

Impact case study (REF3b)

Institution: Institute of Education
Unit of Assessment: 25
Title of case study: University fees and social mobility: a difficult balancing act
1. Summary of the impact (indicative maximum 100 words)

The first of the two studies described here helped to persuade the coalition government that sufficient loans and grants needed to be available from autumn 2012 to ensure that higher tuition fees did not deter students from disadvantaged backgrounds from pursuing a university degree. The second study influenced the national debate on widening participation in higher education and encouraged policy-makers to recognise the importance of providing school students with improved information, advice and guidance on how to reach university. It triggered the launch of a successful website that has enabled teenagers to make more informed choices about HE.

2. Underpinning research (indicative maximum 500 words)
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Context

These studies were prompted by two policy trends:

- 1) the ongoing effort to find ways of financing higher education that place a greater cost burden on graduates – it had been announced that from 2012 the tuition fee cap of £3,300 a year would rise to £9,000;
- 2) increasing concern about social mobility and the desire to provide better access to HE for people from disadvantaged backgrounds.

Key findings

Study 1 (tuition fees): The researchers calculated that a £1,000 increase in fees (at 2006 prices) would reduce participation rates by 4 percentage points – see reference **R1**. A reduction of this size for each income group would result in a disproportionate fall in the number of students from low income backgrounds as fewer of them go on to university. The analysis suggested that their participation rate would drop from 15% to 11%, whereas the rate for those from high-income backgrounds would slip from 30% to 26%. The researchers also noted that the increases in loans and grants that generally accompany such fee changes help to offset most of this negative impact. The government accepted this advice, but subsequently added other elements to the fees system that the researchers found to be unnecessarily complex (**R2**).

Study 2 (widening participation): The IOE team established that while there are large gaps in participation between high and low socio-economic groups – especially at high-status universities – these are mainly due to differences in pupils' prior attainment, rather than any financial or social barriers at the point of entry to HE (**R3 & R4**). This finding highlighted the need for earlier intervention to help disadvantaged pupils gain university-entry grades. The research also showed that HE students from disadvantaged backgrounds were more likely than those from middle-class families to drop out after the first year – even when school qualifications were taken into consideration (**R5**).

Research methods

Both studies used quantitative research methods applied to a mix of survey and administrative data.

Study 1: The research on funding relied on data gathered by the UK Labour Force Survey between 1992 and 2007 – a period that saw several significant developments in HE student finance. The researchers used these data to consider how funding changes affected participation in HE. They also examined the impact of the 2012 reforms on the distribution of graduates and calculated fee and maintenance loan repayment schedules under the new system.

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Study 2: The widening participation research used an innovative 'linked' administrative data set for England, consisting of records from the Department for Education, the Department for Business, Innovation and Skills, and the Higher Education Statistics Agency. These data provided clearer evidence than had been available hitherto on the determinants of HE participation amongst students from disadvantaged backgrounds. The study was unique (and remains so) in being able to follow two student cohorts – those taking GCSEs in 2001-02 and 2002-03 – from age 11 to age 20.

Researchers: The studies were led by Professors Lorraine Dearden and Anna Vignoles of the IOE (Professor Vignoles moved to the University of Cambridge in December 2012). They were supported by Claire Crawford (IOE research officer), Dr Gill Wyness of the Institute for Fiscal Studies (then a PhD student at the IOE) and Dr Alissa Goodman, Dr Emla Fitzsimons and Haroon Chowdry of the IFS. The research was conducted from 2006 to 2009.

3. References to the research (indicative maximum of six references)

- R1: Dearden, L., Fitzsimons, E. & Wyness, G. (2011) The impact of tuition fees and support on university, Centre for the Economics of Education discussion paper no.126, July. <http://cee.lse.ac.uk/ceedps/ceedp126.pdf> (accessed 7/11/13)
- R2: Chowdry, H., Dearden, L., Goodman A. & Jin, W. (2012) The Distributional Impact of the 2012 Higher Education Funding Reforms in England, *Fiscal Studies*, 33(2), 211-236.
- R3: Crawford, C., Chowdry, H., Vignoles, A., Powdthavee, N., Goodman, A., Machin, S., McNally, S., Hussain, I., Gibbons, S. & Telhaj, S. (2008) Widening participation in higher education: a quantitative analysis, Teaching and Learning Research Programme, Research Briefing 39 (London, TLRP) <http://www.tlrp.org/pub/documents/Vignoles%20RB%2039%20FINAL.pdf> (accessed 7/11/13)
- R4: Chowdry, H., Crawford, C., Dearden, L., Goodman, A. & Vignoles, A. (2013) Widening participation in higher education: analysis using linked administrative data, *Journal of the Royal Statistical Society*, 176(2), 431-457.
- R5: Vignoles, A. & Powdthavee, N. (2009) *The socioeconomic gap in university dropouts*, *The B.E. Journal of Economic Analysis & Policy*, 9(1), 1-36.

Indicative grants

Study 1: 'Impact of fees, loans and grants on HE participation' (September 2006 to September 2009). Funded by the DfE via the Centre for the Economics of Education and by the Higher Education Funding Council for England, through grants awarded to Dearden and via the IOE scholarship for Wyness's PhD (circa £100,000 in total).

Study 2: 'Widening participation in higher education' (January 2006 to December 2007). Funded by the Economic and Social Research Council under a large grant of £306,777 awarded to Vignoles as part of the Teaching and Learning Research Programme.

4. Details of the impact (indicative maximum 750 words)**Beneficiaries and dates of impact**

The main beneficiaries are the tens of thousands of young people in England from less advantaged backgrounds who are more likely to go on to HE because of these studies. The benefits have been accumulating since 2009.

Reach and significance

These two projects have had a very substantial effect on government thinking on HE funding and social mobility, as David Willetts, Minister for Universities and Science, has himself confirmed (see below). The government has recognised that the impact of tuition fees in England can be mitigated by income-contingent loans and grants. It has also acknowledged – partly because of the IOE research – that earlier intervention is needed in order to widen participation in HE. These studies

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have therefore had an instrumental impact¹ (influencing policy). The research on widening participation has also had an important conceptual impact (enhancing general understanding and informing debate) as its findings have been widely reported by the media and have generated considerable public debate.

Instrumental impact

The researchers helped to ensure that their work became known to policy-makers by presenting their findings at two research conferences organised by the Department for Children, Schools and Families and the Department for Business, Innovation and Skills (BIS). They also discussed their results in informal meetings with senior civil servants.

Study 1: Dearden and Wyness were called before the Browne Review of higher education funding and student finance in January 2010. Dearden and Vignoles also made presentations to this Review in May 2010 and Dearden was later called as an expert witness to a BIS Select Committee hearing on the future of HE. She was involved in extensive discussions with HM Treasury and ministerial advisers in BIS prior to the publication of the HE White Paper in July 2011. The final decisions about the financial package were influenced by Dearden's work. She was involved in independently verifying the implications of different options that ministers were considering – and the consequences for students from a range of backgrounds. David Willetts acknowledged the importance of Dearden's contribution in a letter he sent her on November 6, 2012. "I can confirm that the analysis of the impact of the 2006 reforms undertaken by the IOE was a key piece of evidence for the Browne Review, giving the best quantification of the effects of increasing fees", he wrote. "Subsequent work carried out in collaboration with the Institute for Fiscal Studies² on the impact of the new system was considered carefully alongside the Department's own internal modeling in deciding how to set the parameters of the repayment system. As this work is updated it continues to provide useful insights and an external comparison with which to check the government's assumptions on, for example, the public cost of the loan repayments system" – see impact source **S1**.

Study 2: Crawford and Vignoles have also been involved in several high-level Westminster discussions on social mobility. They attended meetings with the Deputy Prime Minister, Nick Clegg, on June 8, 2011, and Alan Milburn, author of a major 2012 government report on social mobility, on July 21, 2011 (**S2**). Vignoles has also advised some of the key organisations involved in promoting social mobility, such as the Bridge Group. Its Chair said that Alan Milburn used some of the advice that Vignoles gave to her group "to underpin his discussions with UCAS and with the universities he is visiting".

One of the tangible outcomes of Vignoles's work on widening participation is bestCourse4me.com, the not-for-profit website that was established as a direct result of a presentation she gave on her research in New York in 2008. She told her audience that, if funding were available, someone should set up a website to ensure that young people were better informed about their HE options. David Willetts was at the conference and endorsed her proposal. With his help a main sponsor for the site was found – the philanthropist Steven Edwards, a former software entrepreneur (**S3**). The site, also backed by Microsoft, broke new ground because for the first time data on employment, careers and salaries were brought together to help inform students' choice of institution and subject. By July 31, 2013, the site had attracted 225,158 unique users. Steven Edwards has confirmed that Vignoles deserves a great deal of credit for this achievement. "She [Vignoles] has been very important in the development of the website, from initially proposing the idea through support and advice on identifying the best and most practical data sets, to valuable guidance on the best way of presenting the information to educationally disadvantaged students", he said. "The site would not exist without her contribution and continues to benefit significantly from her involvement."

¹ Using Evidence: How Research can Inform Public Services (Nutley, S., Walter, I., Davis, H. 2007)

² Dearden also led the work carried out with the IFS.

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The government has also acknowledged – partly thanks to the work of Vignoles and her colleagues – that the key to widening participation in HE is earlier intervention. The Director of Development and Policy for the Sutton Trust has confirmed that Vignoles’s work in this area has had a significant impact. He said: “The research Anna Vignoles has done for us has been highly influential on HE policy thinking in government and elsewhere – detailing the extent to which university participation rates are driven by prior school attainment, and demonstrating the need for informed choice for prospective students” (S4). The government recognised the importance of early advice and guidance in the 2011 HE White Paper and, following its publication, Vignoles and Crawford were invited to a meeting with David Willetts to discuss HE and social mobility. They were then asked to produce a review which fed into the Cabinet Office report on this issue (S5).

Conceptual impact

Dearden and Vignoles publicised their findings by contacting specific education correspondents -- primarily to reach parents and teachers.

Study 1: The researchers gave several interviews to the BBC, including one for the *Today* programme on December 9, 2010, on the impact of HE funding on participation rates. This interview was particularly important in terms of opinion-shaping as *Today* had a weekly audience of 6.63 million listeners during this period (S6).

Study 2: Vignoles’s research was reported by several national daily newspapers, including the *Independent*, which carried an article on *bestCourse4me.com* (S7). The *THE* (Times Higher) also carried a lengthy feature on widening participation in February 2010. It noted that for years schools had claimed that university admission arrangements were biased against state school students while top universities had rejected this claim. The article’s author then added, referring to Vignoles’s study: “But there are signs that the debate is shifting. The publication of one piece of research in particular, which shows that attainment is the key to university entry, has been key ... [this showed that] once academic achievement has been taken into account, pupils from lower socioeconomic backgrounds were more or less equally likely to go to university as their more advantaged peers, and to an institution of equal status” (S8).

5. Sources to corroborate the impact ³ (indicative maximum of 10 references)
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S1: November 6, 2012 letter from David Willetts (*available from IOE*)

S2: Chair of Bridge Group (*testimonial available from IOE*)

S3: Steven Edwards, sponsor of the bestCourse4me website (*testimonial available from IOE*)

S4: Director of Development and Policy, Sutton Trust (*testimonial available from IOE*)

S5: Government Social Mobility Strategy, (2011) *Opening doors – breaking barriers*,
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/61964/opening-doors-breaking-barriers.pdf

S6: BBC press release
http://www.bbc.co.uk/pressoffice/pressreleases/stories/2011/02_february/03/rajar.shtml
(accessed 15/10/13)

S7: Hodges, L., ‘New website gives wannabe students vital information about drop-out rates and earnings’, *Independent*, March 18, 2010
<http://www.independent.co.uk/news/education/higher/new-website-gives-wannabe-students-vital-information-about-dropout-rates-and-earnings-1922731.html>

S8: Attwood, R., ‘Mind the gap’, *THE magazine*, February 25, 2010
<http://www.timeshighereducation.co.uk/410531.article>

³ All web links accessed 6/11/13