile in 2004/05 were the same as those available to English domicile students, with maximum borrowing limits set according to whether students lived away from their parental home, whether they lived in London, and the length of their courses (through an extra weeks allowance). In 2004/05 the average student loan (including the extra weeks' allowance) was £2,606, and this accounted for 31 per cent of average total income. This is marginally lower than found for English domiciled students (£2,713).

Three-quarters of full-time students actually received income from a Student Loan, and they received on average £3,503 (Table 9.4). This closely matches the average figure for English recipients of student loans (£3,426). However, the proportion in receipt of a loan is lower than the figure of 81 per cent reported by the Student Loans Company (see the Student Loans Company website for facts and figures www.slc.co.uk/noframe/corpinfo/factfig.html). Those most likely to take out a student loan were: male, younger, single, dependent, with parents who had experience of HE, in their first or final year, and studying at an English HEI (*ie* outside their country of domicile). Unlike the pattern found for English domiciled students, the likelihood of taking out a loan did not really differ between those living with their parents and those living away. This finding should, however, be treated with some degree of caution due to the small base size. It was also the case that the average loan taken out by those living at home was approximately £600 less than that taken out by those living away, which is not surprising as those living away can borrow more (see above).

Higher Education Grants

The Higher Education Grant was introduced in 2004/05 to help students with low incomes or from low-income families. As this fund is new, only those in their first year of study were able to access this source of income in 2004/05. The average amount received across full-time students was approximately £70. However, only eight per cent of all students received support from this fund. When only first-year students are included (the eligible group), the proportion in receipt of Higher Education Grants rises to 23 per cent. As very few individuals in our sample accessed these funds, the average amount received by this group cannot be reported due to reliability thresholds.¹

¹ The unweighted base is 16.

Table 9.4: Proportion of full-time Welsh domiciled students in receipt of a student loan, and for recipients the average loan taken out (£) by key student and study characteristics

Student characteristic	Mean	Median	Standard error	N (unweighted)	Proportion in receipt (%)
All students	3,503	3,507	66	139	75
Gender					
Male	3,493	3,500	113	57	84
Female	3,513	3,555	90	82	68
Age					
Under 25	3,489	3,500	70	115	80
25 and over	– ¹	–	–	24	42
Family type					
Not single	–	–	–	24	46
Single	3,518	3,512	71	115	79
Student status					
Dependent	3,508	3,500	72	107	83
Independent	(3,468) ²	(3,555)	(161)	32	(44)
Living with parents					
Yes	(3,038)	(3,200)	(149)	34	(76)
No	3,628	3,591	67	105	74
Parent experience of HE					
Yes	3,518	3,555	81	83	79
No	3,480	3,500	110	56	69
Year of study					
First year	(3,677)	(4,000)	143	46	(82)
Other year	(3,514)	(3,493)	117	41	(65)
Final year (or one-year course)	3,280	3,500	86	52	74
Location of HEI					
England	(3,746)	(3,900)	98	42	(80)
Wales	3,323	3,289	83	97	70

¹ No data reported as fewer than 30 cases in this category

² Reported data in brackets as the total number of cases in this category is between 30 to 50 and so should be treated with particular caution

Source: NatCen/IES SIES Survey 2004/05

Financial Contingency Funds/Access to Learning Funds

This source of financial support comes via student institutions, and is targeted towards students on low incomes who need extra financial support or who are in financial difficulty. This source contributed very little to the average total income, amounting to just over £40 for full-time students. Again, this is due to only a small proportion receiving income from this source: just six per cent. Among this group the average amount actually received is likely to be considerably more than £40, but because of the small

size of the group the figures cannot be reported due to reliability thresholds.¹

Tuition fee support

In 2004/05 full-time and PGCE students on lower incomes or in lower-income families could receive support from the government (via their LEA) towards their tuition fees (which were set at £1,150). Across all Welsh domiciled full-time students, the average amount received in tuition fee support was £514, representing almost 45 per cent of total fees. Just over half (51 per cent) of all full-time students received some fee support from this source, receiving on average just over £1,000 each. Interestingly, across all full-time students, almost two-fifths (39 per cent) received the maximum, full payment of fees.

Part-time students

Overall, these main sources of student support contributed very little to part-time students' total income: less than one per cent or approximately £100 on average. However, this very low average is caused by the low proportion of part-time students who access these forms of income, largely because they are ineligible for much of this type of support (*ie* ineligible for student loans and Higher Education Grants). Indeed only one in six students received income from these sources – in the main from tuition fee support. As very few part-time students accessed these funds, the average amount received among this group cannot be reported due to reliability thresholds.

9.3.4 Additional sources of student support

In addition to the sources of student support described above, students can access 'other' forms of financial support for their HE study. However, many of these tend to be targeted towards particular groups of students, according to their personal background or HE study choices. Most importantly, within this group of sources of support is the Assembly Learning Grant (ALG).

This grant is funded by the Welsh Assembly Government and was introduced in 2002/03 to provide extra support for those from low-income families who may experience financial difficulties when studying at an FEI or HEI. It is available to full- and part-time Welsh domiciled students studying in the UK (*ie* covers those studying outside of Wales), and can be received in *addition* to other main forms of support (including the Higher Education Grant). The maximum grant available to full-time students is

¹ The unweighted base is 14.

£1,500 (or £500 if the student is in receipt of a Higher Education Grant) and to part-time students is £750.

Additional sources

Sources of income within this 'other' category include: child-related support (for those with dependent children), Adult Dependants' Grant (for those caring for a dependent adult), Disabled Students' Allowances, teaching-related support, NHS-related support, Career Development Loans, Care Leavers Grant, and support from employers, charities and other programmes.

Full-time students

Across all full-time students, these sources of funding together contribute just over £1,100 or 13 per cent of the average total income (Table 9.5). This is somewhat higher than found for English students, where the average 'other' support was approximately £600 and contributed seven per cent of total income. Those groups of students who relied more heavily on these sources of student support were: older students, those with families (*eg* partner and/or children), those whose parents had not studied at HE, those who lived away from their parental home while studying, independent students, in their final year of study, and those studying in a Welsh HEI.

Just over one-third of all full-time students received support from one or more of these sources, on average receiving approximately £3,000. The largest specific contributors to this category of student support appear to be the Assembly Learning Grant and NHS-related income.

Assembly Learning Grant

Thirteen per cent of all full-time students were found to be in receipt of an Assembly Learning Grant. On average, this group received around £900, which represents 60 per cent of the maximum available. One-third of these ALG recipients also received a Higher Education Grant. For this group the ALG topped up their HE grant. However, these findings should be treated with caution due to the small base size¹.

Part-time students

Across all part-time students, the average amount received from 'other' sources was £545, almost half that found for full-time students. In general, 'other' sources contributed very little to overall total income (only five per cent). However, a much higher

¹ The unweighted base is 33.

proportion of part-time students, 60 per cent, accessed these sources of funds, receiving on average of £925.

Table 9.5: Other sources of student support (£)

		Full-time	Part-time
Welsh Assembly Learning Grant	Mean	116	33
	Median	0	0
	Standard error	26	23
Child-related support	Mean	46	0
	Median	0	0
	Standard error	22	0
Adult Dependents' Grant	Mean	0	0
	Median	0	0
	Standard error	0	0
Teaching-related support	Mean	100	0
	Median	0	0
	Standard error	44	0
NHS-related support	Mean	527	57
	Median	0	0
	Standard error	164	38
Disabilities	Mean	89	27
	Median	0	0
	Standard error	67	28
Career Development Loans	Mean	0	0
	Median	0	0
	Standard error	0	0
Employer support	Mean	15	70
	Median	0	0
	Standard error	12	43
Bursaries/Charities	Mean	18	0
	Median	0	0
	Standard error	7	0
Other	Mean	217	358
	Median	0	145
	Standard error	73	77
Other sources of student support	Mean	1,129	545
	Median	0	250
	Standard error	208	85
N = (321) unweighted		221	100

Base: all Welsh domiciled students

Source: NatCen/IES SIES Survey 2004/05

9.3.5 Income from paid work

As noted earlier in this report, earnings from paid work have now become an important part of a student's income. While studying, students can undertake regular paid work and/or more casual or occasional jobs to supplement their income. Students were asked about the net earnings they received (or expected to receive) from any paid work in the academic year 2004/05 (this includes the Christmas and Easter vacations but excludes the 2004 summer vacation).

Full-time students

Across all full-time Welsh-domiciled students, individuals earned on average £1,457 from paid work, although at least half had no income from this source. On average this contributed almost a fifth of total income, 17 per cent.

The groups of students found to rely more heavily on earnings from paid work included:

- male students, who earned more, and relied marginally more on paid work, than women, with on average £1,634 contributing 20 per cent of their income
- older students, for whom just over a quarter (26 per cent) of their income came from paid work (£2,636)
- independent students, who earned on average £2,265, which contributed 23 per cent of their total income
- those with partners or dependent children, who earned on average £2,328, which contributed 23 per cent of their total income
- those living at home, for whom over a quarter (27 per cent) of their income came from paid work and who earned on average £2,080 (but these figures should be treated with caution due to the relatively small base size)¹
- students mid course, who earned on average £1,787, making up 22 per cent of their total income, which is considerably more than the amount found for those in their first year (£1,061 or 13 per cent of total income)
- those studying at a Welsh HEI, for whom average earnings from paid work were £1,857 (or 22 per cent of total income), which is over double the amount earned by those studying at an English HEI (£843 or ten per cent).

Four-fifths (80 per cent or £1,169) of all income from paid work was earned from continuous or regular work. The rest (20 per cent or £289) came from occasional jobs.

¹ The unweighted base was 47.

Just under a half (49 per cent) of full-time students were working and for them the average income from paid work was £2,965, which is higher than the figure found for English-domiciled students (£1,821) (Table 9.6). Most people working had a regular job (36 per cent of all full-time), only 21 per cent of full-time students had casual/occasional jobs. For those with regular jobs, the average amount earned over the academic year was just under £3,300. Earnings for casual work were considerably lower, just under £1,400. However, once again it should be noted that these are not mutually exclusive as students with regular jobs could also take on less regular work.

Table 9.6: Proportion of full-time students Welsh-domiciled undertaking paid work, and for those working the average earnings by key student and study characteristics¹ (£)

Student characteristic	Mean	Median	Standard error	N (unweighted)	Proportion in work (%)
All full-time students	2,965	2,250	257	119	49
Gender					
Male	3,256	2,400	442	42	50
Female	2,723	2,036	296	77	48
Age					
Under 25	2,527	2,036	212	82	50
25 and over	5,632	3,933	1,002	37	47
Family type					
Not single	4,889	3,933	971	31	48
Single	2,619	2,036	230	88	49
Student status					
Dependent	2,555	2,036	230	71	48
Independent	4,322	3,150	721	48	52
Living with parents					
Yes	2,991	2,400	393	33	70
No	2,954	2,000	326	86	44
Parent experience of HE					
Yes	2,939	2,398	380	64	49
No	2,999	2,000	333	55	50
Year of study					
First year	2,234	1,288	527	34	48
Other year	3,279	2,830	310	45	55
Final year (or one-year course only)	3,399	2,400	397	40	45
Location of HEI					
England	2,151	1,840	334	21	39
Wales	3,339	2,400	328	98	56
<i>Part-time students</i>	<i>10,897</i>	<i>11,730</i>	<i>720</i>	<i>75</i>	<i>78</i>

Source: NatCen/IES SIES Survey 2004/05

¹ Either regular and/or casual work.

Those more likely to engage in any form of paid work were: those studying in Wales, living with their parents, and not in their final or first year. However, of those that worked, the highest earners (on average) were: older students (earning considerably more than their younger peers, £5,632 compared to £2,527), those in families, those not in their first year, independent students, Welsh students studying at Welsh HEIs and male students.

Summer vacation

The long summer vacation provides students with an opportunity to earn income to contribute towards the next academic year or reduce debt accrued in the previous academic year. We chose to exclude earnings from paid summer vacation work in the main analysis of student income to ensure consistent treatment of income and expenditure. However, it is useful here to note the influence summer working has on student income.

Students in their second year or above¹ were asked if they had undertaken any paid work in the previous summer vacation (July to September 2004) and the net earnings for this summer work were calculated. Across all those questioned, the average income from summer work was just over £1,500. Taking this into consideration, the total income from paid work (for the sub-group of students questioned) rises to over £4,000, and the total income increases to £10,565.

A high proportion, 86 per cent, of those who started their courses in 2003/04 or before worked during the summer vacation. Among this group, summer vacation earnings averaged at just under £1,765 (Table 9.7).

Part-time students

Part-time students earned considerably more from paid work than did full-time students, and for the former group, paid work made up the bulk of their total income. Across all part-time students, individuals earned on average £8,482 from paid work, contributing 81 per cent of total income.

A much greater proportion of all work income among part-time students came from continuous or regular work, as opposed to casual work, than found among full-time students. For part-time students, the vast majority (92 per cent or £7,813) of all income from paid work was earned from continuous or regular work.

The vast majority (78 per cent) of part-time students engaged in paid work and earned on average of £10,897.

¹ OU students were not asked about summer vacation work, as they do not effectively have a summer vacation as their academic year spans 12 months.

Table 9.7: Proportion of students (in second or subsequent year) undertaking summer vacation work, and for those working the average earnings (£)

	Full-time	Part-time
Mean	1,765	(3,714) ²
Median	1,582	(3,409)
Standard error	119	336
% working	86	89
Unweighted (N)	80	36

Base: all Welsh-domiciled students in second or subsequent year, excluding OU students

² Reported data in brackets as the total number of cases in this category is between 30 to 50 and so should be treated with particular caution

Source: NatCen/IES SIES Survey 2004/05

Summer vacation

Across part-time students in their second or subsequent year of study (excluding OU students), the average earnings from summer vacation work was £3,311. For this group, summer work increases the total earnings for the year to just under £14,200 and the average total income to £14,726.

The vast majority (89 per cent) of part-time students in their second or subsequent year of study had worked during their summer vacation, and for this group the average earned during the period was just over £3,700 (Table 9.7). However, the figures in this section are indicative only, as the base size falls below strict reliability thresholds.¹

9.3.6 Family and friends

Students can also receive income (financial support) from family and friends. This can include contributions from parents, other relatives and non-relatives, and money and gifts in kind (*eg* food, clothes *etc.*). Similarly, students with a partner with whom they share financial responsibility can receive support from their partner.

Full-time students

Across all full-time students, an average of £2,232 was received from family and friends, and this made up almost a quarter (27 per cent) of their average total income. The greatest contribution (75 per cent of income from family and friends) came from students' parents. On average, full-time students received on average of £1,670 from their parents. Contributions from other

¹ The unweighted bases were 42 and 36 respectively.

relatives averaged at about £120, and full-time students also received gifts in kind worth an average of £443.

Groups of students who relied most heavily on income from family and friends were: younger, single, dependent, studying in England (*ie* out of the country), and those whose parents had studied at HE level.

The vast majority, 95 per cent, received some financial support from their family and friends, receiving just under £2,300 on average. As noted above, support from parents constitutes the bulk of income from family and friends, and 78 per cent of all full-time students received money from this source, receiving on average £2,129 (Table 9.8).

Looking more closely at support from parents, we can see that younger students were the most likely to receive support from their parents. Eighty-seven per cent of those under 25 when they started their courses were supported financially by their parents, and they received an average of just over £2,200 each; whereas less than one-third (31 per cent) of older students had financial support from their parents.

Other groups more likely to receive this form of support were:

- single (85 per cent, £2,167)
- dependent (90 per cent, £2,253)
- those whose parents had experienced higher education (85 per cent, £2,318)
- in their first year or mid course (81 and 83 per cent respectively, receiving around £2,100 on average)
- studying in England (91 per cent, £2,743).

While those living away were only marginally more likely to receive support from their parents than those living at home (80 and 73 per cent respectively), on average they received almost twice as much from their parents £2,345 compared with £1,236. This corresponds with findings among English domiciled full-time students.

Part-time students

The pattern and size of the contribution from family and friends for part-time students is very different to that found for full-time students, but follows patterns found for English domiciled students. Across all part-time students, the average value of the family and friends contribution to total income was negative, at just over £200. This means that part-time students' income was reduced because, as a group, they tended to contribute to their families (specifically their partners) rather than receive income from their families. Indeed, on average, part-time students

contributed nearly £600 to their partners while studying. They did receive some income from their wider families – on average under £200 from their parents, £77 from other relatives, £24 from friends, and a further £90 as gifts in kind – but these were outweighed by students' contributions to their partners.

Table 9.8: Proportion of full-time students receiving income from parents, and for recipients the average amount received (£) by key student and study characteristics

Student characteristic	Mean	Median	Standard error	N (unweighted)	Proportion in receipt (%)
All students	2,129	1,450	251	145	78
Gender					
Male	2,026	1,310	434	57	85
Female	2,224	1,720	262	88	74
Age					
Under 25	2,233	1,541	264	127	87
25 and over	¹	–	–	18	31
Family type					
Not single	–	–	–	22	46
Single	2,167	1,400	273	123	85
Student status					
Dependent	2,253	1,541	275	116	90
Independent	–	–	–	29	38
Living with parents					
Yes	(1,236) ²	(1,150)	(163)	32	(73)
No	2,345	1,541	307	113	80
Parent experience of HE					
Yes	2,318	1,520	373	90	85
No	1,824	1,250	292	55	69
Year of study					
First year	(2,067)	(1,319)	(570)	41	(81)
Other year	2,076	1,750	231	56	83
Final year (or one-year course only)	(2,276)	(1,520)	(403)	48	(68)
Location of HEI					
England	(2,743)	(1,950)	(474)	48	91
Wales	1,606	1,150	204	97	69
<i>Part-time students</i>	–	–	–	22	(31)

¹ No data reported as fewer than 30 cases in this category

² Reported data in brackets as the total number of cases in this category is between 30 to 50 and so should be treated with particular caution

Source: NatCen/IES SIES Survey 2004/05

For the vast majority (80 per cent) of part-time students, their total income is influenced by their family and friends; only 20 per cent neither gave nor received any income from their families and friends.

9.3.7 Benefits

Social security benefits, such as Child Benefit, Incapacity Benefit, Working Tax Credit and Income Support¹, can represent an important source of financial help towards studies for small groups of eligible students.

Full-time students

Social security benefits contributed very little to total student income, representing on average only three per cent. Indeed, the average full-time Welsh domiciled student received just over £210 in social security benefits, while the median figure is zero, indicating that at least half of all full-time students do not access these benefits. Benefits were, however, more important to certain groups of students: older students, independent students and those with families (partner and/or dependent children).

Only 11 per cent of full-time students received any social security benefits during the academic year 2004/05, each receiving an average of just over £2,000. This is marginally lower than found among English domiciled student benefit recipients, though the mean figure should be treated with caution as the sample base falls below strict reliability thresholds.²

Part-time students

Social security benefits were a much more important source of income for part-time students. Across all part-time students the average income from such benefits was over £1,300, and together they contributed 13 per cent of part-time students total income.

Over half (62 per cent) of all part-time students received income from these benefit sources, with recipients receiving on average £2,027. As noted above, this is lower than found among English domiciled students where recipients received almost £3,000 each.

9.3.8 Miscellaneous

The final category or possible source of income for students is termed miscellaneous and covers elements such as income from maintenance payments for dependent children, bank interest, rent

¹ See section 3.7 for a more detailed list.

² The unweighted base is 45.

from lodgers, and proceeds from the sale of personal equipment (eg books, computers). As a group these miscellaneous sources contributed very little to either full- or part-time students' income.

- Across all full-time students the average income from miscellaneous sources was £140 or less than two per cent of total income. However, over half (52 per cent) of students received some money from these various sources, receiving on around £270 each.
- Across all part-time students the average was slightly higher at just under £200, but again contributed little, only two per cent, towards total income. Just over one-third (34 per cent) of part-time students gained income from these sources, but they received much more than full-time students – well over twice as much – receiving around £560 each.

9.4 Expenditure

9.4.1 Total expenditure

The average (mean) total expenditure of full-time students from Wales in 2004/05 was £10,222 (Table 9.9). The median level of expenditure was slightly lower, at £9,160, which indicates that the distribution was positively skewed, that is the highest expenditure values for each group were further from the median than were the lowest values. These mean and median values were very similar to those reported for students from England (£10,273 and £8,926).

The average total expenditure of part-time students from Wales was £14,939, that is just over 45 per cent higher than their full-time counterparts (Table 9.9). This pattern is similar to that found among English domiciled students.

Figures 9.4 and 9.5 show the relative contributions to total expenditure of living costs, housing costs, participation costs and spending on children for full-time and part-time Welsh domiciled students.

- **Living costs** represented the majority of expenditure for each group (60 per cent for full-time students and 71 per cent for part-time students).
- **Housing costs** accounted for 19 per cent of total expenditure for full-time students and 15 per cent of total expenditure for part-time students.
- **Participation costs**, however, accounted for a higher proportion of expenditure for full-time students than for part-time students (20 per cent compared with nine per cent).
- In comparison, **spending on children** took a lower share of total expenditure for full-time students (one per cent) than for

part-time students (five per cent), reflecting the fact that fewer full-time students had children.

Table 9.9: Total student expenditure and main sources of expenditure by mode of study (£)

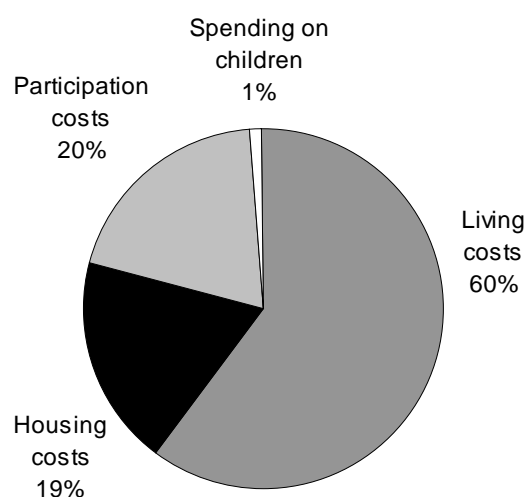
		Full-time	Part-time
Living costs*	Mean	6,179	10,504
	Median	5,062	8,787
	Standard error	306	1,142
Housing costs*	Mean	1,894	2,294
	Median	1,694	2,133
	Standard error	128	256
Participation costs	Mean	1,997	1,420
	Median	1,800	1,265
	Standard error	70	76
Spending on children*	Mean	152	721
	Median	0	0
	Standard error	36	153
Total expenditure*	Mean	10,222	14,939
	Median	9,160	13,217
	Standard error	367	1,290
N = (285) unweighted		197	88

Base: all Welsh domiciled students

*Note: figures adjusted for partner contributions where relevant.

Source: NatCen/IES SIES Survey 2004/05

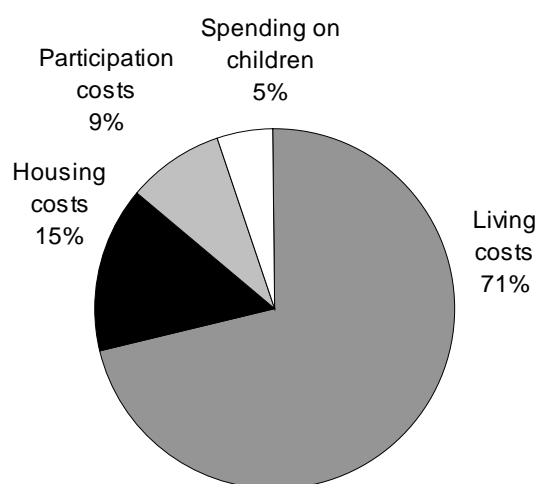
Figure 9.4: Profile of expenditure for full-time Welsh domiciled students



N = (197) unweighted

Base: all Welsh domiciled full-time students

Figure 9.5: Profile of expenditure for part-time Welsh domiciled students



N = (88) unweighted

Base: all Welsh domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

The low proportion of spending on children reflected the fact that only a minority of students (six per cent of full-time students and 38 per cent of part-time students) had any spending in this category. However, spending on children was a large area of expenditure for those who were parents. Full-time students who were parents spent an average of £2,135 on their children and part-time students who were parents spent an average of £2,249 (Table 9.10).

Another factor that had a strong influence on the level of costs was housing tenure. Fifteen per cent of full-time students and three per cent of part-time students reporting having no housing costs, typically because they lived with a parent or other relative.

Table 9.10: Total student expenditure and main sources of expenditure for students who incurred costs in expenditure categories by mode of study (£)

		Full-time	Part-time
Living costs*	Mean	6,179	10,503
	Median	5,062	8,787
	Standard error	306	1,142
	N	197	88
	Per cent incurring cost	100	100
Housing costs*	Mean	2,215	2,498
	Median	1,962	2,441
	Standard error	136	248
	N	168	85
	Per cent incurring cost	85	97
Participation costs	Mean	1,997	1,420
	Median	1,800	1,265
	Standard error	70	76
	N	197	88
	Per cent incurring cost	100	100
Spending on children*	Mean	2,135	2,249
	Median	1,823	1,965
	Standard error	248	346
	N	30	38
	Per cent incurring cost	15	43
Total expenditure*	Mean	10,222	14,939
	Median	9,160	13,217
	Standard error	367	1,290
	Per cent incurring cost	100	100
N = (285) unweighted		197	88

Base: all Welsh domiciled students

*Note: figures adjusted for partner contributions where relevant.

Source: NatCen/IES SIES Survey 2004/05

9.4.2 Variations in total expenditure for student groups

Full-time students' total expenditure varied according to their characteristics. Multiple linear regression analysis was used to identify which characteristics were most strongly associated with higher or lower participation costs (Table A9.13). The findings were:

- those who were aged 25 years or over had average total expenditure of £14,166, which was 50 per cent higher than the figure for younger students (£9,466; Table A9.14)
- single students had lower expenditure than others (£9,451 compared with £14,142; Table A9.15).

Differences were also observed within the following groups, although these were not found to be significant in predicting levels of total expenditure in the regression model.

- Independent students had higher levels of expenditure than dependent students (£13,015 compared with £9,378; Table A9.16).
- Welsh domiciled full-time students who studied in England had slightly lower spending overall than those who studied in Wales (£9,215 compared with £10,897; Table A9.17). Students in their final year of study had higher spending (£11,186) than those in their first or second years (£10,004 and £9,415 respectively; Table A9.18).

9.4.3 HE participation and other costs

This section explores the main areas of expenditure for Welsh domiciled students in greater detail.

Total participation costs

Participation costs are the costs students incur because they take a higher education course. They include:

- tuition fees
- direct course costs such as spending on books, computers, equipment, printing, photocopying and stationery
- facilitation costs, that is spending that enables students to study for their course, including travel to and from the place of study, course fieldtrips and course-related childcare.

Full-time students

Welsh domiciled full-time students reported spending an average of £1,997 on participation costs in the year 2004/05 (Table 9.11).

Table 9.11: Total participation costs and main sources of participation costs by mode of study (£)

		Full-time	Part-time
Tuition fee cost	Mean	1,150	672
	Median	1,150	641
	Standard error	n/a	44
Direct course costs (<i>eg</i> books and equipment)	Mean	372	311
	Median	218	178
	Standard error	35	49
Costs of facilitating participation (<i>eg</i> travel and study-related childcare)	Mean	475	437
	Median	242	390
	Standard error	55	53
Total participation costs	Mean	1,997	1,420
	Median	1,800	1,265
	Standard error	70	76
N = (285) unweighted		197	88

Base: all Welsh domiciled students

Source: NatCen/IES SIES Survey 2004/05

This amount was £577 (38 per cent) higher than the amount spent by part-time students.

Total participation costs broke down into £1,150 tuition fees (57 per cent of the total)¹, £372 direct course costs (19 per cent) and £475 facilitation costs (24 per cent).

Full-time students' participation costs varied substantially according to their characteristics. Multiple linear regression analysis was used to identify which characteristics were most strongly associated with higher or lower participation costs (Table A9.20). The findings were:

- Students who were single reported a much lower spend on course participation than other students, with the majority of this difference explained by a much lower spend on course-related travel and childcare.
- Those studying in their first year of university or college also reported a higher expenditure on course participation than those in later years.
- Finally, those attending an institution in Wales spent more on participation costs than those studying at an institute in

¹ Full-time students' full tuition fee cost of £1,150 is counted as expenditure for analysis purposes. Where students paid less than this because they had help with their fees, the difference from the total is treated as income.

England. This was mainly explained by a higher spend on course-related travel and childcare.

Part-time students

Welsh domiciled part-time students reported spending an average of £1,420 on participation costs in the year 2004/05 (Table 9.11). As reported in the previous section, this was lower than the level for full-time students. In particular, the average amount of tuition fees was much lower for part-time students than for full-time students, at £672 compared to £1,150.

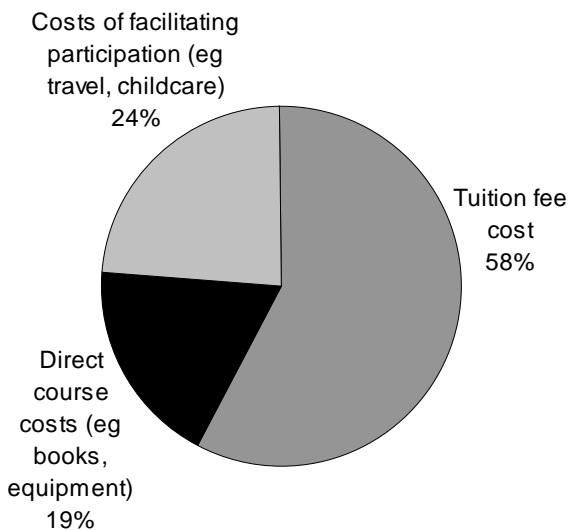
Total participation costs for part-time students broke down into £672 tuition fees (46 per cent of the total), £311 direct course costs (22 per cent) and £437 facilitation costs (32 per cent, Figure 9.7).

Tuition fees

Full-time students

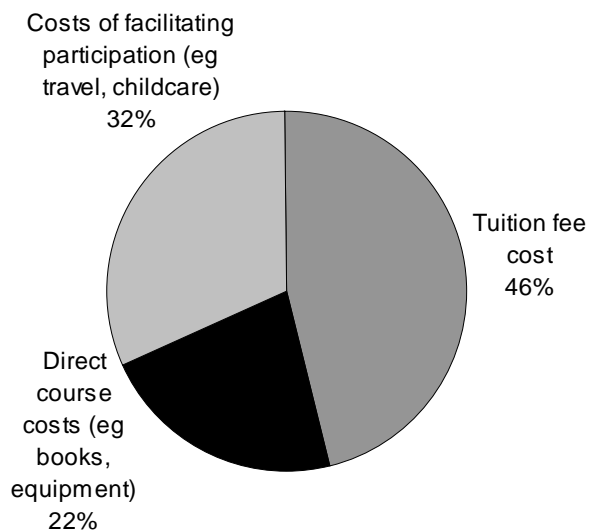
As noted in the previous section, the tuition fee cost for all full-time and PGCE students was set as £1,150, which was the maximum amount a student might be expected to contribute. Where students received help with their tuition fees, the amount of that help was treated as income. Thus, the level of tuition fees was the same for all Welsh domiciled full-time students. For that reason this section focuses on whether students made applications for support with their fees and, if they did, how much they were assessed to contribute to them.

Figure 9.6: Profile of participation costs for Welsh domiciled full-time students



N = (197) unweighted
Base: all Welsh domiciled full-time students

Figure 9.7: Profile of participation costs for Welsh domiciled part-time students



N = (88) unweighted
Base: all Welsh domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

The majority of Welsh domiciled full-time students (84 per cent) applied to their Local Education Authority (LEA) for financial support towards their tuition fees. Just under two-thirds of these applicants were dependent students, and the remaining third were independent students. Applicants who were dependent students were much more likely to be expected to make a contribution than those who were independent students (32 per cent of dependent students compared with just five per cent of independent students).

Where full-time students were assessed by their LEA to pay a contribution to fees, the average amount they were asked to pay was £407. If participation costs are defined so as to only include this amount rather than the full tuition fee cost, tuition fees for these students (those who were assessed) accounted for roughly a third of the total costs of taking their course (£407 out of £1,254).

Certain sub-groups of full-time students were assessed to pay less in tuition fees than others:

- Older students (aged over 25) were assessed to pay considerably less than their younger counterparts (£78 compared to £385).
- Those who were non-single (and therefore more likely to have dependent children) were also assessed to make a much lower contribution to their fees than those who were single.

Some full-time students received contributions towards their tuition fees from sources other than the individual(s) assessed for fee contributions, for example other family members, employers or other organisations.

Part-time students

The average Welsh domiciled part-time student's tuition fee charges were much lower than those for full-time students, at £672 compared to £1,150. However, as previously noted, many students did not have to personally pay the full cost of their tuition fees.

Only ten per cent of part-time students either received or expected to receive a grant for fees from their LEA. Among those who had received a grant by the time of the interview, the average amount received was £476. Overall, part-time students paid an average of £601 towards their tuition fees compared with an average tuition fee cost of £672.

Where the course grant for fees was less than the tuition fee cost, part-time students were asked who paid the remaining fees. Forty-one per cent said that they personally paid some of the difference, while 61 per cent said that someone else contributed.

Four per cent of these part-time students received help with tuition fees from an employer.

If participation costs are defined to include only assessed fees (cost after grant) rather than the total tuition fee cost, part-time students paid more in tuition fees on average than full-time students who were assessed by their LEA (£601 compared with £407).

Direct course costs

Full-time students

Direct course costs included spending on books, computers, special equipment for the student's course and other course-related expenditure such as amenity fees, and photocopying, printing and stationery. Welsh domiciled full-time students reported spending a total of £372 over the academic year on these types of item (Table 9.12).

Within this category, Welsh domiciled full-time students spent most on computers (£133 over the academic year) and books needed for their course (£130). The third largest type of course cost was photocopying (£75 over the academic year). Full-time students did not incur a particularly high spend on either special equipment (£22) or on other course expenditure, such as amenity fees (£12).

Direct course costs showed some variation according to full-time students' year of study. First-year students spent the most overall, an average spend of £460 compared with £262 for final-year students. This trend was due to higher spend on computers in the first year of study (Table A9.24).

Direct course costs were also higher among older (over 25) students, at £482 compared with £326 for younger students.

Part-time students

Welsh domiciled part-time students spent an average of £311 on direct course costs, which was similar to the amount spent by their full-time counterparts (Table 9.12).

Facilitation costs

Full-time students

Costs associated with facilitating study (which are shown on Table 9.13) included travel to and from the university or college, any trips associated with the student's course and any childcare

related to the course. Welsh domiciled full-time students spent an average of £475 over the academic year on this category of costs.

Table 9.12: Direct course costs and main sources of direct course costs by mode of study (£)

		Full-time	Part-time
Books	Mean	130	92
	Median	100	83
	Standard error	9	15
Computer	Mean	133	156
	Median	0	0
	Standard error	23	44
Equipment	Mean	22	7
	Median	0	0
	Standard error	7	4
Other course expenditure	Mean	12	19
	Median	0	0
	Standard error	5	15
Printing, photocopying and stationery	Mean	75	37
	Median	30	25
	Standard error	9	6
Total direct course costs	Mean	372	311
	Median	218	178
	Standard error	35	49
N = (285) unweighted		197	88

Base: all Welsh domiciled students

Source: NatCen/IES SIES Survey 2004/05

Combining petrol and other travel costs, Welsh domiciled full-time students spent an average of £378 per year travelling to and from their place of study. Just over half (51 per cent) of these students usually travelled to their place of study by their own car or motorbike while 18 per cent usually travelled by public transport. However, 36 per cent reported that they usually travelled by foot and so incurred no travel or petrol costs¹.

Full-time students spent a further £56 on average on course-related childcare and £42 on average on course-related trips. Childcare costs were of great importance to students who were parents, who often spent several hundred pounds on this category.

¹ These percentages add up to slightly more than the total of 64 per cent who used either mode of transport as a small proportion of students reported using both modes.

Part-time students

Welsh domiciled part-time students spent an average of £437 on facilitation costs, which was about the same as the amount spent by their full-time counterparts (Table 9.13).

Living costs

This section examines the living costs of students in greater detail, showing the relative importance of the different types of costs that fall within this category.

Full-time students

Welsh domiciled full-time students reported spending an average of £6,179 on living costs over the academic year. Food accounted for just over a quarter of these costs (28 per cent, £1,709; Figure 9.8 and Table 9.14). A similar proportion (28 per cent, £1,726) was spent on personal items such as clothes, toiletries, mobile phones, CDs, magazines and cigarettes. Spending on entertainment contributed a further 21 per cent of living costs (£1,317). Students spent just slightly less on travel that was not associated with their course (17 per cent, £1,044). Relatively small amounts were spent on household goods (four per cent).

Table 9.13: Facilitation costs by mode of study (£)

		Full-time	Part-time
Travel	Mean	59	29
	Median	0	0
	Standard error	13	13
Petrol	Mean	319	372
	Median	0	379
	Standard error	42	49
Course-related trips	Mean	42	12
	Median	0	0
	Standard error	16	5
Childcare costs	Mean	56	24
	Median	0	0
	Standard error	29	13
Total facilitation costs	Mean	475	437
	Median	242	390
	Standard error	55	53
N = (285) unweighted		197	88

Base: all Welsh domiciled students

Source: NatCen/IES SIES Survey 2004/05

Table 9.14: Total living costs and main sources of living costs by mode of study (£)

		Full-time	Part-time
Food*	Mean	1,709	2,358
	Median	1,412	2,110
	Standard error	116	237
Personal items*	Mean	1,726	2,742
	Median	1,185	1,606
	Standard error	142	373
Entertainment*	Mean	1,317	1,683
	Median	902	971
	Standard error	116	299
Household goods*	Mean	258	772
	Median	39	210
	Standard error	45	296
Non-course travel*	Mean	1,044	2,263
	Median	638	1,711
	Standard error	100	303
Other living costs*	Mean	125	686
	Median	0	0
	Standard error	36	298
Total living costs*	Mean	6,179	10,504
	Median	5,062	8,787
	Standard error	305	1,142
N = (285) unweighted		197	88

Base: all Welsh domiciled students

*Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

The types of personal items which full-time students spent most on were clothes, shoes and accessories (an average of £483 over the academic year), gifts and cards (£351), eye products, medical treatment, other large items (over £50) (£224) and CDs, music, DVDs and videos (£147) (Table A9.25).¹

The type of entertainment which full-time students spent most on was alcohol consumed outside the home (an average of £776 for the year, Table A9.26). Alcohol bought to consume at home contributed a further £117. The other largest types of entertainment spending by full-time students were on entry to nightclubs or discos (£101), TV, video, radio or music equipment (£100), and sports, hobbies, clubs and societies (£99).

¹ This category was collected in the questionnaire and included purchases of mobile phones, and miscellaneous personal items costing more than £50 that were not specifically prompted.

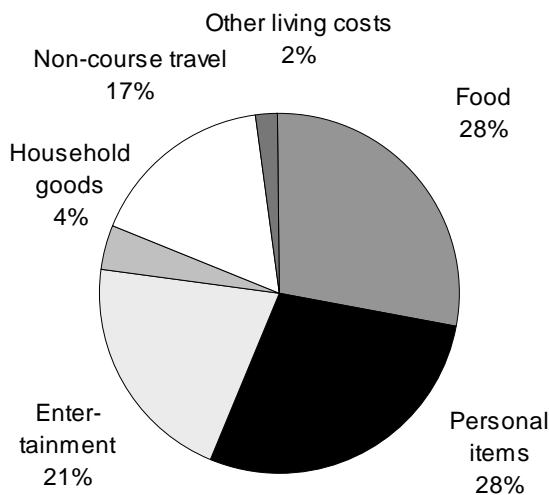
Part-time students

Welsh domiciled part-time students reported spending an average of £10,504 on their living costs over the academic year, a much higher total than for their full-time counterparts (£6,179, Table 9.14). This reflected much higher spending by part-time students on personal items (£2,742 compared with £1,726 for full-time students, Table A9.25) and on entertainment (£1,683 compared with £1,317; Table A9.26). Although part-time students spent more on living costs overall, the profile of their spending in this category was broadly comparable with that for full-time students. Proportionately, part-time students spent slightly less on food, personal items and entertainment, while they spent slightly more on non-course travel and household goods (Figures 9.8 and 9.9).

Housing costs

Welsh domiciled full-time students spent on average £1,894 on housing costs over the academic year. Rent or mortgage repayment costs constituted the majority of spending in this category (£1,400 out of £1,894). These were typically rent costs as 59 per cent of full-time students lived in university accommodation and a further six per cent rented privately (Table 9.15).

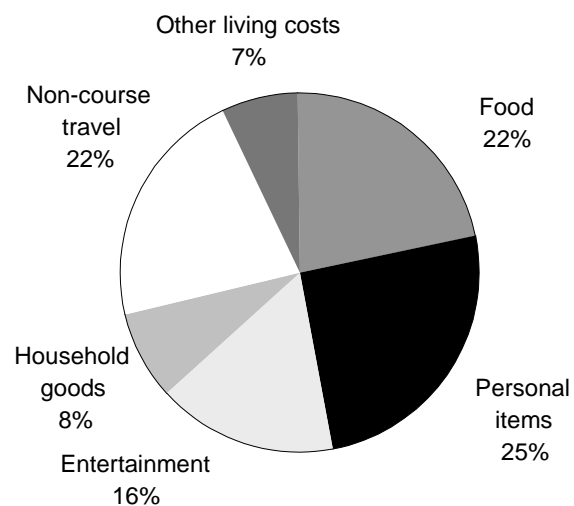
Figure 9.8: Profile of living costs for Welsh domiciled full-time students



N = (197) unweighted

Base: all Welsh domiciled full-time students

Figure 9.9: Profile of living costs for Welsh domiciled part-time students



N = (88) unweighted

Base: all Welsh domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

Table 9.15: Total housing costs and main sources of housing costs by mode of study (£)

		Full-time	Part-time
Mortgage and rent costs*	Mean	1,400	1,543
	Median	900	1,546
	Standard error	111	172
Retainer costs*	Mean	271	25
	Median	0	0
	Standard error	41	12
Other housing costs*	Mean	223	727
	Median	117	680
	Standard error	22	101
Total housing costs*	Mean	1,894	2,294
	Median	1,694	2,133
	Standard error	128	256
N = (285) unweighted		197	88

Base: all Welsh domiciled students

*Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Part-time students spent a similar amount to their full-time counterparts on housing costs: £2,294 compared with £1,894. Again, the majority of this spend was on rent or mortgage repayment costs. Other housing costs such as household bills contributed an average of £727 for part-time students, a much larger amount than for full-time students. This reflected the fact that 65 per cent of part-time students owned, or were buying, the accommodation in which they lived at the time of the interview compared to just 11 per cent of full-time students (Figures 9.10 and 9.11).

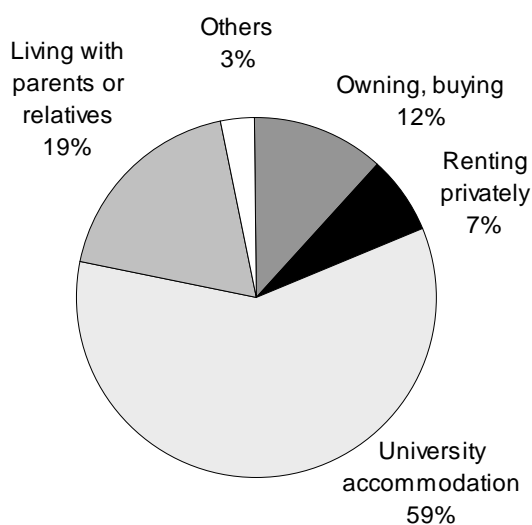
Spending on children

The category of spending on children included the costs of children's toys, books, presents, clothes, shoes, school uniforms, entertainment, toiletries, packed lunches, school travel, school trips, school fees and any baby equipment and non-course-related childcare. It excluded course-related childcare (which was included in facilitation costs) and general food and drink (which was included in living costs).

Full-time students

Six per cent of full-time students were parents who lived with their children. These students reported spending an average of £2,204 on their children over the academic year. This was 12 per cent of their total expenditure.

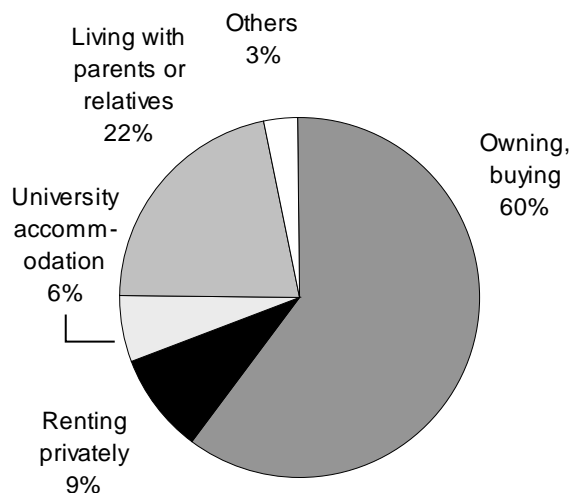
Figure 9.10: Housing tenure profile of Welsh domiciled full-time students



N = (197) unweighted

Base: all Welsh domiciled full-time students

Figure 9.11: Housing tenure profile of Welsh domiciled part-time students



N = (88) unweighted

Base: all Welsh domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

Part-time students

Thirty-nine per cent of part-time students were parents who lived with their children, a much higher proportion than for full-time students. These students reported spending an average of £2,220 on their children over the academic year. This was 15 per cent of their average expenditure.

9.5 Student views on their finances

Students were asked a number of questions designed to reveal how they felt about their financial situation.

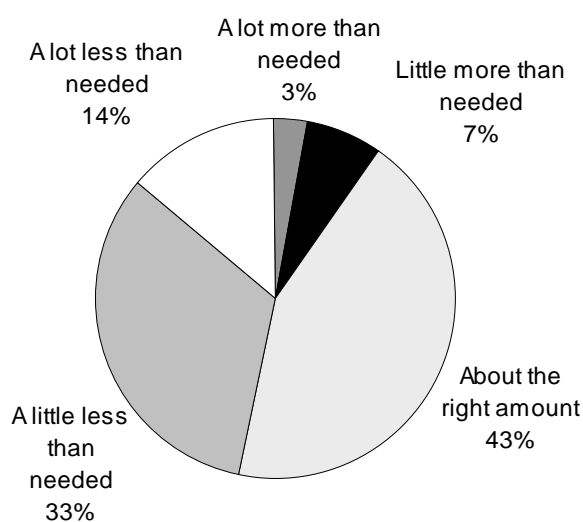
9.5.1 Do they have 'enough'?

Overall, around half of full-time and two-thirds of part-time students felt that they either have more than they need, or about the right amount of money (see Figures 9.12 and 9.13). This therefore means that a large minority (47 per cent of full-time students and 35 per cent of part-timers) considered they had either a little or a lot less money than they needed.

Further analysis was possible for the data for full-time students (not part-time due to sample size constraints). This revealed that the country in which individuals studied also had an effect. Students attending Welsh HEIs were more likely to say they had either a lot or a little more than they needed (54 per cent compared to 39 per cent of students in England). Students with

independent status were significantly less positive about their finances than dependent students.

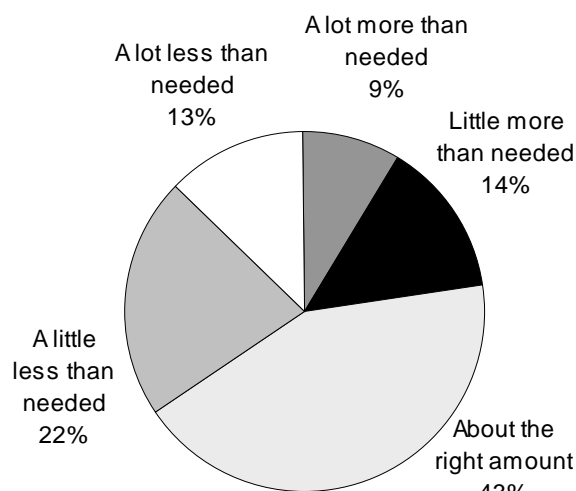
Figure 9.12: Assessment of own financial situation of Welsh full-time students



N = (221) unweighted

Base: all Welsh domiciled full-time students

Figure 9.13: Assessment of own financial situation of Welsh part-time students



N = (100) unweighted

Base: all Welsh domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

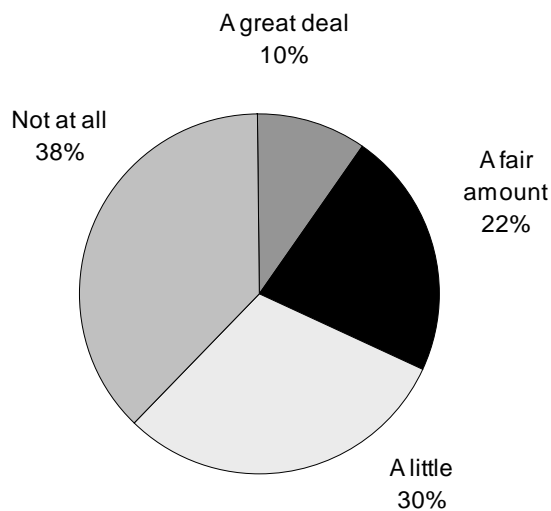
9.5.2 Effect of financial situation on studies

Around 57 per cent of part-time students and 38 per cent of full-time students felt that their financial situation had had no impact on their academic performance. Around ten per cent of both groups, however, felt that their finances had affected their studies a great deal (Figures 9.14 and 9.15).

Among full-time students, we have sufficient numbers to investigate the groups most likely to feel that financial difficulties had affected their studies. There were three characteristics where responses differed significantly:

- Men were more likely than women to feel that their academic performance had been affected (43 per cent felt they were affected either a great deal or a fair amount, compared to just 22 per cent of women).
- Single students were significantly less likely to feel that they had been affected compared to students with partners/spouses (30 per cent felt they were affected either a great deal or a fair amount, compared to 43 per cent of students living in couples).
- Independent students were more likely to feel that they had been affected a great deal (23 per cent compared to just seven per cent of dependent students).

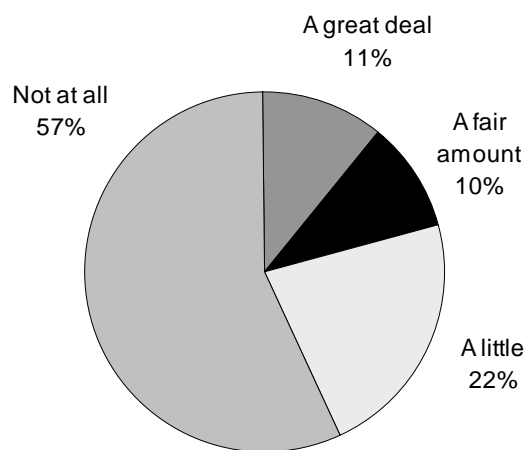
Figure 9.14: Extent to which financial difficulties have affected attainment (full-time students)



N = (221) unweighted

Base: all Welsh domiciled full-time students

Figure 9.15: Extent to which financial difficulties have affected attainment (part-time students)



N = (100) unweighted

Base: all Welsh domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

For both full and part-time studies, responses to questions do appear to be related to an individual's level of borrowing. The mean amount owed by students increased with their tendency to report that finances had affected their academic performance.

Students were asked how specifically their financial situation had affected their studies (Figures 9.16 and 9.17). For full-time students the most common problems were worry/stress and difficulties in covering course-related expenditure. Among part-time students the most common issue was juggling work with study, and worry/stress, closely followed by covering course costs.

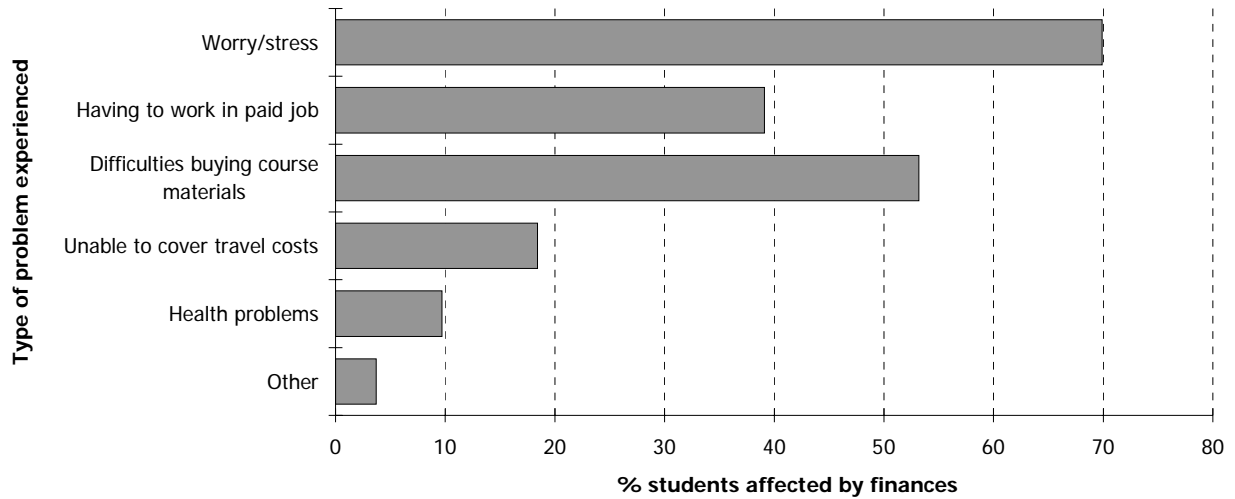
Another issue was whether financial difficulties had in any way affected students' commitment to completing their course. Thirty-five per cent of full-time students and 34 per cent of part-time students had considered dropping out. The numbers are too small to say anything more about part-time students, but among full-timers, a third of those who had considered dropping out had done so due to financial reasons.

9.6 Savings

Savings are important for students as they can help to offset the costs associated with studying. Savings are defined in the same way for students from Wales as they were for students from England (see Chapter 6 for further details), essentially as money that students have 'set aside' in various forms. Where individuals are defined as having shared financial responsibility with a partner, this has been taken into account (see Glossary in Chapter

1 and explanations in Chapter 6 for further details). Students were asked to estimate the levels of savings they had at the end of the last academic year (where relevant, *ie* for second years and above), the start of the current academic year and at the end of this year (Table 9.16).

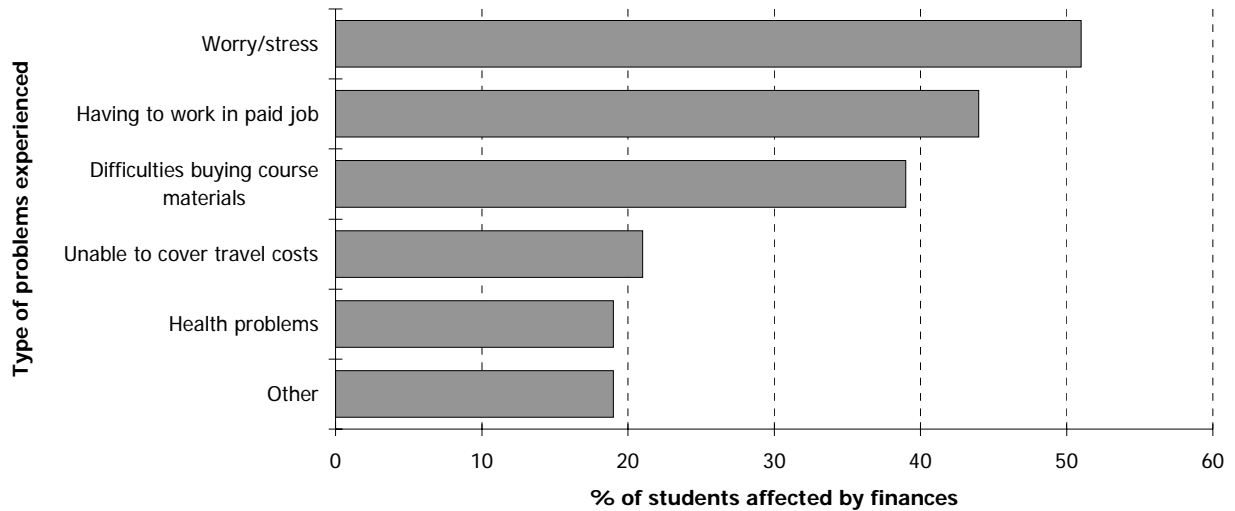
Figure 9.16: Effects of finances on academic performance (full-time)



Base: all Welsh full-time students affected by finances (138 unweighted)

Source: NatCen/IES SIES Survey 2004/05

Figure 9.17: Effect of finances on academic performance (part-time)



Base: all Welsh part-time students affected by finances (40 unweighted)

Source: NatCen/IES SIES Survey 2004/05

At all three points, levels of savings are higher among part-time students. This group are also able, on average, to increase the level of their savings over time. The average part-time student begins the academic year with savings of £3,080, but they estimate that

Table 9.16: Student savings (£)

		Full-time	Part-time
** Expected savings at end of last academic year*	Mean	2,282	(3,139)
	Median	100	(300)
	Standard error	683	2,205
Savings at start of academic year*	Mean	1,802	3,080
	Median	250	200
	Standard error	473	1,123
Savings*	Mean	1,591	3,311
	Median	200	250
	Standard error	485	1,194
N = (321) unweighted		221	100

Base: all Welsh domiciled students

* Note: figures adjusted for partner contributions where relevant

** Savings at end of last academic year are shown for 2nd and subsequent years, not including OU students (N (unweighted) FT = 146, N (unweighted) PT = 50)

Source: NatCen/IES SIES Survey 2004/05

this will rise to around £3,310 by the end of the current year. In contrast, the savings of full-time students decrease with time, from around £1,800 at the start of the year to around £1,590 by the end. Part-time students are also more likely to have savings by the end of the year, and 56 per cent, compared to 49 per cent of full-time students, predict they will still have savings at this point.

9.7 Borrowing

Students have access to a wide range of borrowing options. Overall, levels of borrowing were over twice as high among full-time students as among part-time students (Table 9.17).

- Full-time students from Wales predicted that their levels of borrowing would be £6,855 on average, by the end of the academic year, and over half would owe around £4,900 or more.
- Part-time students anticipated their borrowing would be £2,546, but only half would owe around £700 or more.

These differences reflect the very different borrowing patterns among the two groups, and also the greater prevalence of borrowing among full-time students: 89 per cent had some form of borrowing compared to 61 per cent of part-time students. These proportions are a little lower than those for English students.

- The take-up of student loans is the main factor in the differences between full- and part-time students from Wales (Figures 9.18 and 9.19). As is the case for English students, a

Table 9.17: Student borrowing (£)

		Full-time	Part-time
Commercial credit*	Mean	540	1,633
	Median	0	300
	Standard error	137	416
Overdraft*	Mean	608	125
	Median	100	0
	Standard error	98	38
Arrears*	Mean	25	87
	Median	0	0
	Standard error	18	30
Informal loans	Mean	6	0
	Median	0	0
	Standard error	4	0
Career Development Loans	Mean	0	0
	Median	0	0
	Standard error	0	0
Outstanding student loan debt	Mean	5,670	701
	Median	4,095	0
	Standard error	370	396
Outstanding FCF/ALFs	Mean	5	0
	Median	0	0
	Standard error	4	0
Estimated total borrowing at end of year*	Mean	6,855	2,546
	Median	4,880	700
	Standard error	459	575
N = (321) unweighted		221	100

Base: all Welsh domiciled students

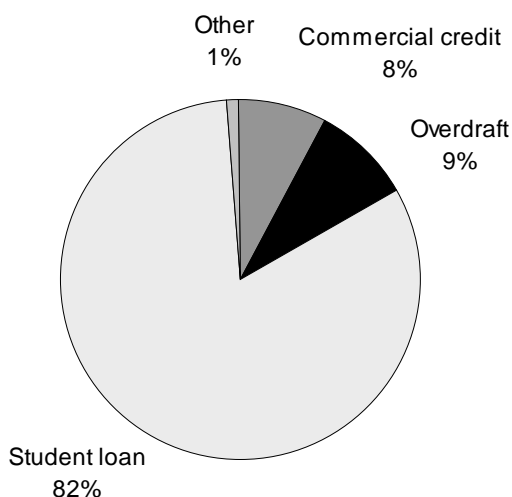
* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

very high proportion of full-time students take out a student loan, and it forms the largest component of full-time students' borrowing, whereas part-time students are not eligible for a student loan for their current courses. Despite this, student loan debt makes up a quarter of all part-timers' borrowing, suggesting that a significant number of part-time students have outstanding debt of this type from previous full-time courses.

The major source of debt among full-time students was their student loans, with the average outstanding loan amount being £5,670 in total. The overall mean amount full-time students owed on overdrafts was £608; they owed £540 in commercial loans. Part-time students' main source of borrowing was commercial loans, which amounted to an average of £1,633.

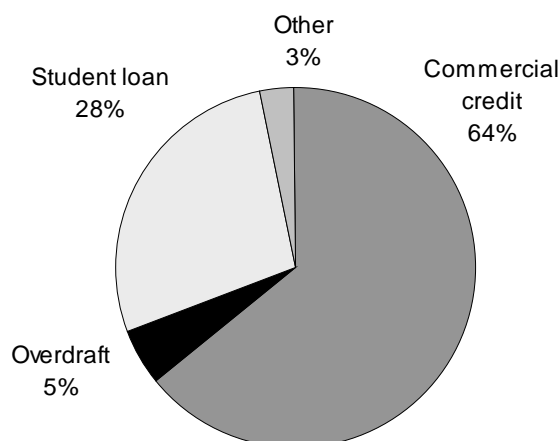
Figure 9.18: Proportion of overall borrowing attributed to main sources (full-time)



N = (221) unweighted

Base: all Welsh domiciled full-time students

Figure 9.19: Proportion of overall borrowing attributed to main sources(part-time)



N = (92) unweighted

Base: all Welsh domiciled part-time students

Source: NatCen/IES SIES Survey 2004/05

We can say a little more about the situations of full-time students as we have sufficient numbers to break the data down by a number of different student groups. The main differences in borrowing patterns were that:

- Women have lower overall rates of borrowing than men (£6,538 compared to £7,251), due to lower levels of borrowing from overdrafts (they owe £480 on average compared to £768), and student loans (£5,470 compared to £5,919). They do, however, borrow slightly more from commercial sources of credit (£565 compared to £510).
- Younger students (those under 25 years of age) borrow more than their older counterparts overall (£6,975 compared to £6,166), and the two groups have very different borrowing patterns. Older students borrow much more heavily from sources of commercial credit (an average of £1,927 compared to just £299 among younger students), whereas younger students rely more on student loans (with an average student loan debt of £6,038 compared to £3,556 among older students).
- Single students owe more than students with partners/spouses (£6,907 compared to £6,572) and borrow this almost entirely from student loans (with an average debt of £5,786 from this source, compared to £5,049 among non-single students).
- Overall debt levels are higher, by around £1,000, for those who do not live with their parents (£7,036 compared to £5,963). This is due almost entirely to higher levels of student loans.

- Borrowing increases with time on courses, almost exclusively due to the amount of borrowing in the form of a student loan. The average projected borrowing from student loans rises from an average of £3,365 at the end of year one, to £9,155 by the final year of study, and while other borrowing increases, these amounts are minimal for the average student. The overall level of borrowing for final-year students is £10,599.
- Full-time students studying in Wales had slightly higher levels of debt than those living in England, borrowing on average £6,973 compared to £6,670. This is due to higher amounts of borrowing among those living in Wales on commercial credit and a student loan.
- Interestingly, students whose parents had studied in HE had slightly higher levels of borrowing (£7,003 compared to £6,659 among students whose parents had no HE experience), due mainly to higher levels of student loan.

9.8 Overall financial position

Student debt has been calculated by subtracting the amount of savings individuals predict they will have accrued by the end of the year, from the amount of debt that they predict they will owe by this point. Data is presented for all students (Table 9.18), and also for final-year full-time students (Table 9.19), but no comparison can be drawn for part-time students due to insufficient data.

Full-time students estimated that their overall levels of debt will be just over £5,264 by the end of the academic year. However, levels of debt for full-time students increased dramatically from

Table 9.18: Student debt (£) – all students

		Full-time	Part-time
Savings*	Mean	1,591	3,311
	Median	200	250
	Standard error	485	1,194
Estimated total borrowing at end of year*	Mean	6,855	2,546
	Median	4,880	700
	Standard error	459	575
Estimated debt at end of year*	Mean	5,264	-765
	Median	4,500	100
	Standard error	680	1,386
N = (321) unweighted		221	100

Base: all Welsh domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table 9.19: Student debt (£) – final year students

		Full-time**
Savings*	Mean	2,951
	Median	0
	Standard error	1,458
Estimated total borrowing at end of year*	Mean	10,599
	Median	12,000
	Standard error	1,013
Estimated debt at end of year*	Mean	7,648
	Median	9,825
	Standard error	1,979
N = (108) unweighted, including part-time students		80

Base: final-year Welsh domiciled full-time students

*Note: figures adjusted for partner contributions where relevant

**Note: data cannot be presented for final year part-time students as the numbers available are insufficient (only 28)

Source: NatCen/IES SIES Survey 2004/05

the first to final year. First-year students estimated that they would owe an average of £3,661, other-year students £4,646 and final-year students £7,648 by the end of the 2004/05 academic year. Part-time students from Wales appear to be far better off than both their full-time counterparts and part-time students from England. This group estimated that, on average, they would actually be in credit by the end of the year by nearly £800.

9.8.1 Indicators of hardship

In order to get an idea of levels of hardship among students, respondents were asked whether they had cut down their spending after the academic year on a list of items or fallen into arrears on regular payments.

Full-time students were far more likely to feel that they had to go without things. Over a third of part-time students felt that either they never went without or that money was never tight, but the comparable figure for full-time students is just eight per cent. The items that full-time students were most likely to economise on were: going out (70 per cent), clothes (59 per cent), and holidays (49 per cent), with shoes (44 per cent), visits to the pub (48 per cent), and visits to family and friends (36 per cent) close behind (Table 9.20). Part-time students were most likely to cite going out (43 per cent), holidays (40 per cent) and clothes (35 per cent) as being things that they have had to cut back on over the academic

year. For both groups, cutting back on essentials such as heating, prescriptions and toiletries was less common.¹

Table 9.20: Items that students (and/or their partners) have had to cut down on over the academic year (per cent)

	Full-time	Part-time
Items cut down on:		
Clothes	59	35
Shoes	44	20
Toiletries	11	9
Prescriptions or medicines	3	4
Food	18	12
Heating	7	10
Visiting friends/family	36	17
Telephoning friends/family	28	17
Books or course equipment	33	21
Trips/courses for study	11	13
Going out	70	43
Visits to the pub	48	31
Hobby or sport	21	15
Holiday	49	40
Never go without	5	14
Money is never tight	3	17
N= (321) unweighted		

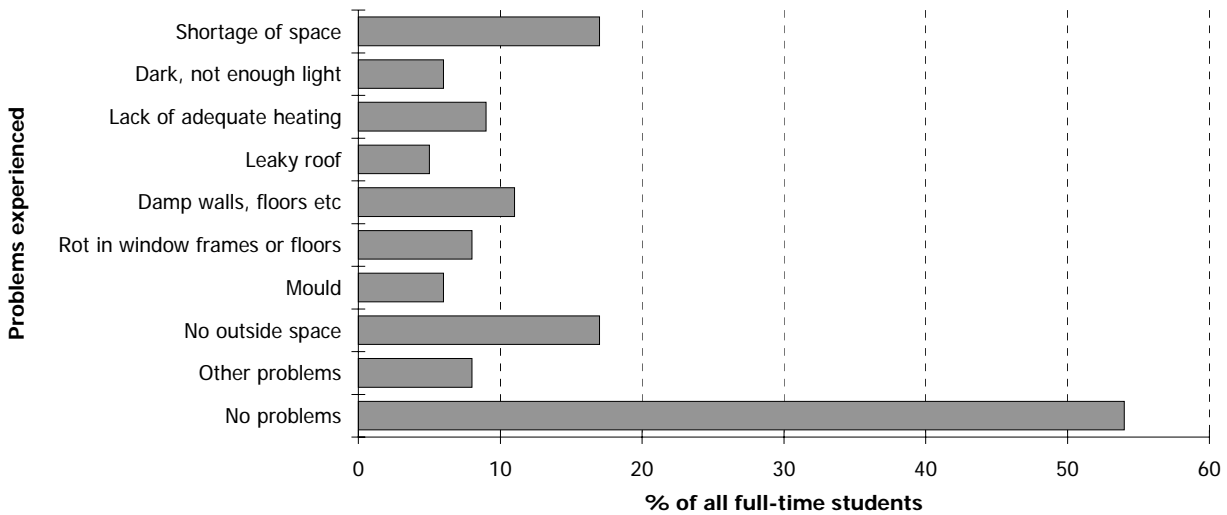
Base: all Welsh domiciled students

Source: NatCen/IES SIES 2004/05

Students were asked to look at a list of various payments and indicate which, if any, they had fallen behind on by two months or more over the academic year. Around 16 per cent of full-time students and 13 per cent of part-time students had such arrears. Additionally, the survey asked about any problems encountered with accommodation, and these were more common, particularly among full-time students. While a quarter of part-time students had encountered some form of problem with their accommodation, 46 per cent of full-time students had done so. A breakdown of the nature of these problems, for full-time students only (due to sample size restrictions), is presented in Figure 9.20. The most common of these were a lack of space, either inside or outside their home.

¹ There were insufficient Welsh students in the sample with children to consider this group separately and investigate items that their children have had to go without.

Figure 9.20: Reported problems with accommodation



Base: all Welsh full-time students 221 (unweighted)

Source: NatCen/IES SIES 2004/05

9.9 Influence of finances pre-entry

Students were asked whether student funding and the support available to them affected aspects of their decisions about HE study. A greater proportion of full-time students (28 per cent compared to 26 per cent of part-time students), felt that financial issues had affected their HE decision making. Among full-time students the data allowed investigation of whether this was due to the availability of a specific fund. Around half of full-time students who stated that they had been affected by financial issues (so around 14 per cent of all full-time students) identified the availability of a specific fund as a positive driver in their decision to enter HE. No one fund was solely responsible here, and students identified a range of funds that had affected their decision. However, the numbers identifying each of the funds are too small to investigate in further detail.

We can examine the ways in which financial issues affected decision making further, but for full-time students only. Just under two-thirds (of full-time students from Wales) felt that they would not have studied without some funding. There were a range of other aspects of decision making where students felt finances had influenced them (Table 9.21), but the most common was whether to live in or out of the family home.

9.10 Views on economic and social returns of HE

Survey respondents were asked whether they agreed or not with a series of statements about their expenditure and views of higher education (Table 9.22). Overall, the main messages from this data are very similar to those from English students, namely that

Table 9.21: Influence of financial issues on HE decision making (full-time)

Aspect of decision making	% affected
Study full- or part-time	22
Live in or away from family home	42
Study in London or not	14
Course taken	5
Would not have studied without funding	65
None of these	2
Base 81 (unweighted)	

Source: NatCen/IES SIES 2004/05

Welsh students are positive about the benefits of attending HE in relation to future jobs and earnings. While students are worried about the increasing numbers of graduates in the labour market, this does not appear to have affected their view that HE is a worthwhile experience, despite the costs.

Despite these very positive results overall, it seems that part-time students are slightly less optimistic than their full-time counterparts about some of these benefits. For example:

- While 88 per cent of full-time students agreed or agreed strongly that their time at university had met their expectations, just 69 per cent of part-time students shared their views.
- Among full-time students, 71 per cent agreed or agreed strongly that their course was equipping them for the demands of working life, while just 48 per cent of part-time students did so.
- Among full-time students, 90 per cent agreed or agreed strongly that their qualification would get them a better job compared to 78 per cent of part-time students.
- While 90 per cent of full-time students agreed or strongly agreed with the statement that they will earn more as a result of their HE courses, just 74 per cent of part-time students did so.

Table 9.22: Student views of the economic and social returns of higher education (per cent)

Type of fund	Full-time					Part-time				
	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
So far, my time at university has lived up to my expectations	20	66	6	8	- ¹	29	40	14	17	1
My course is equipping me for the demands of working life	18	53	18	9	2	17	31	19	25	2
My qualification will get me a better job	44	46	8	2	-	22	56	16	6	-
I nearly did not come to university because I was concerned about the debts I would build up	10	22	8	40	20	7	26	4	48	15
I am worried that the growing number of graduates will make it hard for me to get a graduate job	16	43	11	21	9	19	23	23	29	7
I think that I will earn more as a result of being in higher education	31	59	6	3	1	26	48	16	10	-
Most of the people I know go to or have gone to university	14	46	17	18	5	9	26	20	37	9
I think that in the long term the benefits of higher education are greater than the costs	18	57	21	4	-	23	51	17	6	3

N = (321) unweighted, 212 full-time students and 100 part-time students

Base: all Welsh domiciled students

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

9.11 Future plans

Students are planning to do a range of activities after completing their course. The majority are planning on entering/remaining in the labour market, although for many this is just one of a number of different plans (Table 9.23 – where the total of the percentages sums to greater than zero, illustrating that many students have more than one potential plan for their future). Over 80 per cent of full-time students and 60 per cent of part-time students are planning on getting work, and most expect to do so in their chosen career or field. Other common plans are to continue studying, with 27 per cent of full-time students and 37 per cent of part-time students planning to do so, while a quarter of full-time and one in ten part-time students want to travel. A very small minority (just five per cent of full-time and nine per cent of part-time students) still do not have firm plans.

9.12 Salary expectations

Students from Wales, on average, expect to earn less than students from England both in the short and longer term (see Chapter 7 of the report for comparable data on England). Part-time students from Wales have higher salary expectation than full-time students in the short term (£19,584 on average compared to £18,601), but full-time students expect to be earning more in five years (£25,330 compared to £28,567). Full details are presented in Table 9.24.

Among full-time students (the only group where there are sufficient cases for further analysis), there is some variation in the amounts students expect to be earning in the future (Table 9.25). The main differences are as follows:

- Men expect to earn more than women, both now and in five years time. The differential in expectations grows to around £4,000 by the end of five years.

Table 9.23: Plans after completion of course (per cent)

	Full-time	Part-time
Get a job in chosen career	65	40
Get a temporary or fill-in job	9	¹
Get different job	3	19
Continue studying	27	41
Take time off or travelling	25	12
Something else	2	3
Don't know yet	5	9
N= (321) unweighted	221	100

Base: all Welsh domiciled students

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES 2004/05

- Older students have the lowest salary expectations, both now and in five years' time. Younger students expect to earn £1,500 more in the short term and almost £4,000 in five years.
- A student's age is highly correlated with both single and dependent status. Therefore, as would be expected, both single and dependent students expect to earn more at both points.
- Students living with their parents have lower salary expectations, just £16,500 on graduation and £24,957 after five years.

Table 9.24: Expected future earnings (£)

		Full-time	Part-time
Expected salary on graduation	Mean	18,601	19,584
	Median	18,000	19,000
	Standard error	549	1,081
Expected salary after five years	Mean	28,567	25,330
	Median	25,000	25,000
	Standard error	908	1,343
N= (321) unweighted		221	100

Base: all Welsh domiciled students

Source: NatCen/IES SIES 2004/05

Table 9.25: Average salary expectations of different student groups (full-time) (£)

Characteristic	Expected salary on graduation	Expected salary after five years
Gender		
Male	19,461	30,316
Female	18,425	26,675
Age		
Under 25	19,259	29,226
25 or older	17,771	25,123
Family type		
Not single	17,697	25,649
Single	19,210	28,824
Student status		
Dependent	19,319	29,088
Independent	17,978	26,195
Lives with parents		
Yes	16,500	24,957
No	19,438	28,828
N = (221) unweighted		

Base: all Welsh domiciled full-time students

Source: NatCen/IES SIES 2004/05

Additional Tables

Table A9.1: Student income and its main components by sex (£)

		Full-time		Part-time	
		Male	Female	Male	Female
Main sources of student support	Mean	3,565	2,963	– ¹	99
	Median	3,550	3,155	–	0
	Standard error	253	199	–	33
Other sources of student support (incl. Welsh Assembly Learning Grant)	Mean	912	1,303	–	566
	Median	0	0	–	250
	Standard error	270	246	–	110
Total work (excl. summer vac.)	Mean	1,634	1,316	–	7,043
	Median	107	0	–	7,650
	Standard error	295	180	–	791
Income from family and friends*	Mean	1,861	2,529	–	787
	Median	1,520	1,850	–	200
	Standard error	513	311	–	421
Social security benefits*	Mean	74	325	–	1,469
	Median	0	0	–	605
	Standard error	48	93	–	251
Other income*	Mean	87	182	–	171
	Median	0	3	–	0
	Standard error	21	50	–	65
Estimated total income (excl. summer vac.)*	Mean	8,133	8,619	–	10,135
	Median	7,681	7,596	–	10,100
	Standard error	515	348	–	619
N = (321) unweighted		78	143	27	73

Base: all Welsh domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A9.2: Student income and its main components by age (full-time) (£)

		Full-time	
		Under 25	25 or over
Main sources of student support	Mean	3,384	2,352
	Median	3,496	1,151
	Standard error	167	392
Other sources of student support (incl. Welsh Assembly Learning Grant)	Mean	726	3,447
	Median	0	1,461
	Standard error	152	637
Total work (excl. summer vac.)	Mean	1,252	2,636
	Median	0	0
	Standard error	159	610
Income from family and friends*	Mean	2,577	252
	Median	1,850	150
	Standard error	302	685
Social security benefits*	Mean	61	1,087
	Median	0	84
	Standard error	34	287
Other income*	Mean	113	298
	Median	5	0
	Standard error	30	94
Estimated total income (excl. summer vac.)*	Mean	8,112	10,072
	Median	7,425	9,478
	Standard error	322	692
N = (221) unweighted		153	68

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.3: Student income and its main components by whether parents went through HE (£)

		Full-time		Part-time	
		Yes	No	Yes	No
Main sources of student support	Mean	3,346	3,079	- ¹	78
	Median	3,486	3,319	-	0
	Standard error	204	262	-	23
Other sources of student support (incl. Welsh Assembly Learning Grant)	Mean	813	1,546	-	599
	Median	0	120	-	540
	Standard error	213	329	-	98
Total work (excl. summer vac.)	Mean	1,429	1,495	-	9,699
	Median	0	0	-	10,800
	Standard error	241	228	-	898
Income from family and friends*	Mean	2,366	2,055	-	-768
	Median	1,700	1,400	-	0
	Standard error	418	366	-	553
Social security benefits*	Mean	132	321	-	1,284
	Median	0	0	-	264
	Standard error	61	103	-	305
Other income*	Mean	115	174	-	200
	Median	10	0	-	0
	Standard error	36	50	-	86
Estimated total income (excl. summer vac.)*	Mean	8,201	8,670	-	11,091
	Median	7,456	7,940	-	11,020
	Standard error	416	419	-	702
N = (321) unweighted		116	105	29	71

Base: all Welsh domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A9.4: Student income and its main components by institute location (£)

		Full-time		Part-time	
		England	Wales	England	Wales
Main sources of student support	Mean	3,545	3,027	- ¹	43
	Median	3,500	3,150	-	0
	Standard error	262	210	-	15
Other sources of student support (incl. Welsh Assembly Learning Grant)	Mean	646	1,444	-	605
	Median	0	0	-	517
	Standard error	253	253	-	87
Total work (excl. summer vac.)	Mean	843	1,857	-	9,564
	Median	0	634	-	10,350
	Standard error			-	
Income from family and friends*	Mean	3,073	1,684	-	-470
	Median	2,150	1,250	-	0
	Standard error	519		-	
Social security benefits*	Mean	5	349	-	1,008
	Median	0	0	-	312
	Standard error	5	91	-	224
Other income*	Mean	167	122	-	221
	Median	25	0	-	0
	Standard error	62	27	-	78
Estimated total income (excl. summer vac.)*	Mean	8,279	8,483	-	10,972
	Median	7,715	7,425	-	10,338
	Standard error	552	338	-	614
N = (313) unweighted		54	167	4	88

Base: all Welsh domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A9.5: Student income and its main components by student status (full-time) (£)

		Dependent	Independent
Main sources of student support	Mean	3,524	2,178
	Median	3,500	1,150
	Standard error	168	319
Other sources of student support (incl. Welsh Assembly Learning Grant)	Mean	428	3,650
	Median	0	3,000
	Standard error	122	483
Total work (excl. summer vac.)	Mean	1,233	2,265
	Median	0	329
	Standard error	167	448
Income from family and friends*	Mean	2,682	614
	Median	1,939	258
	Standard error	324	510
Social security benefits*	Mean	29	876
	Median	0	0
	Standard error	17	236
Other income*	Mean	119	215
	Median	10	0
	Standard error	33	66
Estimated total income (excl. summer vac.)*	Mean	8,014	9,798
	Median	7,284	8,673
	Standard error	346	543
N = (221) unweighted		136	85

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.6: Student income and its main components by year of study (full-time) (£)

		1st yr	2nd yr/ other yr	Final yr/ 1-yr course
Main sources of student support	Mean	3,976	2,679	3,003
	Median	4,220	3,070	3,200
	Standard error	283	277	212
Other sources of student support (incl. Welsh Assembly Learning Grant)	Mean	572	1,148	1,712
	Median	0	0	0
	Standard error	239	287	374
Total work (excl. summer vac.)	Mean	1,061	1,787	1,540
	Median	0	610	0
	Standard error	277	299	257
Income from family and friends*	Mean	2,174	2,262	2,263
	Median	1,550	1,682	1,309
	Standard error	653	267	479
Social security benefits*	Mean	186	157	302
	Median	0	0	0
	Standard error	79	95	116
Other income*	Mean	109	141	173
	Median	0	20	0
	Standard error	32	54	64
Estimated total income (excl. summer vac.)*	Mean	8,079	8,174	8,993
	Median	7,655	7,596	7,681
	Standard error	606	367	533
N = (221) unweighted		65	76	80

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Note: year of study variable includes college based and OU students

Source: NatCen/IES SIES Survey 2004/05

Table A9.7: Student income and its main components by whether students live with parents during term-time (full-time) (£)

		Yes	No
Main sources of student support	Mean	(2,954)	3,303
	Median	(3,319)	3,493
	Standard error	(284)	189
Other sources of student support (incl. Welsh Assembly Learning Grant)	Mean	(730)	1,233
	Median	0	0
	Standard error	(242)	248
Total work (excl. summer vac.)	Mean	(2,080)	1,295
	Median	(1,750)	0
	Standard error	354	184
Income from family and friends*	Mean	1,699	2,371
	Median	(1,468)	1,653
	Standard error	265	355
Social security benefits*	Mean	(109)	241
	Median	0	0
	Standard error	(64)	36
Other income*	Mean	(86)	154
	Median	0	15
	Standard error	(33)	36
Estimated total income (excl. summer vac.)*	Mean	7,658	8,597
	Median	6,858	7,855
	Standard error	453	362
N = (221) unweighted		47	174

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.8: Student income and its main components by family type (full-time) (£)

		Non- single	Single
Main sources of student support	Mean	2,223	3,419
	Median	1,710	3,500
	Standard error	343	172
Other sources of student support (incl. Welsh Assembly Learning Grant)	Mean	2,910	796
	Median	1,150	0
	Standard error	658	171
Total work (excl. summer vac.)	Mean	2,328	1,295
	Median	0	0
	Standard error	597	164
Income from family and friends*	Mean	1,116	2,441
	Median	1,309	1,670
	Standard error	779	306
Social security benefits*	Mean	1,231	23
	Median	100	0
	Standard error	322	13
Other income*	Mean	223	125
	Median	0	3
	Standard error	66	33
Estimated total income (excl. summer vac.)*	Mean	10,031	8,099
	Median	9,227	7,425
	Standard error	699	328
N = (221) unweighted		60	161

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.9: Income from paid work (£)

		Full-time	Part-time
Permanent/continuous job	Mean	1,169	7,813
	Median	0	7,800
	Standard error	138	761
Other employment (excl. summer vac.)	Mean	289	669
	Median	0	0
	Standard error	69	274
Total work (excl. summer vac.)	Mean	1,457	8,482
	Median	0	9,000
	Standard error	166	775
N = (321) unweighted		221	100

Base: all Welsh domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.10: Income from paid work (2nd and subsequent year, college based students) (£)

		Full-time	Part-time
Continuous paid work	Mean	2,224	(9,946) ¹
	Median	2,000	(9,000)
	Standard error	249	(1,049)
<i>Summer vacation work</i>	<i>Mean</i>	<i>1,516</i>	<i>(3,311)</i>
	<i>Median</i>	<i>1,364</i>	<i>(3,200)</i>
	<i>Standard error</i>	<i>126</i>	<i>(369)</i>
<i>Other work excluding summer vacation work</i>	<i>Mean</i>	<i>439</i>	<i>(942)</i>
	<i>Median</i>	<i>0</i>	<i>(0)</i>
	<i>Standard error</i>	<i>130</i>	<i>495</i>
Other work (including summer vacation work)	Mean	1,955	(4,253)
	Median	1,584	(3,685)
	Standard error	188	542
<i>Total work excluding summer vacation work</i>	<i>Mean</i>	<i>2,664</i>	<i>10,888</i>
	<i>Median</i>	<i>2,100</i>	<i>12,610</i>
	<i>Standard error</i>	<i>273</i>	<i>1,023</i>
Income from paid work (including summer vacation work)	Mean	4,179	14,199
	Median	3,750	15,080
	Standard error	321	1,285
<i>Total income excluding summer vacation work</i>	<i>Mean</i>	<i>9,050</i>	<i>11,415</i>
	<i>Median</i>	<i>8,690</i>	<i>10,866</i>
	<i>Standard error</i>	<i>438</i>	<i>855</i>
Estimated total income (including summer vacation work)*	Mean	10,565	14,726
	Median	10,225	14,250
	Standard error	423	1,103
N = (138) unweighted		96	42

Base: all Welsh domiciled second and subsequent year, college based, students

* Note: figures adjusted for partner contributions where relevant

¹ Reported data in brackets as the total number of cases in this category is between 30 to 50 and so should be treated with particular caution

Source: NatCen/IES SIES Survey 2004/05

Table A9.11: Type of family contribution (£)

		Full-time	Part-time
Contributions from parents	Mean	1,670	177
	Median	1,150	0
	Standard error	211	71
Contributions from other relatives	Mean	123	77
	Median	0	0
	Standard error	23	43
Contributions from non-relatives	Mean	7	24
	Median	0	0
	Standard error	2	22
Gifts in kind	Mean	443	90
	Median	60	0
	Standard error	83	24
Gifts of money from partner	Mean	0	3
	Median	0	0
	Standard error	0	2
Share of partner's income	Mean	-11	-596
	Median	0	0
	Standard error	108	438
Income from family and friends*	Mean	2,232	-226
	Median	1,653	6
	Standard error	288	450
N = (321) unweighted		221	100

Base: all Welsh domiciled students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.12: Average amount received from each of the key sources of income – only students who received such income (£)

	Mean	Median	Standard error	N (unweighted)	Proportion in receipt (%)
Full-time students					
Main sources of student support	3,942	4,000	137	162	82
Other sources of student support	3,002	1,400	403	106	38
Total work (excl. summer vac.)	2,965	2,250	257	119	49
Income from family and friends	2,355	1,700	296	202	95
Social security benefits	(2,027)	(765)	(431)	45	11
Other income	271	100	55	106	52
Part-time students					
Main sources of student support	– ¹	–	–	19	9
Other sources of student support	925	738	101	53	59
Total work (excl. summer vac.)	10,897	11,730	720	78	75
Income from family and friends	–284	200	566	81	79
Social security benefits	2,141	936	327	67	62
Other income	560	130	183	40	36

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A913: Linear regression of total expenditure for full-time students

Variables	Regression coefficient	Significance level	95% confidence lower limit	95% confidence upper limit
Sex				
Male (ref. category)	0			
Female	-58	0.936	-1,479	1,363
Age group				
Under 25 (ref. category)	0			
25 or over*	2,960	0.030	280	5,639
Family type				
Other (ref. category)	0	-	-	
Single*	-2,829	0.020	-5,206	-453
Student status				
Dependent (ref. category)	0			
Independent	140	0.908	-2,219	2,498
Year of study				
First year (ref. category)	0			
Second year/ other year	-739	0.305	-2,150	672
Final year/one year course	723	0.445	-1,134	2,580
Institute location				
England (ref. category)	0			
Wales	167	0.814	-1,230	1,564
N (197) unweighted				

Base: all Welsh domiciled full-time students

Note: R-squared 0.1835, *p<0.05, **p<0.01, ***P<0.001

Source: NatCen/IES SIES Survey 2004/05

Table A9.14: Total student expenditure and main sources of expenditure by age (full-time) (£)

		Under 25	25 or over
Living costs*	Mean	5,733	8,507
	Median	4,952	8,101
	Standard error	335	601
Housing costs*	Mean	1,798	2,397
	Median	1,661	2,505
	Standard error	154	199
Participation costs	Mean	1,906	2,471
	Median	1,738	2,340
	Standard error	74	138
Spending on children*	Mean	29	791
	Median	0	0
	Standard error	20	167
Total expenditure*	Mean	9,466	14,166
	Median	8,732	13,625
	Standard error	379	785
N = (197) unweighted		133	64

Base: all Welsh domiciled full-time students

*Note: figures adjusted for partner contributions where relevant.

Source: NatCen/IES SIES Survey 2004/05

Table A9.15: Total student expenditure and main sources of expenditure by family type (full-time) (£)

		Non-single	Single
Living costs*	Mean	8,079	5,806
	Median	6,949	4,987
	Standard error	658	333
Housing costs*	Mean	2,473	1,780
	Median	2,286	1,627
	Standard error	265	142
Participation costs	Mean	2,666	1,865
	Median	2,322	1,733
	Standard error	221	64
Spending on children*	Mean	925	0
	Median	0	0
	Standard error	189	0
Total expenditure*	Mean	14,142	9,451
	Median	13,763	8,746
	Standard error	933	364
N = (197) unweighted		57	140

Base: all Welsh domiciled full-time students

*Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.16: Total student expenditure and main sources of expenditure by student status (full-time) (£)

		Dependent	Independent
Living costs*	Mean	5,754	7,587
	Median	4,952	6,665
	Standard error	366	475
Housing costs*	Mean	1,722	2,462
	Median	1,662	2,247
	Standard error	146	288
Participation costs	Mean	1894	2,336
	Median	1,715	2,069
	Standard error	78	126
Spending on children*	Mean	7	630
	Median	0	0
	Standard error	7	142
Total expenditure*	Mean	9,378	13,015
	Median	8,715	11,706
	Standard error	410	662
N = (197) unweighted		117	80

Base: all Welsh domiciled full-time students

*Note: figures adjusted for partner contributions where relevant.

Source: NatCen/IES SIES Survey 2004/05

Table A9.17: Total student expenditure and main sources of expenditure by Institute location (full-time) (£)

		England	Wales
Living costs*	Mean	5,264	6,793
	Median	4,909	5,658
	Standard error	400	410
Housing costs*	Mean	2,188	1,697
	Median	1,773	1,673
	Standard error	237	142
Participation costs	Mean	1,742	2,167
	Median	1,678	1,937
	Standard error	89	91
Spending on children*	Mean	21	240
	Median	0	0
	Standard error	22	57
Total expenditure*	Mean	9,215	10,897
	Median	8,927	9,867
	Standard error	460	494
N = (197) unweighted		48	149

Base: all Welsh domiciled full-time students

*Note: figures adjusted for partner contributions where relevant.

Source: NatCen/IES SIES Survey 2004/05

Table A9.18: Total student expenditure and main sources of expenditure by year of study (full-time) (£)

		1st yr	2nd yr/ other yr	Final yr/ 1-yr course
Living costs*	Mean	6,486	5,510	6,517
	Median	6,209	4,911	5,044
	Standard error	504	393	627
Housing costs*	Mean	1,259	1,858	2,530
	Median	1,091	1,665	2,207
	Standard error	145	187	276
Participation costs	Mean	2,173	1,976	1,849
	Median	1,800	1,844	1,630
	Standard error	152	96	100
Spending on children*	Mean	85	71	291
	Median	0	0	0
	Standard error	36	30	91
Total expenditure*	Mean	1,0004	9,415	11,186
	Median	9839	8942	9085
	Standard error	577	450	790
N = (197) unweighted		55	66	76

Base: all Welsh domiciled full-time students

*Note: figures adjusted for partner contributions where relevant.

Source: NatCen/IES SIES Survey 2004/05

Table A9.19: Total participation costs and main sources of participation costs for students who incurred costs in these categories by mode of study (£)

		Full-time	Part-time
Tuition fee cost	Mean	1,150	704
	Median	1,150	665
	Standard error	n/a	43
	N	197	82
	per cent incurring cost	100	93
Direct course costs (<i>eg</i> books and equipment)	Mean	375	333
	Median	218	188
	Standard error	35	51
	N	195	82
	per cent incurring cost	99	93
Costs of facilitating participation (<i>eg</i> travel and study-related childcare)	Mean	751	532
	Median	585	390
	Standard error	73	50
	N	135	77
	per cent incurring cost	63	88
Total participation costs	Mean	1,997	1,420
	Median	1,800	1,265
	Standard error	70	88
	per cent incurring cost	100	100
N = (285) unweighted		197	88

Base: all Welsh domiciled students who incurred costs in these expenditure categories

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A9.20: Linear regression of participation costs for full-time students

Variables	Regression coefficient	Significance level	95% confidence limits
Sex			
Male (ref. category)	0		
Female*	101	0.029	10, 192
Age group			
Under 25 (ref. category)	0		
25 or over	273	0.078	-31, 577
Family type			
Other (ref. category)	0		
Single***	471	0.000	-672, -270
Student status			
Dependent (ref. category)	0		
Independent **	234	0.019	39, 428
Year of study			
First year (ref. category)	0		
Second year/other year**	-126	0.006	-215, -36
Final year/one year course***	-152	0.000	-226, -77
Institute location			
England (ref. category)	0		
Wales***	-379	0.000	-474, -284
N (197) unweighted			

Base: all Welsh domiciled full-time students

Note: R-squared 0.1381, *p<0.05, **p<0.01, ***P<0.001

Source: NatCen/IES SIES Survey 2004/5

Table A9.21: Total participation costs and main sources of participation costs by family type (full-time) (£)

		Non-single	Single
Tuition fee cost	Mean	1,150	1,150
	Median	1,150	1,150
	Standard error	n/a	n/a
Direct course costs (<i>eg</i> books and equipment)	Mean	484	350
	Median	224	218
	Standard error	90	37
Costs of facilitating participation (<i>eg</i> travel and study-related childcare)	Mean	1032	365
	Median	839	195
	Standard error	188	47
Total participation costs	Mean	2,666	1,865
	Median	2,322	1,733
	Standard error	221	64
N = (197) unweighted		57	140

Base: all Welsh domiciled full-time students

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A9.22: Total participation costs and main sources of participation costs by Institute location (full-time) (£)

		England	Wales
Tuition fee cost	Mean	1,150	1,150
	Median	1,150	1,150
	Standard error	n/a	n/a
Direct course costs (<i>eg</i> books and equipment)	Mean	334	397
	Median	218	208
	Standard error	55	45
Costs of facilitating participation (<i>eg</i> travel and study-related childcare)	Mean	258	620
	Median	60	390
	Standard error	56	75
Total participation costs	Mean	1,742	2,167
	Median	1,678	1,937
	Standard error	89	91
N=(197) unweighted		48	149

Base: all Welsh domiciled full-time students

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A9.23: Total participation costs and main sources of participation costs by year of study (full-time) (£)

		1st yr	2nd yr/ other yr	Final yr/ 1-yr course
Tuition fee cost	Mean	1,150	1,150	1,150
	Median	1,150	1,150	1,150
	Standard error	n/a	n/a	n/a
Direct course costs (<i>eg</i> books and equipment)	Mean	460	400	262
	Median	265	262	160
	Standard error	76	59	40
Costs of facilitating participation (<i>eg</i> travel and study-related childcare)	Mean	563	425	438
	Median	273	200	257
	Standard error	120	73	78
Total participation costs	Mean	2,173	1,976	1,849
	Median	1,800	1,844	1,630
	Standard error	152	96	100
N=(197) unweighted		55	66	76

Base: all Welsh domiciled full-time students

¹ No data reported as fewer than 30 cases in this category

Source: NatCen/IES SIES Survey 2004/05

Table A9.24: Direct course costs and main sources of direct course costs by year of study (full-time) (£)

		1st yr	2nd yr/ other yr	Final yr/ 1-yr course
Books	Mean	140	131	120
	Median	149	100	100
	Standard error	20	17	11
Computer	Mean	209	145	48
	Median	0	0	0
	Standard error	54	41	21
Equipment	Mean	14	27	25
	Median	0	0	0
	Standard error	5	14	16
Other course expenditure	Mean	14	15	8
	Median	0	0	0
	Standard error	12	8	5
Printing, photocopying and stationery	Mean	83	82	61
	Median	27	30	35
	Standard error	19	18	8
Total direct course costs	Mean	460	400	262
	Median	265	262	160
	Standard error	76	59	40
N = (197) unweighted		55	66	76

Base: all Welsh domiciled full-time students

NatCen/IES SIES Survey 2004/05

Table A9.25: Spending on personal items by mode of study (£)

		Full-time	Part-time
Clothes, shoes, accessories	Mean	483	945
	Median	0	0
	Standard error	93	266
Gifts and cards, eg. for birthdays	Mean	351	563
	Median	59	195
	Standard error	63	139
Eye products, medical treatment, other large items (over £50)*	Mean	224	303
	Median	170	235
	Standard error	17	33
Music and DVDs/videos	Mean	147	203
	Median	0	0
	Standard error	34	50
Mobile phone bills	Mean	126	96
	Median	113	90
	Standard error	8	16
Newspapers, magazines, non-course books and Stationery	Mean	139	184
	Median	23	75
	Standard error	25	35
Toiletries	Mean	85	160
	Median	0	10
	Standard error	12	30
Cigarettes and tobacco	Mean	74	62
	Median	0	0
	Standard error	15	35
Prescriptions and other medicines	Mean	23	48
	Median	0	0
	Standard error	7	16
Miscellaneous small personal items	Mean	73	150
	Median	0	0
	Standard error	19	79
Personal items*	Mean	1,726	2,742
	Median	1,185	1,606
	Standard error	142	373
N = (285) unweighted		197	88

Base: all Welsh domiciled students

*Notes: figures adjusted for partner contributions where relevant.

Items are ranked in descending order of value for full-time students.

NatCen/IES SIES Survey 2004/05

Table A9.26: Spending on entertainment by mode of study (£)

		Full-time	Part-time
Alcohol consumed outside home	Mean	776	657
	Median	408	0
	Standard error	94	187
Alcohol bought for home	Mean	117	170
	Median	0	0
	Standard error	20	45
Night-clubs, discos	Mean	101	110
	Median	0	0
	Standard error	21	55
TV, video/DVD, radio, music equipment over £50*	Mean	100	220
	Median	50	76
	Standard error	12	67
Sports, hobbies, clubs, societies	Mean	99	204
	Median	0	0
	Standard error	20	50
Cinema, theatre, concerts	Mean	93	180
	Median	0	0
	Standard error	14	42
National lottery or betting	Mean	24	93
	Median	0	0
	Standard error	5	22
Religious activities	Mean	7	49
	Median	0	0
	Standard error	4	24
Entertainment*	Mean	1,317	1,683
	Median	902	971
	Standard error	116	299
N = (285) unweighted		197	88

Base: all Welsh domiciled students

*Notes: figures adjusted for partner contributions where relevant.

Items are ranked in descending order of value for full-time students

NatCen/IES SIES Survey 2004/05

Table A9.26: Predicted savings (full-time) (£)

	Mean	Median	Standard error
Gender			
Male	737	170	149
Female	2,274	200	855
Age group			
Under 25	1,513	200	556
25 or over	2,037	100	721
Family situation			
Not single	2,177	0	834
Single	1,481	200	555
Student status			
Dependent	1,544	200	602
Independent	1,758	100	519
Whether lives with parents			
Yes	655	0	267
No	1,835	250	607
Year of study			
First year	766	200	174
Other year (not final)	1,143	263	273
Final year or one year course	2,951	0	1,458
Location of institutions			
England	2,238	400	1,164
Wales	1,169	0	263
Whether parents been in HE			
Yes	1,813	300	807
No	1,296	0	354
N = (221) unweighted			

Base: all Welsh domiciled full-time students

Source: NatCen/IES SIES Survey 2004/05

Table A9.27: Type of student borrowing by sex (full-time) (£)

		Male	Female
Commercial credit*	Mean	510	564
	Median	0	0
	Standard error	167	181
Overdraft*	Mean	768	480
	Median	400	75
	Standard error	203	59
Arrears*	Mean	45	10
	Median	0	0
	Standard error	44	4
Informal loans	Mean	8	5
	Median	0	0
	Standard error	8	3
Career Development Loans	Mean	0	0
	Median	0	0
	Standard error	0	0
Outstanding student loan debt	Mean	5,919	5,470
	Median	4,095	4,095
	Standard error	580	453
Outstanding FCF/ALFs (if to be repaid)	Mean	0	0
	Median	0	0
	Standard error	0	0
Estimated total borrowing at end of year*	Mean	7,251	6,537
	Median	5,000	4,594
	Standard error	734	515
N = (221) unweighted		78	143

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.28: Type of student borrowing by age (full-time) (£)

		Full-time	
		Under 25	25 or older
Commercial credit*	Mean	299	1,927
	Median	0	100
	Standard error	77	614
Overdraft*	Mean	620	540
	Median	200	0
	Standard error	111	154
Arrears*	Mean	5	143
	Median	0	0
	Standard error	3	132
Informal loans	Mean	7	0
	Median	0	0
	Standard error	5	0
Career Development Loans	Mean	0	0
	Median	0	0
	Standard error	0	0
Outstanding student loan debt	Mean	6,038	3,556
	Median	4,095	2,000
	Standard error	439	594
Outstanding FCF/ALFs (if to be repaid)	Mean	6	0
	Median	0	0
	Standard error	4	0
Estimated total borrowing at end of year*	Mean	6,975	6,166
	Median	4,880	4,600
	Standard error	512	904
N = (221) unweighted		153	68

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.29: Type of student borrowing by family situation (full-time) (£)

		No-single	Single
Commercial credit*	Mean	1,169	423
	Median	100	0
	Standard error	263	141
Overdraft*	Mean	330	660
	Median	0	300
	Standard error	76	114
Arrears*	Mean	14	28
	Median	0	0
	Standard error	6	23
Informal loans	Mean	11	6
	Median	0	0
	Standard error	10	4
Career Development Loans	Mean	0	0
	Median	0	0
	Standard error	0	0
Outstanding student loan debt	Mean	5,049	5,786
	Median	2,665	4,095
	Standard error	976	404
Outstanding FCF/ALFs (if to be repaid)	Mean	0	6
	Median	0	0
	Standard error	0	4
Estimated total borrowing at end of year*	Mean	6,572	6,908
	Median	5,000	4,880
	Standard error	977	504
N = (221) unweighted		60	161

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.30: Type of student borrowing by status (full-time) (£)

		Dependent	Independent
Commercial credit*	Mean	279	1,479
	Median	0	0
	Standard error	80	438
Overdraft*	Mean	642	487
	Median	250	0
	Standard error	120	112
Arrears*	Mean	5	101
	Median	0	0
	Standard error	3	90
Informal loans	Mean	6	8
	Median	0	0
	Standard error	5	8
Career Development Loans	Mean	0	0
	Median	0	0
	Standard error	0	0
Outstanding student loan debt	Mean	5,890	4,878
	Median	4,095	3,518
	Standard error	445	896
Outstanding FCF/ALFs (if to be repaid)	Mean	6	0
	Median	0	0
	Standard error	5	0
Estimated total borrowing at end of year*	Mean	6,828	6,952
	Median	4,800	5,100
	Standard error	531	965
N = (221) unweighted		136	85

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.31: Type of student borrowing by whether students live with parents during term-time (full-time) (£)

		Yes	No
Commercial credit*	Mean	866	455
	Median	0	0
	Standard error	424	135
Overdraft*	Mean	583	614
	Median	100	100
	Standard error	132	118
Arrears*	Mean	101	6
	Median	0	0
	Standard error	95	3
Informal loans	Mean	20	3
	Median	0	0
	Standard error	18	2
Career Development Loans	Mean	0	0
	Median	0	0
	Standard error	0	0
Outstanding student loan debt	Mean	4,402	6,001
	Median	3,240	4,168
	Standard error	651	422
Outstanding FCF/ALFs (if to be repaid)	Mean	10	4
	Median	0	0
	Standard error	10	4
Estimated total borrowing at end of year*	Mean	5,982	7,083
	Median	3,600	5,250
	Standard error	875	518
N = (221) unweighted		47	174

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.32: Type of student borrowing by year of course (full-time) (£)

		1st yr	2nd yr/ other yr	Final yr/ 1-yr course
Commercial credit*	Mean	462	591	572
	Median	0	0	0
	Standard error	248	186	184
Overdraft*	Mean	528	465	844
	Median	250	100	300
	Standard error	99	82	267
Arrears*	Mean	60	2	12
	Median	0	0	0
	Standard error	57	2	7
Informal loans	Mean	12	0	7
	Median	0	0	0
	Standard error	11	0	5
Career Development Loans	Mean	0	0	0
	Median	0	0	0
	Standard error	0	0	0
Outstanding student loan debt	Mean	3,365	4,725	9,155
	Median	3,600	4,095	10,500
	Standard error	255	457	838
Outstanding FCF/ALFs (if to be repaid)	Mean	0	6	9
	Median	0	0	0
	Standard error	0	6	9
Estimated total borrowing at end of year*	Mean	4,427	5,789	5250
	Median	4,095	5,250	10,599
	Standard error	411	535	1,014
N = (221) unweighted		65	76	80

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/0

Table A9.33: Type of student borrowing by Institute location (full-time) (£)

		England	Wales
Commercial credit*	Mean	260	722
	Median	0	0
	Standard error	140	198
Overdraft*	Mean	652	579
	Median	0	250
	Standard error	225	65
Arrears*	Mean	1	41
	Median	0	0
	Standard error	1	33
Informal loans	Mean	0	10
	Median	0	0
	Standard error	0	7
Career Development Loans	Mean	0	0
	Median	0	0
	Standard error	0	0
Outstanding student loan debt	Mean	5,758	5,613
	Median	4,168	4,000
	Standard error	653	448
Outstanding FCF/ALFs (if to be repaid)	Mean	0	8
	Median	0	0
	Standard error	0	6
Estimated total borrowing at end of year*	Mean	6,671	6,974
	Median	5,000	4,700
	Standard error	778	511
N = (221) unweighted		54	167

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

Table A9.34: Type of student borrowing by whether parents went through HE (full-time) (£)

		Yes	No
Commercial credit*	Mean	370	765
	Median	0	0
	Standard error	144	236
Overdraft*	Mean	729	448
	Median	400	0
	Standard error	160	76
Arrears*	Mean	41	5
	Median	0	0
	Standard error	35	2
Informal loans	Mean	10	1
	Median	0	0
	Standard error	7	1
Career Development Loans	Mean	0	0
	Median	0	0
	Standard error	0	0
Outstanding student loan debt	Mean	5,849	5,434
	Median	4,095	4,095
	Standard error	482	527
Outstanding FCF/ALFs (if to be repaid)	Mean	4	7
	Median	0	0
	Standard error	4	7
Estimated total borrowing at end of year*	Mean	7,003	6,659
	Median	4,486	5,000
	Standard error	627	584
N = (221) unweighted		116	105

Base: all Welsh domiciled full-time students

* Note: figures adjusted for partner contributions where relevant

Source: NatCen/IES SIES Survey 2004/05

10. Conclusions

The 2004/05 Student Income and Expenditure Survey has collected a very wide range of data from a large representative sample of over 3,700 full-time and part-time students in England and Wales. This report has only been able to skim the surface of the potential analysis available. However, it has analysed the key trends and highlighted the most significant results, and it gives a comprehensive and up-to-date picture of current student finances. Importantly, the survey has, through the execution of its design and carefully planned methodology, successfully produced the required quality of sample on which to make an assessment about the current financial position of students across all of higher education. It relied on high levels of co-operation at several stages and we are grateful for the assistance given by institutional staff and students.

This report largely looks at the 'average student', although always distinguishing between full- and part-time study. However, it is clear from both this analysis and other research in higher education that the notion of an 'average student' is increasingly difficult to comprehend. As student numbers have expanded, by as much as 40 per cent over the last ten years, the student body has changed in composition. It has become more diverse, and student lifestyles have altered, affecting both traditional and new groups of students in various ways. Courses last from one to five years or even longer. Funding and support arrangements vary according to both the individual and their course. Students come from a wider range of personal and social backgrounds. In these circumstances our focus on the 'average' or 'typical' student, although pragmatically essential, may not have been as helpful as in the past. To take one example by way of illustration, the 'average student' (full-time) receives £40 in employer-provided financial support, but in fact only two per cent of full-time students get such support, and the 'average' amount received by them is as much as £2,300 over the academic year. For these students this source of funding is clearly very important, but not at all important for the other 98 per cent. Similarly the 'average student' (full-time) receives £290 from NHS bursaries – but these were only available to five per cent of full-time students (those studying health-related subjects) and they each received an average of almost £6,400.

Nevertheless, our focus on the average, and the way the student body varies from the average according to different student characteristics and circumstances, is a useful way of drawing a nominal benchmark against which particular students or groups can be compared. It also serves to highlight the richness of the survey dataset and hopefully provides a platform for more detailed analysis of particular issues and particular groups to be undertaken in the future.

In any further analysis work we would recommend looking at:

- all aspects of student finance
- the extremes as well as the middle of the distribution.

The largely descriptive analysis we have conducted so far has focused on income, expenditure, saving and borrowing separately and there is scope for linking them all together in a more comprehensive analysis of student financial well-being. We have focused largely on two measurements of average – mainly the mean but also, in places, the median and the variation around the mean. Another potential area of study is to examine the lower (and upper) ends of the distributions (*eg* top and bottom decile or quartile).

The field is not short of research issues to explore. Among these are:

- **Term-time working** – students earn twice as much from paid work as they did at the time of the last full survey of student finances, and income from paid work makes up almost a quarter of total full-time student income. This survey provides the potential not only to explore the nature of term-time working (*eg* the hours worked, the wages and the type of work contract), but also relate incidence of work to student attitudes to finance and study.
- **Parental contributions** – parental contributions are still important for the ‘traditional’ students (*ie* young, white, higher socio-economic class). However, older students and those from families in routine or manual occupations, and/or from ethnic minority backgrounds were not only less likely to receive money from their parents but, if they did, they tended to get less than average. Why is this the case and what is the role of factors such as the availability of term-time work, or attitudes to debt which explain the different role that parents play in student finance?
- **Extent of, and attitudes to, debt** – estimated debt levels by the end of the period of study vary significantly by a number of student characteristics, in particular, socio-economic group, whether the student lives at home or not, type of family household/single, and location. The survey provides some good baseline figures that could be used for improving

awareness of likely student debt, developing reliable estimates about the likely extent of student debt and understanding students' attitudes towards various debt levels.

- **The impact of policy** – a range of policies have been introduced in the area of student finance. The survey not only sets a baseline from which to assess the impact of the most recent changes in England but also provides information on more long-standing policies, including student loans and targeted support such as the Assembly Learning Grant in Wales.
- **Who faces financial difficulties** – some students feel they face financial difficulties. For example a significant minority (one in eight) in the survey felt they had 'a lot less than they need'; and also a majority felt that financial difficulties had affected their studies (though mostly not in a huge way). Further analysis could more clearly identify which groups face particular financial difficulties and the extent of their financial predicament.
- **How different groups fare** – another approach would be to concentrate on particular groups, *eg* part-time students or students from lower social classes and examine their financial experiences in closer detail.

This report therefore represents the start of a process of creating not just a wider but also a more accurate, understanding of student income and expenditure in England and Wales.

Appendix 1: Technical Report

Introduction

This is a report on the research methods used in the Student Income and Expenditure Survey 2004/05 (SIES 2004/05) carried out on behalf of the Department for Education and Skills (DfES) and the National Assembly for Wales (NAW).

SIES 2004/05

SIES is a large-scale comprehensive survey that collects detailed information on income and expenditure of higher education (HE) students and investigates associated issues such as student debt and hardship.

The 2004/05 survey is the latest in a series of surveys carried out at approximately three-year intervals.

There were some differences between the design of this survey and that of previous surveys. The full implications of these changes for data continuity and comparability are discussed in Chapters 1 and 8 of the main report. In brief, the main points of difference are:

- a different sampling methodology
- the content of the interviews (this has substantially changed in order to take into account different student finance issues and also to improve the data collection)
- Open University (OU) students were included within the sample of part-time students for the first time. These OU students were interviewed over the telephone (rather than face to face) with a computer-assisted questionnaire that was a slightly shortened version of the one used for the college/university-based students
- an Internet version of the paper seven-day diary of spending was developed; students had the option of using this instead of a paper version
- incentives have been used strategically to encourage diary completion among interviewed students.

Collaboration

The National Centre for Social Research (NatCen) and the Institute for Employment Studies (IES) have collaborated closely throughout the 2004/05 study.

NatCen had overall responsibility for the delivery of the survey, lead responsibility for the sample design, questionnaire design, fieldwork with students and data preparation. IES had lead responsibility for collecting sample data from institutions, and data analysis and report writing.

Overview of methodology

Later sections of this technical report give detailed descriptions of all aspects of the survey and data collection, including the development phases. However, in order to give an overview of the research process, the key activities within the main stage of the survey are outlined here.

Sampling — selection of institutions

- NatCen made a selection of institutions in England and Wales for involvement in the survey based on Higher Education Statistics Agency (HESA) figures about the student populations at each.
- Letters were sent from DfES and NAW to the Vice Chancellors and Principals at selected institutions containing information about the research and an invitation to take part.
- IES made individual contact with institutions, explained their role in sampling and contacting students and secured their agreement to take part.

Sampling — selection of students and opt-in stage

- NatCen identified the numbers of full-time and part-time students to be sampled from each institution taking part (numbers differed for each institution).
- IES instructed institutions about the numbers of students to sample and helped institutions to do this using random selection (using an excel tool).
- Institutions produced a list of sampled students and two sets of labels containing names and addresses.
- Institutions attached labels to pre-prepared 'opt-in' packs and posted these packs to the selected students.
- Students each received an opt-in pack with an ID number, containing a letter explaining about the survey and what their involvement would consist of, a short opt-in questionnaire to

complete and return to the research team at IES and £3 of WH Smith vouchers to thank them for their time and encourage their involvement.

- Institutions attached labels to 'reminder' opt-in packs and posted these to students to encourage those who had not yet returned the opt-in questionnaire (containing a letter and opt-in form, but no vouchers).
- Students returned opt-in questionnaires to IES (although not all gave contact details and consent to be re-contacted).
- IES collated an electronic database of students returning the opt-in form and passed this to NatCen.
- NatCen selected students for interview based on their consent to be re-contacted, availability of contact details and answers to key questions within the opt-in questionnaire (*eg* the qualification towards which students working and country of domicile).

Fieldwork and data collection

- Students selected for interview were sent a letter letting them know an interviewer would contact them.
- Interviewers approached college/university-based students face-to-face and carried out interviews using a computer assisted personal interview (CAPI) on a laptop whilst telephone interviewers called Open University students over the telephone and interviewed them using a computer assisted telephone interview (CATI).
- All students who were interviewed were asked to complete a seven-day diary of spending. Face-to-face interviewers gave the diary to the students at the end of the interview, and the diary was posted to students if they were interviewed over the telephone. Instructions on the front of the paper diary contained information about an Internet version of the diary which students could complete instead of the paper version if they preferred.
- The majority of interviewed students completed a diary (either the paper or the online version depending on their preference).
- Face-to-face interviewers called the students three or four days after the interview to remind them to complete the diary or answer any queries about the diary. Interviewers attempted to pick up complete diaries approximately ten days after the interview.
- If the diary pick-up was not successful, a reminder letter and a reply-paid envelope were left for the student so they could return the completed paper diaries to the research team.

- Students were sent a letter and a final £12 of WH Smith vouchers to thank them for their participation on receipt of a completed diary.

Sampling

Background and overview of the sampling methodology

The sample design of this survey was substantially altered from that of earlier surveys in the SIES series. Before the 1998 Data Protection Act it was possible to arrange for higher education institutions (HEIs) and further education institutions (FEIs) to supply research contractors with the names and contact details of a sample of students so that the contractor could contact them directly. Since the 1998 Act, HEIs and FEIs have increasingly declined to supply such information without the prior consent of their students. A new methodology was therefore required for SIES 2004/05 to produce a representative probability sample of students.

The proposed solution to this sampling problem was to obtain a student sample through an opt-in mailing. Institutions were persuaded to draw a random sample of the student populations of interest and then to mail survey materials supplied by the researchers to the students. The mailing packages included an opt-in questionnaire which the students would be invited to fill in, providing some key characteristics and contact details. Students indicated on the questionnaire whether they gave consent to be re-contacted for the research, and then returned them directly to the researchers. The sample for the interview survey was then drawn from the returned questionnaires of students who had opted in. This was an ambitious methodology and high levels of co-operation were required at each stage if a good quality and representative sample of students was to be achieved.

The details of the design were fairly complex and a full account of each stage is given below. We describe the approach used here.

In total, the survey was designed to include 72 HEIs (62 in England and ten in Wales) and 20 FEIs. Each HEI in England approached to take part was asked to draw a sample of 240 students, including discrete samples of full-time, part-time, and (where applicable) medical students. HEIs in Wales were asked to select a slightly smaller sample of 192 students.

The target number of HEIs was 20, with each HEI sampling 60 of their students.

The aim was that the group of HEIs would yield a final sample of about 2,000 full-time and 1,000 part-time students. Selecting

random samples within each chosen HEI would have given too many full-time students and some means of over-sampling of part-time students was clearly needed. (The ratio assumed 2.5:1, although, as is detailed below, this was based, in error, on a count of all part-time students rather than just the 50 per cent plus full-time equivalents.) This *could* have been achieved simply by asking each English HEI to take a sample of 160 full-time students and 80 part-time (to give a total of 240), with a similar split in Wales, but this would have meant applying very different sampling fractions to students depending on their HEI. Instead, HEIs were, in essence, treated as if a random 21 per cent of their full-time students did not exist. From the remaining full-time and part-time students, an equal probability sample of students was then taken, which, in theory, gave the 2:1 split required.

To achieve this split in practice, a weighted total of students was calculated per HEI, equal to $0.785x$ full-time + part-time. (This is the equivalent of totalling the students after setting aside 21.5 per cent.) HEIs were then selected with probability proportional to this weighted sum. For selected HEIs, a request was then made for a sample (of 240 in most cases) allocated in the ratio 0.785 full-time: part-time. As an illustration, if an HEI had 600 full-time and 300 part-time students, its weighted sum would be $0.785*600+300=771$. The HEI would be asked to select $240*600/771=146$ full-time students and $240*300/771=93$ part-time students. At no point in this process would the HEI have to physically set aside 21 per cent of the full-time students: the process was blind to them.

In principle, this approach would have given an equal probability sample of full-time students and an equal (but higher) probability sample of part-time students per country. In practice there were several reasons why the *equal* probabilities were not achieved, but the design did help to minimise the variation in the probabilities. The details are given below. It is worth noting here however, that the probabilities of selection would only be equal if the HESA counts of students exactly matched the size of the sampling frame from which the sample was selected per HEI. (This is because only in this instance would the 'within-HEI' sampling fractions be as predicted.) In practice we found a fairly poor match between the two, especially for part-time students (where the HEI counts of 50 per cent plus part-time students in many cases matched neither the HESA counts for 50 per cent plus part-time nor the HESA counts for all part-time students).

The approach described above applies to English HEI students. A similar approach was used in Welsh HEIs. The same weighted sum was used but just 192 students were selected per HEI. For HEIs, equal sample numbers of full-time and part-time students were wanted, so because part-time students are assumed to be far more numerous than full-time, the weighted sum for this group down-weighted the part-time students (the weighted sum being

full-time + 0.466 part-time). Within each selected HEI just 60 students were selected.

Piloting of sampling processes

The piloting comprised a selection of five institutions. Four were HEIs with around 300 students at each and one was a FEI, with around 70 students. The pilot tested out the process for approaching institutions, to identify any problems which might arise in the selection of students and the opt-in forms and processes. The effectiveness of incentives was tested by sending out the opt-in letter with no incentive to students from one of the HE institutions. The others had a £3 incentive. Discussions were undertaken with contacts at each of the pilot institutions.

The findings of the pilot showed that the basic method was feasible and acceptable to institutions. The incentive and the reminder mailing were both found to improve response. However, the overall response was disappointing with 53 per cent of sampled students returning questionnaires and 56 per cent of those giving consent to be contacted for an interview (thus, 30 per cent of sampled students consented to be contacted for the research). It was felt that these levels could be improved by shortening the opt-in questionnaire (including dropping the question on ethnic origin which it was felt might be less acceptable than other questions) and simplifying the consent question. It was also agreed that the letter and questionnaire should place more emphasis on the incentives and the importance of students providing contact details.

Selecting and approaching institutions

Selecting institutions

The target number of English HEIs to take part in the research was 62 (including the Open University) and it was ten for Welsh HEIs, that is 72 overall. To allow for refusals, 80 were in fact selected. Eight were randomly sub-selected as a reserve sample.

As detailed above, a 'weighted size estimate' was computed per HEI. The 80 HEIs were selected with probability proportionate to this weighted size. In practice this meant that the largest 25 HEIs in England and the largest 11 in Wales were selected with certainty (that is, with probability equal to one). In England, the file of HEIs was stratified by region and with region by whether pre- or post-1992. Before selection, the file was sorted within strata by weighted size. The HEIs were then selected systematically using a random start.

After these 80 had been selected, a random sub-sample of eight of the 80 were allocated to a reserve sample (six in England, two in Wales), to be used where institutions declined to co-operate.

The selection of FEIs began with the exclusion of those that had fewer than 100 students and so might not be able to provide the target issued sample size of 60 students per institution (these accounted for three per cent of the total student population in FEIs in England and Wales). A total of 25 FEIs were then selected with probability proportionate to estimated weighted size in terms of the populations of full-time and part-time students (from 2002/03 HESA data)¹ and a random five of these were allocated to the reserve sample. An additional reserve institution was later randomly selected, making 26 institutions in total. All of these colleges were in England.

In total, 107 institutions were contacted by the IES research team and 88 took part in the research (82 per cent), see Table A1.1. The number of institutions that took part was lower than the target because some of those contacted declined to take part or withdrew late in the process when there was no time to activate further reserve institutions. However, nearly all of the largest HEIs did co-operate with the survey.

Table A1.1: Co-operation by institutions

	English HEIs	Welsh HEIs	English FEIs	Total
Originally issued	62	10	20	94
Reserve sample	7	2	6	13
Total issued	69	12	26	107
Number taking part	59	10	19	88

Base: Institutions contacted about taking part in SIES 2004/05

Source: NatCen/IES SIES Survey 2004/05

A list of the institutions that took part in the survey can be found at the end of this Appendix.

After the sampling had been carried out it was discovered that an error had been made in calculating the weighted sum per institution, as the sum was based on the HESA count of the number of 'all' part-time students rather than just the 50 per cent plus full-time equivalents. On investigation, it was found that the consequences of this error for the survey were not great. The reason for this was that HESA figures were being used as best estimates of the number of part-time students at an institutions, and in practice there was only a low correlation between the 2002/03 HESA and the actual numbers found when the sample

¹ The formula used was: $\text{weightsize} = \text{full time} + 0.4662 \text{ part time}$.

was drawn (in 2004/05). In fact, as a means of predicting the current number of 50 per cent plus full-time equivalent part-time students, published estimates for total part-time students (which were used in error) were almost as good as those for the same population group (which should have been used).

The corrective weights for the selection probabilities of part-time students are detailed later in this document.

Selecting and approaching students

Random selection

IES instructed institutions on how to draw separate random samples of qualifying full-time and part-time (50 per cent plus full-time equivalent) students. A spreadsheet designed by NatCen was also provided to assist institutions with this task.

In English HEIs, the total number of students selected per HEI was 240. However in a small number of cases, fewer than 240 students were selected because the number of part-time students requested turned out to be greater than the total number of part-time students at the institution. In most cases just two samples were drawn: full-time and part-time and the numbers were assigned in advance by the research team. But in HEIs with a medical school, 35 of the 240 were students chosen from medical students. The rest were full-time and part-time students.

The allocation of the 240 between full-time and part-time was in proportion to the weighted sum: that is, in the ratio 0.785 full-time: part-time. Numbers of full-time and part-time students were allocated from the total of 240 in proportion (see example in 'Background and overview of the sampling methodology' section). The allocation was based solely on HESA figures. No changes were made to the allocation once we learnt the 'current' numbers per HEI (in practice this meant we achieved the sample sizes per group we requested, but at the expense of allowing changes in the anticipated sampling fractions to occur).

In Welsh HEIs the process was the same but the total was 192 rather than 240. In each FEI, 60 students were selected.

A total of 16,524 students was sampled by institutions for the opt-in process.

Although the sample was designed to minimise the variation in the probabilities of selection for the full-time and part-time opt-in samples, in practice a lot of variation did result. The reasons for this are as follows:

- the HESA full-time and part-time counts did not match the counts found at sampling particularly well (especially the

part-time counts). This meant that the sampling fractions used within institutions were often very far from what was anticipated

- some HEIs were selected with certainty. To equalise sampling probabilities these institutions would have had to select a larger sample of students. Equalising the burden on institutions took precedence over equalising the sampling probabilities
- the allocation of part of the sample to medical students reduced the probability of selection for other students in some HEIs.

Opt-in mailings and response rates

Students were mailed the opt-in questionnaires by their institutions. The mailing package included an opt-in questionnaire which requested some key characteristics and contact details, and asked that students indicate whether they gave consent to be re-contacted for the research. Incentives were used to help encourage response.

In total the mailing drew 7,458 returns, which was 45 per cent of the issued total. The rate of return varied greatly by institution. One had zero returns, which implied that the planned mailings had not taken place, while the rates of consenting returns for others ranged between 18 per cent and 66 per cent, which suggested that there were institutional factors that influenced return rates.

These figures and evidence from the IES research team's monitoring calls to institutions suggested that response was hindered by a variety of factors including out of date or incomplete student contact details and errors in the mailing process (for example mailings sent in the wrong order or without postage). However, although it seemed likely that the mailings did not reach all sampled students, the research team did not have access to information that would allow it to identify what the shortfall in coverage was.

Of those students returning a questionnaire, 5,810 consented to be contacted and gave contact details for this purpose while 1,648 did not consent. Thus the proportion of students who consented to be contacted for the research was 78 per cent of those who returned a questionnaire and 35 per cent of those who were sampled and sent mailings by their institution.

The 35 per cent proportion of consenting returns was lower than had been hoped for. Among the categories of institution with the best rate of consenting returns was Welsh HEIs (37 per cent) while the worst category was English FEIs (32 per cent).

Selection of students for interviewing

As well as consenting to be contacted, students who were allocated for the main survey needed to be identified as eligible for the study according to the information they gave in the opt-in questionnaire. Overall, 86 per cent of consenting students were classified as eligible and 15 per cent as ineligible. (The proportion of sampled students who consented and were eligible was 30 per cent.) The proportion of ineligible students was slightly higher than average in Welsh HEIs and English FEIs (17 per cent and 18 per cent respectively).

The main causes of ineligibility were:

- part-time students who reported that they already had a degree (six per cent of consenting returns)
- students who reported studying for a postgraduate qualification other than a degree (three per cent)
- students who were studying for an ineligible qualification below degree level (three per cent)
- students who were domiciled outside England and Wales (three per cent)
- sandwich students who were in their placement year (one per cent).

Although our instructions to institutions had been designed to exclude some of these groups, it appears that institutions had not always been able to do so.

A further three per cent of selected students were withdrawn from the sample because the quality of contact details was found to be insufficient.

The design had sought to generate a larger sample of consenting and eligible students, both to give some contingency and to allow some lower incidence groups to be over-sampled. In the event, the number of consenting and eligible returns only slightly exceeded requirements and then only for full-time students at pre-1992 English HEIs. Therefore, students in this group were randomly sub-sampled (3,819 were taken out of 4,123 that were available) while all students in other groups were issued. In total, 4,570 students were issued.

Open University sample

A separate sample of 241 eligible and consenting part-time students studying at the Open University (OU) was obtained from the OU. The sample was designed to closely resemble the part-time student population, rather than to represent the overall OU population. Our sample was drawn from the group of students who

fulfilled all of the following criteria: those working towards a named qualification (either a first degree, foundation degree, PGCE or ITT, Dip HE, HND or HNC); working towards a qualification that makes them eligible for support (registered for one or more courses worth at least 60 credits which equates to 50 per cent FTE); and resident in England and Wales only. The sample included new and continuing students, and those with Autumn 2004 or Spring 2005 course starts. Interviews were conducted with 164 OU students. It should be noted that the sample is therefore not representative of OU students as whole.

Interview and diary of spending development

The study involved interviewing college or university based students face to face using a computer assisted personal interview (CAPI) and interviewing Open University Students over the telephone using a computer assisted telephone interview (CATI).

All students who were interviewed by either method were asked to complete a seven-day diary of spending after the interview. In order to maximise the diary completion rates, students were given the option of completing either a paper diary or an Internet version of this (students were supplied with codes on their diary which would allow them to access an internet site for this purpose).

The combination of the main questionnaire and the seven-day diary of spending meant that all areas of income and spending could be monitored. For example the questionnaire was able to pick up on larger and more memorable spending such as rent, travel, childcare, maintenance, holidays whilst day-to-day spending on items such as food and entertainment was recorded in the diary of spending.

The planned average length of the CAPI interview was 45 minutes, but it was not considered practical to administer an interview of this length over the telephone and so a shorter version of approximately 30 minutes was required. In the development of the questionnaire, the initial focus was on creating the full length CAPI questionnaire. Once this full length version was completed, the task was then to refine and cut it down for use over the telephone.

Questionnaire development

With guidance from DfES and NAW about key issues for future policy development, NatCen drafted the questionnaires for the 2004/05 survey between May 2004 and February 2005. Several testing phases were carried out during this period to ensure the highest quality questions and performance of the interview programme.

Early development — full CAPI version

The first step in the process of developing the questionnaire for SIES 2004/05 was to review the content of the questionnaires used in the 1998/99 and 2002/03 surveys. It was intended that comparable measures be used in the new survey but it was necessary to review the previous surveys to check whether they needed updating or could be improved.

Expert panel — full CAPI version

During the development process NatCen consulted colleagues with particular expertise as part of an 'expert panel'. Colleagues at IES and NatCen reviewed the questionnaires and our collaborator at CRSP was consulted about hardship questions. When issues were raised, relevant policy colleagues at DfES and NAW were consulted and asked for advice. Representatives from DfES and NAW reviewed all working drafts a number of times during development.

Cognitive Testing — full CAPI version

The cognitive pilot was carried out in order to test selected questions and uncover potential problems and difficulties with question modes and wording. Questions on tuition fees, student status, student support received and hardship were looked at in detail.

The fieldwork was carried out between 10 and 14 September 2004. Interviews were carried out with students who had agreed to be re-contacted about SIES during IES' piloting of the institution contact and student opt-in form. The students were therefore studying at either Bath Spa University College (new institution), Reading University (pre-1992 institution), Royal Holloway (London institution), North East Surrey College of Technology (NESCOT) (FEI) or University College Chichester (new institution). Twenty interviews were carried out in total.

As well as specific recommendations about question wording, more general recommendations about the research processes were made. For example, when making contact with students, interviewers often found contact via the student's mobile telephone (where available) more productive than a landline number. Thus it was recommended that interviewers should be given access to students' mobile phone numbers in the mainstage survey wherever possible.

Some interviewers reported that students referred to information sent to them by the Student Loans Company (SLC) and relevant authorities when answering questions about the amounts of money they received in relation to student support. This was felt to be beneficial for the speed of the interview and the accuracy of

answers given. A recommendation to encourage students to have such information to hand during the interview was therefore made.

Some students receiving Disabled Students' Allowances were found to receive support through indirect or non-monetary ways, for example, in the form of equipment or direct payment to suppliers. As a result, an open-ended question was added to the questionnaire to allow interviewers to record more complicated forms of support for disabled students.

Dress Rehearsal Piloting — full CAPI version

A 'dress-rehearsal' pilot was carried out in November 2004, with the aim of testing the final version of the question and the fieldwork processes in preparation for the mainstage survey. In particular, a key aim was to check that students were able to answer all questions without significant difficulties. The pilot was also the first opportunity to identify the length of the full interview.

Students for the dress rehearsal pilot were again selected from the pilot opt-in sample and so were drawn from the same institutions as in the cognitive testing. However, an additional sample of students from the University of Wales was also included in this pilot to check questions specific to studying in Wales and the related routing within the questionnaire. In total, 34 interviews took place.

Interview length was identified as a problem, as the average interview length was around fifteen minutes longer than planned. In response to this, appropriate questions were re-formatted to reduce completion time and some questions that were not considered essential to deriving overall measures of income and expenditure were removed from the interview.

Development of the short version of the questionnaire for use with CATI

Once the final version of the full length CAPI interview was finalised, the research team began developing the shorter version for use with students over the telephone.

The researchers assessed the length of each area of questions, scrutinised the suitability of question wording for use over the telephone and identified questions that did not feed into the summary measures of different types of income, expenditure, savings and debt. DfES and NAW then advised about areas of the interview that should be removed to create the shorter telephone version.

The most significant difference between versions of the questionnaire is the level of detail collected about student spending. The full face-to-face interview contained questions about *all* possible types of expenditure. In comparison, the shorter telephone version only covered course-related spending, *ie* spending on books, computers, special equipment for the course, travel and childcare costs related to study and fees such as amenity fees.

Students interviewed over the telephone were provided with a 'telephone answer booklet' to use as showcards during the interview. The aim of this was to keep the interview as similar as possible to the face-to-face interview and also to save time by reducing the need to read out answer categories to respondents. The wording of the questionnaire was designed such that the interview was possible with or without the showcards. The students' use of the showcard booklet was recorded at the start of the interview.

Dress Rehearsal Piloting — short CATI version

The aim of the CATI dress rehearsal pilot was to test the shorter version of the questionnaire in readiness for the mainstage fieldwork, and in particular to identify:

- any questions requiring further alteration for use over the telephone
- how well the questionnaire performed for OU students since this was the first pilot involving them
- if the telephone answer booklets were beneficial to the interview process and how well the questionnaire worked without these showcards
- and the average interview length of the telephone interview.

This pilot fieldwork took place between 13 January 2005 and 1 February 2005. A total of 30 students were interviewed. A debriefing was held after the pilot fieldwork to gather feedback from the interviewers and the researchers also made contact with approximately eight students to gain feedback on their interview experience.

It was found that the students generally found the showcards helpful during the interview process even though interviewers did not always feel that they were particularly beneficial. All but one student retained the showcards and used them within the interview.

The average interview length was found to be ten to fifteen minutes longer than planned. It was noted that occasionally students with particularly long interviews showed signs of fatigue or frustration. However, interviewers felt that in general students

were very keen to take part in the survey and were happy to talk at length about their finances giving as accurate and full answers as possible. Feedback from the students after the interview reflected these feelings, and occasionally students had underestimated the length of their interview.

Several actions took place after the pilot in order to reduce the CATI questionnaire length and to ease any potential problems with the length of the interview. These included:

- removal of some overly-detailed showcards that were felt to be slowing down the interview
- briefing interviewers to accept and encourage estimations of answers to avoid students spending too much time trying to work out very precise answers
- reformatting or rewording longer questions
- encouraging interviewers to offer to finish the interview another day if the interview had reached a certain length and if the interviewer felt that the interview length was becoming a problem for the respondent.

Diary of spending

Early development

The development the seven-day diary of spending began with a review of the content of the diary of spending used in previous years of SIES. In previous surveys only a paper diary was available for use whereas in this survey students would be given the option of filling in the diary online.

The review of the existing paper diary enabled the research team to develop the first draft of the diary of spending, concentrating on the content of the diary of spending, improvements to the overall design and ease of use, and also the functioning of the web version.

Cognitive piloting

The early version of the seven-day diary of spending was tested as part of the CAPI cognitive testing. Students taking part in the cognitive pilot for the CAPI questionnaire were asked to fill in one day of the diary (thinking about the day before the cognitive interview).

The diary task was generally well received, but several difficulties and inconsistencies highlighted some aspects of the diary that required development.

Students mentioned amounts of money that they *actually* spent in transactions on a day as required, but sometimes also mentioned amounts of money they *felt* they spent or used on an activity, even if they had not paid for it on that day. This led to an alteration to the diary instructions to cover this point and it was explained to interviewers at the main stage that they must explain this concept to the student when introducing the diary.

Students were not always sure in which spending categories they should mention certain items of expenditure in the diary. New categories of spending were added to cover these and it was recommended that interviewers in the mainstage survey should encourage students to place items they were unsure of in the 'other' section, where they could later be appropriately dealt with in editing.

It was noted that some students left categories blank when they had not made any spend on that type of item whilst others indicated no spend by filling the box, *eg* with a zero or a dash. It was thought that it would be helpful to add a tick box to the end of each section within the diary. This tick box would allow students to clearly indicate that they had not spent any money on any of the items in that section, without have to laboriously write in zeros throughout the diary. However, this modification was dropped after further piloting when it was found that tick box was not used consistently.

NatCen internal piloting

During the early stages of development an internal pilot was run among nine NatCen staff, all of whom had graduated fairly recently. These volunteers filled in a diary of spending for seven days. Four volunteers filled in the online diary whilst five filled in a paper version.

Among other findings, the internal pilot revealed the difficulty of filling in the diary if respondents did not keep a record of what had been spent (*eg* using receipts or by taking notes), particularly if the diary was not filled in on a daily basis. This led to an alteration of the instructions with an emphasis on these points, and the addition of a blank space on the diary on which spending could be recorded throughout the day.

Another useful finding was that one volunteer had been unwell for the entire piloting period and consequently had not spent any money at all. This led the researchers to note that it was feasible for a student to spend very little over a week, a point that was taken into account in determining the definition of a *completed* diary in the mainstage fieldwork.

Dress rehearsal pilot

The dress rehearsal pilot for CAPI interviewing ran for a two-week period from 1 November 2004. Students who took part in the pilot were asked to fill in a diary of spending for the seven days after the interview.

Of the 34 students interviewed in the pilot testing, 31 returned a diary either by post or over the Internet. On receipt of the diaries, researchers telephoned students for feedback about their experiences of filling in the diary. Researchers were able to gain feedback from 12 students on their general experience of the task, the design of the diary and the instructions.

Feedback about the diary experience was again generally positive. The most significant finding concerned the box added to the diary after the cognitive piloting that allowed students to indicate if they had not spent anything on items. The purpose of this was to identify if no spending had occurred on particular types of spending, or if in fact a student had accidentally missed a section or day. The piloting revealed that a number of students made a common mistake of not indicating they had not made any spend for a section by ticking the provided box. On probing it was found that students did not always realise they had to do this. As a result the research team decided against the inclusion of these tick boxes, as their use was not consistent enough for them to be of value in indicating that no spending had occurred.

Further key findings were that some students experienced confusion over what to include in the diary (*eg* use of credit cards) and that daily recording of spend and using receipts were the most effective ways of filling in the diary. The instructions on the front page of the diary were altered to be more specific on these points, and interviewers were briefed about the importance of explaining these instructions clearly during mainstage fieldwork. A briefing card from which the interviewers could read when introducing the diary was developed in order to help interviewers to provide consistent and high quality explanations of how to use the diary.

CAI and web diary questionnaire testing

The interview programme was tested throughout development and then systematically checked once the questionnaire programming was complete. This allowed the researchers to identify any possible problems with the programme and ensure it performed as intended during mainstage fieldwork.

In particular, the following aspects of the questionnaire were tested:

- the accuracy of question wording and response options

- that the routing worked as planned under all foreseeable circumstances
- the accuracy of showcards and showcard references
- use of appropriate instructions to interviewers where required
- the use of range and consistency checks
- that the questionnaire was appropriate for all student circumstances.

Welsh language version

When the final CAPI questionnaire had been agreed, interview resources were translated into Welsh, including the questions to be read out by the interviewers, any interview instructions and the showcards. A Welsh language version of CAPI interview was then programmed so the full interview could be carried out in Welsh by a Welsh speaking interviewer or an interviewer accompanied by a translator. A Welsh language version of the paper and web seven-day diaries of spending were also created and made available to interviewers in Wales.

After the Welsh translation of the CAPI questionnaire had been programmed alongside the English text, a Welsh speaking interviewer checked that the Welsh translation made sense and matched the English version. Systematic testing of the Welsh diary of spending was also carried out.

Fieldwork

Computer assisted personal interviewing (CAPI)

CAPI interviews covered both full-time and part-time students participating in HE courses at universities and FE institutions. No face-to-face interviews were carried out with OU students.

Briefing and interviewer numbers

Over 200 interviewers were briefed over a two-week period from 17 January 2005. Five of these briefings were held in London, with the remaining briefings held in Birmingham, Bridgend, Bristol, Derby, Liverpool, Leeds, Manchester and Newcastle. The briefings covered the background to the survey, the sample of respondents, use of the survey documents (*eg* the advance letter, address record form, reminder letter and letter to vice chancellors), approaching the sample, an overview of the questionnaire content and showcards and use of the seven-day diary of spending.

Interviewing processes

Timing of fieldwork

Fieldwork for CAPI interviewing began on 24 January 2005. Fieldwork was set to end on 18 March 2005, but additional weeks of fieldwork were allowed in order to gain optimum response rates among the key sub-groups in the survey and reporting. All fieldwork stopped on 7 April 2005, following the announcement of the general election.

Advance letter, address record form and showcards

Advance letters were sent to all sample members notifying them that they were about to be contacted by an interviewer from NatCen. These letters were sent by the interviewers themselves to minimise the amount of time between the respondent receiving the letter and the interviewer calling at the address. For those students attending a Welsh institution, the advance letter was double sided in English and Welsh.

Each student that was approached to take part in the mainstage fieldwork was assigned an address record form (ARF) providing them with the contact details of the student and on which they recorded details of their contact with the household.

The ARF provided interviewers with the student's contact details, including landline and mobile phone numbers where these were available. Interviewers were encouraged to make contact by telephone if it was not possible to make initial contact face to face.

On contact with the student, the interviewer was able to ascertain if they required an interview in Welsh. If so, then the Welsh language version of the programme and Welsh showcards were also available.

Issues of security and letters to vice chancellors/principals

Before fieldwork started, letters were sent to the vice chancellors/principals of participating institutions advising them that a NatCen interviewer would be approaching students during the fieldwork period and requesting that they copy the letter to any members of staff who might come into contact with interviewers. This was to reduce the occurrence of security and access problems for interviewers who might be approaching students in secure university-provided accommodation, or interviewing students on campus.

Interviewers were given a copy of this letter which they could produce when visiting university campuses, and were advised to register with the local police station whilst interviewing. Contact details of a researcher were provided on the letter for those cases

where interviewers had difficulty gaining access to certain areas. In all such cases any issues were resolved through liaison with researchers. For Welsh institutions, the letter was double-sided in English and Welsh.

Seven-day diary of spending

On completion of the CAPI interview, students were also asked to complete a diary of spending for the seven days following the interview. Interviewers were prompted at the end of the interview to brief the student on how to fill in the diary and were provided with a 'diary briefing card' giving basic instructions and an example to assist their explanation.

Several methods were applied to encourage students to fill in and return diaries, in order to maximise response rates for diary completion.

Reminder calls — Interviewers were asked to contact students either face-to-face or by telephone three or four days after the interview with the aim of reminding students to fill in the diary (if not already underway) and answering any queries students might have. Reminder calls were made to students regardless of whether they were filling in the paper or internet version of the diary.

Diary pick up — Interviewers were also encouraged to attempt to pick-up the diary from the student to facilitate return of diaries to the research team. If the diary pick-up was not successful, interviewers were asked to leave a letter and a reply pre-paid envelope. This acted as reminder to fill in the diary and enabled the individual students to send the completed diary back to the research team. For those students who planned to fill in the diary online, some interviewers also used a second telephone reminder call in the place of a pick-up to remind them to complete the diary online.

Incentives

On receipt of the completed diary by post or over the Internet the student received a thank you letter and £12 of WH Smith vouchers.

Response rates

As already mentioned, fieldwork started on 24 January 2005 and ran until the 7 April 2005. This covers just under an 11 week period, although in the final three weeks, relatively few students were interviewed.

Once an interview was complete, the final output relating to that household was transmitted to NatCen via telephone modem. The

outcome code for each address was integrated into a database representing the sample file for the survey and updated on a daily basis. This information could then be used to monitor interviewer progress and response for each of the sub-groups covered in the survey. In this way, after several weeks of fieldwork, those interviewers with lower response rates were encouraged to complete these any outstanding interviews as soon as possible. Diary returns were managed in a similar way, allowing the prompt sending of thank-you letters and WH Smith vouchers to students and a record against which queries concerning receipt of incentives could be judged.

CAPI fieldwork

Table A1.2 shows the final response rates for students issued for face-to-face interview using CAPI.

Table A1.2 Response rates for CAPI interviews

	Total sample (number)	Total sample (%)	Possible interviews (%)
Sample members issued	4,570	100	–
Ineligible	298	7	–
Address problems	55	1	–
Office refusal	35	1	–
Interview possible	4,183	92	100
Refusal	332	7	8
Non-contact	124	3	3
No interview due to premature end of fieldwork	8	0	0
Other unproductive	171	4	4
Interview achieved	3,548	78	85
Minimum target interviews (70 per cent of issued sample)	3,199	–	–

Base: Students sampled and issued to the face-to-face interviewers for interview

Source: NatCen/IES SIES Survey 2004/05

The aim was to interview 70 per cent of the issued sample, yet response rates were higher than expected with 78 per cent of the sample leading to a successful interview. The numbers of achieved interviews for each of the key subgroups is outlined below:

- full-time students — 80 per cent
- part-time students — 72 per cent
- students at English HEIs — 78 per cent
- students at Welsh HEIs — 79 per cent
- students at English FE colleges — 73 per cent
- Welsh domiciled students — 78 per cent
- English domiciled students — 78 per cent.

Of the issued sample members, seven per cent were found to be ineligible for interview at the interviewing stage. This was a higher rate than expected. The main losses were among students who were defined as part-time and those at FEIs in the sampling stages.

Diary of spending

Table A1.3 shows the completion rate for the seven-day diary of spending among students interviewed via CAPI.

Table A1.3 Diary response rate among students interviewed via CAPI

	Total sample (number)	Total sample (%)	Achieved CAPI interviews (%)
Sample members issued	4,570	100	–
Achieved main interviews	3,548	–	100
Diary received	3,135	69	88
<i>Paper diary</i>	2,730	60	77
<i>Web diary</i>	405	9	11
Minimum target diaries (70 per cent of the 70 per cent target interviews)	2,239	–	–

Base: Student sampled and issued to the face-to-face interviews

Source: NatCen/IES SIES Survey 2004/05

The aim was to achieve receive a completed diary from 70 per cent of those student interviewed. In fact, 88 per cent of these students returned a diary of spending. Given the high interview response rate this meant that 69 per cent of all sampled students completed both an interview and a diary of spending; of the returned diaries, 87 per cent were completed on paper and 13 per cent were completed over the Internet.

Computer assisted telephone interviewing

CATI interviews were carried out with all OU students in the sample, and also a small sub-group of other students attending an HEI or FEI who could not be contacted face to face. This sub-group were transferred to the CATI unit during March 2005.

Briefing and interviewer numbers

Eighteen telephone interviewers were briefed on 28 February 2005 at NatCen's telephone unit. The two briefings covered the background to the survey, use of the survey documents (*eg* the advance letter and showcards) an overview of the questionnaire content (including a dummy interview) and use of the seven-day diary of spending.

Interviewing processes

Timing of fieldwork

Fieldwork for telephone interviewing began on 1 March 2005. Fieldwork was set to end on 15 April 2005. However all fieldwork stopped on 7 April 2005 following the announcement of the general election. This allowed for a period of just under 6 weeks for telephone interviewing.

Advance letter and telephone answer booklet

Advance letters were sent to all OU students before the beginning of fieldwork. To improve the flow of the interview, students were also sent a telephone answer booklet (to be used as showcards for the CATI interview). Students were asked at the beginning of the interview whether or not they had the telephone answer booklet to hand. The questionnaire routing then altered so that interviewers read out the answer codes at relevant questions if the student did not have the showcard booklet to hand.

For those students passed over for telephone interviewing from the face-to-face sample, a separate advance letter was sent centrally to inform them that they would be now be contacted by telephone to take part in the survey. This can also be found in the appendices section of the full technical report.

Seven-day diary of spending

As with CAPI interviewing, students interviewed over the telephone were also asked to complete a diary of spending for seven days following the interview (allowing approximately four days for postage). Interviewers informed the students about the diary at the end of the interview, and they were then sent with an accompanying letter and a pre-paid envelope in which to return the diary.

Response rates

As noted, fieldwork started on 1 March 2005 and ran until 7 April 2005. Table A1.4 shows the final response rates.

Of the total OU sample issued, 68 per cent were interviewed. The early end to telephone interviewing meant that target numbers could not be achieved. The OU sample also experienced unexpectedly high ineligibility rates (ten per cent of the issued sample).

Table A1.4 Response rates for CATI interviews among Open University students

	Total sample (number)	Total sample (%)	Possible interviews (%)
Sample members issued	241	100	–
Ineligible	25	10	–
Office refusal	2	1	–
Interview possible	214	89	100
Refusal	8	3	4
Non-contact	24	10	11
Other unproductive	18	7	8
Interview achieved	164	68	77
Minimum target interviews (70 per cent of issued sample)	169	–	–

Base: Base: Student sampled and issued to the telephone unit for interview

Source: NatCen/IES SIES Survey 2004/05

Diary of spending

Table A1.5 indicates that 65 per cent of interviewed OU students completed a seven-day diary of spending, this means that 44 per cent of the issued OU sample both completed an interview and returned a completed diary.

CAPI to CATI transfer

Less than half of the 100 students who passed to the telephone interviewing unit from face-to-face fieldwork were successfully interviewed over the telephone (42 per cent of the issued sample). However it must be remembered that this group were passed to the telephone unit *because* the face-to-face interviewers were unable to achieve an interview with the student, and therefore the students were by definition hard to reach. Diary return for this group was also relatively low (55 per cent of the interviewed students).

Table A1.5 Diary response rate among Open University students

	Total sample (number)	Total sample (%)	Achieved CAPI interviews (%)
Sample members issued	241	100	–
Achieved main interviews	164	–	100
Diary received	107	44	65
<i>Paper diary</i>	101	42	62
<i>Web diary</i>	6	2	4
Minimum target diaries (70 per cent of the 70 per cent target interviews)	118	–	–

Base: Base: Student sampled and issued to the telephone unit for interview

Source: NatCen/IES SIES Survey 2004/05

Fieldwork and quality control procedures

As with all surveys conducted by NatCen, a programme of back checking on interviewer work was carried out.

A subset of respondents were telephoned to check that the interviews were conducted correctly. If they could not be contacted by telephone, they were sent a postal questionnaire. In total, ten per cent of productive interviews in both the CAPI and CATI sample were successfully checked.

Validation, coding and editing of data

Validation of data

Questionnaires (CAPI and CATI)

Interviewers in the field or the telephone unit carry out most of the validation of data in computer-assisted surveys.

Interviewer checks in the questionnaire program allowed interviewers to clarify and query data discrepancies directly with the respondent. 'Soft checks' (which could be suppressed by the interviewer) were used where unusually high values or inconsistent answers were reported, so that these could be checked before the answer was confirmed. 'Hard checks' (which could not be suppressed by the interviewer) were used when an answer contradicted an answer earlier in the interview – the interviewer had to resolve such discrepancies before proceeding. Also within the program each numeric answer is given a set range of possible answers. This allows only potentially valid answers. For example, if the maximum amount of course grant received by a part-time student is £250, this would be the upper limit of the range within a question asking about this.

Diary of spending

The diary of spending was filled in on either a paper diary or using the Internet version of the diary. Students were briefed about the use of the diary by an interviewer and instructions were on the front of the diary, however unlike the computer-assisted interview, the students were then left to fill this in for seven days after the interview.

Given that spending may be legitimately be erratic through a week and in fact a month, it was not feasible to set validation checks on the data on spending in any way other than checking the level of spending for the week of the diary against the data collected in the spending sections of the main questionnaire.

Coding and editing of data

Questionnaires (CAPI and CATI)

A data processing team carried out the coding and editing of computer assisted questionnaires. Coding data was necessary to enable the analysis of information collected by the interviewers typing in verbatim answers and to take into account any notes made by interviewers during the interview.

Fact sheets were used to code and edit the data. These provided a summary of a productive interview and alerted editors to possible errors or inconsistencies that needed to be dealt with. A typical fact sheet contained a listing of the respondent's details, key data items, open and 'other, specify' responses, and interviewer comments.

Code frames used in editing were developed by the researchers from a listing of responses to the relevant questions from the first 1,000 completed interviews. The researchers on this survey were involved in the most complex editing decisions. In some interview cases legitimate monetary answers were given that fell outside that range of the allowed answers. These cases were documented and the programmer and researcher on the project make necessary changes to the data after editing.

Diary of spending

A data processing team also carried out the coding and editing of seven-day diaries of spending.

One purpose of the editing was to ensure that the diary had been completed for the seven different days of week (so that a weekend or weekday was not over- or under-represented in the data). A minority of diaries were accepted as valid when this was the case, even though the seven days were not consecutive.

The other major purpose of the diary editing was to code any spending that students has entered as 'other' spending and described what money was spent on. The researchers developed the coding instructions after looking at the first 300 completed paper diaries and the 'other' answers. They were necessarily complicated because the aim of editing was for 'other' spending to be coded back into an existing category of spending within the diary, or, categorised by both a broad *type* of spending and whether this information had already been collected within the main computer assisted interview. This categorisation was needed because the diary data and the interview data are looked at in combination in analysis. It was key that data about an item of spending was not duplicated, as this would introduce bias in the data.

Summary measures of income, expenditure, debt and savings

Within the main report the majority of monetary figures refer to the total amounts of money spent, received or owed over the whole academic year. However in the questionnaire and diary, these monetary amounts may have been recorded referring to a week, four weeks, a month, a term, a quarter, a vacation or over the whole academic year in order that students could give as accurate figures as possible. It was therefore necessary to create summary derived variables which totalled the amount of money spent or received over the entire year, assuming that answers given in the questionnaire or diary represented average weeks.

The details of how all of these derived variables are created using the CAPI and CATI data are available from NatCen in the full technical report. The derived variables relating to the day-to-day spending recorded in the diary follow the same principals as those within the CAI questionnaires. Again it was assumed that spending within the recorded week was an average week. The money spent on different types of item was therefore multiplied by 39 weeks to give the spending for college- and university-based students over an academic year, whereas the money spent by OU students is multiplied by 52 weeks to give figures for the academic year.

Data and analysis

Datasets

The data collected in the CAPI and CATI fieldwork was amalgamated to produce one dataset¹. This was carried out so that data collected from OU students could be analysed in conjunction with that from other part-time students.

The data collected within the diary of spending was also merged onto this dataset when a complete and valid diary was received (either a paper copy or an Internet version).

Extreme values

Once the summary measures of income, spending, borrowing and savings were created and tested, the research team reviewed these measures. This allowed them to correct any unfeasible answers and also trim any outliers that would skew the analyses if left

¹ The students who were college- or university-based who were interviewed over the telephone with the short version of the questionnaire rather than face to face with the full questionnaire have not been included in the dataset. Their inclusion in some analysis and not others was thought to be potentially confusing.

untreated. Trimming involved identifying outliers through boxplots and then trimming these outliers to the highest amount within the accepted range. In the questionnaire data 43 high outliers were trimmed and a further 33 cases were adjusted where it appeared that the value was too high because the wrong time period had been entered. In the diary data 26 high outliers were trimmed.

Adjustments for joint income and expenditure

In the questionnaire and diary students were asked to give answers about their individual income and expenditure whenever this was feasible. However, for some items it was not feasible to record an individual amount when a student lived with a partner (for example, mortgage payments, social security benefits, and household spending on food and entertainment). Therefore, joint amounts were collected and these were adjusted in analysis.

The adjustment was made where students were married or had joint financial responsibility with a partner (defined as sharing responsibility for housing and other essential expenditure or having a joint bank or building society account). The method of adjustment was to divide the stated expenditure by half. A similar adjustment had been carried out in previous years of SIES.

Social security benefits and miscellaneous income from maintenance payments, rent from lodgers and sales of books and equipment were treated as joint income. Shared borrowings and savings were also treated as joint. Among items of expenditure, the items treated as joint expenditure were food and drink to consume at home, landline and mobile telephone costs, the costs of glasses, contact lenses, dental treatment, computer equipment, televisions and hi-fi equipment, furniture, household goods and appliances, holidays, and the costs of vehicles and their maintenance.

Imputation of expenditure data for OU students

In creating the telephone questionnaire for OU students, some of the questions were omitted from the standard (face-to-face) questionnaire so that it was a feasible length for telephone interviewing. The omitted questions included those about living costs and spending on children. Also, because of a routing error, questions about housing costs were omitted from the telephone version of the questionnaire. It was decided to impute the missing data through use of data for other part-time students. The method of imputation was to match each OU student to a single part-time (non-OU) student who had comparable characteristics and then to copy that student's data for housing costs, living costs and spending on children into the OU student's record.

For each category of costs, the way the match was selected was to fit a regression model to the non-OU students with that category of costs as the dependent variable. The predictors were sex, age, family type, marital status, financial responsibility, whether the student had children, whether the student lived in London, and whether the student had a job. OU students were then divided into 20 (roughly) equal-sized groups, depending on their predicted values for that category of costs, and the non-OU students were divided into the same groups. Each OU student was then matched to a randomly selected non-OU student from the same group and the cost variables copied across. (The selection was done without replacement, so if a part time student was selected as a match for one OU student it was dropped from the pool of potential matches for other OU students. This prevented the possibility that an extreme value was matched in more than once.)

This method ensured that, broadly speaking, each OU student was matched to a non-OU student with a very similar predicted value of total housing costs. The housing cost variables that were copied were mortgage and rent costs, retainer costs, other housing costs and total housing costs (the sum of the preceding three variables).

Weighting

Two stages of weighting correction were implemented:

1. weighting to correct for selection and response probabilities, that is the probabilities of institutions and students being selected and the selected students agreeing to be contacted for interview, being selected for interview and actually taking part in the interview when selected
2. correction for remaining differences between the initially weighted sample (after stage 1) and the sex and age profiles of the target populations of full-time and part-time students from HESA figures.

Stage 1 weights to correct selection and response probabilities

Weights were calculated as the *inverse* of the probability of being both selected and responding to the survey. For the interview survey this overall probability was calculated as the product of five conditional probabilities:

- i. probability that the institution was selected
- ii. probability that the student was selected for the postal opt-in questionnaire
- iii. probability of agreeing to be followed up by interviewer

- iv. probability of being selected for follow-up
- v. probability of taking part in the main interview.

The calculation of each of the probabilities listed above is described below.

i. Probability that the institution was selected

HEIs were selected with probability equal to weighted size (probability proportional to weighted size), where: $wsize = 0.785 * ft + pt$.

The numbers 'ft' and 'pt' were from HESA records for 2002/03. The part-time count was all part-time students, not just the 50 per cent or more full-time equivalents.

In Wales the selection of 12 HEIs was made from a population of just 13. So the largest 11 HEIs (by weighted size) were selected with probability equal to one. From the final two, one was selected with probability proportional to weighted size. For this final HEI the probability of selection was calculated as: $P = wsize / (wsize \text{ summed across the two Welsh HEIs})$.

In England the 25 largest HEIs were selected with probability equal to 1 (since the probability proportional to weighted size selection gave them a probability of selection greater than 1). Then 43 were selecting with probability proportional to weighted size from the ordered list. That is, the probability of selection for the 43 is calculated (separately per HEI) as: $P = 43 * wsize / (wsize \text{ summed across all English HEIs excluding the 25})$.

FEIs with fewer than 100 students were excluded from the sampling frame. To select the FEI sample a weighted size per FE was calculated equal to: $Wsize = ft + 0.4662pt * (1 \text{ if England; } 1.5 \text{ if Wales})$. This resulted in 25 colleges selected from the ordered list with probability proportional to weighted size, five of which were subsequently allocated to a reserve sample. The probability of selection is given as: $P = 25 * wsize / (wsize \text{ summed across all FE colleges})$.

ii. Probability that the student was selected for the postal opt-in questionnaire

Having selected the institutions, simple random samples of students were selected per institution from three groups of students: medics, other full-time students, and part-time students.

The numbers selected, and the numbers from which the selection was made, were recorded per institution and the probabilities of selection are based on these numbers. That is: $P(\text{selection for medics}) = \text{number of medics selected} / \text{number of eligible medics at the institution}$; $P(\text{selection for full-time students}) = \text{number of}$

full-time students selected/number of full-time students at the institution; and $P(\text{selection for pt students}) = \text{number of pt students selected}/\text{number of pt students at the institution}$.

In ten institutions the full details of the sampling numbers were not returned and in these instances the probability of selection for students had to be estimated. In these cases we assumed that institutions *selected* exactly the number of students we had asked them to select, and we assumed that the numbers they selected from were the same as in the HESA records for 2002/03. In one case we were provided with the total sample count rather than the split between full-time and part-time: in this case we assumed the percentage split between the two was the same as the percentage split on HESA.

Having calculated these probabilities per institution, they then had to be applied to individual responding students. The postal opt-in questionnaire does not include information on whether an individual was *selected* as a medic, full-time or part-time student. In other words we do not know the 'official' status of each respondent. So the probabilities of selection have been applied to responding students based on their self-report of which group they belong to¹.

iii. Probability of agreeing to be followed-up by interviewer

The probability of agreeing to be followed-up by an interviewer was estimated using a non-response model. The approach adopted was to use a logistic regression model to predict a binary variable for whether the respondent was eligible for contact and agreed to contact. Four items from the opt-in questionnaire were found to be significant in predicting eligibility and agreement to be contacted:

- age (older students were more likely to agree)
- highest qualification before the course
- how well the student managed financially (those who managed less well were more likely to agree)
- whether the student had made an application for access or hardship funds (those who had were more likely to agree).

Variables that were tested but did not contribute to the model were sex, payment of tuition fees, whether the course was full-time or part-time, whether a parent of the student went to university, whether the student was studying a medical course and the type of institution attended.

¹ The variables used for this were mdboost and c10. *ie* if mdboost=1 then medic; else if c10=1 then ft; else if c10=2 then pt.

iv. Probability of being selected for interview

The probabilities of selection for interview were: 0.811 for full-time students from pre-1992 English HEIs, 0.959 for full-time students from post-1992 English HEIs and 1.00 for other students.

v. Probability of taking part in the main interview

The probability of agreeing to take part in the main interview was estimated using a non-response model in the same way as for the probability of agreeing to be followed up (see above).

Four items from the opt-in questionnaire were found to be significant in predicting eligibility and agreement to be contacted:

- sex (male students were more likely to take part at this stage)
- whether a parent had attended university (those whose parents had attended were more likely to take part)
- mode of study (full-time students were more likely to take part)
- how well the student managed financially (those who managed well were more likely to take part).

Variables that were tested but did not contribute to the model were age, payment of tuition fees, whether the student had made an application for access or hardship funds, the highest qualification before the course, whether the student was studying a medical course and the type of institution attended.

The possibility of a diary non-response weight

A further stage of weighting to correct for non-response to the diary was considered. It was decided not to do this for two reasons. First, there were very few differences in the sample profile between completers and non-completers of the diary (which reflected the high diary response rates that were achieved). Second, it was judged that the minor improvement in precision that would be achieved by using this weight would not justify the complication of using separate weights for analyses of the interview and diary data.

Trimming the selection weights

Having calculated the selection weights as described above, it was found that the weights (within categories defined by sector and mode of study) were extremely variable. This was because the probabilities of selection (as opposed to the probabilities of response) were very variable because of the fact that the numbers of students reported by institutions often differed notably from the numbers indicated by the HESA data that was used in sampling. Given that variance in the weights tends to increase

standard errors of estimates, it is standard practice to trim the weights at the tails of the distribution to reduce the variance.

Given that the variance of the weights was created by the selection probabilities, the selection probabilities (the first, second and fourth detailed probabilities above) were trimmed and then multiplied by the response probabilities (that is the third and fifth probabilities detailed above).

The selection probabilities were markedly more variable for part-time students than for full-time students (because the match between HESA data and actual student numbers is worse for part-time than for full-time students) and so the selection probabilities for part-time students were trimmed more than those for full-time students. The trimming was carried out as follows:

- divide the sample of respondents to the main interview by sector (that is, by English HEIs, English FEIs, OU, and Wales HEIs)
- within each sector divide the respondents by full-time/part-time status
- within each sector trim the probabilities of selection to the 5th and 95th percentile for full-time students and to the 10th and 90th percentile for part-time students.

In practice the probabilities for students from the OU sector did not get trimmed because the probabilities were all equal. The effect of this trimming is shown on Table A1.6 for full-time and part-time students of each sector and overall.

Stage 2 weights to correct sample profile to match population figures

A further stage of weighting was required because the sex and age profiles of the population covered by this survey in HESA figures (supplied by DfES Darlington) differed from those of our survey population after the stage 1 weights. The data showed that the proportions of interviews we had from men and younger students were too low, which indicated that there was a lower response by men and younger students to the opt-in mailing. This was plausible as similar trends had been observed in other surveys.

It was therefore decided to apply a further weight to correct sex and age profiles of groups defined by country of domicile and mode of study. The correction also served to adjust the balance of these different domicile and mode of study groups in the sample, bringing them more closely into line with the HESA data.

The new weights were applied to cells defined by country of domicile, mode of study, sex and age. The method was to multiply the initial weight (which corrected for selection

probabilities and differential response between the opt-in and main interview) with the new weight. The final weight was scaled back to the total sample size of 3,712 (so the weighted total for the total sample matched the unweighted total).

Table A1.6: Trimming of selection weights by sector and mode of study

	English HEIs	English FEIs	OU	Welsh HEIs	Total
Full-time					
<i>Before trimming</i>					
Mean	76.4	72.3	–	47.3	72.8
Minimum	1.1	1.2	–	13.4	1.1
Maximum	149.5	225.1	–	87.2	225.1
<i>Trimmed</i>					
Mean	75.9	68.1	–	47.2	72.2
Minimum	3.3	15.0	–	13.4	3.3
Maximum	118.0	120.0	–	87.0	120.0
Part-time					
<i>Before trimming</i>					
Mean	20.6	48.9	12.5	14.7	22.9
Minimum	1.0	18.9	1.0	1.0	1.0
Maximum	179.9	133.5	12.8	53.5	179.9
<i>Trimmed</i>					
Mean	17.9	45.8	12.8	14.3	20.4
Minimum	3.2	25.0	12.8	4.3	3.2
Maximum	118.0	87.7	12.8	53.5	118.0

Source: NatCen/IES SIES Survey 2004/05

Table A1.7 shows the cells to which the final stage weights were applied and the mean weights for each cell. Age groups were combined where sample sizes were low.

Table A1.7: Final weighting adjustments for country of domicile, mode of study, sex and age group

	English domiciled				Welsh domiciled			
	Full-time		Part-time		Full-time		Part-time	
	Female	Male	Female	Male	Female	Male	Female	Male
Under 21 years	0.75	1.46	1.19	2.99	1.08	1.76	1.11	2.14
21 to 24 years	0.83	1.41	2.46	–	0.83	0.72	–	–
25 to 29 years	0.66	1.12	1.72	2.33	0.55	0.78	–	–
30 to 39 years	0.71	0.82	1.21	2.15	–	–	–	–
40 to 49 years	0.76	–	1.14	1.62	–	–	0.72	–
50 and over	–	–	1.21	1.21	–	–	–	–

Source: NatCen/IES SIES Survey 2004/05

Distribution of scaled weights

Table A1.8 shows the distribution of the scaled weights for full-time and part-time students for each sector and overall. The overall range of weights was from 0.06 to 3.96.

Table A1.8: Distribution of weights by sector and mode of study

	English HEIs	English FEIs	OU	Welsh HEIs	Total
Full-time					
Mean	1.22	1.09	–	0.78	1.17
Median	1.13	1.10	–	0.69	1.09
Std. Deviation	0.55	0.52	–	0.44	0.56
Minimum	0.06	0.20	–	0.12	0.06
Maximum	3.12	2.69	–	2.18	3.12
5th percentile	0.29	0.29	–	0.17	0.24
95th percentile	2.47	2.19	–	1.54	2.36
Part-time					
Mean	0.55	1.44	0.38	0.38	0.58
Median	0.39	1.26	0.31	0.23	0.39
Std. Deviation	0.48	0.74	0.12	0.42	0.55
Minimum	0.05	0.49	0.25	0.06	0.05
Maximum	3.96	3.87	0.74	2.61	3.96
5th percentile	0.08	0.57	0.26	0.08	0.09
95th percentile	1.60	3.06	0.61	1.28	1.69

Source: NatCen/IES SIES Survey 2004/05

Effective sample size

The effective sample size of a given weighted base is the equivalent random sample which would have the same statistical power. It is calculated as the squared sum of all weights (summed over all cases in the sample) divided by the sum of all squared weights.

Table A1.9 presents the effective sample sizes for full-time and part-time students for each sector and overall. The loss of effective sample size due to weighting was only moderate for full-time students (where the effective sample size was 88 per cent of the actual sample size) but relatively high for part-time students (where the corresponding proportion was 62 per cent).

Table A1.9: Effective sample sizes by sector and mode of study

	English HEIs	English FEIs	OU	Welsh HEIs	Total
Full-time					
Sample size	2,236	114	0	303	2,653
Effective sample size	1,854	93	0	229	2,156
Effective as % of actual	83	81	–	76	81
Part-time					
Sample size	667	98	164	130	1,059
Effective sample size	377	78	149	59	564
Effective as % of actual	57	79	91	45	53

Source: NatCen/IES SIES Survey 2004/05

List of institutions involved

HEIs in England (including Open University)	HEIs in Wales	FEIs in England
Anglia Polytechnic University	The University of Central Lancashire	Bradford College
Birkbeck College	The University of Essex	Cornwall College
Bishop Grosseteste College	The University of Exeter	Croydon College
Bournemouth University	The University of Huddersfield	Doncaster College
Buckinghamshire Chilterns University College	The University of Keele	Eastleigh College
Canterbury Christ Church College	The University of Kent at Canterbury	Guildford College of Further and Higher Education
City University	The University of Leeds	Leeds College of Art and Design
Coventry University	The University of Lincoln	Lincoln College
De Montfort University	The University of Liverpool	Manchester College of Arts and Technology (MANCAT)
Kent Institute of Art and Design	The University of Newcastle-upon-Tyne	Newcastle College
Kingston University	The University of Nottingham	North Hertfordshire College
Leeds Metropolitan University	The University of Oxford	Northbrook College – Sussex
Liverpool Hope University College	The University of Portsmouth	North East Worcestershire College
Liverpool John Moores University	The University of Sheffield	South Thames College
London Metropolitan University	The University of Sunderland	Stephenson College (Formerly Coalville College)
Loughborough University	The University of Sussex	West Cumbria College
Middlesex University	The University of Teesside	Warwickshire College (Formally Rugby College of Further Education)
Ravensbourne College of Design and Communication	The University of Warwick	Yeovil College
Sheffield Hallam University	The University of Westminister	Yorkshire Coast College of Further and Higher Education
South Bank University	The University of Wolverhampton	
St Martin's College	The Victoria University of Manchester	
Thames Valley University	University College London	
The Manchester Metropolitan University	University of Derby	
The Nottingham Trent University	University of Gloucestershire	
The Open University	University of Hertfordshire	
The University of Birmingham	University of the Arts London	
The University of Brighton	University of the West of England, Bristol	
The University of Bristol	Worcester College of Higher Education	
The University of Cambridge	York St John College	
The University of Central England in Birmingham		

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