Department for Innovation, Universities & Skills

Student Income and Expenditure Survey 2007/08

English-domiciled Students

Claire Johnson, Emma Pollard, Will Hunt, Miranda Munro and Jim Hillage Institute for Employment Studies Jenny Parfrement and Natalie A. Low National Centre for Social Research

DIUS Research Report 09 05

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Executive Summary

The 2007/08 Student Income and Expenditure Survey (SIES) was jointly commissioned by the Department for Innovation, Universities and Skills (DIUS) and the Welsh Assembly Government (WAG). The study was conducted in partnership by the National Centre for Social Research (NatCen) and the Institute for Employment Studies (IES). This report presents the findings for students from England. A separate report covers students from Wales (whose income and expenditure patterns are very similar).

The 2007/08 survey covered both full-time and part-time students at higher education institutions (HEI) and further education colleges (FEC), including the Open University (OU), participating in undergraduate courses during the 2007/08 academic year. Data were collected between January and March 2008 via:

- face-to-face interviews with a randomly selected sample of 2,686 full-time and part-time English-domiciled students at 80 institutions in England and Wales (including the OU)
- expenditure diaries detailing the expenses incurred by these students over the course of seven days, completed by 2,335 English-domiciled students.

Key findings

- Full-time student income rose by 12 per cent in real terms¹ between 2004/05 and 2007/08, to over £10,000 during the academic year. However, the bulk of this increase is accounted for by tuition fee loans which are paid direct to the students' institution.
- Compared with their counterparts in 2004/05, full-time students are less reliant on parents and paid work for income and more dependent on sources of government financial support i.e. loans and, increasingly, grants.
- Full-time students' expenditure on fees has risen, particularly for first year students under the new finance arrangements, for whom the direct costs of attending university have risen by 68 per cent. However, spending in real terms on living and housing costs has not changed in the last three years.
- Estimated debt levels for full-time students graduating in 2008 were around £7,800 although this will rise for those in subsequent years as a result of additional accumulated borrowing in tuition fee loans among students studying under the new system of student finance. Debt is mainly funded by student loans: the amount borrowed from commercial sources has fallen among full-time students.
- Income among part-time students has risen by eight per cent in real terms to around £13,500, while overall spending is up two per cent in real terms.

Student income

Full-time students' average (mean) total income during the 2007/08 academic year was $\pounds 10,425$. Part-time students received around 30 per cent more than full-timers, on average, with a total income of $\pounds 13,511$ - higher due to their greater earnings from paid work during the academic year.

¹ That is, taking into account increases in the Retail Price Index since 2004/05.

Among both full and part-time students, average total incomes and their composition varied considerably between different types of students and especially by household/family type (linked to age), ethnicity, and social class. It was generally highest among those with dependent children; while those with the lowest incomes were often students from black and minority ethnic groups.

Among full-time students, those covered by the new support system had a higher average total income than those under the old support system (mainly linked to their higher income from tuition fee loans, which are paid direct to the institution). If income from tuition fee loans and tuition fee support is discounted, the total average income for new system students is around eight per cent higher than that for students studying under the old system.

Income from loans and other forms of support

Student loans for maintenance and tuition fees were the most important source of income for full-time students, contributing 38 per cent of total average income. They contributed twofifths of average total income among new system students (41 per cent) and one-third of the total among old system ones (31 per cent).

Among full-time new system students (who have higher tuition fees), income from the student loan for tuition fees amounted to $\pounds 2,237$ (accounting for 20 per cent of total average income). Three-quarters of new system students had taken out a loan and among these, the average was $\pounds 2,934$ - very close to the maximum of $\pounds 3,070$. It should be noted that income from tuition fee loans is paid direct to the institution rather than to the individual student.

Income from the student loan for maintenance accounted for one-quarter of the total income among all full-time students, contributing £2,492 on average.

Two in five (41 per cent) new system students received income from the Maintenance Grant, at an average of £2,088 per recipient. Two per cent of new system students received the Special Support Grant (SSG) - over half of whom were lone parents². One-third of full-time new system students studying in England benefited from an institutional bursary (35 per cent, compared with four per cent of their old system counterparts), with recipients getting £980 on average.

Students from routine/manual social class backgrounds relied more heavily on income from sources of student support such as loans, grants and bursaries, whereas those with professional/managerial social class backgrounds relied more on contributions from their family and friends (predominantly parental contributions).

Earnings from work

Income from paid work was important for full-time students (averaging £2,108 overall, and representing 20 per cent of their total average income) and it was critical for part-time students (averaging £9,580, comprising 71 per cent of their total average income). Just over half of all full-time students did some form of paid work during term-time (53 per cent). Working was most common among students who lived at home with their parents during term-time, those married or living as a couple without children, students with no immediate family history of HE, those studying education degrees, and those in their intermediate years of study. There was no significant difference in propensity to work between new and old system students.

² The proportion of 43 per cent of students getting the Maintenance or Special Support Grant is not directly comparable to the proportion published by the Student Loans Company (57 per cent), which covers a different eligible population.

Half of part-time students and around one-third of full-time students who worked during the academic year reported that this had affected their studies. The most common impacts among both were less time available for study/reading, and more stress/higher workload (raised by part-time students in particular).

Income from family and friends

On average, full-time students received £2,045 from their family, partner and friends - this accounted for one-fifth (20 per cent) of their average total income, equal with income from paid work. Although they received similar amounts (£2,279 and £1,893 respectively), old system students relied relatively more on this source, which accounted for 25 per cent of their total income compared with 17 per cent among new system students.

Across old and new system students alike, those who gained the most from family, partner and friends tended to be from more 'traditional' student backgrounds - younger, dependent students living away from home to study, from managerial/professional social class backgrounds.

Student spending

The average (mean) total expenditure of full-time English-domiciled students in 2007/08 was $\pm 12,254$. The average total expenditure of part-time students was around 34 per cent higher at $\pm 16,435$.

Living costs constituted the largest category of spending for students, averaging £6,496 for full-time students and £10,522 for part-time students (amounting to 53 per cent and 64 per cent of their spending, respectively). Among full-time students, living costs were highest for parents (particularly lone parents), and those from a routine / manual / unemployed socio-economic background. Among part-time students, those studying at HEIs or the OU, those not studying in their first or final year and those studying education or subjects allied to medicine reported the highest living costs.

Participation costs³ (incurred as a part of going to university or college) accounted for a higher proportion of expenditure for full-time students than for part-time students (26 per cent compared with 12 per cent). Full-time students under the new system of student finance (including 'top up' fees) had higher participation costs, and higher spending overall.

Housing costs accounted for 20 per cent of spending among full-time students and among part-time students. Full-time students typically lived in rented (non-university) property with friends or other students, with their parents or relatives or in university-provided accommodation: these groups reported particularly low housing costs. Part-time students were more likely to be buying or privately renting a property (alone or with family) and this is reflected in their higher overall housing costs.

³ including tuition fees

Overall financial position

Predictions for savings levels at the end of the academic year were remarkably similar among full- and part-time students at £2,553 and £2,513 respectively. Key differences in the level of savings were found for students from different socio-economic backgrounds, different family circumstances and different ethnic backgrounds.

Levels of borrowing among full-time students were over three times higher (at £8,889) than among part-time students. In addition, full-time students were considerably more likely to borrow money (93 per cent had some form of borrowing compared to 62 per cent of part-time students). Full-time students' borrowing was predominantly made up of student loans (£7,961 out of £8,889). However some full-time students had borrowed from commercial or 'higher cost' sources such as commercial credit companies (16 per cent) and via bank overdrafts (41 per cent), and where students had made use of these sources, the average amounts involved were substantial (£2,745 and £1,001 respectively).

Anticipated debt levels for 2007/08 graduates averaged £7,798 for full-time graduates and £441 for part-time ones. Estimated net debt on graduation varied considerably in a number of ways, reflecting many of the variations noticed for savings and borrowing patterns. In particular, among full-time students relatively higher net debt was predicted among students from routine and manual work backgrounds and those living away from their parental home.

It is expected that students in their first or second year of study, under the new student finance system, will on average graduate with greater debt. At the end of their first year of study, students in 2007/08 finished for the summer vacation with around £3,518 in net debt, compared with £2,415 (uprated) for first year students in 2004/05.

Around one in three students (32 per cent full-timers and 31 per cent of part-timers) said that the availability of funding and financial support affected their decisions about HE, and 25 per cent of full-time and 31 per cent of part-time students said that concerns over debt nearly stopped them coming. Most said that they would not have studied at all without financial support. New system students were more likely to have had concerns about debt than old system students. Nearly half of all part-time students (45 per cent) said that availability of funding affected their decision to study part-time. The cost of tuition fees was less influential, however it affected part-time students notably more than full-time students (23 per cent compared with 16 per cent respectively).

Almost three in five full-time students (56 per cent) felt that finance had affected their academic performance (eg through increased worry or stress), although only one in ten (nine per cent) felt it had done so a great deal. Part-time students were less likely than full-timers to feel their performance had been affected by financial concerns (41 per cent). Despite concerns over finance, the vast majority (91 per cent) of students had not fallen into arrears on any credit card bills, utility bills or rent.

Lone parents appeared to feel particularly vulnerable. A quarter of full-time students who were lone parents felt financial difficulties had affected them a great deal and this group had amongst the highest level of arrears of any full-time students.

Most students felt that their HE experience was equipping them for the demands of working life, would lead to higher salaries and was worthwhile despite its high cost. Nevertheless, 59 per cent of full-time students had concerns about increasing competition in the graduate job market - slightly more than in 2004/05 (56 per cent).

Comparisons with the previous survey

Comparisons are made between all students (for both 2004/05 and 2007/08), but also between first year students across each survey. Most first year students in 2004/05 studied under the old student finance system, whereas most in 2007/08 studied under the new system. This means that the best way to compare the two funding systems is via comparison of 'like for like' students in the same year of study, across the two surveys.

Compared with SIES 2004/05:

- Full-time student income has increased by around 12 per cent in real terms mainly due to higher income from tuition fee loans, which is in fact paid direct to the institution. Part-time income rose by eight per cent in real terms during the same period.
- The main sources of student support include maintenance and tuition fee loans, and the maintenance grant, whereas other sources include more targeted forms of support as well as support from HE institutions (including bursaries) and employers. Average income from the main and other sources of student support increased much more for first year students than for other students. At the same time, first year students received less income from paid work and from family and friends.
- There has been no change in full-time or part-time students' average earnings from paid work during the academic year, in real terms. However, first year students in the 2007/08 academic year earned 16 per cent less largely due to a lower proportion of first year fulltime students who did any paid work (49 per cent in 2007/08, compared with 58 per cent in 2004/05).
- The total average expenditure of full-time students went up by seven per cent in real terms driven by a 43 per cent increase in participation costs (including a 68 per cent rise for full-time first year students). Living, housing and child-related spending costs remained very similar to 2004/05 (decreasing by between one and seven per cent).
- Tuition fees for full-time students rose by 76 per cent in real terms and more than doubled for first year students. The cost of tuition fees rose by 25 per cent for part-time students.
- Average borrowing increased for full-time students due to substantial increases in student loan debt. Although there were modest increases in savings, the overall impact on students' financial position was to increase the level of predicted student (net) debt.
- Across all part-time students, borrowing levels have fallen since 2004/05.
- Current full-time students are no more likely to consider dropping out or leaving their courses early, nor to cite financial reasons for doing so.
- The proportion of full-time students falling into arrears has declined. Reliance on high cost forms of borrowing has fallen, particularly among first year students operating under the new student finance system, but has remained constant among part-time students.
- The proportion of full-time students who reported that student funding affected their decisions about HE study (either positively or negatively) rose, while the proportion of full-time students who reported that concern over debts almost stopped them coming to university remained the same. Among part-timers, there was a small increase.

■ Fewer full-time students agreed that 'the long term benefits of HE are greater than the costs' (82 per cent in 2007/08 compared with 86 per cent in 2004/05). However the reverse was true among first year students (an increase from 84 to 89 per cent). Among part-time students the proportion agreeing that 'the long term benefits of HE are greater than the costs' declined (from 81 to 74 per cent).

1 Introduction

This report presents the findings of the 2007/08 Student Income and Expenditure Survey (SIES), jointly commissioned by the Department for Innovation, Universities and Skills (DIUS) and the Welsh Assembly Government (WAG). The study was conducted in partnership by the National Centre for Social Research (NatCen) and the Institute for Employment Studies (IES).

This report presents the most detailed, comprehensive and authoritative assessment undertaken of the income and expenditure of students in Higher Education (HE) in England and Wales. It builds on a series of earlier surveys which have been undertaken at regular intervals since the mid 1980s, but in particular updates the findings of the most recent SIES undertaken in 2004/05. That survey took account of the various changes in higher education funding and support enacted since 1998 and provided a baseline for this most recent study, in particular for assessing the impact of further changes in the student funding system which have come into force since 2004/05.⁴

The 2007/08 study covered both full-time and part-time English and Welsh-domiciled students at HE institutions and further education (FE) colleges, including the Open University (OU). Students were participating in designated undergraduate courses including first degree and Higher National Diplomas/Certificates (HNDs / HNCs), or in university-based postgraduate initial teacher training courses (PGCEs) in the 2007/08 academic year. The study covered 69 institutions in England and ten institutions in Wales, plus the OU. Data were collected between January and March 2008 via:

- face-to-face interviews with a randomly selected sample of 2,686 full-time and part-time English-domiciled students
- face-to-face interviews with a randomly selected sample of 744 full-time and part-time Welsh-domiciled students
- expenditure diaries detailing the day-to-day expenses incurred by these students over the course of seven days. Diaries were completed by 2,335 English-domiciled and 621 Welsh-domiciled students (86 per cent of all students interviewed).

This report covers the findings for English-domiciled students only.

1.1 Policy background and context

1.1.1 Overview of key changes to student finance since SIES 2004/05

The Higher Education Act 2004 incorporated several key changes to the financial arrangements of full-time higher education students compared with the support system in place at the time of the 2004/05 survey.

Since September 2006, institutions in England have been able to charge **variable tuition fees** of up to £3,000 per year to new students beginning a course of study. The amount charged varies between courses and universities and any increases are limited to the rate of inflation until at least 2010. Existing students (ie those who started their course before September 2006) are not required to pay variable fees.

⁴ Refer to Section 1.1.1 for a summary of these changes, which were introduced by the Higher Education Act 2004 but not fully implemented until the 2006/07 academic year.

A key change accompanying the introduction of variable tuition fees was the **abolition of the fee grant** for current students: all students are expected to pay the full balance. However, fees are no longer required to be paid upfront and, instead, both new and existing students are able to defer payment until after they leave HE, by taking out a separate non-means tested **student loan to cover the full balance of the fees**. This is repaid in the same way as the traditional student loan for maintenance.

In order to support students from lower-income backgrounds, a **Maintenance Grant** of up to £2,700 was introduced for new students. This grant is means-tested and does not have to be paid back. In addition to this, a new non-repayable **Special Support Grant** of up to £2,700 per year was introduced for new full-time students who may be eligible to receive benefits such as Income Support or Housing Benefit while they are studying. Students who are eligible for the Special Support Grant are not eligible for the Maintenance Grant. As part of the 2006 reforms, institutions were also required to increase the level of financial aid for low-income students. Institutions charging fees of more than £2,700 per year are required to provide additional financial help in the form of **bursaries** to students eligible to receive the full grant, in order to at least make up the difference between the grant and the tuition fee rate. In practice, many institutions offer more than this minimum amount.

Finally, **maintenance loan rates** increased substantially above the rate of inflation from September 2006 to increase the amount of maintenance funding available. In addition, for students entering HE from 1 September 2006, any amount of a student's loan (for fees or maintenance) still outstanding after 25 years will be written off (rather than just the age of 65 or in the event of death or permanent incapacity as in 2004/05).

1.1.2 Summary of current student support arrangements in England

Full-time students

At the time of SIES 2007/08, two systems of financial support were available to new and existing students depending on when they started their course (that is, before or after the 2006 reforms were introduced). Students who started their course before September 2006 are termed 'old system' students. Students who started their course in or after September 2006 are termed 'new system' students and are eligible for the new package of support related to the introduction of variable fees (outlined in the previous section). Old system students are also eligible for some features of the new support system.

The main features of full-time student finance arrangements in place at the time of the 2007/08 SIES are outlined in Figure 1.1.

Figure 1.1: Key elements of HE funding and student support for full-time English-domiciled students, 2007/08

Fee contribution:

- New system students: a maximum fee contribution of £3,070 to be paid upfront by all full-time students. Fee cost is determined by individual institutions.
- Old system students: a fixed maximum fee contribution of £1,225 to be paid upfront by all fulltime students.

Student loans for fees: Students are able to apply for a Student Loan for Fees to cover the costs of their fees. The Student Loans Company (SLC) pays the fees directly to the institution on the students' behalf. Students repay these loans once they have left university and are earning over \pounds 15,000.

Student loans for maintenance: A maximum of £4,510 can be borrowed if living away from home (£6,315 if away and living in London, £3,495 if living at home) as help towards living costs. Students repay these loans once they have left university and are earning over £15,000.

Additional financial help for new system students:

- Maintenance Grant: A maximum of £2,765 is available to students from families with low incomes. Non-repayable.
- Special Support Grant: A Special Support Grant of up to £2,765 is available to students if they are a 'prescribed person' under the Income Support or Housing Benefit regulations to help with extra course related costs (eg books, equipment). Non-repayable. Students eligible to receive the Special Support Grant will not be eligible to receive the Maintenance Grant.

Additional financial help for old system students:

Higher Education Grant: A maximum of £1,000 is available to students on a low income or from families with low incomes to help towards living costs and HE studying. Eligibility and amount received is dependent on income levels. Non-repayable. Students must have started their course on or after September 2004 to be eligible to receive this grant.

Additional financial help for all students: a range of allowances, bursaries and grants are available to students while they are studying; eligibility and the amount received depends on individual circumstances, the individual institutions and household income levels.

- Access to Learning Funds: Available through institutions to provide help for students in hardship or who require extra financial support to stay in HE.
- Bursaries: Extra financial help from the institution students are attending. Students receiving the full £2,765 Maintenance Grant or Special Support Grant will receive extra help as a bursary from their university or college to meet the remaining fee cost (£305). Many institutions are also offering bursaries for students eligible for partial Maintenance or Special Support Grants and many are offering considerably more than the minimum.
- Support for students with children: Childcare Grant, Parents' Learning Allowance, Child Tax Credit.
- Support for students with dependent adults: Adult Dependants' Grant
- Support for disabled students: Disabled Students' Allowances (DSAs).

Part-time students

In parallel with the changes to full-time HE student support in 2006/07 a number of changes to part-time funding also came into effect. These changes included:

- an increase to the rates of fee grant available to part-time students
- the introduction of the Additional Fee Support Scheme (AFSS). From 2006/07, institutions in England could choose to run the AFSS for part-time students, which aims to provide extra help towards fees for new and continuing students on low incomes.

The main features of the part-time student finance arrangements at the time of the current survey are outlined in Figure 1.2.

Figure 1.2: Key elements of HE funding and student support for part-time English-domiciled students, 2007/08

Fee Grant: Part-time HE students studying at least 50 per cent of an equivalent full-time course could receive a grant towards their fees and a grant towards their course costs (see course grant, below). Entitlement to the grant is income-dependent and the grant is non-repayable. Students studying for 50 per cent of a full-time equivalent course could receive up to £765, those studying 60 to 74 per cent of a full-time course, up to £920, and those studying 75 per cent or more of the full-time course, up to £1,150.

Course Grant: In 2007/08 the maximum course grant to pay for books, travel and other course costs was £250. This did not depend on course intensity.

Other Student Support: A number of other means of support were available to part-time students in the 2007/08 academic year. These included:

- Additional Fee Support Scheme: Additional support from the students' college or university if a fee grant does not cover the fees charged.
- Access to Learning Funds: Available through colleges to provide help for students who need extra financial support.
- Disabled Students' Allowances.
- Support for students studying with the Open University.

1.1.3 Trends in HE participation and its rate of return

Over the past decade or so, HE student numbers in the UK have increased considerably from 1.72 million in 1995/96 to 2.3 million in 2007/08⁵. Increasing participation in HE is one of the government's key policy initiatives and forms part of the ambition (articulated in the Leitch Review⁶ and the government's response to it⁷) for the UK to become one of the world's leading countries for high-level education and skills by the year 2020 (defined as being in the top quartile of the OECD rankings).

⁵ Numbers from HESA, Students in Higher Education Institutions, 1995/96, and HESA, Statistical First Release 130, January 2009.

⁶ Leitch Review of Skills (2006), Prosperity for All in the Global Economy - World Class Skills, Final Report, TSO.

⁷ DIUS (2007), Implementing the Leitch Review of Skills in England, TSO.

To this end, specific targets have been set for England, including working towards 50 per cent participation in HE by 18 to 30 year olds by 2010, and for more than 40 per cent of adults to be qualified to at least Level 4 by 2020. In order for these targets to be achieved, participation needs to rise among both young people leaving school or college at 18 and among adults looking to return to education. In terms of this latter group, and building on the Leitch priorities, the government has recently committed to strengthening employer involvement in higher level learning by incentivising and funding provision which is partly or wholly designed, funded and delivered by employers.

In addition to the aims of raising participation and employer involvement in HE, widening participation continues to be a key driver of HE policy. This focuses funding and activity on attracting learners from groups who are currently under-represented in HE (or who are from non-traditional student backgrounds), such as those from families with no prior experience of HE, those from lower socio-economic groups, those in areas of traditionally low HE participation, and older adults. The re-introduction of maintenance grants for students from lower-income families, continued support for the payment of tuition fees, and the increasing emphasis on institutional bursaries targeted at students from non-traditional backgrounds are all evidence of how the widening participation agenda has informed HE student funding policy.

There has also been a steady rise in the proportion of mature students participating in HE over the past two decades, and the substantial rise in the number of students on part-time courses has been a significant contributing factor to this trend. The part-time route to HE is typically followed by adults aged 25 and over, who pay their own fees and who combine studying with remaining in continuous paid work.

As a whole, the trend in student funding policy since the early 1990s has been to shift the balance towards individuals making a greater contribution to the costs of their own study, in particular among young, full-time students. With the introduction of upfront - and more recently, variable - tuition fees there has been an increased emphasis on providing financial support through loans for fees as well as for maintenance, which have to be re-paid once the student has graduated and is earning over a certain income threshold.

In spite of the growth in participation and debates about a potential over-supply of graduates⁸, there are still economic benefits to having a degree compared with not having one (as well as other, wider benefits). Recent research from Pricewaterhouse Coopers on behalf of Universities UK found that an average graduate earns around 20 to 25 per cent more than someone whose highest qualifications are at Level 3 (eg two A-levels or their equivalent) - this equates to around £160,000 in additional lifetime earnings in today's values.⁹ Generally this 'graduate premium' has held up well over the past few years, despite the expansion in student numbers; however, there is some evidence to suggest that it may be narrowing slightly for the most recent graduates¹⁰. In addition, once the costs of HE participation are taken in taken into account, the overall returns on a degree are reduced to around 12 per cent, on average¹¹. There is also a huge variation in this premium according to

⁸ See, for example, Chevalier A, Lindley J (2007), *Over-education and the skills of UK graduates*, Centre for the Economics of Education Discussion Paper No.79, London.

⁹ PricewaterhouseCoopers LLP (in association with London Economics) (2007), *The Economic Benefits of a Degree*, Universities UK, London. This PWC figure is gross, ie not net of tax.

¹⁰ See, for example, Walker I, Zhu Y (2005), *The college wage premium, over-education and the expansion of higher education in the UK*, IZA Discussion Paper No.1627, Bonn, Germany.

¹¹ PricewaterhouseCoopers (2007) projected that the rate of return would increase to around 13 per cent following changes to the student funding package arising from the introduction of variable tuition fees.

degree subject, with those who do technical and mathematically-based degrees faring particularly well compared with those doing arts subjects¹².

1.2 The Student Income and Expenditure Survey (SIES) 2007/08

1.2.1 About the SIES series

The SIES is a large-scale comprehensive survey of first degree, diploma, and PGCE students which has been undertaken regularly since the mid-1980s. Although other studies are undertaken on aspects of student finance¹³, the SIES is the most detailed and authoritative. The main purpose of the SIES has been to collect detailed information on undergraduate students' income, expenditure and, more recently, debt and student hardship, in order to monitor the impact of various changes in HE and student funding, and ensure that student support arrangements are adequate. Recently, this has been seen as especially important in widening access to HE study to non-traditional students. The SIES has also provided a basis for comparisons over time, in particular on patterns of student income and expenditure for certain groups of students.

The most recent survey, in 2004/05, was conducted using a new random sample methodology that was devised to overcome increased data protection barriers to conducting surveys with a representative sample of students. Although some comparisons were available with previous studies, the 2004/05 survey accorded stronger emphasis to providing an accurate picture of the current funding arrangements as new, baseline data for future studies. The 2007/08 study continues with the same overall aims as its predecessors, with added emphasis on drawing comparisons with the previous study. This is particularly important in light of the requirement of the study to input into the 2009 Independent Commission which will involve reviewing the impact of the reforms to student support introduced in September 2006.

1.2.2 Research objectives

More specifically, the main objectives of the 2007/08 study are:

- To provide an objective and statistically robust picture of students' financial position in the academic year 2007/08, including measurement of income, expenditure, short-term debt, expected debt on graduation and financial hardship. These measures are to be obtained for a representative sample of full-time and part-time HE students in HE institutions in England and Wales and FE colleges in England.
- To monitor changes in students' financial position over time by comparing the financial position of students in 2007/08 with that of comparable students in 2004/05, while providing a baseline against which future changes in student finance can be measured.
- To achieve sample sizes that are sufficient to monitor sub-groups of particular policy interest, including those groups that are defined by students' age, socio-economic group, ethnicity, and location (whether or not studying in London) for full-time students and by age and socio-economic group for part-time students.

¹² Sloane P J and O'Leary N C (2005), The return to a university education in Great Britain, University of Wales, Swansea.

¹³ See, for example, the RBS/NatWest Student Living Index.

 To provide evidence to support the 2009 Independent Commission on Student Finance and other policy development needs of DIUS and WAG in the area of HE student finance.

1.2.3 Research method

The research method for SIES 2007/08 duplicates the approach used in the 2004/05 survey. The methodology is discussed in greater depth in Appendix 1 (and in even more detail in the separate Technical Report). In summary, it comprised the following stages:

- An initial sample of 53 HE and 20 FE colleges in England, and ten HE institutions in Wales, was selected randomly, but with probability roughly proportional to their size, and also stratified by region. Two English HEIs had to be replaced as did nine English FECs (mainly because they did not have sufficient numbers of students studying for HE qualifications to be eligible for the study).
- Of these institutions, 50 HEIs and 19 FECs in England, and ten HEIs in Wales, 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 22,465 students for the opt-in process.
- These students were then mailed by their institutions. The mailing pack included an opt-in questionnaire which collected key characteristics and contact details, on which students could indicate consent to be re-contacted for the main survey stage of the research. Incentives were used to encourage response.
- A total of 6,656 returns were received (directly to the researchers) which was 30 per cent of the issued total. This represents a decline from 45 per cent in 2004/05. As in 2004/05, the rate of return varied substantially between institutions, partly because a small number of institutions were late in sending out the packs.
- Of those making returns, 5,326 consented to be contacted by the researchers (80 per cent, a similar proportion to 2004/05). Overall this comprised 24 per cent of the original sample contacted by their institution, lower than in 2004/05 (when 35 per cent of despatched forms resulted in a consenting student). Not all of those who consented to be re-contacted were eligible to be interviewed¹⁴, reducing the in-scope sample to 4,773 students.
- Due to the lower than expected response rate, there was no spare capacity in the sample and all consenting and eligible leads were then issued for the main SIES survey. The actual number of leads issued was 4,758 as a few cases had to be excluded at a later stage (mainly because there were duplicate responses to the opt-in stage which had not been identified in earlier checking).
- A separate sample of 149 eligible and consenting part-time students studying at the Open University was obtained using the same approach.

It should be noted that the scope of the OU student sample was purposely chosen to be similar to other part-time students. Therefore, while the OU sample in this study is comparable to other part-time students in HE, it is not representative of OU students as a whole (see Appendix 1 for more information). The OU sample has been analysed as part of the sample of part-time students.

¹⁴ This could be for a variety of reasons, including part-time students who already had a degree, or students who were studying for postgraduate qualifications not included within the scope of the survey. The eligibility rate among those students who opted in to the study (90 per cent) was slightly higher in 2007/08 than in 2004/05.

The main interview stage involved interviewing students face-to-face using a Computer Assisted Personal Interview (CAPI). All students were asked to complete a seven-day diary of expenditure after the interview (either on paper or via the Internet). The interview and diary taken together covered aspects of income and expenditure in detail including the main components of income such as student support (loans, grants, etc.), parental contribution, paid work, savings, etc. and various areas of expenditure such as accommodation and living costs. Information on personal characteristics, financial well-being, and attitudes to student finance was also collected.

The overall response rate for the survey was 72 per cent: this varied from a high of 74 per cent for students in Welsh HEIs to a low of 62 per cent among OU students. Among those students who took part in the survey, 86 per cent also returned an expenditure diary - close to the target of 88 per cent.

1.2.4 Changes to previous surveys

An important feature of the 2007/08 study was to measure change since the last survey in 2004/05. For this reason a deliberate attempt was made to keep the survey and diary instruments as similar as possible to the previous study. However, some revisions were required, the main reasons being:

- To take account of the changes in the student support system outlined in Section 1.1.1 and divergences in the student support systems between English and Welsh-domiciled students. New or amended information had to be collected in relation to tuition fees and fee support in particular, taking account of differences between new system and old system students. A number of other smaller reforms (such as the withdrawal of the Higher Education Grant) required questions to be deleted, added or amended.
- To take account of questionnaire improvements noted after the 2004/05 survey. These mainly related to a question about income from work and the addition of extra diary categories on parking.
- The extent of information on financial well-being and attitudes to student finance was reduced compared with the 2004/05 study in order to maintain the target interview length.

1.3 Sample profile

In total, 2,686 English-domiciled students took part in the study. A summary by mode of study and survey/diary completion is presented in Table 1.1.

Table 1.1: Number of English-domiciled students in SIES 2007/08

	Completed interview	Completed expenditure diary
Full-time	2,045	1,761
Part-time (inc. OU)	641	574
All	2,686	2,335

Base: all English-domiciled students

This section examines the details of the student sample on which the survey findings are based (ie after weighting). In terms of their key personal characteristics:

- Fifty-seven per cent of English-domiciled full-time students were women and 43 per cent were men. Part-time students had a similar gender profile; 41 per cent were men and 59 per cent women.
- Eighty-three per cent of full-time students were under 25 years of age and 36 per cent were aged under 20. Part-time students were generally older 28 per cent were aged under 25, 38 per cent were aged 25 to 39 and 35 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 of full-time students¹⁵ (57 per cent) and part-time students¹⁶ (55 per cent) were classified as belonging to the managerial or professional socio-economic group. Smaller proportions of full and part-time students were classified as belonging to the routine or manual socio-economic group (24 per cent of full-timers and 29 per cent of part-timers).
- By ethnicity, 83 per cent of full-time students were white, while 17 per cent belonged to another ethnic group. Seven per cent of full-time students classified themselves as Asian or Asian British (ie of Indian, Pakistani or Bangladeshi origin), four per cent as Black or Black British and five per cent as of mixed or other ethnic group. A higher proportion of part-time students were white (89 per cent).
- The majority of full-time students were single (85 per cent). A further seven per cent were married or living as a couple without children, six per cent were in a two-adult family and two per cent were lone parents (ie one-adult family).
- Part-time students had a very different family composition: 39 per cent were single, 26 per cent were married or living as a couple without children, 26 per cent lived in a two-adult family and ten per cent were lone parents.
- Around three-quarters of full-time students were classified as dependent students (77 per cent) and 23 per cent as independent students (see the Glossary at the end of this chapter for definitions of dependent/independent students).

In terms of their HE study and student living arrangements:

- Full-time students most commonly lived in rented non-university accommodation with friends or other students (35 per cent), with their parents or relatives (24 per cent) or in university accommodation (21 per cent).
- Part-time students were more likely than full-time students to be owner-occupiers (52 per cent compared with nine per cent). A substantial proportion also lived with parents or relatives (22 per cent).

¹⁵ Figures for full-time students exclude some students for whom reliable National Statistics Socio-Economic Classifications (NS-SEC) information could not be derived due to misclassification of some dependent students as independent, which meant that they were asked about their own occupational background rather than their parents'. They also exclude students whose own or family background indicated no history of paid work at all prior to the course.

¹⁶ Figures for part-time students exclude OU students and those whose own background indicated no history of paid work prior to the course.

- Fifteen per cent of full-time students and eight per cent of part-time students lived in London while studying.
- The vast majority of English-domiciled full-time students studied at English HEIs (94 per cent). Similar proportions studied at either a Welsh HEI or an English FEC (three per cent respectively).
- A lower proportion of part-time students than full-time students studied at an English HEI (66 per cent). Just one per cent of part-time students studied at a Welsh HEI and 18 per cent studied at an English FEC. Fifteen per cent of part-time students in our sample studied with the Open University.
- Both the full and part-time samples of students were fairly evenly spread according to year of study. About one-third (32 and 33 per cent respectively) were studying in the first year of their course; a further third were in another year (32 per cent of full-time students and 31 per cent of part-time students); and 35 per cent of full-time students and 36 per cent of part-time students were in their final year or studying on a one-year course. This latter group includes full-time PGCE courses.
- Thirty-nine per cent of full-time students were eligible for the old system package of support and 61 per cent for the new system package of support (see the Glossary at end of this chapter for relevant definitions).

1.4 About this report

1.4.1 Report structure

This report is largely confined to the presentation of descriptive analysis of the data, with some multivariate analysis on selected key questions such as the factors influencing overall income and expenditure.

- Chapters 2 and 3 focus on income across the academic year from September 2007 to June 2008. Income from paid work during the summer vacation is also presented (separately) in Chapter 3. These chapters consider both HE-related and other sources of income such as paid work and social security benefits, and explore how the balance between income sources varies for different types of student.
- Chapters 4 and 5 cover expenditure in a similar way and over the same academic year. Chapter 4 focuses on total expenditure while Chapter 5 discusses HE participation, housing and living costs.
- Chapter 6 addresses students' overall financial position, taking into account savings and borrowings (including student loans) to derive an estimate of student debt. Chapter 7 then assesses students' financial well-being and the extent of student hardship.
- Chapter 8 provides greater insight into the impact of finances on students' decisions about starting HE and their perceptions about its economic and social returns.
- Chapter 9 compares findings from the 2007/08 study with those in 2004/05, across all fulltime and part-time students, and for Year 1 students only (see Section 1.4.3 for more detail).
- Chapter 10 presents a top-level comparison of English-domiciled and Welsh-domiciled students (detailed findings for Welsh-domiciled students are presented in a separate report).

Finally, Chapter 11 draws out some conclusions from the data and assesses to what extent the HE student funding system is achieving its aims.

Appendix 1 contains more detail about the survey methodology and sample, including data cleaning and weighting.

1.4.2 Presentation and interpretation of the data

In each chapter, key tables and figures are located as close as possible to the appropriate text. Where relevant, and for ease of reference, additional tables are presented at the end of each chapter. 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.

On occasion, there may be a small discrepancy between the mean figure for a main source of income or expenditure (for example, income from social security benefits) and the sum of its component parts (for example, the mean figures for 'Council Tax benefit' and 'other benefits'). Where this occurs it is due to the trimming of extreme values, which was undertaken at the overall level for each main income or expenditure category and not for the more detailed components.

In most of the tables showing monetary amounts, descriptive statistics are presented for the average (mean), median and standard error (SE). It is important to take note of the standard error because it is a measure of the extent to which we expect the sample mean to differ (+/-) from the population mean. Plus or minus two standard errors usually provides a 95 per cent confidence limit: that is, we can be 95 per cent confident that the 'true' value (ie if we had interviewed the entire population of students, rather than a sample) lies within that range.

1.4.3 Presentation of comparisons with 2004/05

The presentation of comparisons over time is complicated by changes in the financial landscape for students since the previous survey, which mean that, within the 2007/08 study, students are covered by different arrangements depending on their year of study. In the main, all Year 1 students are on the new system; the majority of Year 2 students are on the new system; and most of those in Year 3 or above (ie including final year undergraduate students) are on the old system. This is further complicated by the fact that old system students can access some elements of new system support.

Our approach to presenting comparisons with the 2004/05 study (in Chapter 9) is shown in Figure 1.3.

Figure 1.3: Presentation of comparisons over time

For full-time students: data are presented in four columns showing

- overall figures for all students in 2007/08 compared to 2004/05. This will indicate whether the experiences of students as a whole in 2007/08 differ from that in 2004/05. Due to the introduction of the 'new system' in 2006 we are of course expecting differences. However, we cannot tell from this comparison how much of any trend is due to changes in the support system.
- figures for Year 1 students in 2007/08 compared to Year 1 students in 2004/05. Year 1 students in 2004/05 were all on the 'old system' whereas Year 1 students in 2007/08 are all on the 'new system'. This comparison therefore provides the purest indication of differences arising from the changes in the support system, between the two surveys.

For part-time students (including OU students): the data are presented in two columns, at the overall level only. There is no need to make the additional Year 1 distinction among part-time students as they are essentially under the same support system as in 2004/05 (although there have been some changes).

All of the 2004/05 monetary amounts presented in the trend tables in Chapter 9 have been up-rated using 2007/08 Retail Price Index (RPI) data for Quarter 1 2008 (ie the fieldwork period). This approach was also taken in the previous report which compared 2004/05 with results from 1998/99.

According to Office for National Statistics (ONS) figures¹⁷, the RPI for Quarter 1 (Q1) 2005 was 189.7 and for Q1 2008 was 211.1. This means the multiplier used for up-rating 2004/05 figures is 1.113 (calculated by dividing the RPI in Q1 2008 by the RPI in Q1 2005).

¹⁷ <u>http://www.statistics.gov.uk/rpi</u>

1.5 Glossary

Because of the complexity of students' finance and the different definitions involved in categorising students, Figure 1.4 provides a glossary of terms used in the rest of this report.

Figure 1.4: Glossary of terms used, SIES 2007/08

Eligible student

Students included in the survey:

- must have been attending or registered at an English or Welsh HEI, or English HEI, or English FEC or Open University in academic year 2007/08
- 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 (ie UK is their home even if travelling/working abroad)
- not in the placement year of a sandwich course during 2007/08.

Part-time student

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). (N.B. This profile means that the OU students included in this survey are not typical of all OU students.)

Academic year

Approximately nine months duration but term dates vary between institutions; dates were assumed to be 1/10/07 to 20/6/08 for all except the OU, where the dates were 30/07/07 to 31/07/08 (12 months).

Term-time and end of academic year

Refers to periods when they are studying, usually three terms but a few institutions in the sample had two terms (semesters).

End of academic year was around late June / early July for all but the OU, where it was end July 2008.

Married or joint financial responsibility

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 the Technical Report.

Old system / new system students

Old system students started or applied to their course before September 2006, and are therefore covered by the 'old' system of student financial support, and do not have to pay variable tuition fees. This group will include some students who deferred starting their course until September 2006 or later. New system students are those who commenced their course in or after September 2006 (excluding those on deferred places from previous years) and are covered by the 'new' support system.

Dependent / independent students

Dependent students are all full-time students:

 aged under 25, unmarried, not financially independent for three years prior to their course, and do not have children of their own living with them who are aged 16 or under, or in full-time education and aged 17 or 18.

Independent students are:

- all part-time students
- full-time students aged 25+, married, financially independent for three years prior to the start of their course, or with children of their own living with them, aged 16 or under, or in full-time education and aged 17 or 18.

Social class

The social class results shown are based on the National Statistics Socio-Economic

Classifications (NS-SEC), which are derived in the following way:

- 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.

For the purposes of survey analysis we use three categories of socio-economic groups:

- managerial and professional
- intermediate
- routine, manual and unemployed.

Household / family type

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:

- two-adult family: means living in household with another adult plus child(ren)
- Ione-parent family: means single adult in household plus child(ren)
- couple: means married/living with adult partner, no child(ren)
- single: means not sharing accommodation / financial responsibilities, no child(ren).

Domicile

Domicile is taken to mean a student's normal residence prior to commencing their programme of HE study (which may differ from their nationality). References to English students or students from England equate to English domicile; and similarly Welsh students or students from Wales equate to Welsh domicile.

2 Total Student Income

2.1 Summary of key findings

- Full-time students' average total income during the 2007/08 academic year was £10,425. Part-time students received around 30 per cent more, on average, with an average total income of £13,511.
- The higher average total income figure among part-time students was mainly attributable to their higher earnings from paid work during the academic year. Full-time students relied much more heavily on income from the main and other sources of student financial support. The 'main' sources include the most widely-available sources of state support such as maintenance and tuition fee loans and grants, whereas 'other' sources include more targeted forms of state support (for example, teaching or NHS-specific grants) as well as support from HE institutions (including bursaries), employers, and other organisations.
- Among both full and part-time students, average total incomes and their composition varied considerably between different student and study characteristics, but especially by household/family type (linked to age), and ethnicity.
- The highest incomes among full-time students were reported by students with dependent children (in particular lone-parents), and the lowest among Asian/Asian British students. However, higher income should not be interpreted as being 'better off' given that those with higher average incomes may have also had higher average expenditure, while those with lower incomes may have had lower expenditure (see Chapters 4 and 5).
- Among part-time students, those with dependent children were again found to have the highest incomes, while those with the lowest incomes were students from BME groups, younger entrants who started their course aged under 20, and those studying HE qualifications at further education colleges.
- Among full-time students, average total incomes were remarkably similar across students from different social classes, although their composition varied. In line with targeted student funding models, students from routine / manual social class backgrounds relied more heavily on income from the main and other sources of student support, whereas those with professional / managerial social class backgrounds relied more on contributions from their family and friends (predominantly parental contributions).
- Social class differences were more pronounced among part-time students. Those in the managerial/professional social class had a much higher average total income than working class students, largely driven by their higher earnings from paid work.
- Among full-time students, those covered by the new support system had a higher average total income than those under the old support system (mainly linked to their higher income from the main sources of student support, in particular student loans for tuition fees, which are paid directly to their institution). Differences between the new and old funding systems were also related to differences between students in different years of study, although these were not found to be significant once other characteristics were controlled for.

2.2 Introduction

This chapter presents the main survey findings on total income for English-domiciled students in the academic year 2007/08. This includes both HE-related income (from student loans, grants and other forms of financial support for studying) and income from other sources such as family and friends, paid work and social security benefits. The chapter presents an overview of income including:

- Total average income of full-time and part-time students from all courses.
- How the composition of students' income varies between full-time and part-time students
- How total average income levels vary between students with different characteristics and on different types of course.

The interview sought to identify all the sources of income a student had received during the 2007/08 academic year, and the amounts received from each. An overall total income figure was then derived by summing these amounts. Figure 2.1 summarises the main sources of student income and their constituent parts.

Figure 2.1: Components of student income

Estimated total income is derived from summing income from the following categories:

Main sources of student support: This comprises the student loan for fees; student loan for maintenance; Special Support Grant and other grants; Access to Learning funds; and other main forms of student support.

Other sources of student support: This includes child-related support; teaching and NHS-related support; disabled student allowances; employer support; Career Development Loans; support direct from institutions (such as bursaries); support from charities; European Union (EU) grants.

Income from family and friends: This includes financial contributions from parents, other relatives, and non-relatives; gifts in kind; gifts of money from a partner; and students' share of their partner's income (where relevant). The share of partner's income may result in a negative amount, if the student contributes more than they receive. Income from family and friends may also result in a negative amount overall, if the share of partner's income is negative and is not offset by contributions from other sources.

Income from paid work: This comprises earnings from a permanent/continuous job, and other casual jobs during the academic year. Income from jobs done during the summer vacation is not counted as part of total income during the academic year, but is reported separately in Chapter 3.

Social security benefits: Income from Council Tax Benefit and other benefits.

Other income: This category includes other miscellaneous sources of income, such as money made from the sale of books, computers, and other equipment.

Only the main variations between students are discussed in this chapter, and additional tables at the end of the chapter present further results for key groups of students. Changes in income compared with 2004/05 are presented in Chapter 9 and comparisons with Welsh-domiciled students in Chapter 10.

2.3 Total income

2.3.1 Introduction

In this section we examine the overall level of income and its main constituents, separately for full-time and part-time students. We also look at the overall composition of income in terms of the proportion falling into the different categories.

2.3.2 Key findings

The average (mean) total income of English-domiciled full-time students during the 2007/08 academic year was £10,425. The median was slightly lower at £9,600 (which means that 50 per cent of students received at least this amount, and 50 per cent received more). Among part-time students the average (mean) total income was higher, at £13,511, with a median of £12,760. The ratio between full-time and part-time incomes is in line with that found in previous SIES studies: part-time students received around 30 per cent more than their full-time counterparts (Table 2.1).

2.3.3 Composition of total income

Differences in the total average income level between full-time and part-time students can largely be explained by the much higher incidence of paid work among part-time students, and the relatively greater contribution that such earnings make to their total income (Figure 2.1). The results show that, overall:

- Income from the main sources of student support (such as student loans for tuition fees and maintenance, and maintenance grants) formed almost half of full-time students' total income, on average (46 per cent). The bulk of this income came from the student loans for tuition fees and maintenance, which together contributed 38 per cent of students' average total income. This source was much less important for part-time students, for whom it comprised only two per cent of income.
- Similarly, income from other sources of student support (such as NHS or education-related grants, and institutional bursaries) also formed a higher proportion of full-timers' income than among part-timers (10 per cent compared with four per cent). This is linked to the eligibility criteria for these forms of funding, which are in the main directed at full-time rather than part-time students.
- Income from paid work was the main source of income among part-time students (comprising 71 per cent of the total). Among full-time students, this comprised one-fifth of their total income, on average (20 per cent).
- Income from family and friends represented one-fifth of full-time students' average total income (20 per cent), but only eight per cent of income among their part-time counterparts.
- Income from social security benefits accounted for a higher proportion of part-time students' income than it did among full-time ones (10 per cent compared with just two per cent). Again, this is linked to variations in eligibility: very few full-time students are eligible to receive state benefits.
- Income from other sources was low, on average, and comparable among full-time and part-time students.

Table 2.1: Total student income and	I main sources of income for English-domiciled students,
by full-time and part-time status (£)	-

		Full-time	Part-time
Main sources of student support	Mean	4,771	256
	Median	5,125	0
	SE	118	23
Other sources of student support	Mean	1,025	606
	Median	0	0
	SE	61	49
Income from paid work	Mean	2,108	9,580
	Median	380	9,000
	SE	109	341
Income from family and friends*	Mean	2,045	1,036
	Median	1,100	80
	SE	119	199
Social security benefits*	Mean	258	1,416
	Median	0	1
	SE	34	104
Other income*	Mean	219	618
	Median	10	0
	SE	25	108
Estimated total income*	Mean	10,425	13,511
	Median	9,600	12,760
	SE	119	365
N = (2,686) unweighted		2,045	641

* Note: figures adjusted for partner contributions where relevant Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08





Base: all English-domiciled full-time students (2,045), all English-domiciled part-time students (641) Source: NatCen / IES SIES 2007/08

2.4 Variations in total income between students

2.4.1 Introduction

This section examines key differences in average total income between different types of student (in terms of their individual and socio-economic characteristics, HE study-related factors, and location). Variations among full-time and part-time students are explored separately (in Sections 2.4.2 and 2.4.3).

2.4.2 Full-time students

The range of average (mean) total incomes reveals substantial variations linked to student and HE study characteristics (Tables A2.1 and A2.2). The highest average total incomes were found among students aged 25 or older (£13,974) and students in households with dependent children (£14,755 among two-parent households and £17,703 in lone-parent households). Looking at the bottom of the range, the lowest averages were found among students aged 20 to 24 (£9,012), those living at home with their parents (£8,606), and among Asian/Asian British students (£8,002).

Some of these variations are likely to be linked to different personal and study circumstances affecting income profiles in different (and inter-related) ways. It would be wrong to interpret those with a higher income as being 'better off', as - for example in lone-parent families - they may also have much higher expenditure (discussed in Chapters 4 and 5). In order to unpick which student and study characteristics were most strongly associated with variations in total income, a multiple linear regression model¹⁸ was conducted (Table 2.2). This model found that significant variations in income were determined by a range of factors, discussed in turn in the following sections.

¹⁸ 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. Variables which have a statistically significant effect on the dependent variable, after controlling for other background differences, are indicated by one or more asterisks (*). The number of asterisks indicates the strength of the statistical relationship: one asterisk indicates significance at the 95 per cent confidence level, two asterisks indicate significance at the 99 per cent confidence level, and three asterisks indicate significance at more than 99 per cent.

Table 2.2: Linear regression model of total income for English-domiciled full-time students

			95% Confidence limit	
	Regression coefficient	Significance level	Lower	Upper
All students	9,985	0	8,966	11,004
Gender				
Male (ref. category)	0			
Female	541	0.016	108	1,064
Age group				
<20 (ref. category)	0			
20-24	-541	0.192	-1,357	274
25+	1,541	0.076	164	3,245
Socio-economic group				
Managerial / professional (ref. category)	0			
Intermediate	-363	0.248	-981	254
Routine / manual	-441	0.129	-1,011	130
Ethnicity				
White (ref. category)	0			
Asian***	-1,607	0.000	-2,417	-798
Black*	-1,284	0.017	-2,338	-230
Mixed / other**	-935	0.003	-1,553	-318
Household/family type				
Single (ref. category)	0			
Couple	105	0.865	-1,112	1,323
Two adult family*	1,990	0.012	449	3,532
Lone parent***	4,780	0.000	2,994	6,565
Status				
Dependent (ref. category)	0			
Independent	701	0.359	-800	2,201
Whether lives with parents				
Lives away (ref. category)	0			
Lives with parents***	-1,627	0.000	-2,142	-1,112
Whether lives in London				
Lives elsewhere (ref. category)	0			
Lives in London	383	0.442	-596	1,363
Parental experience of HE				
No HE parents (ref. category)	0			
Parents went to HE	-260	0.209	-667	146
Type of institution				
English HEI (ref. category)	0			
Welsh HEI	-91	0.230	-1,294	312
FEC	-918	0.119	-2,075	239

	Regression coefficient	Significance level	95% Confidence limit	
			Lower	Upper
Subject				
Social sciences / Business /Law (ref. category)	0			
Medicine / Dentistry	32	0.951	-980	1,044
Subjects allied to Medicine**	-1,594	0.001	-2,523	-664
Science / Engineering / Technology / IT	-310	0.332	-938	318
Arts / Humanities / Languages	-450	0.096	-981	80
Education	360	0.524	-750	1,470
Combined / other	104	0.795	-682	890
Year of study				
First year (ref. category)	0			
Second / intermediate year	-62	0.844	-684	559
Final year / one-year course	-106	0.823	-1,039	827
Qualification				
Bachelor degree, HND/C (ref. category)	0			
Foundation / non-degree	-99	0.886	-1,461	1,264
PGCE/ITT*	2,448	0.018	431	4,465
Old or new system				
Old system (ref. category)	0			
New system**	1,495	0.002	548	2,442

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

Base: all English-domiciled full-time students (2,045)

Source: NatCen / IES SIES 2007/08

Student factors

Average total income was related to students' age and gender although to some extent this reflected associations between these and other factors (such as family type, and subject of study). Women had a higher average total income than men (£10,776 compared with £9,980) and this was mainly driven by higher income from other sources of student support (see Table A2.3 for breakdowns). In particular they received more income than men from NHS and teaching-related funding sources, reflecting the fact that more women than men undertake teacher training and subjects allied to medicine. However, gender was not found to be significant once other characteristics were controlled for in the regression model.

As discussed, older students aged 25 or more had a higher average total income than younger students (£13,974 compared with £10,570 among students aged under 20 and £9,012 among those aged 20 to 24, see Table A2.4). As some of these differences relate to differences in family type and also to the differences in old or new system funding arrangements (students aged under 20 are predominantly all new system students), once background factors were controlled for in the regression, age was not found to have an independent effect on average total income.

Average total income was strongly correlated with full-time students' family type, and significant in the regression model. Those in families with dependent children had the highest levels of income (£17,703 among lone parents and £14,755 among two-parent families), compared to those in a couple without children (£11,330) or single (£9,837). Lone parents received a much higher proportion of their average total income from social security benefits, and a much lower proportion from paid work or from family and friends, than those in any other group (Figure 2.3; Table A2.5).



Figure 2.3: Contribution towards total income by family type, English-domiciled full-time students (%)

Base: all English-domiciled full-time students (2,045)

Source: NatCen / IES SIES 2007/08

Notably, total average income was remarkably similar across students from different socioeconomic backgrounds (see Table A2.6), and the regression model found that social class was not significant in determining average total income. However, there were distinctions in terms of where their income came from (Figure 2.4). The key factors were:

- Students from families in routine or manual work received more income (£6,770) and a higher proportion of their income (62 per cent) from the main and other sources of student support, compared with those from professional / managerial backgrounds (£5,334, 50 per cent of their average income). This is in line with targeted student funding models designed to foster widening participation among those from lower social class backgrounds.
- Students from routine / manual backgrounds also received more of their income in earnings from paid work than students from intermediate social class backgrounds (£2,291 or 21 per cent, compared with £1,824 or 17 per cent) but no more, on average, than students from professional/managerial backgrounds, who earned an average of £2,142).
- Students from routine/manual backgrounds received substantially less in contributions from family and friends: at an average of £1,249 this comprised just 11 per cent of their total average income, compared with a quarter (25 per cent) of income for students with professional/managerial social class backgrounds, who averaged £2,678.

Figure 2.4: Contribution towards total income by socio-economic group, English-domiciled full-time students (%)



Base: all English-domiciled full-time students for whom NS-SEC could be reliably derived (1,776)

Source: NatCen / IES SIES 2007/08

Another factor that showed significant variations in the levels of total income, once other factors were controlled for, was ethnicity. Overall, white students had a higher average total income than students in Black and Minority Ethnic (BME) groups (£10,683 compared with £9,158). The main drivers of this were that white students tended to get more from family and friends and from paid work, on average. It is important to look beneath these overall findings to explore more specific differences between individual BME groups (Table A2.7). This shows that in fact, Asian / Asian British students had a much lower level of total average income than other ethnic groups (indeed, as discussed previously, they had the lowest income of any type of student). On average they tended to get significantly less income from other sources of student support, especially compared with Black / Black British students (£557, compared with £1,935), as well as less from family and friends when compared with white students (on average, £1,070 compared with £2,204). The profile of Asian / Asian British students more likely to live at home with their parents while studying than are white students (61 per cent compared with 21 per cent).

Full-time students who continued living with their parents while studying had a significantly lower average total income than those who lived away from home (£8,606 compared with £10,989). This difference remained significant once other factors were taken into account in the regression model. Students who lived at home during their course received less from the main and other sources of student support, on average, and received half as much in financial support from family and friends (Table A2.8). This was only partly offset by the fact that they had a higher average income from paid work (£2,479 compared with £1,993) - reflecting the fact that more of them worked while studying.

HE study-related factors

Some variation in average total income levels is explained by HE-study related factors. Among full-time students, new system students had a higher average total income than old system ones (£11,287 compared with £9,097). This was significant in the regression model (which we would expect given that new system students are eligible for higher levels of student financial support, as they have higher fees to pay). Table 2.3 reveals their higher average income was largely driven by higher income from the main and other sources of student support (the primary difference being the amount they received from the student loan for tuition fees, which are higher under the new system).

What should be noted here is that the income that new system students get in tuition fee loans is actually paid directly to their institution. Therefore, although they appear to receive higher income from the main sources of student support, this does not necessarily represent more income in the students' own pockets. If income from tuition fee loans and the tuition fee grant is discounted¹⁹ (for both old and new system students), there is a much narrower gap in their total average incomes, at £8,408 for old system and £9,050 for new system students, respectively.

Year of study is interconnected with whether students are covered by the old or the new funding system (as this largely depends on whether they started their course after the 2006 reforms came into action). Among English-domiciled full-time students, all first year and many second year students are new system students. Broadly speaking, first and second year students obtained a higher income - and a greater proportion of their total income - from the main sources of student support, than students in final year or one-year courses (Table A2.9). However, when other variables were controlled for, the results of the regression model found that year of study no longer had a significant impact on total average income.

Although there was no significant difference between the total average income for medical/dentistry students and those doing other subjects, the composition of their incomes was very different. Medical / dentistry students relied much less on the main sources of student support than those studying other subjects (27 per cent of their average total income came from this source compared with 47 per cent for other students - Table A2.10). This income is comparatively low for medical/dentistry students for two main reasons: the alternative NHS support they receive (which is included under 'other student support'); and because a relatively high proportion of them are studying under the old system of student finance, due to the longer length of their courses.

When comparing students by more detailed degree subject breakdowns we find that those doing education courses (including PGCEs) had the highest average total income and this was mainly driven by their higher income from paid work (see Table A2.10). The regression model found that, once other factors were controlled for, full-time students doing subjects allied to medicine (including courses such as nursing and physiotherapy) had a significantly lower income than others. Although this group did not have the lowest average (mean) income across different subjects (they averaged £9,885 compared with £9,827 among science, engineering, technology and IT students), they did have the lowest median income at £8,922, indicating at least half lived on less than this amount.

By institution type, there was no marked difference in the average total incomes of full-time students studying in English higher education institutions (HEIs) (£10,433) or further education colleges (FECs) (£10,873). What *was* different was the relative composition of their income (see Table A2.11). Those in FECs relied considerably more on income from paid work and considerably less on contributions from family and friends.

¹⁹ Students may pay their tuition fees from sources other than the tuition fee loan or tuition fee grant (eg using money from parents) - so some income used to pay towards tuition fees will still be included in these total average income figures, even when we strip out the tuition fee loan and tuition fee grant.
		Old system	New system
Main sources of student support	Mean	3,473	5,614
	Median	3,596	6,385
	SE	131	144
Other sources of student support	Mean	685	1,245
	Median	0	300
	SE	54	87
Income from paid work	Mean	2,277	1,998
	Median	630	195
	SE	135	127
Income from family and friends*	Mean	2,279	1,893
	Median	1,400	882
	SE	136	149
Social security benefits*	Mean	164	319
	Median	0	0
	SE	31	49
Other income*	Mean	218	219
	Median	20	7
	SE	41	27
Estimated total income*	Mean	9,097	11,287
	Median	8,185	10,371
	SE	156	170
N = (2,045) unweighted		798	1,247

Table 2.3: Student income and its main components among English-domiciled full-time students, by old or new system (£)

* Note: figures adjusted for partner contributions where relevant

Note: old and new system differences will overlap with differences by year of study, as most first year students are new system and most Year 3s+ are old system

Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08

Location factors

English-domiciled full-time students based in London had a lower income, on average, than those studying outside of London (Table A2.12), although this was not significant once other factors were taken into account in the regression. Although they typically gained more from the main sources of student support, they got less from the other sources of student support and from family and friends. Students in London were more likely to be living at home with parents than those studying elsewhere.

Overall, English students studying in England had a higher total average income than those studying in Wales (£10,448 compared with £9,656) - in particular they received more, and a higher proportion of their income (20 per cent compared with 13 per cent) was from paid work (Table A2.13). However, location was not found to be a significant determinant of total average income, once other factors were taken into account.

Students receiving the Maintenance / Special Support Grant

Although it was not included in the regression model (as it is a dependent rather than an independent variable related to total average income, and due to concerns about multi-collinearity), total income among new system students was explored according to whether students had received the Maintenance / Special Support Grant, or not. This found that students receiving this grant had a significantly higher average total income than other students (£12,450 compared with £10,401). As Table 2.4 indicates, these students received substantially more income from the main and other sources of student support, which more than outweighed their lower income from family and friends. Income from paid work did not differ significantly between students who received the grant and those who did not.

		Does not receive MG/SSG	Receives MG/SSG
Main sources of student support	Mean	4,106	7,592
	Median	5,100	8,100
	SE	157	94
Other sources of student support	Mean	1,044	1,508
	Median	0	800
	SE	103	139
Income from paid work	Mean	2,052	1,927
	Median	214	171
	SE	152	169
Income from family and friends*	Mean	2,734	790
	Median	1,720	350
	SE	169	189
Social security benefits*	Mean	214	456
	Median	0	0
	SE	56	77
Other income*	Mean	252	177
	Median	0	1
	SE	39	32
Estimated total income*	Mean	10,401	12,450
	Median	9,700	11,486
	SE	153	285
N = (1,247) unweighted		712	535

Table 2.4: Student income and its main components among English-domiciled full-time new system students, by whether or not they received the Maintenance/Special Support Grant (£)

* figures adjusted for partner contributions where relevant

Base: all English-domiciled full-time students

2.4.3 Part-time students

Table A2.14 shows key variations in total average (mean) income among part-time students (including a sub-sample of OU students), by student and HE study characteristics. Students studying subjects allied to medicine (such as nursing) had the highest average total incomes (£16,308), followed by those doing education-related courses (averaging £15,173). As with full-time students, students in families with dependent children had among the highest total average incomes (£15,640 for lone-parents and £14,854 for those in two-parent households). Part-time students with the lowest total average incomes were those from BME groups (£9,736), younger part-time entrants who started their course aged under 20 (£10,517) and students at FECs (£10,460). Much of the variation between part-time students relates to differences in the relative contribution of income from paid work, family and friends (in particular, share of partner's income), and / or from social security benefits, rather than to differences in student financial support.

A multiple linear regression model for part-time students indicated that significant differences in total average income were associated with socio-economic group, ethnicity, and family type (similar to the results for full-time students). Other significant factors among part-timers were whether they were studying in London or elsewhere, whether they were attending a course based at a FEC, and year of study (see Table 2.5). These patterns are explored in detail below.

			95% Confidence limit		
	Regression coefficient	Significance level	Lower	Upper	
All Students	10,800	0.000	7,942	13,659	
Gender					
Male (ref. category)	0				
Female	-83	0.914	-1,601	1,435	
Age group					
<25 (ref. category)	0				
25-25	907	0.421	-1,322	3,137	
30-39	-451	-451 0.516		924	
40+	963	0.261	-729	2,654	
Socio-economic group					
Managerial / professional (ref. category)	0				
Intermediate	-1,063	0.187	-2,651	524	
Routine / manual**	-2,138	0.001	-3,328	-947	
Ethnicity					
White (ref. category)	0				
BME***	-4,580	0.000	-6,039	-3,121	
Household/family type					
Single (ref. category)	0				
Couple	267	0.823	-2,094	2,627	
Two adult family	1,152	0.212	-668	2,972	
Lone parent*	3,573	0.012	795	6,352	

Table 2.5: Linear regression	model of total income for E	English-domiciled	part-time students
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	Regression coefficient	Significance level	Lower	Upper
Qualification				
Foundation / non-degree (ref. category)	0			
Bachelor degree, HND/C	818	0.269	-644	2,281
Whether lives with parents				
Lives away (ref. category)	0			
Live with parents	-482	0.715	-3,094	2,130
Whether lives in London				
Elsewhere (ref. category)	0			
London**	3,002	0.001	1,281	4,724
Parental experience of HE				
No HE parents	0			
Parents went to HE	891	0.174	-402	2,184
Type of institution				
English HEI (ref. category)	0			
Welsh HEI	-138	0.920	-2,876	2,600
FEC**	-1,860	0.002	-3,044	-675
Subject				
Social sciences / Business/Law (ref. category)	0			
Subjects allied to Medicine / Medicine / Dentistry	2,076	0.132	-639	4,792
Science / Engineering / Technology / IT	269	0.726	-1,254	1,792
Arts / Humanities / Languages***	-3,648	0.000	-5,355	-1,941
Education	1,808	0.186	-885	4,500
Combined / other	-1,470	0.371	-4,718	1,779
Year of study				
First year (ref. category)	0			
Second / intermediate year***	3,827	0.000	2,022	5,631
Final year / one-year course**	1,475	0.002	558	2,392
When started course				
Pre-2006/07 (ref. category)	0			
Post-2006/07	826	0.245	-575	2,228

95% Confidence limit

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

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2007/08

Student background

The average total income of part-time female students was higher than that of men (Table A2.3), although gender was not found to be significant in the regression model. This corresponds with the pattern among full-time students and is related to associations between gender and family type (in particular, among part-timers female students made up the majority of two-parent and all of lone-parent households). Compared with male part-time students, women tended to receive less income from paid work, on average (£8,600 compared with £11,000), and more from social security benefits (£1,732 compared with

£952). However, the biggest difference by far was for income from family and friends (£2,249 among women compared with a negative figure of £709 among men).

Although total average income broadly increased with age (Table A2.4), this was not found to be significant in the regression.

As noted, part-time students with dependent children (in either dual or lone-parent households) had a higher total average income than those with no children (see Table A2.5). Those in lone-parent families had the highest incomes and were heavily reliant on social security benefits, which comprised one-third of their total average income (39 per cent) compared with less than ten per cent among other part-time students (Figure 2.5). On average they also received the least income from paid work compared with other part-time students (partly because they were less likely to participate in paid work). Earnings contributed 45 per cent of their income, on average, compared with 68 per cent of income for students in a couple with children and 76 per cent of income for single students with no children. Notably, lone parents who were studying part-time did not receive any more student support than other part-time students, although this was more than offset by their higher income from social security benefits. As with full-time students, being a lone parent was found to be a significant determinant of average total income in the regression model.





Base: all English-domiciled part-time students (641)

Source: NatCen / IES SIES 2007/08

Notably, differences in income levels across socio-economic groups were more exaggerated among part-time than among full-time students (a similar finding to 2004/05), and social class was significant once other factors were taken into account. Students in the managerial and professional social class had a much higher total average income than those in the routine and manual social class (Table A2.6), and this was largely explained by higher income from paid work while studying (£11,367 compared with £7,969). To some extent this is to be expected, given that the socio-economic classification for part-time students is based on their own current or previous occupation, rather than that of their parents: a student working in a professional or managerial occupation is likely to earn considerably more than one working in a routine or manual job.

Echoing the pattern among full-timers, BME part-time students had a much lower average total income than white students (£9,736 compared with £13,968) and this was a significant factor in the regression. Although they received more in social security benefits, this was offset by the much lower amounts they got from paid work and from family and friends (Table A2.7).

Less than one-fifth of part-time students lived with their parents while studying (17 per cent) and, consistent with the findings among full-time students, those who did had a lower average total income than those living independently (£12,140 compared with £13,914) - for the most part driven by lower income from social security benefits. However, unlike the findings for full-time students, living with parents was not found to be a significant factor influencing total average income, once other characteristics were taken into account.

HE study-related factors

Year of study was found to be significant, controlling for other factors, in the regression. Parttime students in intermediate (£15,250) and final years/one-year courses (£13,326) enjoyed greater income than first year students (12,095), mainly because their earnings were higher (see Table A2.9 for detailed breakdowns). Intermediate students also received more than twice as much as first year students from their friends and family.

Part-time students doing subjects allied to medicine (such as nursing) had the highest total average income, substantially higher than those doing other subjects (£16,308). This was largely driven by their higher income from family and friends (£2,941) - linked to the gender profile of students doing this type of course (predominantly women). Once other factors such as gender were controlled for, the regression found that part-time students doing arts, languages and humanities had a significantly lower income than other students (half had an income of £11,820 or less) - and in particular, they had less income from paid work, which averaged £6,651 with a median of just £3,120 (substantially less than the median income from paid work among other part-time students; see Table A2.10 for figures).

Part-time students studying at a FEC had a lower average income than those studying in HEIs, once other factors were controlled for (£10,460 compared with £14,144 at English HEIs). They earned less than other part-timers and also received much less financial support from friends or family (Table A2.11).

Location factors

Part-time students in London had a higher income than those studying elsewhere, once other background factors were controlled for (although this finding should be treated with caution due to the small base size for part-time students in London, N=41). This was predominantly related to their higher income from paid work (Table A2.12).

Although there was no significant difference between the total average income levels of OU and other part-time students, OU students did receive significantly more in social security benefits (over three times as much, at \pounds 3,319 compared with \pounds 1,074), comprising almost a quarter of their average total income (23 per cent).

2.5 Additional tables

Table A2.1: Key variations in English-domiciled full-time students' total average income, by student characteristics (£)

	Mean	Median	SE	N, unweighted
Gender				
Male	9,980	9,258	170	632
Female	10,776	9,887	136	1,412
Age group (current age)				
Under 20	10,570	10,027	133	676
20-24	9,012	8,420	131	930
25 or over	13,974	13,228	358	437
Socio-economic group				
Managerial / professional	10,598	9,730	196	986
Intermediate	10,588	9,637	291	353
Routine / manual / unemployed	10,902	9,857	287	437
Family type				
Two adult family	14,755	13,314	838	148
One adult family	17,703	16,820	822	70
Married or living in a couple	11,330	10,710	524	161
Single	9,837	9,298	114	1,666
Lives with parents during term-time				
Yes	8,606	8,302	165	469
No	10,989	9,995	170	1,576
Ethnicity				
White	10,683	9,765	143	1,715
BME, of which:				
Asian / Asian British	8,002	7,375	317	135
Black / Black British	10,979	10,673	459	84
Other BME	9,486	9,115	276	106

Base: all English-domiciled full-time students (2,045)

Table A2.2: Key variations in English-domiciled full-time student	s' total average income, by HE
study factors (£)	

	Mean	Median	SE	N, unweighted
Old or new system				
Old	9,097	8,185	156	798
New	11,287	10,371	170	1,247
Year of study				
First year	11,173	10,505	174	680
Intermediate years	10,384	9,700	188	613
Final year / one-year course	9,780	8,403	121	752
Subject				
Medicine / Dentistry	10,413	9,491	505	170
Other subjects, of which:				
Allied to Medicine	9,885	8,922	371	144
Science / Engineering / Technology / IT	9,827	9,180	258	430
Human / Social Sciences / Business / Law	10,431	9,711	234	497
Creative Arts / Languages / Humanities	10,156	9,427	240	459
Education	12,354	11,030	683	205
Combined / Other	11,131	10,453	325	140
Institution type				
English HEI	10,433	9,632	126	1,716
Welsh HEI	9,656	8,755	397	136
English FEC	10,873	9,796	381	193
Studying in London or not				
Yes	9,978	9,616	426	277
No	10,503	9,596	136	1,768
Institution location				
England	10,448	9,637	122	1,909
Wales	9,656	8,755	397	136

Note: old and new system differences will overlap with differences by year of study, as most first year students are new system and most Year 3s+ are old system

Base: all English-domiciled full-time students (2,045)

		Full	Full-time		-time
		Male	Female	Male	Female
Main sources of student support	Mean	4,834	4,723	186	304
	Median	5,175	5,200	0	0
	SE	160	128	38	26
Other sources of student support	Mean	691	1,282	809	466
	Median	0	0	640	0
	SE	69	93	92	58
Income from family and friends*	Mean	2,001	2,082	-709	2,249
	Median	1,200	1,025	0	280
	SE	170	129	323	264
Income from paid work	Mean	2,126	2,098	11,000	8,600
	Median	3	468	10,800	8,550
	SE	158	120	669	445
Social security benefits*	Mean	130	356	952	1,732
	Median	0	0	0	351
	SE	42	42	178	139
Other income*	Mean	198	235	614	614
	Median	20	7	8	0
	SE	23	35	194	128
Estimated total income*	Mean	9,980	10,776	12,852	13,964
	Median	9,258	9,887	12,000	13,325
	SE	170	136	569	493
N = (2,683) unweighted		632	1,412	167	472

Table A2.3: Total student income and main sources of student income for English-domiciled students, by gender (£)

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

		Full-time			Part-time			
		Under 20	20-24	25+	Under 25	25-29	30-39	40+
Main sources of student	Mean	5,869	4,031	4,545	235	279	277	251
support	Median	6,455	4,225	4,870	0	0	0	0
	SE	142	108	302	45	63	30	29
Other sources of student	Mean	607	709	2,741	784	698	547	475
support	Median	0	0	1,225	780	565	0	0
	SE	50	65	203	83	94	86	98
Income from family and	Mean	2,294	1,880	1,977	1,323	-314	1,142	1,214
friends*	Median	1,338	1,200	120	241	0	48	0
	SE	153	134	332	382	623	494	399
Income from paid work	Mean	1,576	2,182	2,990	8,934	11,161	9,760	9,389
	Median	135	600	411	9,000	12,600	9,000	8,727
	SE	120	146	193	381	836	571	614
Social security benefits*	Mean	23	33	1,349	643	1,030	1,771	1,932
	Median	0	0	50	0	0	546	663
	SE	9	9	149	136	296	218	200
Other income*	Mean	201	176	372	285	935	339	977
	Median	15	20	0	0	0	0	2
	SE	29	21	98	127	514	84	194
Estimated total	Mean	10,570	9,012	13,974	12,204	13,790	13,836	14,237
income*	Median	10,027	8,420	13,228	11,025	13,669	13,459	14,158
	SE	133	131	358	516	777	551	595
N = (2,683) unweighted		676	930	437	118	80	177	265

Table A2.4: Total student income and main sources of student income for English-domiciled students, by age group at start of the academic year (\mathfrak{L})

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* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

Table A2.5: Total student income and main sources of student income for English-domiciled students, by family type (f)

		Full-time			Part-time				
		Two adult family	One adult family	Married/ living as couple	Single	Two adult family	One adult family	Married/ living as couple	Single
Main sources of	Mean	3,806	6,646	4,699	4,790	194	528	126	315
student support	Median	3,225	7,275	5,479	5,100	0	550	0	0
	SE	330	653	350	119	34	57	26	46
Other sources of	Mean	2,950	4,069	1,533	760	556	441	449	786
student support	Median	1,960	2,835	500	0	0	0	0	365
	SE	359	489	235	47	87	112	55	110
Income from	Mean	3,464	170	1,132	2,077	2,412	292	744	511
family and friends*	Median	1,658	0	707	1,200	855	0	0	90
	SE	803	51	459	125	712	120	553	90
Income from paid	Mean	3,184	1,522	3,431	1,938	10,158	7,018	10,516	9,225
work	Median	0	0	1,848	360	9,600	5,772	10,800	9,000
	SE	441	278	465	111	680	855	762	459
Social security	Mean	1,189	4,615	154	76	1,227	6,105	484	969
benefits*	Median	780	3,963	0	0	754	5,501	0	0
	SE	136	394	35	23	115	395	141	198
Other income*	Mean	163	680	381	196	308	1,256	1,006	401
	Median	0	30	26	10	0	0	0	0
	SE	49	127	125	26	85	359	354	105
Estimated total	Mean	14,755	17,703	11,330	9,837	14,854	15,640	13,324	12,207
income*	Median	13,314	16,820	10,710	9,298	14,825	14,681	12,365	11,116
	SE	838	822	524	114	647	957	711	397
N = (2,686) unweighted		148	70	161	1,666	199	75	170	197

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

		Full-time			Part-time			
		Managerial/ professional	Inter- mediate	Routine, manual & unemployed	Managerial/ professional	Inter- mediate	Routine, manual & unemployed	
Main sources of	Mean	4,501	5,007	5,369	154	368	348	
student support	Median	4,605	5,400	5,835	0	0	0	
	SE	140	154	186	26	67	61	
Other sources	Mean	833	1,256	1,401	787	389	571	
of student support	Median	0	0	300	600	0	0	
	SE	83	146	133	90	123	100	
Income from	Mean	2,678	1,966	1,249	994	1,055	1,171	
family and friends*	Median	1,900	760	387	70	100	50	
	SE	145	191	182	330	666	382	
Income from	Mean	2,142	1,824	2,291	11,367	8,694	7,969	
paid work	Median	214	271	686	10,800	8,550	7,800	
	SE	147	122	200	554	870	676	
Social security	Mean	207	271	429	874	1,044	1,166	
benefits*	Median	0	0	0	0	2	0	
	SE	46	51	70	115	220	132	
Other income*	Mean	236	264	162	480	1,007	597	
	Median	22	15	0	0	0	0	
	SE	30	88	31	84	549	190	
Estimated total	Mean	10,598	10,588	10,902	14,656	12,556	11,822	
income*	Median	9,730	9,637	9,857	13,948	12,361	10,933	
	SE	196	291	287	537	872	585	
N = (2,686) unweighted		986	353	437	302	99	139	

Table A2.6: Total student income and main sources of student income for English-domiciled students, by social class (NS-SEC)(£)

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students (excludes OU students) for whom NS-SEC could be reliably derived

			Full	-time		Part-time		
		White	Asian/Asian British	Black/Black British	Mixed/ Other	White	Any other ethnic background	
Main sources of	Mean	4,764	4,571	5,348	4,736	243	356	
student support	Median	5,098	4,440	6,455	5,470	0	0	
	SE	119	249	437	354	22	54	
Other sources of student support	Mean	1,030	557	1,935	895	640	330	
	Median	0	0	900	0	0	0	
	SE	62	128	433	189	57	110	
Income from	Mean	2,204	1,070	910	1,806	1,134	214	
family and friends*	Median	1,265	300	51	920	90	15	
moniae	SE	117	213	313	451	220	365	
Income from paid	Mean	2,184	1,623	2,023	1,767	9,952	6,583	
work	Median	459	0	0	0	9,000	5,832	
	SE	123	236	270	357	363	977	
Social security	Mean	254	111	669	211	1,334	2,050	
benefits*	Median	0	0	0	0	0	702	
	SE	37	46	151	64	116	393	
Other income*	Mean	247	70	95	70	664	203	
	Median	15	0	0	0	0	0	
	SE	28	12	31	17	122	76	
Estimated total	Mean	10,683	8,002	10,979	9,486	13,968	9,736	
income*	Median	9,765	7,375	10,673	9,115	13,148	10,097	
	SE	143	317	459	276	374	649	
N = (2,686) unweighted		1,715	135	84	106	578	61	

Table A2.7: Total student income and main sources of student income for English-domiciled students, by ethnicity (f)

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

Table A2.8: Total student income and main sources of student income for English-domiciled students, by whether lives with parents during term-time or not (\pounds)

		Ful	l-time	Part-time		
		Lives with parents	Does not live with parents	Lives with parents	Does not live with parents	
Main sources of student	Mean	4,036	4,999	278	250	
support	Median	3,725	5,590	0	0	
	SE	140	147	48	22	
Other sources of student	Mean	789	1,098	754	563	
support	Median	0	0	780	0	
	SE	91	72	113	58	
Income from family and	Mean	1,016	2,364	1,096	1,018	
friends*	Median	400	1,445	150	20	
	SE	97	132	464	249	
Income from paid work	Mean	2,479	1,993	9,548	9,589	
	Median	2,105	0	9,000	9,000	
	SE	174	114	495	411	
Social security benefits*	Mean	43	324	313	1,740	
	Median	0	0	0	400	
	SE	13	48	108	135	
Other income*	Mean	242	212	151	755	
	Median	3	15	0	0	
	SE	78	21	64	135	
Estimated total income*	Mean	8,606	10,989	12,140	13,914	
	Median	8,302	9,995	10,520	13,565	
	SE	165	170	572	455	
N = (2,686) unweighted		469	1,576	98	543	

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

			Full-time			Part-time	
		First year	Other year	Final year or one year course	First year	Other years	Final year or one year course
Main sources of student	Mean	5,720	5,101	3,605	329	265	181
support	Median	6,455	5,835	3,600	0	0	0
	SE	182	151	144	45	36	23
Other sources of student	Mean	978	954	1,132	431	822	582
support	Median	0	0	0	0	0	200
	SE	95	82	121	58	128	62
Income from family and	Mean	2,116	1,769	2,231	776	1,547	835
friends*	Median	1,052	930	1,225	90	100	20
	SE	173	163	169	364	603	337
Income from paid work	Mean	1,831	2,168	2,306	8,420	10,340	10,001
	Median	0	810	406	8,000	10,350	9,675
	SE	156	147	189	647	546	519
Social security benefits*	Mean	316	205	253	1,487	1,557	1,228
	Median	0	0	0	0	332	0
	SE	68	46	35	208	214	159
Other income*	Mean	213	187	253	652	719	499
	Median	5	10	20	0	0	0
	SE	32	31	54	205	237	121
Estimated total income*	Mean	11,173	10,384	9,780	12,095	15,250	13,326
	Median	10,505	9,700	8,403	10,920	13,855	12,959
	SE	174	188	228	522	641	530
N = (2,686) unweighted		680	613	752	212	207	222

Table A2.9: Total student income and main sources of student income for English-domiciled students, by year of study (f)

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

Table A2.1	able A2.10: Total student income and main sources of student income for English-domiciled students, by subject type (£)														
					Full-time							Part-time			
		Medicine and Dentistry	Subjects allied to Medicine	Sciences/ Engineer/ Tech/IT	Humanit/ Social Sci/ Business/ Law	Creative Arts/ Lang./ Humanit.	Educ- ation	Combined /other	Medicine and Dentistry	Subjects allied to Medicine	Sciences/ Engineer/ Tech/IT	Humanit/ Social Sci/ Business/ Law	Creative Arts/ Lang./ Humanit.	Educ- ation	Combined /other
Main sources	Mean	2,861	2,091	4,971	5,187	5,238	4,488	5,762	_1	131	170	330	277	422	(283)
of student	Median	1,747	0	5,735	5,564	5,635	4,246	6,245	-	0	0	0	0	250	(0)
Support	SE	418	334	183	154	183	257	257	-	40	47	46	55	63	(69)
Other	Mean	2,449	3,171	599	738	562	1,795	592	-	932	806	487	365	295	(286)
sources of	Median	1,200	3,000	0	0	0	200	0	-	0	700	0	0	0	(0)
support	SE	367	332	98	73	70	275	116	-	194	103	96	131	86	(109)
Income from	Mean	2,758	1,974	1,890	1,844	2,074	2,319	2,250	-	2,941	164	317	1,974	1,748	(1,602)
family and friends*	Median	2,070	1,000	1,175	851	1,225	860	1,240	-	70	100	45	150	35	(0)
	SE	367	264	153	221	148	481	390	-	1,396	335	300	753	689	(1,417)
Income from	Mean	1,729	2,180	2,048	2,158	1,849	3,096	1,857	-	10,853	10,186	9,828	6,651	10,554	(5,982)
paid work	Median	0	486	90	516	214	1,447	587	-	12,600	9,045	9,863	3,120	8,523	(4,468)
	SE	348	228	167	198	191	437	226	-	1,145	571	558	1,315	695	(1,164)
Social	Mean	315	283	103	275	231	415	515	-	956	845	1,713	2,333	1,460	(2,147)
security benefits*	Median	0	0	0	0	0	0	0	-	220	0	162	702	488	(1,248)
Denenits	SE	133	72	23	60	80	96	137	-	190	167	257	456	282	(482)
Other	Mean	302	185	216	231	203	241	154	-	494	535	342	1,317	694	(1,077)
income*	Median	0	0	23	15	10	5	20	-	0	3	0	0	0	(37)
	SE	214	35	40	49	47	64	33	-	177	224	84	595	303	(369)
Estimated	Mean	10,413	9,885	9,827	10,431	10,156	12,354	11,131	-	16,308	12,705	13,017	12,916	15,173	(11,377)
total income*	Median	9,491	8,922	9,180	9,711	9,427	11,030	10,453	-	15,750	11,999	12,850	11,820	13,674	(11,682)
	SE	505	371	258	234	240	683	325	-	1,037	453	502	1,297	915	(1,161)
N = (2,686) unweighted		170	144	430	497	459	205	140	13	82	136	178	93	100	39

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* Note: figures adjusted for partner contributions where relevant; Base: all English-domiciled students

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

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

Table A2.11: Total student income and main sources of student income for Englishdomiciled students, by institution type (£)

			Full-time			Part	-time	
		England HEI	Wales HEI	England FEC	England HEI	Wales HEI	England FEC	OU
Main sources of student support	Mean	4,793	4,957	3,987	250	-1	284	253
	Median	5,200	5,479	4,495	0	-	0	0
	SE	125	219	333	29	-	59	41
Other sources of	Mean	1,032	968	878	703	-	424	399
student support	Median	0	0	160	0	-	0	0
	SE	65	195	137	70	-	54	113
Income from family	Mean	2,079	2,297	860	1,308	-	264	776
and friends*	Median	1,142	1,500	200	90	-	100	30
	SE	126	346	333	233	-	195	797
Income from paid work	Mean	2,068	1,209	4,016	10,163	-	8,022	8,908
	Median	380	0	2,630	9,603	-	9,000	7,800
	SE	115	299	416	373	-	671	1,223
Social security	Mean	245	16	819	1,028	-	1,244	3,319
benefits*	Median	0	0	0	0	-	0	806
	SE	35	12	233	82	-	168	503
Other income*	Mean	216	210	313	693	-	223	767
	Median	10	20	0	0	-	0	0
	SE	26	64	144	138	-	77	343
Estimated total	Mean	10,433	9,656	10,873	14,144	-	10,460	14,423
income*	Median	9,632	8,755	9,796	13,290	-	10,171	14,227
	SE	125	397	381	426	-	690	881
N = (2,686) unweighted		1,716	136	193	439	29	84	89

* Note: figures adjusted for partner contributions where relevant

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

Base: all English-domiciled students

Table A2.12: Total student income and main sources of student income for Englishdomiciled students, by whether lives in London or lives elsewhere (\pounds)

		Full	-time	Part-time			
		Lives in London	Lives elsewhere	Lives in London	Lives elsewhere		
Main sources of	Mean	4,947	4,741	(335) ¹	250		
student support	Median	5,365	5,100	(0)	0		
	SE	363	122	(62)	24		
Other sources of	Mean	786	1,066	(393)	624		
student support	Median	0	0	(0)	0		
	SE	181	60	(72)	53		
Income from family and friends*	Mean	1,723	2,101	(613)	1,070		
	Median	500	1,195	(40)	90		
	SE	291	114	(636)	211		
Income from paid	Mean	2,169	2,097	(10,199)	9,529		
work	Median	0	400	(11,340)	9,000		
	SE	308	116	(1,064)	359		
Social security	Mean	226	263	(1,831)	1,381		
benefits*	Median	0	0	(0)	1		
	SE	84	36	(498)	109		
Other income*	Mean	127	235	(101)	660		
	Median	2	10	(0)	0		
	SE	19	27	(52)	119		
Estimated total	Mean	9,978	10,503	(13,473)	13,514		
income*	Median	9,616	9,596	(13,680)	12,720		
	SE	426	135	(1,060)	385		
N = (2,686) unweighted		277	1,768	41	600		

* Note: figures adjusted for partner contributions where relevant

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

Base: all English-domiciled students studying in England

Table A2.13: Total student income and main sources of student income for Englishdomiciled students, by location of institution (£)

		Full-	time		Part-time	
		England	Wales	England	Wales	OU
Main sources of student support	Mean	4,766	4,957	257	_1	253
	Median	5,100	5,479	0	-	0
	SE	122	219	26	-	41
Other sources of student support	Mean	1,026	968	643	-	399
	Median	0	0	0	-	0
	SE	63	195	56	-	113
Income from family and friends*	Mean	2,037	2,297	1,084	-	776
	Median	1,100	1,500	90	-	30
	SE	122	346	186	-	797
Income from paid work	Mean	2,135	1,209	9,704	-	8,908
	Median	400	0	9,000	-	7,800
	SE	112	299	342	-	1,223
Social security benefits*	Mean	265	16	1,074	-	3,319
	Median	0	0	0	-	806
	SE	35	12	72	-	503
Other income*	Mean	219	210	592	-	767
	Median	10	20	0	-	0
	SE	25	64	112	-	343
Estimated total income*	Mean	10,448	9,656	13,353	-	14,423
	Median	9,637	8,755	12,524	-	14,227
	SE	122	397	398	-	881
N = (2,686) unweighted		1,909	136	523	29	89

* Note: figures adjusted for partner contributions where relevant

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

Base: all English-domiciled students

Table A2.14: Key variations in English-domiciled part-time students' total income,	by student
and HE study factors (£)	

	Mean	Median	SE	N, unweighted
Gender				
Male	12,852	12,000	170	167
Female	13,964	13,325	136	472
Age group (current age)				
Under 25	12,204	11,025	516	118
25-29	13,790	13,669	777	80
30-39	13,836	13,459	551	177
40 or over	14,237	14,158	595	265
Socio-economic group				
Managerial / professional	14,656	13,948	537	302
Intermediate	12,556	12,361	872	99
Routine / manual / unemployed	11,822	10,933	585	139
Family type				
Two adult family	14,854	14,825	647	199
One adult family	15,640	14,681	957	75
Married or living in a couple	13,324	12,365	711	170
Single	12,207	11,116	397	197
Lives with parents during term-time				
Yes	12,140	10,520	572	98
No	13,914	13,565	455	543
Ethnicity				
White	13,968	13,148	374	578
BME	9,736	10,097	649	61
Subject of study				
Medicine / Dentistry	_1	-	-	13
Allied to Medicine	16,308	15,750	1,037	82
Science / Engineering / Technology / IT	12,705	11,999	453	136
Human / Social Sciences / Business / Law	13,017	12,850	502	178
Creative Arts / Languages / Humanities	12,916	11,820	1,297	93
Education	15,173	13,674	915	100
Combined / Other	(11,377)	(11,682)	(1,161)	39
Institution location				
England	13,353	12,524	398	523
Wales	-	-	-	29
OU	14,423	14,227	881	89

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

Base: all English-domiciled part-time students (641) Source: NatCen / IES SIES 2007/08

3 Sources of Student Income

3.1 Summary of key findings

- Student loans for maintenance and tuition fees were the most important source of income for full-time students, contributing 38 per cent of total average income. They contributed two-fifths of average total income among new system students (41 per cent) and one-third of the total among old system ones (31 per cent). It should be noted that income from tuition fee loans is paid direct to the students' institution rather than to students themselves. Part-time students are ineligible for this type of support.
- Among full-time new system students (who have higher tuition fees), income from the student loan for tuition fees contributed £2,237 to total income (accounting for 20 per cent of it overall). Indeed, three-quarters of new system students had taken out a tuition fee loan and among these, the average was £2,934 very close to the maximum loan amount of £3,070. On average, full-time old system students received substantially less income from the student loan for tuition fees (£240), which in turn contributed a much lower share of their total income. Fewer old system students had taken out a tuition fee loan, as we might expect (19 per cent), but those who had tended to take out a loan for the full amount.
- Income from the student loan for maintenance accounted for a quarter of the total income among all full-time students, contributing £2,492 on average. Average income from the student maintenance loan was similar across old and new system students.
- Since 2006, full-time new system students may be eligible for a Maintenance Grant or Special Support Grant (SSG), depending on their status and personal/household income. Two in five (41 per cent) new system students actually received income from the Maintenance Grant, at an average of £2,088 per recipient. Just two per cent of new system students received the SSG, but among those who did it was an important source of finance. Over half of its recipients were lone parents.
- Specific types of students received substantial amounts of finance from other sources of student support. Most commonly, this involved subject-specific funding such as NHS bursaries and teaching-related support.
- Receipt of monies from English bursary schemes was more common among new system than among old system students. One-third of full-time new system students studying in England benefited from a bursary (35 per cent, compared with just four per cent of their old system counterparts), with recipients getting £980 on average.
- Income from paid work was important for full-time students (representing 20 per cent of their total average income) and critical for part-time students (comprising 71 per cent of theirs).
- Just over half of all full-time students did some form of paid work during term-time (53 per cent). Working was most common among students who lived at home with their parents during term-time, those married or living in a couple without children, students with no immediate family history of HE, those studying education degrees, and those in their second or intermediate years of study. There was no significant difference in propensity to work between new and old system students.

- The vast majority of part-time students combined studying with work (81 per cent). Those least likely to do so were: those studying arts, languages or humanities; BME students; those studying at the Open University; or older students (aged 40 or more. Those most likely to work were studying education, came from a managerial/ professional socio-economic background, aged in their twenties, or living at home with their parents.
- Half of part-time students and around one-third of full-time students who worked during the academic year reported that this had affected their studies. The most common impacts among both were less time available for study/reading, and more stress/ higher workload (raised by part-time students in particular). Part-time students were also more likely to feel that the resulting lack of time they had available for study had a negative impact on the quality of their university work.
- On average, full-time students received £2,045 from their family, partner and friends this accounted for one-fifth (20 per cent) of their average total income, equal with income from paid work. Although they received similar amounts, old system students relied relatively more on this source, which accounted for 25 per cent of their total income compared with 17 per cent among new system students.
- Across old and new system students alike, those who gained the most from family, partner and friends tended to be from more 'traditional' student backgrounds younger, dependent students living away from home to study, from managerial/ professional social class backgrounds.
- A different pattern was found for part-time students. Overall, income from family, partner and friends was less central to part-time students. Variation between part-time students was largely driven by gender and family type / lifestage.
- Although very few full-time students received income from social security benefits (11 per cent), for those who did this represented a key source of support. This was especially the case for lone parents, among whom it contributed £4,615, or a quarter of their total average income.
- Social security benefits were a common source of income among part-timers, with around half claiming income from this source (47 per cent). Again, social security benefits played a particularly key role for lone parents, but also those studying at the Open University and BME students.

3.2 Introduction

This chapter looks in more detail at the different sources of income available to Englishdomiciled students during the 2007/08 academic year. As Chapter 2 showed, the average total income levels and the amounts received from various sources differed considerably between full-time and part-time students, and according to a number of student and study characteristics. This chapter explores each category of income in more depth. As in the previous chapter, we focus only on key variations between students and further breakdowns are presented at the end of the chapter.

3.3 Main sources of student support

3.3.1 Introduction

The main sources of student support form the central elements of HE funding policy. As outlined in Chapter 1, there have been a number of reforms to them over the years, most recently introduced in 2006. In SIES 2007/08, we have identified the following as 'main sources of support' (broadly in line with the 2004/05 study) and these are discussed in more detail in the rest of this section:

- Student loan for maintenance (ie to support living costs)
- Student loan for tuition fees
- Maintenance Grant and Special Support Grant (for new system students)
- Higher Education Grant (for old system students)
- Access to Learning Funds (in England)/Financial Contingency Funds (in Wales)
- Tuition fee support or course grants (essentially the part of a student's fee contribution which they are assessed not to have to pay).

There are, of course, 'other' sources of student support – some of which may be more important for particular, targeted groups of students such as those doing medicine/dentistry and other health-related courses. These are discussed in more detail in Section 3.4.

Table 3.1 shows the average amounts that full-time and part-time students gained from the main categories of student support. Overall, these sources contributed an average of £4,771, or around half (46 per cent) of total average income. This category is a much more critical source of finance for full-time than for part-time students, among whom it contributed just two per cent of income, on average.

3.3.2 Full-time students

Younger full-time students aged under 20 relied much more on the main sources of student support than older ones: 56 per cent of their average total income was drawn from the main sources of student support, compared with 45 per cent among those aged 20 to 24 and 33 per cent of those aged 25 or older. Other students who relied more heavily on the main sources of student support were:

- linked with age, new system students (50 per cent of average total income) and those in their first year (51 per cent of average total income)
- students from routine/manual social class backgrounds (49 per cent of average total income, compared with 42 per cent among those from managerial/professional backgrounds)
- among new system students, those who received the Maintenance or Special Support Grant (61 per cent of their average total average income) - this is linked to socio-economic background
- Asian / Asian British students (57 per cent of average total income)
- dependent students (50 per cent)
- students studying at a Welsh HEI (51 per cent) or in London (50 per cent).

		Full-time	Part-time
Student loan for tuition fees	Mean	1,451	0
	Median	1,225	0
	SE	48	-
Student loan for maintenance	Mean	2,492	0
	Median	3,130	0
	SE	63	-
Maintenance Grant	Mean	527	0
	Median	0	0
	SE	37	-
Special Support Grant	Mean	37	0
	Median	0	0
	SE	7	-
Access to Learning / Financial	Mean	23	13
Contingency Funds	Median	0	0
	SE	4	4
Higher Education Grant	Mean	64	0
	Median	0	0
	SE	8	-
Course Grant	Mean	0	44
	Median	0	0
	SE	0	5
Tuition fee support	Mean	177	199
	Median	0	0
	SE	14	19
Main sources of student support	Mean	4,771	256
	Median	5,125	0
	SE	118	23
N = (2,686) unweighted		2,045	641

Table 3.1: Average amount from each of the main sources of student financial support for study, English-domiciled full-time and part-time students (£)

* Note: figures adjusted for partner contributions where relevant Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

More than four in five full-time students received at least some income from the main sources of student support (84 per cent) - in line with 2004/05. The average amount among recipients of this type of support was £5,696. The principal sources of funding in this category were the student loan for maintenance and the student loan for tuition fees, which, taken together, formed the majority of income from this source (83 per cent) and two-fifths of total average income overall (38 per cent). Other types of income from the main sources of student support were much less widespread, and in each case at least half of full-time students did not receive them (i.e. the median values equalled zero - see Table 3.1).

The student loan for maintenance

The student loan for maintenance is a state-funded loan that must be repaid after the student has graduated and is earning over a certain threshold (currently £15,000 per year). For the vast majority of students, repayments are collected through the tax system. Students who apply and are eligible can get 75 per cent of the loan regardless of household income: the remaining 25 per cent is income-assessed. Table 3.2 shows the maximum loan rates available (in 2007/08) for full-time students in different circumstances, depending on whether they live at home or away from home, and in London or not. In addition, the maximum loan rates are slightly lower for final year students. Full-time students doing courses longer than 30 weeks can also apply for a top-up loan, known as the 'extra weeks allowance'.

In final year
3,155
4,175
5,750

Table 3.2: Maximum maintenance loan rates for 2007/08 (£)

Source: www.direct.gov.uk

In 2007/08 the average student loan for maintenance (including extra weeks allowance) amounted to £2,492 among all full-time English-domiciled students, accounting for a quarter (24 per cent) of average total income for the academic year. Old and new system students averaged similar amounts (Table A3.1).

Almost three-quarters (71 per cent) of full-time students had taken out a student loan for maintenance during the academic year: among recipients, the average amount was £3,499. This did not vary by whether the student was old or new system (Table A3.2). This proportion is lower than that found in the 2004/05 survey (79 per cent) and reported by the Student Loans Company (SLC) which consistently hovers around 80 per cent.²⁰ The difference is due to a combination of factors, in addition to differences in coverage (in terms of 'eligible' students in the survey), and allowances for survey sampling error. Compared with the 2004/05 survey there is a higher proportion of students living at home while studying (these students were less likely than others to take out a student maintenance loan).

Some new system students are now eligible for a maintenance grant, which means they have the amount of maintenance loan they can take out capped. However, analysis of income from the student maintenance loan, by whether or not a student received the Maintenance or Special Support Grant, found that these students did receive significantly higher income from the maintenance loan than those who did not get a grant (averaging $\pounds 2,829$ compared with $\pounds 2,138$; see Table A3.24).

²⁰ Figures are available from the SLC website: <u>http://www.slc.co.uk/pdf/slcsfr062008.pdf</u>

Table A3.3 and A3.4 show the proportion of full-time students in receipt of a student loan for maintenance, and for recipients the average amount taken out, by student and HE study characteristics. A logistic regression²¹ was conducted to explore which characteristics influenced the likelihood of taking out a maintenance loan (Table A3.5). The model found that, when controlling for other variables, the following factors significantly affected propensity to take out a maintenance loan:

- Family type with those in lone-parent families significantly more likely to take out a loan than other groups (77 per cent, compared with 50 per cent of students in a couple with children).
- Social class although there was no apparent difference in the proportions taking out a maintenance loan (which only varied between 71 and 73 per cent; see Table A3.3), the regression model found that those from intermediate and routine/manual backgrounds were actually more likely than those from managerial/professional backgrounds to have taken out a maintenance loan, once other characteristics were taken into account.
- Type of qualification with those studying a Foundation degree significantly less likely to take out a maintenance loan (just 38 per cent). These students were also more likely to be studying at a FE college, they have a shorter course than other students and are more likely to work while studying.
- Subject studied related to their higher eligibility for the other sources of student support (namely NHS Bursaries), medicine/dentistry students and those studying subjects allied to health were significantly less likely to take out a maintenance loan than other students (51 per cent and 38 per cent respectively).

Although there were also variations by age, ethnicity, student status, and whether the student was living with their parents or not, these did not remain significant once other characteristics were taken into account (ie differences by these characteristics were underpinned by associated factors such as family type and social class).

Why did some eligible students not take out a maintenance loan during the course of the year? The most common reason among those who had not done so was that they did not need the money (mentioned by 45 per cent of such students, and more so among new system than among old system ones; see Figure 3.1). This was followed by dislike of borrowing / concern about taking on debt (also more prevalent among new system students) mentioned by 36 per cent; and by concern about the repayments (23 per cent)²².

Notably, first year students were the most likely to cite dispositional reasons such as dislike of borrowing (50 per cent), concern about repayments (31 per cent) or that they would prefer to get a job (35 per cent, compared with 13 per cent of final/one year students and 15 per cent of those in intermediate years). In addition, students based in London were particularly likely to say they had not taken out a maintenance loan because of concerns about the repayments (42 per cent, compared with 18 per cent of students elsewhere).

²¹ Logistic regression is an analysis technique whereby the propensity for a particular action or outcome (in this case, propensity to take out a student loan for maintenance) is modelled on a number of other independent characteristics. The logistic regression model takes account of the interactions between these different characteristics.

²² Multiple responses were possible to this question, for example a respondent might answer they did not need the money and were concerned about repayments.

Among those who had not taken out a Maintenance Loan, students who received the Maintenance Grant were even more likely to report this was because they disliked borrowing and were concerned about taking on more debt (51 per cent compared with 27 per cent of those who did not receive a Maintenance Grant) and around one in three reported they were concerned about the repayments (34 per cent) and preferred to get a job instead (32 per cent). There was no significant difference in terms of the proportions reporting they did not need the money.





N = (593) unweighted

Base: all English-domiciled full-time students who had not taken out a student loan for maintenance

Source: NatCen / IES SIES 2007/08

The student loan for tuition fees

All eligible full-time higher education students entering higher education can get a student loan for tuition fees. This loan covers any amount up to the full amount charged for tuition fees. For new system students it is worth up to \pounds 3,070 for the 2007/08 academic year.

Eligible full-time old system students can also take out a student loan to pay any tuition fees not covered by the tuition fee grant. The student loan for tuition fees is paid directly to the student's university or college, therefore it is income which the student does not actually see themselves.

The average amount that the student loan for tuition fees contributed to total average income among all full-time students in 2007/08 was £1,451. As we might expect, due to the differential fee costs and support packages they are under, this varied substantially between old system and new system students (Tables A3.1 and A3.2):

Old system students received £240 on average (just three per cent of their average total income), while new system students received £2,237 (a much higher proportion of their average total income, at 20 per cent).

- Three-quarters of new system students took out a tuition fee loan (76 per cent) and among those who did, the average amount was £2,934. Among old system students, just one-fifth took out a tuition fee loan (19 per cent) and the average amount was £1,271²³. This suggests that the majority of old system students who took out a tuition fee loan did so for the full fee amount.
- In both cases, the median amount was the maximum loan value allowed (reflecting the ceiling on tuition fee charges): £1,225 for old system and £3,070 for new system students.

Focusing on new system students only (as this source of funding is so much more important among this group), Tables A3.6 and A3.7 shows the proportion of full-time students in receipt of a tuition fee loan, and the average amount taken out among recipients, for a range of student and HE-study related characteristics. A logistic regression was undertaken in order to explore which characteristics influenced the likelihood of taking out a tuition fee loan among new system students (Table A3.8). Controlling for other background factors, this found the following to be significant:

- Family type: students in couples with children were less likely to have taken out a tuition fee loan, controlling for other factors (less than half 49 per cent had done so, compared with 68 per cent of lone parents and 67 per cent of couples with no children).
- Socio-economic background: students from intermediate (75 per cent) and routine / manual (80 per cent) social backgrounds were more likely to have taken out a tuition fee loan than those from managerial / professional backgrounds (75 per cent), once other differences were taken into account.
- Degree subject: those studying medicine / dentistry or related subjects were significantly less likely to have taken out a fee loan (39 per cent and 28 per cent respectively).
 Students doing arts, languages or humanities were more likely to have taken out a tuition fee loan (85 per cent).
- Type of qualification: students on Foundation degrees were less likely to have taken out a tuition fee loan (52 per cent), compared with those studying for a degree or HNC/HND (80 per cent) or PGCE / ITT qualification (64 per cent). Although students studying at a FEC were less likely to have taken out a tuition fee loan (63 per cent) than those studying at an English or Welsh HEI, this was not significant once other factors were controlled for in the regression model.

Again, although not included in the regression for reasons discussed previously, it is interesting to note that new system students who received the Maintenance / Special Support Grant had a higher average tuition fee loan than students who did not (\pounds 2,606 compared with \pounds 1,956; see Table A3.24).

Why did some students (whose fees were not covered by other sources) choose not to take out a student loan for tuition fees? Just over half said they did not need the money to pay their fees (54 per cent; this was more common among old system than among new system students, see Figure 3.2). A quarter (26 per cent) reported that their parents or partner did not want them to take out a fee loan (again, more commonly old system students). Although just 14 per cent said they did not like borrowing and were concerned about taking on more

²³ The mean (£1,271) is slightly higher than the maximum allowed for old system students. This was caused by a small number of old system students (N=18) reporting a higher amount of tuition fees. The majority of old system students taking out loans reported an amount of £1,225.

debt, this was more common among new system students (in line with reasons for not taking out the student loan for maintenance).





Base: all English-domiciled full-time students who had not taken out a student loan for tuition fees and whose fees were not covered by other means

Source: NatCen / IES SIES 2007/08

Tuition fee support

In 2007/08, old system full-time and PGCE students on low incomes or from a lower income family could still receive support from the government (via their LEA) towards their tuition fees. Tuition fees for old system students were set at £1,225 in 2007/08. The tuition fee grant is non-repayable and is paid direct to the student's university or college, therefore, like the tuition fee loan, students do not see this money directly. The maximum amount of grant available is £1,225: old system students who do not qualify for the maximum grant can take out a tuition fee loan to pay the difference.

In 2007/08, the average tuition fee support among all full-time old system students was £449. However, Table A3.9 shows that just over one-third of these students received some tuition fee support (37 per cent), and among those who did the average amount was much higher at £1,200 (with a median at £1,225), suggesting that almost all of them received the full grant available, or very close to it.

Among full-time old system students, the following groups were most likely to have received a tuition fee grant for 2007/08:

- Students from intermediate and routine / manual socio-economic backgrounds (52 per cent and 47 per cent, respectively, compared with 27 per cent of those from professional/managerial backgrounds). The amount received did not vary according to socio-economic background.
- BME students (46 per cent, compared with 36 per cent of white students)
- Students doing degrees other than medicine / dentistry (40 per cent, compared with 16 per cent of medics and dentists).

The Maintenance Grant and Special Support Grant

New system students may be entitled to *either* the Maintenance Grant or the Special Support Grant, depending on their status and other factors such as personal / household income. Both the Maintenance and Special Support Grants are aimed at helping students pay for accommodation or other living costs, with up to £2,765 available (which is non-repayable).

Maintenance Grant

The full Maintenance Grant of £2,765 is available to students from lower-income families (with an annual income of up to £17,910). The grant tapers off up to an annual income of £38,331, after which no grant is available. Students who receive a Maintenance Grant of £1,230 or more have the maximum student loan for maintenance they can receive reduced by the same amount (so, in effect, less of the support they receive is repayable).

Among all full-time new system students, the average amount of Maintenance Grant was \pounds 864, but among the two in five new system students (41 per cent²⁴) who actually received income from the Maintenance Grant, the average was considerably higher at £2,088 (Table A3.10). The median amount received was just shy of the maximum amount available, at £2,700.

Among new system students studying in England, those most likely to receive a Maintenance Grant were:

- older students (49 per cent of those aged 25 or older, compared with 39 per cent of those aged under 20)
- from a routine / manual or intermediate social class background (62 per cent and 56 per cent respectively), compared with 30 per cent of those from a managerial / professional background
- BME students (53 per cent compared with 41 per cent of white students).
- doing a PGCE or other ITT qualification (67 per cent); those studying medicine/dentistry were significantly less likely than other students to receive one (at just 17 per cent).

Special Support Grant

The maximum Special Support Grant (SSG) available to full-time English-domiciled students during the 2007/08 academic year was also £2,765. Unlike the Maintenance Grant, the SSG does not reduce the amount borrowable under the student maintenance loan. The SSG is discounted when calculating entitlements to benefits and tax credits.

²⁴ Note, due to a routing error in the questionnaire, English-domiciled students studying in Wales were not directly asked about income from the Maintenance Grant and therefore this percentage and the average amounts among new system students (both overall and among those receiving the Maintenance Grant) are likely to be slight under-estimates.

No old system students and just two per cent of new system students²⁵ received the SSG, but among those who did it was an important source of finance, contributing an average of $\pounds 2,535$ to their total income. The median amount was $\pounds 2,765$ which shows that at least 50 per cent of recipients received the maximum amount of SSG available.

Two in five new system students who were lone parents received the SSG (40 per cent) and these comprised the majority of recipients.

Higher Education Grant

The Higher Education Grant (HEG) was introduced in 2004 but is only available to old system students, as it was superseded by changes to the student funding system made in 2006. The HEG is non-repayable and is paid direct to the student, contributing towards accommodation or other living costs. It is targeted at students from low-income households: in 2007/08 those with a household income of £16,340 or less qualified for the full HEG of £1,000 per year. HEG is then tapered off according to household income: those with an income of £22,326 or more are not eligible for this type of support.

In 2007/08 the average amount of HEG received across all full-time old system students was £163, accounting for two per cent of total average income. Around one in six full-time old system students received the HEG (17 per cent), at an average of £948. There were few significant differences according to student or study type, but - broadly speaking - receipt of HEG was more common among students aged 25 or older (30 per cent), students from routine / manual social class backgrounds (26 per cent), and among independent students (26 per cent).

Access to Learning Funds/Financial Contingency Funds

Access to Learning Funds have been given to institutions by the government in order that they can provide financial assistance to students on low incomes who need extra financial support or who are in financial difficulty. In Welsh HEIs these are termed Financial Contingency Funds. Prior to 2004, they were known as Hardship Funds.

Overall, full-time English-domiciled students received an average of £23 from these funds. Just three per cent actually received them, and among this group the contribution made to their total income was substantially higher, at £933. Receipt of monies from this type of fund was more likely among mature entrants (aged 25 or over when they started their course) and particularly among lone parents, among whom one in ten received this type of support. Old and new system students were equally likely to have received income from this source: however, old system students received more, on average (at a mean value of £1,103 compared with £746 among new system students).

3.3.3 Part-time students

As discussed in Chapter 2, what are termed the 'main sources' of student support in this report were in fact much less central for part-time students, and on the whole contributed very little to their total average income (see Table 2.1) - just £256 on average, or two per cent (a similar proportion to that found in 2004/05). This is primarily because the vast majority of part-time students are ineligible for most of the funding sources in this category.

²⁵ The combined figure for new system students receiving the Maintenance Grant or Special Support Grant is 43 per cent. This is not directly comparable to the proportion published by the Student Loan Company (57 per cent), partly because the two figures are based on different eligible populations and partly due to sampling tolerances.

Different financial support arrangements apply to part-time students and they tend to qualify for the more targeted 'other' forms of student financial support, which are covered in Section 3.4.

Therefore, as we might expect, far fewer part-time students than full-time students accessed funding from the main sources of student support (32 per cent, compared with 84 per cent of full-time students). The average amount among recipients was £809, which represents less than one-fifth of the amount that full-time students received from this source.

What proportion of part-time students received the Access to Learning Funds, Course Grant, or Tuition Fee support? Looking at each of these main elements for which part-time students were eligible (Table A3.11), there were no significant differences between old system and new system students. Overall, the key findings were:

- Just over a quarter (28 per cent) received tuition fee support, averaging £711. This was concentrated among lone parents (61 per cent of whom received it) as well as being more prevalent among ethnic minority students (40 per cent) and those from the intermediate and routine/manual social classes (38 and 37 per cent each).
- Around one-fifth (19 per cent) per cent received a Course Grant, averaging £240. Again, lone-parents (30 per cent) and BME students (28 per cent) were among the most likely to have received this form of support, as were students at the Open University (30 per cent) and those from intermediate socio-economic backgrounds (30 per cent).
- Just two per cent received income from Access to Learning Funds, averaging £661. No further analysis on this is possible due to the very small base size (N=16).

Part-time students who did not receive full tuition fee support, or a full Course Grant, were asked how (else) they paid towards their fees. By far the most common responses were that they paid towards the course fees themselves, including by taking out loans if necessary, (mentioned by 46 per cent) and that their employer contributed towards the course fees (mentioned by 44 per cent)²⁶.

3.4 Other sources of student support

3.4.1 Introduction

In addition to the main sources of student support, both full-time and part-time students can access other forms of financial support towards their HE study. These include a variety of funds which each tend to be targeted at particular groups of students according to different personal circumstances (for example, child-related support) or subject of study (such as NHS or teaching-related support). In addition, there are a range of bursaries and scholarships on offer from institutions, many of them directed at particular types of student or based on particular criteria such as academic performance or potential. Finally, other funding such as Career Development Loans, financial support/sponsorship from employers, and support from charities or the EU, is also available (although many of these other sources only apply to very small numbers of students).

²⁶ Multiple responses were possible at this question.

3.4.2 Full-time students

In Chapter 2 we looked at how other sources of student support comprised just ten per cent of total average income for full-time students, contributing £1,025 on average (Table 2.1). However, for certain groups of students, this type of income was much more important. For the most part these reflected particular criteria attached to the different funding streams involved, such as age, whether or not the student had dependent children, and subject of study. Students for whom this type of income was relatively more important were:

- Undertaking subjects allied to medicine (mainly nursing, but also subjects such as pharmacy, opthalmics, and other health disciplines), accounting for one-third (32 per cent) of their total average income. Medicine/dentistry students were also more likely to rely on this type of income (comprising 24 per cent of their income, on average).
- Students with children (both one- and two-parent families) where they contributed 23 per cent and 20 per cent respectively.
- Older students (aged 25 or more on entry to their course), for whom this type of income contributed 21 per cent of their total average.
- Black / black British students, also accounting for 18 per cent of their total average income.
- Independent students, accounting for 20 per cent of their total average income.

Just over two in five full-time students received income from the other sources of student support (43 per cent) - the average amount among recipients being £2,405.

3.4.3 Part-time students

Across all part-time English-domiciled students, the average amount of income received from other sources of student support was even lower than that for full-time students, at £606 or just four per cent of their total average income overall (Table 2.1).

There were fewer differences between part-time students in terms of the contribution to total income or the amount received. Analysis showed that, among part-time students, this type of income accounted for more of the total average among students who were aged under 25 on entry to their course, male and single (in contrast to the pattern found among full-time students).

Generally, this type of income was more important to part-time students than the main sources of student support (in terms of the level of income received). More part-time students than full-time students received income from these sources (48 per cent compared with 43 per cent); however, the amount received was lower on average, at £1,274.

3.4.4 Types of specific financial help to certain groups

The various types of allowances, bursaries and grants available to English-domiciled students studying in 2007/08 vary substantially in terms of eligibility criteria and the scale of the support on offer, depending on individual and HE-study characteristics. Table 3.3 shows the different components of other student support for full-time and part-time students, with the proportion in receipt of each, and the average amount obtained. Each of the categories is discussed in turn in the rest of this section.

Funds for students in different circumstances

Child-related support

Child-related support includes Childcare Grant and Parents' Learning Allowance, but excludes Child Tax Credit. Both of these are aimed at full-time students with dependent children in their household. The former contributes towards students' childcare costs during term-time and holidays, for children aged under 15 (or under 17 if the child has special needs) and who are in a form of childcare that qualifies under the grant. The latter is intended to contribute towards course-related costs such as books, materials and travel, up to a value of £1,435 per academic year. Neither of these grants is repayable.

Among all English-domiciled full-time students, an average of £83 was received in childrelated support, and just three per cent received these funds. Only 13 per cent of students actually had any dependent children in their household (eight per cent of full-timers and 36 per cent of part-timers). One-third (34 per cent) of full-time students with children received child-related financial support (part-time students are not eligible for this type of support). For recipients, the financial support they received from these sources was substantial, contributing an average of £2,936 to their total income.

Adult Dependants' Grant

Again, this type of support is only available to full-time students, this time those with a financially dependent adult family member in their household (including a spouse or partner, but discounting grown-up children). The maximum grant available for 2007/08 was £2,510 (paid across three termly instalments) and again, this is not repayable.

Across all full-time students an average of just £3 was received from this source. So few students actually received the Adult Dependant's Grant (less than one per cent, N=4) that further figures cannot be reported due to reliability thresholds.

Disabled students' allowances

Disabled students' allowances apply to full-time and part-time students, and are nonrepayable forms of support paid in addition to the core student funding package. They are aimed at students who have a disability or learning difficulty such as dyslexia, and include a general allowance, a specialist equipment allowance for items needed to help with studying, a non-medical helper's allowance (for example, to pay for a note-taker), and extra travel costs.

An average of £67 was received by full-time students and £54 by part-time students. Although only a small proportion of students accessed this type of funding overall (three per cent of full-time and part-time students alike), one in five full-time and one in ten part-time students with a (self-declared) disability accessed it (19 per cent and 11 per cent respectively). Among full-time recipients it contributed £1,947 to their total average income (the figure for part-time students cannot be reported due to reliability thresholds).

	Full-time						
	Base (N) recipients unweighted	Mean	Median	SE	% receiving (all full-time students)		
Child-related support	75	2,936	1,435	291	3		
Adult Dependants' Grant	4	_1	-	-	*		
Teaching-related support	50	6,523	6,000	190	2		
NHS-related support	142	5,088	4,905	218	5		
Disabled students' allowances	71	2,030	1,585	183	3		
Employer support	46	(2,271) ²	(1,225)	339	2		
Support from university/college	507	1,068	820	54	26		
Career Development Loans	2	-	-	-	*		
Support from charities	1	-	-	-	*		
Other support	211	1,449	1,000	99	9		
Other sources of student support (total)	926	2,405	1,225	108	43		

Table 3.3: Proportion of students receiving each of the other sources of student support, and average amount among recipients, English-domiciled full-time and part-time students

	Part-time				
	Base (N) recipients unweighted	Mean	Median	SE	% receiving (all part-time students)
Child-related support	0				0
Adult Dependants' Grant	0				0
Teaching-related support	0				0
NHS-related support	6	-	-	-	1
Disabled students' allowances	17	-	-	-	3
Employer support	181	1,185	950	76	33
Support from university / college	2	-	-	-	*
Career Development Loans	0				0
Support from charities	0				0
Other support	93	1,007	760	100	13
Other sources of student support (total)	281	1,274	950	88	48

N = (2,045) full-time and (641) part-time, unweighted

* Less than half of one per cent

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

Base: all English-domiciled students

Funds related to subject of study

The main sources of student funding in this category are teaching and NHS-related support.

Teaching-related support

Among English-domiciled students, teaching-related financial support available (in addition to the standard student funding package) comes in the shape of the Training Bursary for those on postgraduate courses leading to qualified teacher status; and the Secondary Shortage Subject Scheme, which is a needs-assessed grant for those taking ITT courses in shortage subjects such as applied science and ICT at secondary level. Different funding schemes apply to Welsh-domiciled ITT students.

Across all full-time English-domiciled students, an average of £151 was received in teachingrelated support (by just two per cent of students). Just over half (57 per cent) of ITT students accessed these types of support and among them the average amount was \pounds 6,523 – making a substantial contribution to their total average income.

NHS-related support

This includes NHS bursaries for full-time and part-time students (including payment of tuition fees), extra weeks allowances for long courses, and a reduced rate (at approximately 50 per cent) student maintenance loan which is not based on income. This support is a key component of other student support income for some students.

Across all full-time English-domiciled students the average amount gained from NHS-related support was £263. However, only five per cent of students accessed these funds, receiving an average of £5,088 each. Recipients were confined to the relevant subjects: medicine and dentistry, and subjects allied to health.

Around one-third of full-time medicine / dentistry students (35 per cent) and almost half (46 per cent) of full-time students doing subjects allied to medicine received NHS-related support, contributing, on average, £5,102 and £5,078 respectively to their total income. Among all part-time students, the average amount of NHS-related support across all students was just £26. So few part-time students actually received this type of funding (one per cent, N=6) that there is no scope for further analysis, due to reliability thresholds.

Support from the students' institution

Students can access a range of financial support direct from their institution. This includes the following:

- Bursaries, which form a core part of the new student funding package (for new system students who started their course after 2006). Institutions based in England *must* offer a minimum payment to students who get the full Maintenance Grant or Special Support Grant, or who pay the maximum tuition fees of £3,070. The minimum amount payable depends on the amount of tuition fees charged, but in 2007/08 this was £305. In practice many institutions offer considerably more than this.
- Some institutions also offer scholarships, with availability based on a range of factors including academic performance or subject of study.
- Some institutions in England run the Additional Fee Support Scheme for part-time students. This provides extra financial help to pay for course fees, to part-time students on a low income or those who get a Fee Grant for some of their fees, who cannot apply to or continue with the course without additional support.
- Contribution to tuition fees from university/college.

Across all full-time English-domiciled students the average received in financial support from their institution was £274, comprising three per cent of total income. Focusing on recipients shows a major difference between old and new system students. New system students were six times more likely to have received some form of financial support from their institution (39 per cent compared with just six per cent). Caution should be exercised when comparing the average amounts among recipients due to the small base size among old system students (N=43), but they were not significantly different (Table 3.4).

Table 3.4: Proportion of English-domiciled full-time students receiving support from their institution, and average income among recipients, by old system/new system status

	Old system	New system
Mean	(1,321) ¹	1,045
Median	(835)	820
SE	257	59
% receiving	6	39
Receiving N (unweighted)	43	464
N = (2,045) unweighted	798	1,247

Note: old and new system differences will overlap with differences by year of study, as most first year students are new system and most Year 3s+ are old system

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

Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08

Across all part-time English-domiciled students the average from this source was just \pounds 5. As less than one per cent of part-time students actually received any monies from this source (N=2), it is not possible to provide further breakdowns.

A closer focus on bursaries

Which students are benefiting from bursaries and how much do they receive? Among all Englishdomiciled full-time students, the average amount received in institutional bursaries was £231 (from English institutions) and £5 (from Welsh institutions).

Almost a quarter (23 per cent) of full-time students studying in England benefited from bursaries, and the average among recipients was substantial at £1,010. Slightly fewer (18 per cent) of those studying in Wales benefited from bursaries, averaging £889.

Students most likely to receive income from a bursary included lone parents (38 per cent), first year students (33 per cent) and those from a routine/manual social class background (32 per cent).

Receipt of monies from English bursary schemes was more common among new system than among old system students, as we might expect given that institutional bursaries form a core element of the new student funding package. One-third of new system students studying in England benefited from a bursary (35 per cent), receiving an average of £980 each, compared with just four per cent of old system students. This increased to around half (49 per cent) of new system students from routine / manual social class backgrounds, and to two-thirds (66 per cent) among those who also received a Maintenance or Special Support Grant.

A logistic regression model conducted among new system students found that being from a routine / manual or intermediate socio-economic background, and living at home with parents both had an independent positive effect on the likelihood of receiving an institutional bursary, once other characteristics were controlled for. Doing a degree in medicine / dentistry or subjects allied to medicine had a strong negative association with the likelihood of receiving an institutional bursary.

Support from the students' employer

Some students, in particular those studying part-time, may receive financial support from their employer while studying. Across all full-time English-domiciled students, the average amount of income from this source was £54, but among part-time students this was considerably higher at £394.

Full-time students who received the most in employer support, on average, were those in couples with children; older students aged 25 or more; those undertaking Foundation Degrees; and those doing subjects allied to health. Just two per cent of full-time students actually received support from an employer while studying, but those who did received a substantial contribution averaging £2,271. The median amount for full-time students was £1,225, which is the same as the fee level for old system students.

A much higher proportion of part-time students said they received employer support (33 per cent, in itself a large increase on the 2004/05 figure of five per cent) but on average the amount was around half that received by full-timers, at £1,185. Employer support among part-time students averaged more among men, younger students (aged under 25), those from managerial / professional backgrounds, or doing science, engineering, technology or IT courses.

Looking more closely into the financial support that part-time students received from their employers finds that the bulk of this (94 per cent) was aimed at paying towards tuition fees, rather than to cover general living expenses.

Other forms of student support

Also included in this category are other forms of student support, such as financial support from charities, Career Development Loans (CDLs), European Union (EU) funds, Open University (OU) funds, and other sources. Because so few students received any income from charities or CDLs (only one and two students each respectively), we have included them within this broader 'other' category.

The average amount from these sources totalled £129 across full-time English-domiciled students; on average part-time students received a similar amount at £131. Full-time students who received more, on average, from these sources were older (aged 25 or more) living as a couple with children, studying at a Welsh institution, doing a Foundation degree or studying for a PCGE.

Among part-time students, those who received more from these sources, on average, included women and those studying at the Open University. This latter finding is related to the fact that several OU-specific types of support (such as the Student Assistance Fund, Crowther Fund, and Computer/Internet Grant) were incorporated within this category. Around one in ten full-time students (nine per cent) and one in eight part-time students (13 per cent) received income from any of these sources. For recipients, this averaged $\pounds1,449$ (full-time students) and $\pounds1,007$ (part-time students).

3.5 Income from paid work

3.5.1 Introduction

As well as income from specific HE-related student support, income from paid work can help students raise the overall income needed to support their study and living costs. Indeed for some students, income from paid work may make up the lion's share of the income needed to fund their studies. In this section we explore students' propensity to undertake paid work, their working patterns and their overall income from paid work.

Students were asked about any paid (full-time or part-time) work they had undertaken in the 2007/08 academic year, including any continuous job that they may have that started before the beginning of the academic year and was likely to continue until the end of the academic year. They were also asked about any other jobs that they may have had for any length of time during the academic year, including term time and vacations (excluding the summer). They were asked how many hours they worked for each job (and if they worked different hours during term time and vacations in their continuous job), how much they earned from each job after deductions such as tax and national insurance, and whether or not they felt work had affected their studies in any way.

Students were also asked about any paid work they had undertaken during the 2007 summer holidays (discussed separately later in this chapter).

3.5.2 Earnings for full-time students

During the 2007/08 academic year around 20 per cent of total average income among fulltime students came from paid work, contributing £2,108 on average and making income from paid work the joint second most important category of income for full-time students, equal with income from family and friends. Of this income from paid work, most came from a continuous job, averaging £1,543 per student, and the rest came from other, casual jobs (averaging £565 per student; see Table 3.5).

		Full-time	Part-time
Permanent / continuous job	Mean	1,543	8,753
	Median	0	8,910
	SE	104	304
Other paid work	Mean	565	826
	Median	0	0
	SE	52	124
Income from paid work	Mean	2,108	9,580
	Median	380	9,000
	SE	109	341
N = (2,686) unweighted		2,045	641

Table 3.5: Income from paid work during the academic year 2007/08 (£), English-domiciled full-time and part-time students

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

Variations in income from paid work for different groups

Across all full-time students, the groups who averaged most income from paid work were: students at further education colleges (\pounds 4,016); those who were married or living as a couple (without children, \pounds 3,431, and with children, \pounds 3,184); students studying for a Foundation degree (\pounds 3,098); those studying education (\pounds 3,096); older students aged 25 or over (\pounds 2,990); and (related to age and lifestage) independent students (\pounds 3,071). (See Table A3.12 for detailed breakdowns and contributions to average total income by student and HE study characteristics.)

Overall average income from paid work for medical and dental students did not differ significantly to that of students studying other subjects (£1,729 compared with £2,133). However, the composition of their earnings was different. Medical students on average earned substantially less from a continuous job (£887 compared with £1,586 for students studying other subjects) and more from 'other' jobs (£842 compared with £547 for other students). They were also less reliant on income from paid work than other students (it comprised just 17 per cent of their total average income, and less than half of them actually worked).

3.5.3 Patterns of working among full-time students

Prevalence of working during the academic year

Over half (53 per cent) of full-time students undertook some form of paid work during the academic year, and for those that did work, average earnings over the academic year were $\pounds4,005$.

Overall, average income from paid work across all students was strongly influenced by patterns of working among different groups of students. Some students were significantly more likely to work than others, and indeed levels of income among students who had a job varied considerably, as can be seen in Tables A3.13 and A3.14. Logistic regression analyses were used to explore which student and HE study characteristics were related to the likelihood of doing paid work (Table A3.15). This showed that, after controlling for other factors, students who were significantly more likely to work were:

- those living at home with their parents (67 per cent)
- those married or living in a couple with no children (61 per cent)
- studying education-related subjects (61 per cent).

Students who were significantly less likely to have done paid work during term-time were:

- on a PGCE or ITT course (31 per cent)
- lone parents (33 per cent)
- studying at a Welsh HEI (38 per cent)
- Asian or Asian British (44 per cent)
- those with at least one parent who studied at HE (47 per cent).

For students who did work, earnings were highest for:

- those who were married, or lived with a partner (with children, £6,823, or without, £5,591)
- students studying at further education colleges (£6,146)
- students aged 25 or older (£5,848)
- students with independent status (£5,351)
- students studying for a PGCE / ITT (£8,499) course, or a Foundation degree/non-degree (£5,056)
- students studying education-related subjects (£5,116).

The logistic regression showed that when controlling for other factors, socio-economic group was not a significant factor in the likelihood of students working. Students from routine / manual socio-economic groups were not significantly more or less likely to work than those from professional/managerial backgrounds (55 per cent and 52 per cent, respectively). Are new system students more or less inclined to enter paid work? When controlling for all other factors, new system students were not significantly more or less inclined to work than old system students. However, due to the fact that this factor is closely related to year of study it is not possible to completely control for the effect year of study is likely to have on students' propensity to work when comparing old and new system students. The most direct comparison that can be made between old and new system students at this stage of the transition in funding systems is between first year students now and first year students captured in the 2004/05 survey (discussed in Chapter 9).

Continuous and casual work

As mentioned previously, income from paid work was measured in terms of the income students receive from any 'permanent / continuous job' they may have, that is one that started before the start of the academic year and is likely to continue until the end of the academic year, and any 'other' jobs they may have or have had that started since the beginning of the academic year and / or are likely to finish before it ends.

Overall, two-fifths (40 per cent) of full-time students had a continuous/permanent job in the 2007/08 academic year, while 20 per cent had a non-continuous/casual job (Table 3.6). For those who worked, income from continuous/permanent jobs was much higher than income from non-continuous jobs (£3,888 compared with £2,791). However, the two different types of work are not mutually exclusive: a small number of students (seven per cent) combined working in a continuous job with one or more 'other' casual jobs. Around one-third (32 per cent) worked solely in a continuous job and 13 per cent had only casual jobs.

		Full-time	Part-time
Income from continuous job	Mean	3,888	11,203
	Median	3,110	10,215
	SE	162	321
	Unweighted Count	802	502
	Proportion working (%)	40	78
Other paid work	Mean	2,791	6,122
	Median	1,401	5,200
	SE	232	610
	Unweighted Count	411	86
	Proportion working (%)	20	14
Income from paid work	Mean	4,005	11,875
	Median	3,010	10,800
	SE	161	308
	Unweighted Count	1,066	521
	Proportion working (%)	53	81
N = (2,686) unweighted		2,045	641

Table 3.6: Proportion of English-domiciled students working in different types of job and average earnings for those that have each type of job

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

For the 40 per cent of full-time students who worked in continuous/permanent jobs, the overall average number of hours worked across the academic year was 15 hours per week. This equates to around £100 per week on an average pay of £6.77 per hour. However, not all students worked the same number of hours during term-time and vacations. Over two-thirds (69 per cent) of full-time students who had a continuous job said that they worked different hours during term-times and vacations: these students tended to work much longer hours during vacations (25 hours per week on average) than they did during term time (11 hours per week). The remaining 31 per cent of students who had continuous jobs averaged a steady 17 hours during term-time and vacation periods alike.

Of the 20 per cent of full-time students who reported having a non-continuous or 'casual' job during the academic year, the majority (80 per cent) only had one, with 14 per cent who had two, and six per cent who had three. When considering the number of hours spent working on these types of jobs, it would appear that they are not insubstantial. For example, focusing on the first non-continuous job described by respondents, this job lasted an average of 17 weeks, with students working for 13 hours per week on average during that period.

Although it is difficult to know from the data how many hours per week students worked in total for all jobs at any one time, it is possible to work out how many hours in total students worked over the whole academic year (including term-time and vacations, but excluding the summer holidays). For full-time students who worked during the academic year the average total number of hours worked was 572 hours, or 15 hours per week. Among students who had worked during the academic year, those working the most hours were: PGCE students or students on a foundation degree; studying at a FEC; married or living with a partner (with or without children); aged 25 or older; and classified as an independent student (closely related to age).

Summer vacation work

As well as working during the academic year, for many students the summer vacation period is a time during which they can work and perhaps save some money towards paying off debts or for study and living expenses for the next academic year. For the main part of this report, income data are presented only for the academic year and not for the summer vacation in order to ensure consistent treatment for income and expenditure (the latter is measured during term-time only, as it is likely to be very different during the summer vacation). However, in order to show the potential contribution summer vacation work may make towards student income, the effect of summer working is discussed here.

Table 3.7: Income from paid work (including the preceding summer vacation), second and
subsequent year English-domiciled students (excluding OU students)

		Full-time	Part-time
Income from continuous job	Mean	2,634	10,935
	Median	2,040	10,530
	SE	166	382
Summer vacation work	Mean	1,430	2,513
	Median	1,108	2,450
	SE	49	160
Other paid work	Mean	968	1,021
	Median	0	0
	SE	104	191
Income from other jobs including	Mean	2,398	3,535
summer vacation	Median	1,600	2,769
	SE	108	228
Total from paid work	Mean	3,601	11,957
	Median	2,730	10,800
	SE	182	340
Total income from paid work including	Mean	5,031	14,470
summer vacation	Median	3,976	13,200
	SE	192	403
Total Income	Mean	10,586	14,980
	Median	9,569	13,674
	SE	177	421
Est total income (inc. summer	Mean	12,016	17,494
vacation work)	Median	10,892	16,447
	SE	183	485
N = (1, 114) unweighted		806	308

Note: Some second and subsequent year institution-based students were not asked the question if they had not worked during the academic year

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

Source: NatCen / IES SIES 2007/08

Students who study at an institution rather than with the Open University²⁷, and who were in the second and subsequent years of their course, were asked whether or not they had undertaken any paid work during the previous summer vacation (July to September 2007). Overall net earnings from paid work were calculated for this period. Across all such full-time

²⁷ OU students were not asked about summer vacation work as their academic year spans 12 months and so effectively they do not have a summer vacation.

students²⁸, average income from summer vacation work was £1,430. Taking this figure into account, the total annual earnings for full-time students overall increase to an average of \pounds 5,031 and estimated total average income for the year as a whole (not just the academic year) rises to £12,016.

The vast majority of full-time students (in their second year or above) had worked over the preceding summer vacation (92 per cent), and among those who did their average earnings were £1,745 (Table 3.8).

Table 3.8: Proportion of English-domiciled students working during the summer vacation (2nd years and subsequent year students (excluding OU students) and average earnings among those who did

		Full-time	Part-time
Summer vacation work	Mean	1,745	3,509
	Median	1,440	3,323
	SE	61	147
	N (unweighted)	655	215
	% working	92	70
N = (1, 114) unweighted		806	308

Note: Some second and subsequent year institution-based students were not asked the question if they had not worked during the academic year; these have been excluded from the results presented here Base: English-domiciled, second and subsequent year, institution-based students

Source: NatCen / IES SIES 2007/08

3.5.4 Earnings for part-time students

Income from paid work was extremely important for part-time students during the 2007/08 academic year. Indeed, 71 per cent of all income among part-time students came from this source, amounting to £9,580 on average. Of this income, the vast majority (91 per cent) came from permanent/continuous work, averaging £8,753 per student, and just nine per cent came from other jobs (£826 on average; see Table 3.5, page 73).

Variations in income from paid work for different groups

Across all part-time students, those with higher average earnings (and greater reliance on earnings) were:

- men (£11,000, comprising 86 per cent of total average income)
- students from a managerial or professional background (£11,367, accounting for 78 per cent of total average income)
- students who were married or living with their partner, without children (£10,516 or 79 per cent of total average income)
- white students (£9,952, comprising 71 per cent of total average income).

²⁸ Some second year and above students who should have been asked about summer vacation work, were not asked the appropriate questions (respondents who reported carrying out no work during the academic year were routed past this section.) These cases are treated as missing in Tables 3.7 and 3.8. As a result, figures in this section should be treated with caution.

Students at English HEIs earned significantly more from paid work (£10,163) although they were no more reliant on this source of income compared to students at other types of institution, as did students who were married and had children (£10,158). Similarly, students in their second year or above (£10,340) and those in their final year of study (£10,001) earned more than first year students although this comprised a similar share of their overall income. Students studying arts, languages or humanities, or combined subjects, earned significantly less than others on average, at £6,651 (51 per cent of total income) and £5,982 (53 per cent of total income) respectively. (See Tables A3.16 and A3.17 for detailed breakdowns.)

3.5.5 Pattern of working among part-time students

As with full-time students, variations in overall average income from paid work were largely influenced by propensity to engage in paid work. More than four-fifths (81 per cent) of all part-time students did undertake some form of paid work during the 2007/08 academic year, earning £11,875 on average. Those part-time students most likely to work (Tables A3.18 and A3.19), were:

- white (83 per cent, compared with 62 per cent of BME students)
- younger (89 per cent of under-25s and 85 per cent of 25 to 29 year-olds worked while studying, significantly higher than those aged 40 or older, at 71 per cent)
- living at home with their parents (94 per cent, compared to 77 per cent of those living independently)
- from a managerial / professional socio-economic background (89 per cent)
- studying education (96 per cent)
- in an intermediate year of study (85 per cent)
- those who started their HE course prior to 2006/07 (87 per cent).

Continuous and casual work

Part-time students were nearly twice as likely as full-time students to have a permanent / continuous job, with around four-fifths (78 per cent) having this type of work (Table 3.6). In fact, permanent/continuous jobs were much more prevalent among part-time students than non-continuous or casual work with only 14 per cent of students reporting this type of work. Income from continuous employment was also much higher than from other types of job, with those in continuous employment earning on average £11,203, compared to just £6,122 on average for 'casual' jobs. However, as mentioned previously, these two types of work were not mutually exclusive and one in ten part-time students (11 per cent) did both. Part-time students who had a permanent / continuous job worked on average for 33 hours per week during the academic year. Of the part-time students who had casual jobs, the vast majority (93 per cent) had only one such job, working for 21 hours per week on average, over 25 weeks.

Summer vacation work

Summer working was a more significant source of income for part-time students than it was for full-time students, with the earnings across all those questioned²⁹ averaging £2,450 (see Table 3.7). Taking income from summer vacation work into consideration, this potentially increases part-time students' average earnings to £14,470 and their total average income to £17,494 (across all those in their second year of study or higher, and excluding OU students³⁰).

More than two-thirds (70 per cent) of applicable part-time students did work over the 2007/08 summer vacation, and for these students average net earnings over that period were £3,509 (Table 3.8).

3.5.6 Impact of working among full-time and part-time students

Students who had undertaken paid work during the academic year were asked if they felt it had affected their course / studies in any way. Just over one-third of full-time students (37 per cent) and half of part-time students (52 per cent) felt that it had done so.

For full-time students who said that their studies were affected, the most common impacts were:

- reduced time available for studying and reading (cited by 74 per cent)
- increased stress (61 per cent)
- reduced quality of university work due to less time available (60 per cent).

Having less time for sleep (48 per cent) or to take part in leisure activities and sports (46 per cent) were also cited by a sizeable proportion of those affected.

A similar pattern of responses were found among part-time students who felt that their work had affected on their studies (Figure 3.3). For these students increased stress (74 per cent), having less time to study (72 per cent), and reduced quality of university work (68 per cent), were the most commonly cited ways in which work was felt to impact on studies.

More part-time students than full-time ones cited increased levels of stress and reported that lack of time impacted on the quality of their work, suggesting that balancing work and study commitments is more difficult for these students. Part-time students were much more likely than full-time students to report difficulties accessing the university library and computers (28 per cent compared to 11 per cent), perhaps reflecting differences in the numbers of hours worked between the two groups.

²⁹ Students in the second year of study or above, studying at college based institutions (ie not the Open University).

³⁰ Some second year and above students who should have been asked about summer vacation work, were not asked the appropriate questions (respondents who reported carrying out no work during the academic year were routed past this section.) These cases are treated as missing in Tables 3.7 and 3.8. As a result, figures in this section should be treated with caution.





Base: all English-domiciled students who felt that work had affected studies

3.6 Income from family, partner and friends

3.6.1 Introduction

The financial support that students receive from their family and friends represents another key category of income, in particular for certain groups. This includes financial contributions from parents, other relatives and non-relatives towards various costs of studying such as fees, rent and living costs; and also gifts of money or contributions in kind such as food, clothes, or household goods. Similarly, married students or students who share bank accounts or joint financial responsibility with their spouse or partners can receive financial support, and/or a share of their partner's income, including benefits. The different family, friends and partner contributions are shown in Table 3.9, for all full-time and part-time students.

Table 3.9: Types of income from family, partner and friends among English-domiciled full-time and part-time students (£)

		Full-time	Part-time
Contributions from parents	Mean	1,413	245
	Median	340	0
	SE	120	73
Contributions from other relatives	Mean	169	68
	Median	0	0
	SE	19	25
Contributions from non-relatives	Mean	14	9
	Median	0	0
	SE	1	4
Gifts in kind	Mean	228	139
	Median	1	0
	SE	12	36
Contributions from partner	Mean	1	8
	Median	0	0
	SE	0	3
Share of partner's income	Mean	220	566
	Median	0	0
	SE	57	251
Income from family, partner and friends	Mean	2,045	1,036
	Median	1,100	80
	SE	119	199
N = (2,686) unweighted		2,045	641

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

In the rest of this section we explore family, partner and friends' contributions in more depth, first for full-time students and then for part-time students.

3.6.2 Full-time students

On average, full-time English-domiciled students received £2,045 from their family, partner and friends - this accounted for one-fifth (20 per cent) of their average total income, equal with income from paid work. This was a lower proportion than in 2004/05, when it formed a quarter of their income (25 per cent) and was a larger proportion than income from paid work.

- Within this category, the largest contribution came from the students' parents accounting for just over two-thirds (69 per cent) and contributing £1,413 to average total income. This was a lower proportion and amount than in 2004/05.
- Contributions from other relatives amounted to an average of £169, with a smaller amount from non-relatives.
- On average, full-time students 'took' £220 as a share of their partner's income, but only 12 per cent of full-time students actually transferred income with their partner. Among those that did, the average amount is significantly higher (discussed later in this section).
- Full-time students also received an average of £228 worth of gifts in kind such as books, computer equipment, food and clothes.

A multiple linear regression model helped to determine which student and study characteristics were most strongly associated with variations in overall contributions from family, partner and friends among full-time students. This model found that significant differences were determined by a range of factors (see Table A3.20):

- Age and year of study: students aged 20 to 24 received significantly less from this source than those aged under 20, as did students in intermediate years of their course, compared with those in the first or final years. Although age and year of study are somewhat interrelated, the regression model found that both had a significant independent influence on income from family, partner and friends.
- Family type: students in couples with children obtained the most income from this source (£3,464), comprising just over one-fifth of their total income (23 per cent). Lone parents received a negligible amount from this source, in comparison (averaging £170), which contributed just one per cent of their total income.
- Social class and parental experience of HE: students from intermediate and routine/manual social class backgrounds gained less from this type of income, compared with students from managerial/professional backgrounds. Related to this, students whose parents had been to university gained more income from this source.
- Ethnicity: overall, students from BME groups received less income from family, partner and friends than white students (£1,271 compared with £2,204). The regression found that, controlling for other factors, being Black/Black British had a significant negative impact on income from family, partner and friends: these students received the lowest amount from this source (at £910, less than ten per cent of their total average income).
- Independent students received much less income from this source than dependent students and this was significant once other factors were taken into account - as we might expect given their financial status. Independent students received £1,532 on average compared with £2,194 among dependent students.

- Living with parents during term-time: students living at home received much less from this type of support than those living away (£1,016 compared with £2,364), and it comprised almost half as much of their average total income (12 per cent compared with 22 per cent).
- Degree subject: medicine/dentistry students received more from family, partner and friends than those doing other subjects (averaging £2,758 compared with £1,997).

Overall, old system students received more income from family, partner and friends, on average, than new system students (£2,279 compared with £1,893; see Table 3.10) - but this was not found to remain significant after controlling for other factors. Old system students relied more heavily on this source (which accounted for 25 per cent of their average total income compared with 17 per cent for new system students).

As in 2004/05, the vast majority of full-time students gained income from their family, partner or friends (86 per cent): among recipients the average amount was £2,376. Financial support from parents formed the bulk of this type of support, received by two-thirds of full-time students (68 per cent) and contributing an average of £2,084 to recipients' income.

		Old system	New system
Contributions from parents	Mean	1,585	1,301
	Median	800	200
	SE	147	115
Contributions from other relatives	Mean	187	158
	Median	0	0
	SE	36	20
Contributions from non-relatives	Mean	15	14
	Median	0	0
	SE	3	3
Gifts in kind	Mean	207	241
	Median	0	25
	SE	21	14
Contributions from partner	Mean	0	2
	Median	0	0
	SE	0	1
Share of partner's income	Mean	285	177
	Median	0	0
	SE	90	83
Income from family, partner and friends*	Mean	2,279	1,893
	Median	1,400	882
	SE	136	149
N = (2.686) unweighted		798	1.247

Table 3.10: Types of income from family, partner and friends among English-domiciled full-time old and new system students (\pounds)

* Note: figures adjusted for partner contributions where relevant; Base: all English-domiciled full-time students Note: old and new system differences will overlap with differences by year of study, as most first year students are new system and most Year 3s+ are old system

Focus on support from parents

Given how important parental contributions were for full-time students, we looked at which students were more likely to have received income from parents, and how much, again using a multiple regression model in order to disentangle the relationships between different student and study-related characteristics (Table A3.21).

This found very similar associations to the model for income from family, partner and friends as a whole. The key difference was that age was significant among those aged 25 or more as well as among 20 to 24 year olds.

The regression model found that being a student under the new funding system did have a significant negative relationship with income from parents, ie on average, new system students got less from their parents than old system ones, controlling for other background factors (£1,301 compared with £1,585). The median parental contribution for new system students was just £200 (indicating that 50 per cent got less than this amount), compared with £800 among those studying under the old system (Table 3.10).

3.6.3 Part-time students

Across all part-time English-domiciled students the average contribution from family, partners and friends was £1,036 and more than half of this came from a share of their partner's income (£566). This is a change from the 2004/05 findings, when part-time students actually had a small negative average income in this category (because they contributed more income to their partner/family than they received). This change is discussed in more detail in Chapter 9, but it mainly relates to changes in the profile of part-time students between the two studies, in particular for those variables which are strongly linked to income from parents (eg the students' age) and their share of partners' income (eg gender, family type, age, and social class).

		Male	Female
Contributions from parents	Mean	395	141
	Median	0	0
	SE	162	33
Contributions from other relatives	Mean	57	77
	Median	0	0
	SE	28	38
Contributions from non-relatives	Mean	6	11
	Median	0	0
	SE	4	7
Gifts in kind	Mean	201	96
	Median	0	0
	SE	83	18
Contributions from partner	Mean	0	14
	Median	0	0
	SE	0	6
Share of partner's income	Mean	-1,369	1,910
	Median	0	0
	SE	343	264
Income from family, partner and friends*	Mean	-709	2,249
	Median	0	280
	SE	323	264
N = (639) unweighted		167	472

Table 3.11: Types of income from family, partner and friends among English-domiciled parttime students, by gender (£)

* Note: figures adjusted for partner contributions where relevant Base: all English-domiciled part-time students Source: NatCen / IES SIES 2007/08

A multiple linear regression model found that the key differences *between* part-time students were largely driven by gender and family / lifestage (Table A3.22):

- On average, male part-time students had their income from family and friends reduced by £709 as they contributed more than they received: in contrast, female part-time students gained £2,249 (Table 3.11). The key factor underlying this was the transfer of income between partners³¹. On average, part-time male students *contributed* £1,369 to their partner whereas part-time female students *received* £1,910. Gender was a significant determinant of income from family, partner or friends in the regression model.
- Students aged 25 to 29 'lost' income in this category on average, with their income being reduced by £314 overall. Although they received small amounts of income from parents/other relatives and gifts in kind, they contributed an average of £750 to their partner which meant that their total average income from family and friends was reduced to a negative figure. Students in all the other age groups were net 'receivers' of income from their partner, and from this category as a whole. Age was found to have a significant negative impact on income from this source, for those aged 25 to 29 and 30 to 39.

³¹ See the Glossary (Chapter 1) for a note on calculations for joint financial responsibility. More detail on this can be found in the Technical Report.

- Those in couples with children received £2,412 from family and friends overall, the bulk of this coming from a share of their partner's income (£2,248). This was significantly more than all other students (including those married/living together without children). Again, this was a significant factor in the regression model.
- BME students gained less from this source than white students (averaging £236 compared with £1,138). The difference was driven by their much lower share of partner's income (BME students contributed £62 whereas white students received £641). Ethnicity was found to be a significant factor in the regression model.
- Students whose parents had been to university were likely to get more income from this source than those who had not, after controlling for other factors.
- Although students in FECs averaged substantially less income from this source than those studying in English HEIs (£264 compared with £1,308), institution type was not found to be significant once other background factors were taken into account.

3.7 Social security benefits

3.7.1 Introduction

Students were asked about any benefits they received during the academic year³². Benefits that students could receive were Child Benefit; Child Tax Credit; Working Tax Credit; Job Seekers Allowance (JSA); Disability, Invalidity, Incapacity or Sickness Benefit; Income Support; Housing Benefit and Council Tax Benefit.

3.7.2 Full-time students

Across all full-time students average income from social security benefits was £258, representing just two per cent of income for this group as a whole. However, for some full-time students income from social security benefits made a much more substantial contribution to their total income, including:

- students with children, in couples (£1,189 on average, making up eight per cent of total average income), but particularly lone parents (£4,615 on average, contributing 26 per cent to total average income)
- students aged 25 or older (contributing £1,349 on average, making up ten per cent of total average income)
- students at FECs (with £819 on average, comprising eight per cent of total average income)
- students with independent status (who also tend to be aged 25 or more) (with £1,078 contributing eight per cent of total average income).

Overall, the vast majority (89 per cent) of full-time students did not receive any income from social security benefits. However, for the one in ten full-time students who did receive benefits, the average amount was substantial at £2,404 (Table 3.12).

³² For those with joint financial responsibility with a partner respondents were asked to give the total for benefits received by them and their partner. Half of the total is accounted for here and the remaining half is accounted for in 'Share of partner's income'.

Table 3.12: Proportion of English-domiciled students receiving social security benefits and average income among recipients, by full-time/part-time status

	Full-time	Part-time
Mean	2,404	3,003
Median	1,540	1,443
SE	206	193
% receiving	11	47
N (unweighted)	276	345
N = (2,686) unweighted	2,045	641

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

The types of social security benefits most commonly received by full-time students were:

- Child Benefit (eight per cent)
- Child Tax Credit (five per cent)
- Working Tax Credit (two per cent)
- Housing Benefit (one per cent)
- Disability, Incapacity, or Sickness Benefit (one per cent).

Although the majority (88 per cent) of full-time students did not pay Council Tax in the 2007/08 academic year, of those that did, 12 per cent received some Council Tax Benefit (representing one per cent of all full-time students).

3.7.3 Part-time students

On average, income from social security benefits was much more important for part-time students, with £1,416 coming from benefits on average - comprising ten per cent of total income among this group. This reflects the profile of part-time students who are more likely to be older and to have dependent children living in the household. The most commonly cited benefits received by part-time students were:

- Child Benefit (35 per cent)
- Child Tax Credit (25 per cent)
- Working Tax Credit (11 per cent)
- Housing Benefit (seven per cent)
- Disability, Incapacity or Sickness Benefit (six per cent)
- Income Support (four per cent).

Groups who received more income from social security benefits and for whom benefits made a greater contribution to total average income were:

- women (£1,732 or 12 per cent of income, compared with £952 or seven per cent for men)
- aged over 30 (£1,771 or 13 per cent for 30 to 39 year olds, rising to £1,932 or 14 per cent for those aged 40 or over, compared to just £645 or five per cent for under 25s)
- lone parents (£6,105 or 39 per cent, compared with less than £1,227 or eight per cent for all other types of family unit)
- living away from their parents during term-time (£1,740 or 13 per cent, compared with just £313 or three per cent for those who lived with parents)
- studying through the Open University (£3,319 or 23 per cent of income, compared with £1,244 or 12 per cent of income, or less, for those at other types of institution)
- BME students (£2,050 or 21 per cent of income, compared with £1,334 or ten per cent for white students).

In all, just under half of all part-time students received some income from social security benefits, receiving £3,003 on average.

3.8 Miscellaneous income

3.8.1 Introduction

The 'miscellaneous' category of income captured by the survey includes: maintenance payments for students' own or partner's children; money from pensions, trusts, deeds of covenant, shares, tax refunds, and bank or building society interest and windfalls; rent received from lodgers; and contributions towards rent/living costs or gifts of money from organisations (not captured elsewhere). In addition, money generated through the sale of items such as books, computers, course equipment, and any other items, appears under this category.

Across all students, income from these sources only contributed a small amount to total income (just two per cent of income among full-time students and five per cent among part-time students) - averaging £219 and £618 respectively.

Although many students did not have any income from these sources, for the 55 per cent of full-time and the 45 per cent of part-time students who did, miscellaneous income made a somewhat larger contribution to their income (averaging £398 for full-time and £1,383 for part-time students; see Table 3.13).

Table 3.13: Proportion of English-domiciled students receiving income from 'other' sources and average income from those receiving (£)

		Full-time	Part-time
Other miscellaneous income	Mean	398	1,383
	Median	110	150
	SE	41	235
	% receiving income	55	45
	N (unweighted)	1,093	284
N = (2,686) unweighted		2,045	641

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

The most common type of 'miscellaneous' income received by both full- and part-time students was 'money from pensions, trusts, deeds of covenant, shares, tax refunds, and bank or building society interest and windfalls', with 43 per cent of full-time and 35 per cent of part-time students receiving money from this source. This was followed by money from the sale of items such as books, computers or course equipment, which eight per cent of both full- and part-time students received at some point during the academic year. The other source of miscellaneous income worth mentioning was money from maintenance payments from an ex-partner, which was received by four per cent of part-time students and just one per cent of full-time students.

3.9 Additional tables

Table A3.1: Average amount from each of the main sources of student financial support for study, all English-domiciled old and new system full-time students (£)

		Old system	New system
Student loan for tuition fees	Mean	240	2,237
	Median	0	3,070
	SE	17	62
Student loan for maintenance	Mean	2,577	2,437
	Median	3,130	3,200
	SE	103	70
Maintenance Grant	Mean	8	864
	Median	0	0
	SE	6	56
Special Support Grant	Mean	0	60
	Median	0	0
	SE	0	11
Access to Learning / Financial Contingency	Mean	36	14
Funds	Median	0	0
	SE	9	4
Higher Education Grant	Mean	163	0
	Median	0	0
	SE	20	0
Course Grant	Mean	0	0
	Median	0	0
	SE	0	0
Tuition fee support	Mean	449	0
	Median	0	0
	SE	33	0
Main sources of student support	Mean	3,473	5,614
	Median	3,596	6,385
	SE	131	144
N = (2,686) unweighted		798	1,247

Note: old and new system differences will overlap with differences by year of study, as most first year students are new system and most Year 3s+ are old system

Base: all English-domiciled full-time students

Table A3.2: Average amount received from each of the main sources of student financial support for study, English-domiciled old and new system full-time students (£), and proportion receiving income from each source (%)

		Old System						
	Base (N) recipients unweighted	Mean	Median	SE	% (FT old system students) receiving			
Student loan for tuition fees	134	1,271	1,225	46	19			
Student loan for maintenance	551	3,609	3,385	57	71			
Maintenance Grant	0				0			
Special Support Grant	0				0			
Access to Learning / Financial Contingency Funds	33	(1,103) ¹	(1,000)	110	3			
Higher Education Grant	132	948	1,000	12	17			
Course Grant	0				0			
Tuition fee support	284	1,200	1,225	19	37			
Main sources of student support	616	4,351	4,355	112	80			
		N	low Systom					

	New System							
	Base (N) recipients unweighted	Mean	Median	SE	% (FT new system students) receiving			
Student loan for tuition fees	929	2,934	3,070	33	76			
Student loan for maintenance	880	3,428	3,385	40	71			
Maintenance Grant	506	2,088	2,700	45	41 ²			
Special Support Grant	37	(2,535)	(2,765)	63	2			
Access to Learning / Financial Contingency Funds	34	(746)	(600)	59	2			
Higher Education Grant	0				0			
Course Grant	0				0			
Tuition fee support	0				0			
Main sources of student support	1,066	6,504	6,455	92	86			

N = (798) old system and (1,247) new system, unweighted

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

² Due to a routing error in the questionnaire, English-domiciled students studying in Wales were not directly asked about income from the Maintenance Grant and therefore this percentage and the average amounts among new system students (both overall and among those receiving the Maintenance Grant) are likely to be slight under-estimates.

Note: old and new system differences will overlap with differences by year of study, as most first year students are new system and most Year 3s+ are old system

Base: all English-domiciled full-time students

Table A3.3: Proportion of English-domiciled full-time students in receipt of student loan for maintenance, and for recipients the average amount taken out, by key student characteristics (£)

	N receiving student Ioan (un- weighted)	Mean	Median	SE	% in receipt of student Ioan	Base (N) unweighted
All students	1,431	3,499	3,385	40	71	2,045
Gender						
Male	441	3,525	3,385	40	71	632
Female	989	3,480	3,385	55	71	1,412
Age group						
Under 20	528	3,384	3,385	59	77	676
20-24	669	3,498	3,385	46	73	930
25+	233	3,845	3,754	103	56	437
Socio-economic group						
Managerial / professional	706	3,438	3,385	46	73	986
Intermediate	243	3,622	3,517	95	71	353
Routine / manual / unemployed	304	3,575	3,400	83	72	437
Household / family type						
Two adult family	73	3,723	3,538	151	50	148
One adult family	52	4,234	4,510	113	77	70
Married or living in a couple	94	3,718	3,675	124	67	161
Single	1212	3,449	3,385	43	73	1,666
Ethnicity						
White	1,224	3,519	3,385	37	73	1,715
Any other ethnic background	204	3,382	3,280	86	64	325
Status						
Dependent	1,134	3,425	3,385	47	76	1,500
Independent	297	3,839	3,735	107	57	545
Lives in London						
Yes	177	3,825	3,385	122	65	277
No	1,254	3,448	3,385	36	72	1,768
Lives with parents						
Yes	280	2,844	2,700	58	59	469
No	1,151	3,660	3,385	43	75	1,576

Base: all English-domiciled full-time students (2,045)

Table A3.4: Proportion of English-domiciled full-time students in receipt of student loan for maintenance, and for recipients the average amount taken out (£), by key HE study characteristics

	N receiving student Ioan (un- weighted)	Mean	Median	SE	% in receipt of student Ioan	Base, N (un- weighted)
All students	1,431	3,499	3,385	40	71	2,045
Institution type						
English HEI	1,207	3,503	3,385	43	71	1,716
Welsh HEI	111	3,648	3,385	94	85	136
FEC	113	3,180	3,000	136	58	193
OU						
Subject						
Medicine / dentistry	77	3,674	3,385	144	51	170
Subjects allied to medicine	50	3,251	3,280	173	38	144
Sciences / Engineering / Technology / IT	328	3,458	3,385	53	76	430
Human / Social sciences / Law / Business	382	3,468	3,385	50	76	497
Arts / Humanities / Languages	354	3,573	3,385	76	77	459
Education	128	3,382	3,380	83	65	205
Combined / other	112	3,654	3,385	103	81	140
Qualification						
Bachelor degree, HNC/D	1,301	3,510	3,385	40	74	1,767
Foundation degree, non- degree	76	3,337	3,100	237	38	178
PGCE / ITT	54	3,350	3,675	182	55	100
Year of study						
First year	493	3,437	3,385		73	680
Intermediate	430	3,533	3,385		72	613
Final / one-year course	508	3,527	3,400		69	752
Old or new system						
Old	551	3,609	3,385	57	71	798
New	880	3,428	3,385	46	71	1,247

Note: old and new system differences will overlap with differences by year of study, as most first year students are new system and most Year 3s+ are old system

Base: all English-domiciled full-time students

Table A3.5: Logistic regression model of propensity to take out a student loan for maintenance,full-time English-domiciled students

			95% Cor lin	nfidence nit
	Regression coefficient	Significance level	Lower	Upper
Gender				
Male (ref. category)	1			
Female	1.135	0.356	0.867	1.485
Age				
<20 (ref. category)	1			
20 to 24	0.892	0.527	0.626	1.271
25+	0.763	0.330	0.442	1.316
Socio-economic group				
Managerial / professional (ref. category)	1			
Intermediate*	1.323	0.048	1.02	1.746
Routine / manual*	1.396	0.042	1.013	1.925
Ethnicity				
White (ref. category)	1			
Asian	0.727	0.190	0.450	1.172
Black	1.171	0.643	0.599	2.291
Mixed / other	0.809	0.544	0.407	1.609
Household / family type				
Single (ref. category)	1			
Lone parent**	2.834	0.007	1.338	6.005
Couple	1.242	0.289	0.800	1.927
2 adult family	0.783	0.289	0.497	1.232
Status				
Dependent (ref. category)	1			
Independent	0.528	0.060	0.271	1.029
Lives with parents during term-time				
No (ref. category)	1			
Yes***	0.474	0.000	0.354	0.636
Lives in London				
Elsewhere (ref. category)	1			
London	0.679	0.058	0.455	1.014
Parents' experience of HE				
No HE parents (ref. category)	1			
Parents went to HE	0.954	0.766	0.700	1.300

			lin	nit
	Regression coefficient	Significance level	Lower	Upper
Type of Institution				
Eng HEI (ref. category)	1			
Welsh HEI	1.528	0.130	0.882	2.649
FEC	0.814	0.395	0.505	1.311
Subject				
Social sciences / Business / Law (ref. category)	1			
Medicine / Dentistry***	0.295	0.000	0.162	0.453
Subjects Allied to Medicine***	0.206	0.000	0.131	0.322
Science / Engineering / technology / IT	0.97	0.863	0.690	1.365
Arts / Humanities / Languages	1.016	0.944	0.656	1.572
Education	0.895	0.603	0.589	1.360
Combined / other	1.197	0.526	0.685	1.359
Year of study				
First year (ref. category)	1			
Second / intermediate year	0.944	0.755	0.655	1.359
Final year / one-year course	0.668	0.183	0.369	1.211
Qualification				
Bachelor degree, HND/C (ref. category)	1			
Foundation / non-degree***	0.297	0.000	0.189	0.469
PGCE / ITT	0.632	0.139	0.344	1.161
Old or new system				
Old system (ref. category)	1			
New system	0.698	0.124	0.442	1.104

95% Confidence

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

Base: all English-domiciled full-time students

Table A3.6: Proportion of English-domiciled new system full-time students in receipt of student loan for tuition fees, and for recipients the average amount taken out (£), by key student characteristics

	N receiving student Ioan (un- weighted)	Mean	Median	SE	% in receipt of student loan	Base, N (un- weighted)
All students	929	2,934	3,070	33	76	1,247
Gender						
Male	303	2,944	3,070	40	79	390
Female	626	2,926	3,070	25	74	857
Age group						
Under 20	559	3,009	3,070	17	83	668
20-24	200	2,809	3,070	62	72	283
25+	169	2,793	3,070	51	59	294
Socio-economic group						
Managerial / professional	439	2,965	3,070	19	75	602
Intermediate	150	2,915	3,070	33	75	209
Routine / manual / unemployed	225	2,891	3,070	42	80	291
Household / family type						
Two adult family	52	2,755	3,070	112	49	103
One adult family	36	(2,846) ¹	(3,070)	(118)	68	54
Married or living in a couple	61	2,829	3,070	70	67	104
Single	780	2,953	3,070	25	80	986
Ethnicity						
White	776	2,920	3,070	24	76	1,046
Any other ethnic background	151	3,001	3,070	65	79	199
Status						
Dependent	717	2,962	3,070	27	82	880
Independent	212	2,810	3,070	48	59	367
Lives in London						
Yes	118	3,089	3,070	61	77	160
No	811	2,909	3,070	25	76	1,087
Lives with parents						
Yes	226	2,865	3,070	59	75	308
No	703	2.956	3.070	24	77	939

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

Base: all English-domiciled full-time new system students (1,247)

Table A3.7: Proportion of English-domiciled new system full-time students in receipt of student loan for tuition fees, and for recipients the average amount taken out (£), by key HE study characteristics

	N receiving tuition fees (unweighted)	Mean	Median	SE	% receiving tuition fees	Base, N (unweighted)
All students	929	2,934	3,070	33	76	1,247
Institution type						
English HEI	760	2,976	3,070	25	77	1,003
Welsh HEI	63	2,982	3,070	38	85	78
FEC	106	1,895	2,046	117	63	166
OU						
Subject						
Medicine / Dentistry	17	_1	-	-	39	52
Subjects allied to medicine	22	-	-	-	28	80
Science / Engineering / technology / IT	224	2,901	3,070	46	80	280
Social science / Business / Law	260	2,966	3,070	40	83	314
Arts / Humanities / Languages	246	2,935	3,070	41	85	295
Education	84	2,879	3,070	53	65	140
Combined / other	76	2,905	3,070	67	88	86
Qualification						
Bachelor degree, HNC/D	796	2,968	3,070	22	80	1,015
Foundation degree, non- degree	80	2,546	3,000	202	52	141
PGCE / ITT	53	2,761	3,070	75	64	91

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

Base: all English-domiciled full-time new system students (1,247)

Table A3.8: Logistic regression model of propensity to take out a student loan for tuition fees, English-domiciled full-time new system students

			95% Confi	dence limit
	Regression coefficient	Significance level	Lower	Upper
All students	5.41	0	2.803	10.420
Gender				
Male (ref. category)	1			
Female	0.863	0.481	0.573	1.301
Age				
<20 (ref. category)	1			
20 to 24	0.612	0.070	0.360	1.041
25+	0.802	0.575	0.369	1.742
Socio-economic group				
Managerial / professional (ref. category)	1			
Intermediate**	1.793	0.001	1.266	2.540
Routine / manual**	2.259	0.001	1.432	3.561
Ethnicity				
White (ref. category)	1			
Asian	1.293	0.511	0.463	3.186
Black	2.115	0.103	0.857	5.219
Mixed / other	1.470	0.575	0.525	4.665
Household / family type				
Single (ref. category)	1			
Couple	0.715	0.319	0.369	1.386
Lone parent	0.936	0.907	0.307	2.855
Two adult family*	0.470	0.022	0.213	0.885
Status				
Dependent (ref. category)	1			
Independent	0.626	0.257	0.278	1.410
If lives with parents				
No (ref. category)	1			
Yes	0.721	0.141	0.465	1.116
If lives in London				
Elsewhere (ref. category)	1			
London	0.861	0.581	0.351	2.109
Parents experience of HE				
No HE parents (ref. category)	1			
Parents went to HE	0.909	0.581	0.646	1.278

	Regression coefficient	Significance level	Lower	Upper
Type of institution				
Eng HEI (ref. category)	1			
Welsh HEI	1.249	0.517	0.635	2.456
FEC	0.674	0.206	0.365	1.244
Subject				
Social sciences / Business / Law (ref. category)	1			
Medicine / Dentistry***	0.137	0.000	0.066	0.282
Subjects Allied to Medicine***	0.105	0.000	0.046	0.238
Science / Engineering / Technology / IT	1.042	0.852	0.676	1.605
Arts / Humanities / Languages*	1.864	0.045	1.015	3.420
Education	0.719	0.293	0.388	1.332
Combined / other	1.945	0.165	0.758	4.987
Year of study				
First year (ref. category)	1			
Second / intermediate year	1.105	0.606	0.755	1.616
Final year / one-year course	0.944	0.871	0.467	1.908
Type of study				
Bachelor degree, HND/C (ref. category)	1			
PGCE / ITT	0.838	0.683	0.357	1.967
Foundation / non-degree**	0.467	0.004	0.277	0.787

95% Confidence limit

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

Base: all English-domiciled full-time new system students

Table A3.9: Proportion of English-domiciled old system full-time students in receipt of a tuition fee grant, and for recipients the average amount received (£), by key student and HE study characteristics

	N receiving tuition fee grant (unweight- ed)	Mean	Median	SE	% receiving tuition fees	Base, N (unweight- ed)
All students	284	1,200	1,225	19	37	798
Socio-economic group						
Managerial / professional	99	1,185	1,225	27	27	384
Intermediate	68	1,219	1,225	37	52	144
Routine / manual	67	1,186	1,225	32	47	146
Institution type						
English HEI	244	1,197	1,225	20	37	713
Welsh HEI	24	_1	-	-	-	58
FEC	16	-	-	-	-	27
Qualification						
Bachelor degree, HNC / HND	278	1,200	1,225	20	39	752
Foundation degree, non degree	2	-	-	-	-	37
PGCE / ITT	4	-	-	-	-	9

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

Base: all English-domiciled full-time old system students (1,247)

Table A3.10: Proportion of English-domiciled full-time new system students in receipt of a Maintenance Grant, and for recipients the average amount of grant received (£) by key student and HE study characteristics

	N receiving mainten- ance grant (unweight-				% receiving mainten-	Base, N (unweight-
	ed)	Mean	Median	SE	ance grant	ed)
All students	506	2,088	2,700	45	41 ³	1,247
Gender						
Male	156	2,024	2,600	83	40	390
Female	350	2,135	2,700	39	42	857
Age						
<20	255	1,956	2,400	55	38	668
20 to 24	122	2,089	2,700	88	44	283
25+	128	2,449	2,765	42	48	294
Socio-economic group						
Managerial / professional	171	1,963	2,403	68	28	602
Intermediate	106	2,073	2,700	126	54	209
Routine / manual	165	2,193	2,765	56	61	291
Ethnicity						
White	401	2,042	2,675	51	39	1,046
Asian	41	(2,323)	(2,763)	(133)	(55)	76
Black	32	(2,230)	(2,700)	(175)	(49)	64
Mixed / other	30	(2,183)	(2,575)	(149)	(53)	59
Household / family type						
Single	404	2,046	2,623	47	41	986
Couple	41	(2,230)	(2,747)	(123)	(44)	104
Lone parent	20	_1	-	-	(38)	54
Two adult family	41	(2,308) ²	(2,765)	(109)	(43)	103
Status						
Dependent	344	1,967	2,455	48	39	880
Independent	162	2,403	2,765	46	48	367
Institution type						
English HEI	425	2,097	2,700	47	42	1,003
Welsh HEI	2	-	-	-	(3) ³	78
FEC	79	1,940	2,000	117	50	166
Subject						
Medicine / Dentistry	7	-	-	-	(17)	52
Subjects allied to medicine	18	-	-	-	(23)	80
Sciences / Engineering / Technology / IT	121	1,962	2,618	109	43	280

Social sciences / Business / Law	129	2,144	2,700	79	42	314
Arts / Languages / Humanities	121	2,125	2,700	81	41	295
Education	70	2,089	2,747	88	54	140
Combined / other	40	(2,183)	(2,700)	(114)	49	86
Qualification						
Bachelor degree, HNC/D	400	2,072	2,700	50	40	1,015
Foundation degree, non- degree	53	2,247	2,623	86	37	141
PGCE / ITT	53	2,107	2,700	103	66	91

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

³ Due to a routing error in the questionnaire, English-domiciled students studying in Wales were not directly asked about income from the Maintenance Grant and therefore this percentage and the average amounts among new system students (both overall and among those receiving the Maintenance Grant) are likely to be slight under-estimates.

Base: all English-domiciled full-time new system students (1,247)

		Full-time	Part-time
Income from continuous job	Mean	3,888	11,203
	Median	3,110	10,215
	SE	162	321
	Unweighted N	802	502
	Proportion working (%)	40	78
Other paid work	Mean	2,791	6,122
	Median	1,401	5,200
	SE	232	610
	Unweighted N	411	86
	Proportion working (%)	20	14
Income from paid work	Mean	4,005	11,875
	Median	3,010	10,800
	SE	161	308
	Unweighted N	1,066	521
	Proportion working (%)	53	81
N (2.696) unusishted		2 045	641

Table A3.11: Proportion of English-domiciled students working in different types of job and average earnings for those that have each type of job (\pounds)

Base: all Er

Table A3.12: Average income from paid work during the academic year and proportion of total average income for English-domiciled students, by key student and HE study characteristics

	Mean	Median	SE	% of total income	Base N (unweighted)
All students	2,108	380	109	20	2,045
Gender					
Male	2,126	3	158	21	632
Female	2,098	468	120	19	1,412
Age group (at start of academic year)					
Under 20	1,576	135	120	15	676
20-24	2,182	600	146	24	930
25+	2,990	411	195	21	437
Socio-economic group					
Managerial and professional	2,142	214	147	21	986
Intermediate	1,824	271	118	17	353
Routine and manual + unemployed	2,291	686	200	21	437
Ethnicity					
White	2,184	459	123	20	1,715
Asian / Asian British	1,623	0	236	20	135
Black / Black British	2,023	0	270	18	84
Mixed / Other	1,767	0	357	19	106
Household / Family type					
Two adult family	3,184	0	441	22	148
One adult family	1,522	0	278	9	70
Married or living in a couple	3,431	1,848	465	30	161
Single	1,938	360	111	20	1,666
Parents experience of HE					
Yes	1,758	0	114	17	1,073
No	2,541	1,340	140	24	959
Lives with parents during term-time					
Yes	2,479	2,105	174	29	469
No	1,993	0	114	18	1,576
Lives in London					
London	2,169	0	308	22	277
Elsewhere	2,097	400	116	20	1,768
Year of study					
First year	1,831	0	156	16	680
Other year	2,168	810	133	21	613
Final year / 1 year course	2,306	406	164	24	752
	Mean	Median	SE	% of total income	Base N (unweighted)
---------------------------------------------	-------	--------	-----	----------------------	------------------------
Old system or New system					
Student on Old System	2,277	630	135	25	798
Student on New System	1,998	195	127	18	1,247
Subject					
Medicine & Dentistry	1,729	0	348	17	170
Subjects allied to medicine	2,180	486	228	22	144
Sciences / Engineering / Technology / IT	2,048	90	167	21	430
Human / Social Sciences / Business / Law	2,158	516	198	21	497
Creative Arts / Languages / Humanities	1,849	214	191	18	459
Education	3,096	1,447	437	25	205
Combined / other	1,857	587	226	17	140
Qualification					
Bachelor degree, HNC/D	2,011	381	108	20	1,767
Foundation degree, non-degree	3,098	1,620	468	27	178
PGCE / ITT	2,598	0	630	17	100
Status					
Dependent	1,827	350	105	19	1,500
Independent	3,071	411	222	23	545
Institution type					
English HEI	2,068	380	115	20	1,716
Welsh HEI	1,209	0	299	13	136
FEC	4,016	2,630	416	37	193

Note: old and new system differences will overlap with differences by year of study, as most first year students are new system and most Year 3s+ are old system

Base: all English-domiciled full-time students

Table A3.13: English-domiciled full-time students' propensity to work and average earnings for	,
those who work, by student characteristics	

	N working (unweighted)	Mean	Median	SE	% working
All students	1,065	4,005	3,010	160	53
Gender					
Male	317	4,258	3,120	226	50
Female	748	3,828	2,970	194	55
Age group (at start of academic year)					
Under 20	354	3,125	2,500	154	50
20-24	488	3,981	3,000	242	55
25+	222	5,848	4,800	291	51
Socio-economic group					
Managerial and professional	505	4,141	2,925	215	52
Intermediate	179	3,586	2,814	212	51
Routine and manual + unemployed	235	4,190	3,156	295	55
Parental experience of HE					
Yes	501	3,721	2,730	185	47
No	561	4,271	3,276	197	60
Family situation					
Two adult family	69	6,823	5,244	744	47
One adult family	23	_1	-	-	33
Married or living in a couple	95	5,591	3,860	533	61
Single	878	3,664	2,860	155	53
Ethnicity					
White	924	4,025	3,025	171	54
Asian / Asian British	58	3,727	3,010	522	44
Black / Black British	36	(4,292)	(3,200)	(538)	47
Mixed / other	47	(3,792)	(2,408)	(470)	47

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

Base: all English-domiciled full-time students

Table A3.14: English-domiciled full-time students' propensity to work and average earnings for those who work, by HE study characteristics

	N working (unweighted)	Mean	Median	SE	% working
All students	1,065	4,005	3,010	160	53
Student status					
Dependent	792	3,444	2,730	154	53
Independent	274	5,995	4,860	285	51
Whether in London or elsewhere					
London	128	4,538	3,150	484	48
Elsewhere	937	3,922	3,000	165	53
Living circumstances					
Lives with parents	317	3,711	3,240	190	67
Lives away	748	4,131	2,900	190	48
Institution type					
English HEI	891	3,929	3,000	168	53
Welsh HEI	54	3,169	2,165	613	38
FEC	120	6,146	4,950	535	65
Subject					
Medicine / Dentistry	62	4,214	2,760	719	41
Subjects allied to medicine	72	4,249	3,070	364	51
Sciences / Engineering / Technology / IT	225	4,049	2,860	307	51
Human / Social Sciences / Business / Law	260	4,049	3,330	253	53
Creative Arts / Languages / Humanities	238	3,510	2,588	308	53
Education	131	5,116	3,480	612	61
Combined / other	77	3,203	2,686	413	58
Qualification					
Bachelor degree, HND/C	916	3,795	2,925	154	53
Foundation degree, non-degree	106	5,056	4,023	580	61
PGCE / ITT	44	(8,499) ¹	(9,000)	(957)	31
Year of study					
First year	336	(3,724)	(2,760)	(266)	49
Other year	344	3,876	3,120	217	56
Final year / one-year course	385	4,368	3,100	282	53
Old or new system					
Student on Old System	415	4,139	3,087	224	55
Student on New System	650	3,910	2,964	188	51

Note: old and new system differences will overlap with differences by year of study, as most first year students are new system and most Year 3s+ are old system

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

Base: all English-domiciled full-time students Source: NatCen / IES SIES 2007/08

Table A3.15: Logistic regression of English-domiciled full-time students' propensity to undertake paid work

			95% Confi	dence limit
	Regression coefficient	Significance level	Lower	Upper
Gender				
Male (ref. category)	1			
Female	1.278	0.041	1.011	1.617
Age group (at start of academic year)				
< 20 (ref. category)	1.000			
20-24	1.232	0.218	0.883	1.720
25+	1.419	0.232	0.798	2.523
Socio-economic group				
Managerial / professional (ref. category)	1			
Intermediate	0.799	0.057	0.634	0.907
Routine / manual / unemployed	0.902	0.420	0.702	1.160
Ethnicity				
White (ref. category)	1			
Asian / Asian British***	0.429	0.000	0.301	0.614
Black / Black British	0.871	0.681	0.449	1.689
Mixed / other	0.700	0.179	0.416	1.179
Household / family type				
Single (ref. category)	1			
Married or living with partner*	1.498	0.038	1.024	2.192
Two adult family	0.721	0.236	0.420	1.240
One adult family**	0.348	0.001	0.186	0.652
Student status				
Dependent (ref. category)	1			
Independent	1.050	0.846	0.638	1.729
Living with parents				
Not living with parents (ref. category)	1			
Living with parents***	2.431	0.000	1.761	3.357
Whether lives in London				
Living outside London (ref. category)	1			
Living in London	0.887	0.486	0.631	1.245
Parental experience of HE				
Parents didn't go to uni (ref. category)	1			
Parents went to uni***	0.571	0.000	0.468	0.697

	Regression coefficient	Significance level	Lower	Upper
Institution type				
English HEI (ref. category)	1			
Welsh HEI**	0.566	0.009	0.370	0.865
FEC	1.365	0.229	0.822	2.266
Subject				
Social sciences / Business / Law (ref. category)	1			
Medicine / Dentistry	0.611	0.082	0.350	1.065
Subjects allied to medicine	0.727	0.141	0.475	1.113
Sciences / Engineering / Technology / IT	1.985	0.924	0.718	1.351
Arts / Languages / Humanities	0.903	0.543	0.648	1.256
Education*	1.616	0.029	1.051	2.484
Combined / other subjects	1.035	0.884	0.646	1.659
Year of study				
First year (ref. category)	1			
Intermediate years	1.325	0.059	0.990	1.774
Final year / one-year course	0.936	0.759	0.613	1.429
Qualification aim				
Bachelor degree, HND/C (ref. category)	1			
Foundation degree, non-degree	1.158	0.625	0.642	2.088
PGCE / ITT**	0.254	0.002	0.107	0.602
Student status				
Old system student (ref. category)	1			
New system student	0.848	0.389	0.581	1.236

95% Confidence limit

	Mean	Median	SE	% of total income	Base, N (unweighted)
All students	9,580	9,000	341	71	641
Gender					
Male	11,000	10,800	669	86	167
Female*	8,600	8,550	445	62	472
Age group					
Under 25	8,934	9,000	389	73	118
25-29	11,161	12,600	870	81	80
30-39	9,760	9,000	600	71	177
40 or over	9,389	8,727	631	66	265
Socio-economic group					
Managerial / professional	11,367	10,800	554	78	302
Intermediate	8,694	8,550	870	69	99
Routine / manual / unemployed	7,969	7,800	676	67	139
Ethnicity					
White	9,952	9,000	363	71	578
Any other ethnic background	6,583	5,832	977	68	61
Household / family type					
Two adult family	10,158	9,600	680	68	199
One adult family	7,018	5,772	855	45	75
Married or living as a couple	10,516	10,800	762	79	170
Single	9,225	9,000	459	76	197
Parent studied at HE					
Yes	9,452	9,000	445	69	204
No	9,721	9,000	425	72	432

Table A3.16: English-domiciled part-time students' income from paid work and share of average total income, by student characteristics

Base: all English-domiciled part-time students

Table A3.17: English-domiciled part-time students' income from paid work and share of average total income, by HE study characteristics

	Mean	Median	SE	% of total income	Base, N (unweighted)
Living with parents					
Yes	9,548	9,000	495	79	98
No	9,589	9,000	411	69	543
Living in London					
London	(10,199) ²	(11,340)	(1,064)	76	41
Elsewhere	9,529	9,000	359	71	600
Year of study					
First year	8,420	8,000	647	70	212
Other year	10,340	10,350	546	68	207
Final year / one-year course	10,001	9,675	519	75	222
When started course					
Pre-2006/07	8,949	9,000	675	65	212
Post-2006/07	10,080	9,000	486	77	340
Subject					
Medicine / Dentistry	_1	-	-	-	13
Subjects allied to medicine	10,853	12,600	1,145	67	82
Sciences / Engineering / Technology / IT	10,186	9,045	571	80	136
Human / Social Sciences / Business / Law	9,828	9,863	558	76	178
Creative Arts / Languages / Humanities	6,651	3,120	1,315	51	93
Education	10,554	8,523	695	70	100
Combined / other	(5,982)	(4,468)	(1,164)	53	39
Qualification					
Bachelor degree, HNC/D	10,038	9,720	487	71	439
Foundation degree, non-degree	8,673	8,424	553	70	202
Institution type					
English HEI	10,163	9,603	373	72	439
Welsh HEI	_1	-	-	-	29
FEC	8,022	9,000	671	77	84
OU	8,908	7,800	1,222	62	89

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

Base: all English-domiciled part-time students

	N working (unweighted)	Mean	Median	SE	% working
All students	521	11,875	10,800	363	81
Gender					
Male	137	13,562	12,480	680	81
Female	383	10,698	9,750	375	80
Age group					
Under 25	99	9,989	9,000	478	89
25-29	69	13,133	13,500	836	85
30-39	146	11,976	10,800	580	82
40 or over	206	13,155	11,700	680	71
Socio-economic group*					
1 Managerial / professional	265	12,840	11,700	504	89
2 Intermediate	82	10,667	9,000	661	82
3 Routine / manual / unemployed	113	9,772	8,829	561	82
Parent studied at HE					
Yes	167	11,493	10,800	554	82
No	352	12,097	10,800	388	80
Household / family type					
Two adult family	160	12,708	11,700	612	80
One adult family	58	8,861	8,002	883	79
Married or living as a couple	142	13,358	12,000	737	79
Single	161	11,136	9,555	461	83
Ethnicity					
White	481	11,995	10,800	361	83
Any other ethnic background	39	(10,618) ¹	(10,800)	(1,060)	62
Lives in London					
Yes	30	(14,551)	(14,400)	(1,032)	70
No	491	11,685	10,800	372	82
Living with parents					
Yes	88	10,202	9,000	497	94
No	433	12,475	11,440	441	77

Table A3.18: English-domiciled part-time students' propensity to work and average earnings for those working, by student characteristics

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

Base: all English-domiciled part-time students

	N working (unweighted)	Mean	Median	SE	% working
All students	521	11,875	10,800	363	81
Institution type					
English HEI	370	12,117	10,800	427	84
Welsh HEI	-	-	-	-	-
FEC	69	9,862	9,045	577	81
OU	59	13,447	12,840	1,360	66
Subject					
Medicine / Dentistry	10	_1	-	-	-
Subjects allied to medicine	70	13,027	13,500	1,026	83
Science / Technology / Engineering / IT	114	11,762	10,800	627	87
Human and social sciences / Law / Business	149	11,825	10,800	489	83
Creative arts / Languages / Humanities	57	12,428	9,720	1,839	54
Education	96	10,948	8,541	677	96
Combined / other	25	-	-	-	(56)
Qualification					
Bachelor degree, HNC/D	351	12,564	11,700	493	80
Foundation degree, non-degree	170	10,550	9,000	537	82
Year of study					
First year	166	10,854	9,000	804	78
Intermediate	171	12,222	10,971	461	85
Final year / one-year course	184	12,478	11,250	457	80
When started course					
Pre-2006/07	170	11,825	10,800	426	76
Post-2006/07	292	11,572	9,900	503	87

Table A3.19: English-domiciled part-time students' propensity to work and average earnings for those working, by HE study characteristics

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

Base: all English-domiciled part-time students

Table A3.20: Linear regression model of income from family, partner and friends, English-	
domiciled full-time students	

			95% Confi	dence limit
	Regression coefficient	Significance level	Lower	Upper
All students	3,456	0.000	2,566	4,346
Gender				
Male (ref. category)	0			
Female	185	0.391	-239	608
Age group				
<20 (ref. category)	0			
20-24***	-857	0.000	-1,329	-385
25+	-489	0.261	-367	1,344
Socio-economic group				
Managerial / professional (ref. category)	0			
Intermediate*	-540	0.014	-968	-112
Routine / manual***	-916	0.000	-1,335	-497
Ethnicity				
White (ref. category)	0			
Asian / Asian British	-274	0.457	-998	450
Black / Black British**	-1,279	0.004	-2,134	-423
Mixed / other	-205	0.695	-1,235	450
Household / family type				
Single (ref. category)	0			
Lone parent***	-1,196	0.000	-1,752	-641
Two adult family*	1,880	0.013	391	3,369
Couple	-205	0.381	-1,494	573
Status				
Dependent (ref. category)	0			
Independent***	-1,728	0.000	-2,347	-1,109
Whether lives with parents				
No (ref. category)	0			
Yes***	-1,309	0.000	-1,627	-991
Whether lives in London				
Elsewhere (ref. category)	0			
London	91	0.790	-579	760
Parental experience of HE				
No HE parents (ref. category)	0			
Parents went to HE*	471	0.019	76	866

	Regression coefficient	Significance level	Lower	Upper
Type of institution				
English HEI (ref. category)	0			
Welsh HEI	-155	0.664	-857	546
FEC	-575	0.238	-1,532	382
Subject				
Social sciences / Business / Law (ref. category)	0			
Medicine / Dentistry*	1,028	0.013	273	1,834
Subjects allied to Medicine	137	0.708	-582	856
Science / Engineering / Technology / IT	-207	0.320	-616	202
Arts / Humanities / Languages	138	0.629	-425	702
Education	655	0.119	-169	1,478
Combined / other	464	0.218	-276	1,204
Year of study				
First year (ref. category)	0			
Second / intermediate year*	-480	0.031	-915	-45
Final year / one-year course	307	0.436	-467	1,080
Qualification				
Bachelor degree, HND/C (ref. category)	0			
Foundation / non-degree	-22	0.952	-697	742
PGCE / ITT	148	0.890	-1,953	2,250
Old or new system				
Old system (ref. category)	0			
New system	-644	0.069	-1,339	-52
Note: *p<0.05, **p<0.01, ***p<0.001				

95% Confidence limit

Base: all English-domiciled full-time students

Table A3.21: Linear regression model of income from parents, English-domiciled full-time students

		95% Confidence limit		
	Regression coefficient	Significance level	Lower	Upper
All students	2,781	0.000	2,216	3,346
Gender				
Male (ref. category)	0			
Female	-7	0.944	-188	175
Age group				
<20 (ref. category)	0			
20-24*	-308	0.030	-585	-31
25+**	-533	0.009	-1,929	-137
Socio-economic group				
Managerial / professional (ref. category)	0			
Intermediate***	-620	0.000	-823	-418
Routine / manual***	-735	0.000	-941	-529
Ethnicity				
White (ref. category)	0			
Asian / Asian British	-264	0.371	-845	317
Black / Black British*	-639	0.022	-1,185	-94
Mixed / other	-28	0.927	-635	578
Household / family type				
Single (ref. category)	0			
Lone parent***	-420	0.000	-624	-217
Couple***	-575	0.000	-738	-411
Two adult family***	-467	0.000	-680	-255
Status				
Dependent (ref. category)	0			
Independent***	-917	0.000	-1,295	-538
Whether lives with parents				
No (ref. category)	0			
Yes***	-1,167	0.000	-1,446	-889
Whether lives in London				
Elsewhere (ref. category)	0			
London	202	0.297	-179	583
Parental experience of HE				
No HE parents (ref. category)	0			
Parents went to HE***	555	0.000	351	759

	Regression coefficient	Significance level	Lower	Upper
Type of institution				
English HEI (ref. category)	0			
Welsh HEI	-257	0.246	-691	178
FEC	69	0.516	-140	277
Subject				
Social sciences / Business / Law (ref. category)	0			
Medicine / Dentistry*	621	0.041	24	1,218
Subjects allied to Medicine	-55	0.823	-536	426
Science / Engineering / Technology / IT	-184	0.220	-478	110
Arts / Humanities / Languages	-167	0.303	-486	152
Education	-173	0.312	-510	163
Combined / other	101	0.607	-286	489
Year of study				
First year (ref. category)	0			
Second/ Intermediate year**	-360	0.004	-606	-115
Final year / one-year course	-186	0.679	-493	322
Qualification				
Bachelor degree, HND/C (ref. category)	0			
Foundation/non-degree	-278	0.069	-578	22
PGCE / ITT	-121	0.502	-474	232
Old or new system				
Old system (ref. category)	0			
New system**	-411	0.009	-719	-104

95% Confidence limit

Ν

Base: all English-domiciled full-time students

Table A3.22: Linear regression model of income from family, partner and friends, Englishdomiciled part-time students

			95% Confid	dence limit
	Regression coefficient	Significance level	Lower	Upper
All students	-1,420	0.135	-3,289	449
Gender				
Male (ref. category)	0			
Female***	2,539	0.000	1,561	3,517
Age				
<25 (ref. category)	0			
25-25***	-2,380	0.000	-3,620	-1,141
30-39*	-1,599	0.017	-2,908	-290
40+	-737	0.243	-1,982	509
Socio-economic group				
Managerial / professional (ref. category)	0			
Intermediate	38	0.959	-1,407	1,483
Routine / manual	568	0.288	-487	1,622
Ethnicity				
White (ref. category)	0			
BME*	-802	0.049	-1,600	-3
Household / family type				
Single (ref. category)	0			
Couple	1,366	0.207	-767	3,498
Two adult family**	2,780	0.002	1,082	4,478
Lone parent	-624	0.275	-1,754	505
Qualification				
Foundation / non-degree (ref. category)	0			
Bachelor degree, HND / HNC	772	0.096	-140	1,684
Whether lives with parents				
No (ref. category)	0			
Yes	1,535	0.075	-156	3,226
Whether lives in London				
Elsewhere (ref. category)	0			
London	374	0.611	-1,082	1,831
Parental experience of HE				
No HE parents (ref. category)	0			
Parents went to HE**	1,453	0.004	470	2,437

	Regression coefficient	Significance level	Lower	Upper
Type of institution				
English HEI (ref. category)	0			
Welsh HEI	-398	0.635	-2,060	1,264
FEC	-2	0.996	-808	803
Subject				
Social sciences / Business / Law (ref. category)	0			
Subjects allied to Medicine / Medicine / Dentistry	1,630	0.162	-666	3,926
Science / Engineering / Technology / IT	-167	0.754	-1,224	890
Arts / Humanities / Languages	626	0.496	-1,192	2,444
Education	639	0.389	-825	2,103
Combined / other	1,865	0.343	-2,022	5,751
Year of study				
First year (ref. category)	0			
Second / Intermediate year	-144	0.830	-1,477	1,189
Final year / one-year course	-1,064	0.120	-2,410	282
When started course				
Pre-2006/07	0			
Post-2006/07	-772	0.277	-2,174	630

95% Confidence limit

Base: all English-domiciled part-time students

Table A3.23: Average income from social security benefits and proportion of total income, English-domiciled part-time students

	Mean	Median	SE	% of total income	Base, N (unweighted)
All part-time	1,416	1	104	10	641
Gender					
Male	952	0	178	7	167
Female	1,732	351	139	12	472
Age group (at start of academic year)					
Under 25	643	0	137	5	118
25-29	1,030	0	297	7	80
30-39	1,771	546	222	13	177
40 or over	1,932	663	205	14	265
Socio-economic group					
Managerial / professional	874	0	115	6	302
Intermediate	1,044	2	220	8	99
Routine / manual / unemployed	1,166	0	132	10	139
Ethnicity					
White	1,334	0	116	10	578
BME	2,050	702	393	21	61
Household / family type					
Two adult family	1,227	754	115	8	199
One adult family	6,105	5,501	395	39	75
Married or living as a couple	484	0	141	4	170
Single	969	0	198	8	197
Parental experience of HE					
Yes	1,133	0	185	8	204
No	1,536	2	138	11	432
Lives with parents during term time					
Yes	313	0	108	3	98
No	1,740	400	135	13	543
Lives in London					
London	(1,831) ²	(0)	(498)	(14)	41
Elsewhere	1,381	1	109	10	600
When started course					
Pre-2006/07	1,320	68	181	10	212
Post-2006/07	947	0	97	7	340

	Mean	Median	SE	% of total income	Base, N (unweighted)
Institution type					
English HEI	1,028	0	82	7	439
Welsh HEI	_1	-	-	-	29
FEC	1,244	0	168	12	84
OU	3,319	806	503	23	89
Subject					
Medicine / Dentistry	-	-	-	-	13
Subjects allied to medicine	956	220	190	6	82
Sciences / Engineering / Technology / IT	845	0	167	7	136
Human / Social Sciences / Business / Law	1,713	162	257	13	178
Creative Arts / Languages / Humanities	2,333	702	456	18	93
Education	1,460	488	282	10	100
Combined / other	(2,147)	(1,248)	(482)	(19)	39
Year of study					
First year	1,487	0	208	12	212
Other year	1,557	332	214	10	207
Final year / one-year course	1,228	0	159	9	222
Qualification					
Bachelor degree, HNC/D	1,351	0	142	10	439
Foundation degree, non-degree	1,544	144	218	12	202

Note: old and new system differences will overlap with differences by year of study, as most first year students are new system and most Year 3s+ are old system

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

Base: all English-domiciled part-time students

Table A3.24: Average amount from each of the main sources of student financial support for study, among English-domiciled new system full-time students, by whether or not they received the Maintenance/Special Support Grant (\pounds)

		Does not receive MG/ SSG	Receives MG/ SSG
Student loan for tuition fees	Mean	1,956	2,606
	Median	3,070	3,070
	SE	78	51
Student loan for maintenance	Mean	2,138	2,829
	Median	3,000	3,280
	SE	96	64
Maintenance Grant	Mean	0	1,998
	Median	0	2,618
	SE	0	45
Special Support Grant	Mean	0	140
	Median	0	0
	SE	0	23
Access to Learning/Financial Contingency	Mean	12	18
Funds	Median	0	0
	SE	5	5
Higher Education Grant	Mean	0	0
	Median	0	0
	SE	0	0
Course Grant	Mean	0	0
	Median	0	0
	SE	0	0
Tuition fee support	Mean	0	0
	Median	0	0
	SE	0	0
Main sources of student support	Mean	4,106	7,592
	Median	5,100	8,100
	SE	157	94
N = (1,247) unweighted		712	535

Base: all English-domiciled new system full-time students

4 Total Student Expenditure

4.1 Summary of key findings

- The average (mean) total expenditure of full-time English-domiciled students in 2007/08 was £12,254.
- The average total expenditure of part-time students was £16,435, around 34 per cent higher than their full-time counterparts.
- Living costs constituted the largest category of spending for students (53 per cent of spending for full-time students and 64 per cent for part-time students), while housing costs accounted for a further fifth of expenditure for each group.
- Participation costs accounted for a higher proportion of expenditure for full-time students than for part-time students (26 per cent compared with 12 per cent).
- Lifestage had a strong influence on expenditure for both full- and part-time students, with spending highest amongst lone-parent and two-parent families.
- Full-time and part-time students who either owned their home (including with a mortgage) or were renting privately with their family or alone also tended to have higher expenditure (which reflected more than just higher housing costs).
- Unsurprisingly, full-time students under the new arrangements for student support (including 'top up' fees) had higher participation costs, and higher spending overall. This was not the case for part-time students.
- Location also played a part in expenditure for full-time students. Those studying in England had higher spending than those studying in Wales.
- The subject of the course being taken was also associated with different levels of spending for both full- and part-time students: students taking courses related to education or allied to medicine had higher expenditure. Full-time students' expenditure also varied with parental income (although there was no consistent pattern).

4.2 Introduction

This chapter examines students' total expenditure for the academic year 2007/08, looking separately at full-time and part-time students.

Unlike estimates of student income, those for expenditure have been derived from two sources, using information collected in the interview in combination with a seven-day diary of spending.

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 income.³³

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 the four main categories of living costs, housing costs, participation costs and spending on children
- variations in total expenditure levels for different types of (full- and part-time) students.

The following chapter looks in more detail at the different sub-categories of expenditure. 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 presented in Figure 4.1.

Figure 4.1: Components of expenditure

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 behalf.³⁴ This sub-category is examined in more detail in Sections 5.3-5.6.

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.

³³ 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 the technical appendix.

³⁴ Full-time and PGCE students who were subject to 'top-up' fees (up to a maximum of £3,070 per academic year) and all part-time students were asked in the interview how much their course fees were. For all other full-time and PGCE students, their course fees were set as £1,225, the maximum amount a student might be expected to contribute towards their fees. In all cases, the fee costs were the total charged before any student support (including grants, bursaries or loans) was received. See Chapter 3 for full details.

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 higher education, the chapters covering expenditure can only discuss the main variations between students. Additional tables at the end of the chapters present further results for key groups of students. Trends since 2004/05 are discussed in Chapter 9.

4.3 Total expenditure

4.3.1 Introduction

In this section, we look at the overall level of spending and its main constituent categories for full-time and part-time students. We also look at the overall profiles of expenditure, in terms of the proportion of expenditure falling into different categories.

4.3.2 Key findings

The average (mean) total expenditure of full-time English-domiciled students in 2007/08 was \pounds 12,254. The average total expenditure of part-time students was \pounds 16,435, 34 per cent higher than their full-time counterparts (Table 4.1). The difference in expenditure between full-time and part-time students is slightly more than that found for income (30 per cent, as discussed in Chapter 2).

The median level of total expenditure was £10,817 for full-time students, which means that 50 per cent of the full-time student group had expenditure above this figure (and 50 per cent below). The median for part-time students was £14,907. 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 SIES findings.³⁵

The overall mean for spending on children was low at £152 for full-time students and £766 for part-time students. However, as most students did not have any spending in this category (as they do not have children), this does not give a good indicator of the level of expenditure when students do have child-related expenses. As Table 4.2 shows, only eight per cent of full-time students and 34 per cent of part-time students had spending in this category. For students incurring child-related costs, the mean level of spending was £1,957 for full-time students and £2,233 for part-time students, considerably higher than the mean based on all students.

³⁵ 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 the technical appendix.

Table 4.1: Total student expenditure and main sources of student expenditure, by Englishdomiciled full-time and part-time status (£)

		Full-time	Part-time
Living costs*	Mean	6,496	10,522
	Median	5,289	8,769
	SE	219	378
Housing costs*	Mean	2,455	3,257
	Median	2,162	3,130
	SE	123	151
Participation costs	Mean	3,151	1,890
	Median	3,240	1,575
	SE	50	70
Spending on children*	Mean	152	766
	Median	0	0
	SE	20	79
Estimated total	Mean	12,254	16,435
expenditure*	Median	10,817	14,907
	SE	260	520
N = (2,335) unweighted		1,792	543

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled students completing diary

Source: NatCen / IES SIES 2007/08

Table 4.2: Expenditure on children and housing for students who incurred costs in expenditure categories, by English-domiciled full-time and part-time status (£)

		Full-time	Part-time
Housing costs*	Mean	2,948	3,529
	Median	2,556	3,325
	SE	134	140
	Ν	1,504	515
	% incurring cost	83	92
Spending on children*	Mean	1,957	2,233
	Median	1,434	1,813
	SE	129	109
	Ν	175	228
	% incurring cost	8	34

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled students completing diary

Similarly, when looking at students' housing costs, 17 per cent of full-time students and eight per cent of part-time students reported having no housing costs (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). (For all other categories of expenditure and total expenditure, all students incurred costs so there is no difference in the means based on the whole sample versus those incurring costs.)

4.3.3 Composition of total income

Figures 4.2 and 4.3 show how the expenditure of full-time and part-time students respectively was distributed between the four sub-categories (described above). As well as differences in total expenditure levels, the profiles of expenditure differed in some ways for the two groups:

- Living costs represented the majority of expenditure for each group (53 per cent for fulltime students and 63 per cent for part-time students).
- Housing costs accounted for around one-fifth of total expenditure for each group (20 per cent for full-time students and 21 per cent for part-time students).
- Participation costs accounted for a higher proportion of expenditure for full-time students than for part-time students (26 per cent compared with 12 per cent).
- Spending on children was the smallest category of expenditure (one per cent for fulltime students and four per cent for part-time students), largely reflecting the low proportion of students with child-related spending.



Figure 4.2 and 4.3: Profile of expenditure for English-domiciled full-time and part-time students

4.4 Variations in total expenditure between student groups

4.4.1 Introduction

In this section we look at key differences in total expenditure between different types of student (in terms of their socio-economic background, study-related factors and location). We first examine variations between different groups for full-time students (Section 4.4.2), before turning to part-time students (Section 4.4.3). Many of the groups overlap (eg older students are less likely to live with their parents), so differences in expenditure between groups may reflect variations in other socio-economic or institutional characteristics. Multivariate regression was therefore used to look at differences in expenditure between groups; this controls for variations in other background factors (see Tables 4.3 and 4.4).

4.4.2 Full-time students

Student background

Total expenditure was related to students' age and gender, although this generally reflected associations between age/gender and other factors (eg family type and tenure). Female English-domiciled full-time students reported a slightly higher level of total expenditure than men, a level of £12,740 compared with £11,591 (Table A4.1 at the end of the chapter), driven by higher average living costs and spending on children. Full-time students aged 25 or older tended to have higher expenditure (£16,839) than younger students (£11,332 for students aged under 20 and £11,330 for students aged 20-24, Table A4.2). However, age and gender differences were not found to be significant in the multiple regression model (Table 4.3), which confirms that the differences were due to other factors.

Total expenditure was strongly related to full-time students' lifestage -- those who had families with children had the highest levels of expenditure (Table A4.3, Figure 4.4). In particular, lone parents had appreciably higher average levels of expenditure than those who were in two-parent families (£23,630 compared with £18,877); both had much higher expenditure levels than those who were in a couple without children (£13,578) or single (£11,401). Family type was found to have a strong relationship with total expenditure in the multiple regression model (Table 4.3).



Full-time students who owned or were buying their homes or who were renting privately (either by themselves or with their family) had higher average expenditure (£18,405 and £16,769 respectively). This compared to £10,557 for those living in university accommodation and £11,294 for those living with their parents (Table A4.4, Figure 4.5). These differences in overall expenditure were significant in the multivariate analysis, and were driven partly by housing costs but also by differences in living costs and spending on children.





Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08

Social class was not found to be a strong influence on full-time student's expenditure (and after controlling for other factors). The same was also true for whether or not a student's parents had attended higher education themselves. However, parental income was linked with (dependent) students' expenditure (in the multivariate analysis), though not in a consistent way (Table A4.5).³⁶ Expenditure was in fact highest among students with an estimated annual parental income of £20-25,000 (£12,251) but lowest for students with parents' income in the £25-30,000 bracket (£10,243). This difference was mainly driven by higher living costs.

Another factor that showed variations in levels of total expenditure was ethnic group. Black / Black British students who studied full-time reported higher expenditure than white and Asian / Asian British students (£16,493, compared to £13,138 and £11,981 respectively; see Table A4.6). However, this was largely driven by the much higher proportion of Black/Black British students who were in lone-parent families and living in private rented accommodation; after these factors were controlled for, ethnicity did not have a significant effect on expenditure levels.

³⁶ The measure was based on the students' own estimate of their parents' income. A high proportion of students (36 per cent) were unable to estimate this. They were included in the multivariate analysis as a separate group, but are not included in Table A4.5. These students tended to report higher expenditure.

HE study-related factors

Study-related factors were also linked to higher levels of expenditure. New system students incurred higher average expenditure than old system students (£12,855 compared to £11,302; see Table A4.7 and Figure 4.6). Unsurprisingly, this was driven by higher participation costs, reflecting the higher fees charged to new system students. Year of study did not have any effect on overall expenditure (Table A4.8). (As discussed previously, there is an obvious overlap with old/new system students, but the lack of association was apparent even before this factor was controlled for.)





Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08

Table 4.3 shows that overall expenditure also varied significantly with the subject of the course being taken. Students studying education, subjects allied to medicine (such as nursing), combined subjects and human/social sciences all tended to have higher average expenditure (Table A4.9). This variation reflected factors such as living and housing costs, rather than differences in participation costs.

Full-time students at English FECs had the highest expenditure levels $(\pounds 13,531)$ – higher than those at English HEIs $(\pounds 12,291)$ and much higher than those at Welsh HEIs $(\pounds 9,755;$ see Table A4.10). This difference was significant in the multivariate analysis, and was largely driven by patterns in living costs. Once the type of institution had been taken into account, the type of qualification did not have a significant effect on expenditure.

Table 4.3: Linear regression model estimates: total expenditure for English-domiciled full-time students

			95% Confid	ence limit
Variables	Regression coefficient	Significance level	Lower	Upper
Gender				
Male (ref. category)	0			
Female	443	0.166	-185	1,071
Age group				
Under 25 (ref. category)	0			
25+	607	0.400	-810	2,024
Socio-economic group				
Managerial / professional (ref. category)	0			
Intermediate	-650	0.151	-1,537	238
Routine / manual	-538	0.211	-1,382	306
Never worked	453	0.630	-1,394	2,300
Misclassified	748	0.390	-962	2,459
Family/household type				
Two adult family (ref. category)	0			
Lone parent family***	5471	0.000	2,834	8,107
Married / couple**	-3,042	0.001	-4,782	-1,303
Single	-1,795	0.129	-4,116	527
Tenure				
Owning / buying (ref. category)	0			
Renting privately (with family / alone)	-1,895	0.117	-4270	480
University accommodation***	-6,767	0.000	-10,157	-3,378
Renting privately (with friends)**	-5,097	0.002	-8,377	-1,817
Living with parents / relatives or in property owned by parents**	-6,106	0.001	-9,520	-2,692
System				
Old (ref. category)	0			
New**	1,683	0.001	666	2,699
Institution type				
English HEI (ref. category)	0			
Welsh HEI***	-1,299	0.000	-1,983	-614
English FEC	-129	0.854	-1,503	1,246
Subject				
Medicine (ref. category)	0			
Subjects allied to medicine*	1,344	0.019	226	2,461
Science / Engineering / Technology	249	0.513	-500	998
Humanities / social sciences**	1,761	0.002	667	2,854
Creative arts	888	0.130	-263	2,039
Education**	1,653	0.013	355	2,951
Combined / other*	1,256	0.022	186	2,325
Year of study				
First year (ref. category)	0			
Second / other year	-362	0.463	-1,329	606
Final year / one-year course	-32	0.966	-1,504	1,441

			95% Confidence I	
Variables	Regression coefficient	Significance level	Lower	Upper
Living in London				
Yes (ref. category)	0			
No	-76	0.905	-1,322	1,171
Qualification				
Bachelor (ref. category)	0			
Foundation	-128	0.865	-1,602	1,347
PGCE / ITT	-851	0.421	-2,928	1,226
Ethnicity				
White (ref. category)	0			
Asian	1,677	0.202	-902	4,256
Black	2,487	0.154	-937	5,910
Mixed / other	1,478	0.051	-7	2,962
Parental experience of HE				
Yes (ref. category)	0			
No	558	0.124	-155	1,270
Parental income				
Up to 15k (ref. category)	0			
15-20k	-131	0.856	-1,546	1,284
20-25K	936	0.265	-713	2,585
25-30k	-1,133	0.137	-2,628	361
30-40k	-219	0.753	-1,590	1,152
40k+	245	0.721	-1,106	1,596
Don't know	-280	0.730	-1,876	1,316

N = (1,776) unweighted

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

Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08

Location factors

As noted above, students studying in England tended to have higher overall expenditure (Table A4.10). However (in a change from 2004/05), expenditure for students studying in London was no higher than for students studying elsewhere (Table A4.11). Average housing costs for the two groups were in fact identical, but - as was observed in 2004/05 - a much higher proportion of London-based students lived at home compared to other students (31 per cent compared to 22 per cent).

4.4.3 Part-time students

Student background

Similar to full-time students, expenditure for part-time students was predominantly linked to lifestage and tenure. Those in families with children had the highest levels of expenditure (Tables A4.3 and 4.4; Figure 4.7). Lone parents had the highest average levels of expenditure (£20,321) followed by those in two-parent families (£19,482); both had much higher expenditure levels than those who were in a couple without children (£14,399) or

single (£14,922). Spending by families with children was generally higher for every category, with the exception of participation costs.



Figure 4.5: Total expenditure by family type for English-domiciled part-time students (£)

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2007/08

Part-time students who owned or were buying their homes or who were renting privately (either by themselves or with their family) had higher average expenditure (£18,179 and £15,825 respectively). This compared to £13,384 for those living with their parents or other relatives (Table A4.4). In the same way as for full-time students, this was linked to differentials in living costs and spending on children, in addition to housing costs.

The sex and age of part-time students was not strongly linked to their expenditure (Tables A4.1 and A4.2). There was no difference in overall spending between male and female students even before other factors were controlled for (although women did spend more on child-related expenses). Age patterns in expenditure were not significant once factors such as lifestage and tenure had been accounted for.

Social class and parental experience of higher education were not related to part-time students' overall expenditure. The same was also true for ethnicity.

HE study-related factors

Before other factors were controlled for, overall expenditure amongst part-time students varied according to the year of their course, with students not in their first or final year having the highest levels of spending (£17,858). However, the difference was not significant once other factors had been taken into account. Likewise, whether students started their course prior to 2006/07 or not was not associated with different levels of spending. Although part-time students might also have expected to incur higher fees as a result of the changes in full-time student support, the effect is not as marked as for full-time students.

Overall expenditure varied with the subject of the part-time course being taken. Students studying education and subjects allied to medicine³⁷ (such as nursing) had higher expenditure (Table A4.9). Although this was related to participation costs for the latter group, there were also differences in living and housing costs which influenced the overall patterns. Neither the type of qualification being studied for nor the type of institution attended had a bearing on overall expenditure for part-time students.

Location factors

The number of part-time students studying in Welsh HEIs was very small, but there was no evidence to suggest any difference in overall expenditure between part-time students studying at an English institution, Welsh institution or at the Open University (Table A4.10).³⁸

³⁷ Due to small numbers of part-time students studying medicine, this category was collapsed with those studying subjects allied to medicine.

³⁸ Only 29 part-time students studied in London, so it was not possible to test the difference in expenditure between London-based and other students.

Table 4.4: Linear regression model estimates: total expenditure for English-domiciled part-time students

			95% Confidence limit		
Variables	Regression coefficient	Significance level	Lower	Upper	
Gender					
Male (ref. category)	0				
Female	-1,190	0.261	-3,282	903	
Age group					
Under 25 (ref. category)	0				
25-29	291	0.836	-2,503	3,086	
30-39	1,128	0.259	-846	3,102	
40+	1,824	0.065	-118	3,766	
Socio-economic group					
Managerial / professional (ref. category)	0				
Intermediate*	-1,919	0.041	-3,757	-81	
Routine / manual	-732	0.408	-2,482	1,018	
Family/household type					
Two adult family (ref. category)	0				
Lone parent family*	1,673	0.027	193	3,152	
Married / couple***	-3,668	0.000	-5,464	-1,872	
Single	-654	0.580	-2,997	1,688	
Tenure					
Owning / buying (ref. category)	0				
Renting privately (with family / alone)	-840	0.332	-2554	874	
Living with parents / relatives or in property owned by parents**	-3,926	0.004	-6,532	-1,320	
Start of course					
Pre-2006/07	0				
Post 2006/07	915	0.465	-1,567	3,396	
Institution type					
English HEI (ref. category)	0				
English FEC	-2,090	0.066	-4,320	140	
Subject					
Medicine / allied to medicine (ref. category)	0				
Science / Engineering / Technology	464	0.661	-1,636	2,564	
Human / social sciences	-708	0.437	-2,514	1,098	
Creative arts***	-4,398	0.000	-5,953	-2,843	
Education	910	0.570	-2271	4,091	
Year of study					
First year (ref. category)	0				
Second / other year*	2,990	0.029	321	5,659	
Final year / one-year course	1,286	0.189	-647	3,218	
= (430) unweighted					
ote: *p<0.05, **p<0.01, ***p<0.001					
ase: all English-domiciled part-time students	6				

4.5 Additional tables

Table A4.1: Total student expenditure and main sources of student expenditure for English-domiciled students, by gender (\pounds)

		Full	-time	Part-time		
		Male	Female	Male	Female	
Living costs*	Mean	6,015	6,849	10,743	10,371	
	Median	4,731	5,671	8,760	8,767	
	SE	270	248	577	437	
Housing costs*	Mean	2,428	2,475	2,888	3,487	
	Median	2,210	2,136	2,288	3,429	
	SE	174	110	298	199	
Participation costs	Mean	3,110	3,181	2,033	1,799	
	Median	3,230	3,256	1,693	1,490	
	SE	59	68	102	99	
Spending on children*	Mean	39	235	398	1,000	
	Median	0	0	0	0	
	SE	12	29	103	91	
Estimated total expenditure*	Mean	11,591	12,740	16,062	16,657	
	Median	10,302	11,256	14,191	15,576	
	SE	337	286	793	635	
N = (2,335) unweighted		543	1,250	139	403	

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled students

Table A4.2: Total student expenditure and main sources of student expenditure for English
domiciled students, by age group at start of the academic year (£)

		Full-time			Part-time				
		Under 20	20-24	25+	Under 25	25-29	30-39	40+	
Living costs*	Mean	5,606	6,287	9,036	10,085	10,184	10,651	10,912	
	Median	4,633	5,213	7,635	8,049	8,954	9,723	9,324	
	SE	333	252	300	689	881	582	634	
Housing costs*	Mean	2,043	2,526	3,181	1,687	3,745	4,249	3,646	
	Median	1,619	2,184	3,008	1,200	3,743	3,924	3,278	
	SE	174	166	144	212	327	197	199	
Participation costs	Mean	3,672	2,510	3,758	2,032	1,902	1,866	1,770	
	Median	3,508	2,013	3,496	1,640	1,520	1,485	1,568	
	SE	38	57	123	115	185	147	80	
Spending on	Mean	11	7	864	105	515	1,278	1,034	
children*	Median	0	0	0	0	0	878	0	
	SE	8	3	96	55	205	127	121	
Estimated total expenditure*	Mean	11,332	11,330	16,839	13,909	16,346	18,044	17,361	
	Median	10,449	10,217	15,564	11,554	15,433	17,489	15,864	
	SE	324	287	482	812	1,018	719	777	
N = (2,333) unweighted		614	809	368	96	71	148	227	

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled students

Table A4.3: Total student expenditure and main sources of student expenditure for English-domiciled students, by family type (f)

		Full-time				Part-time			
		Two adult family	One adult family	Married/ living as couple	Single	Two adult family	One adult family	Married/ living as couple	Single
Living costs*	Mean	9,997	11,040	7,501	6,064	11,749	10,437	9,545	10,407
	Median	8,790	10,325	6,518	4,996	10,263	8,781	8,142	8,195
	SE	418	868	428	200	533	975	725	589
Housing costs*	Mean	3,178	4,581	2,799	2,320	3,813	5,397	3,054	2,530
	Median	3,020	4,431	2,593	1,881	3,760	4,800	2,878	1,730
	SE	143	446	173	146	171	334	197	243
Participation	Mean	4,265	4,980	3,278	3,018	1,862	1,826	1,799	1,985
costs	Median	3,975	4,321	3,355	3,215	1,520	1,413	1,526	1,640
	SE	241	381	125	39	117	227	99	110
Spending on	Mean	1,437	3,029	0	0	2,058	2,662	0	0
children*	Median	1,202	2,410	0	0	1,638	2,344	0	0
	SE	117	232	0	0	138	139	0	0
Estimated	Mean	18,877	23,630	13,578	11,401	19,482	20,321	14,399	14,922
total expenditure*	Median	18,348	22,697	12,273	10,375	18,231	19,768	13,186	13,104
	SE	560	1,168	565	214	633	1,023	862	648
N = (2,336) unweighted		117	60	135	1,481	169	61	146	167

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled students

Table A4.4: Total student expenditure and main sources of student expenditure for Englishdomiciled students, by tenure (£)

		Full-time								
		Owning	Private renter (alone/with family)	Univ. accom	Private renter (with friends)	Living with parents	Parent- owned accom			
Living costs*	Mean	10,316	8,689	4,768	5,532	7,197	_1			
	Median	9,172	6,752	4,131	4,684	6,146	-			
	SE	447	564	194	142	452	-			
Housing costs*	Mean	3,392	3,475	2,547	3,259	482	-			
	Median	3,141	3,039	1,926	2,690	0	-			
	SE	208	196	244	184	53	-			
Participation costs	Mean	3,745	3,883	3,237	2,502	3,512	-			
	Median	3,617	3,600	3,322	2,124	3,624	-			
	SE	153	163	62	57	73	-			
Spending on children*	Mean	952	721	5	1	1	-			
	Median	499	0	0	0	0	-			
	SE	115	107	5	1	1	-			
Estimated total	Mean	18,405	16,769	10,557	11,294	11,192	-			
expenditure*	Median	17,705	13,271	9,951	10,436	10,068	-			
	SE	619	795	300	193	451	-			
N = (2,328) unweighted		189	187	370	613	409	23			
		Dart time								

		Part-time								
		Owning	Private renter (alone/with family)	Univ. accom	Private renter (with friends)	Living with parents	Parent- owned accom			
Living costs*	Mean	11,243	9,237	-	-	10,301	-			
	Median	10,066	7,763	-	-	8,248	-			
	SE	441	668	-	-	900	-			
Housing costs*	Mean	3,963	3,970	-	-	1,057	-			
	Median	3,771	3,625	-	-	900	-			
	SE	137	314	-	-	120	-			
Participation costs	Mean	1,879	1,774	-	-	1,981	-			
	Median	1,535	1,470	-	-	1,630	-			
	SE	93	141	-	-	148	-			
Spending on children*	Mean	1,094	844	-	-	45	-			
	Median	0	0	-	-	0	-			
	SE	84	189	-	-	35	-			
Estimated total	Mean	18,179	15,825	-	-	13,384	-			
expenditure*	Median	16,732	14,767	-	-	10,891	-			
	SE	560	865	-	-	975	-			
N = (2,328) unweighted		335	106	1	13	77	5			

* Note: figures adjusted for joint financial responsibility where relevant; Base: all English-domiciled students

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

		Up to £15K	£15- £20K	£20- £25K	£25- £30K	£30- £40K	£40K+
Living costs*	Mean	6,531	5,936	6,683	5,081	5,672	5,435
	Median	5,155	5,322	5,114	4,504	4,892	4,597
	SE	719	406	618	300	299	244
Housing costs*	Mean	1,803	1,878	2,298	2,248	2,397	2,762
	Median	1,569	1,896	1,845	2,193	1,895	2,336
	SE	147	189	325	190	219	208
Participation costs	Mean	3,256	3,370	3,270	2,914	2,713	2,865
	Median	3,305	3,420	3,280	3,232	3,090	3,188
	SE	131	180	132	142	73	51
Spending on children*	Mean	0	0	0	0	3	0
	Median	0	0	0	0	0	0
	SE	0	0	0	0	3	0
Estimated total expenditure*	Mean	11,590	11,184	12,251	10,243	10,786	11,062
	Median	10,325	10,917	11,413	9,821	9,677	10,239
	SE	709	473	656	340	341	320
N = (1,087) unweighted		174	86	96	127	193	411

Table A4.5: Total student expenditure and main sources of student expenditure for Englishdomiciled full-time students, by parental income (\pounds)

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled full-time students
Table A4.6: Total student expenditure and main sources of student expenditure for English-domiciled full-time students, by ethnicity (\pounds)

		White	Asian/Asian British	Black/Black British	Mixed/ Other
Living costs*	Mean	6,224	8,050	9,243	6,986
	Median	5,256	5,010	6,207	5,523
	SE	157	1,378	1,343	641
Housing costs*	Mean	2,520	1,117	2,966	2,742
	Median	2,250	0	2,700	2,400
	SE	129	171	309	320
Participation costs	Mean	3,089	3,358	3,861	3,336
	Median	3,215	3,613	3,553	3,335
	SE	51	151	236	190
Spending on children*	Mean	148	80	423	74
	Median	0	0	0	0
	SE	22	44	142	23
Estimated total	Mean	11,981	12,605	16,493	13,138
expenditure*	Median	10,751	10,238	13,188	11,817
	SE	203	1,416	1,517	774
N = (1,759) unweighted		1,519	108	70	93

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled full-time students

Table A4.7: Total student expenditure and main sources of student expenditure for Englishdomiciled students, by old or new system (full-time students) or when started course (part-time students) (£)

		Ful	l-time	Part-time		
		Old	New	Pre- 2006/07	Post 200607	
Living costs*	Mean	6,387	6,565	10,040	10,757	
	Median	5,253	5,301	7,954	8,983	
	SE	252	277	668	502	
Housing costs*	Mean	2,728	2,283	3,089	2,969	
	Median	2,473	1,895	2,611	2,973	
	SE	159	128	263	163	
Participation costs	Mean	2,077	3,829	2,059	1,961	
	Median	1,757	3,635	1,712	1,660	
	SE	51	51	142	84	
Spending on children*	Mean	111	178	774	626	
	Median	0	0	0	0	
	SE	25	26	125	87	
Estimated total	Mean	11,302	12,855	15,963	16,313	
expenditure*	Median	9,802	11,394	13,710	14,683	
	SE	320	325	833	674	
N = (2,226) unweighted		693	1,100	188	285	

* Note: figures adjusted for joint financial responsibility where relevant

Note: old and new system differences will overlap with differences by year of study, as most first year students are new system and most Year 3s+ are old system

Base: all English-domiciled students

			Full-time			Part-time	
		First year	Other years	Final year or one year course	First year	Other years	Final year or one year course
Living costs*	Mean	6,514	6,086	6,849	9,724	11,735	10,159
	Median	5,157	5,169	5,669	8,108	10,400	8,300
	SE	396	188	267	595	599	531
Housing costs*	Mean	2,157	2,536	2,657	3,166	3,151	3,431
	Median	1,620	2,255	2,463	3,148	2,996	3,134
	SE	181	167	136	244	250	205
Participation	Mean	3,884	3,285	2,357	1,927	2,048	1,717
costs	Median	3,663	3,315	1,865	1,660	1,716	1,440
	SE	60	77	65	112	126	94
Spending on	Mean	166	98	188	575	923	797
children*	Median	0	0	0	0	0	0
	SE	26	32	33	108	146	112
Estimated total	Mean	12,721	12,005	12,050	15,393	17,858	16,104
expenditure*	Median	10,998	10,929	10,378	14,068	17,351	14,767
	SE	424	250	341	839	718	679
N = (2,336) unweighted		602	536	655	173	181	189

Table A4.8: Total student expenditure and main sources of student expenditure for English-domiciled students, by year of study (\pounds)

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled students

Table A4.9 Total student expenditure and main sources of student expenditure for English	1-
domiciled full-time and part-time students, by subject (£)	

					Full-time			
		Medic./ Dentist	Allied to medic.	Science/ Eng./ Tech./IT	Human/ Social Sci/ Bus./Law	Creat Art/ Lang./ Hum.	Educ.	Comb./ other
Living costs*	Mean	5,545	7,492	5,458	6,962	6,358	7,962	6,661
	Median	5,408	6,436	4,483	5,523	4,837	6,906	5,762
	SE	253	448	207	384	406	429	511
Housing costs*	Mean	2,533	2,714	2,416	2,535	2,235	2,216	3,117
	Median	2,400	2,208	2,160	2,040	1,980	2,250	2,580
	SE	202	276	175	202	99	193	469
Participation	Mean	3,277	3,328	2,998	3,184	3,109	3,361	3,095
costs	Median	3,185	3,160	3,195	3,284	3,230	3,460	3,197
	SE	197	179	65	92	90	154	185
Spending on	Mean	206	291	83	151	58	358	241
children*	Median	0	0	0	0	0	0	0
	SE	81	73	23	46	15	73	81
Estimated total	Mean	11,561	13,825	10,955	12,832	11,761	13,897	13,115
expenditure*	Median	11,039	11,769	9,869	11,235	10,353	12,285	11,782
	SE	458	676	266	447	460	553	566
N = (2,336) unwe	ighted	155	129	382	427	408	175	117

					Part-time			
		Medic./ Dentist	Allied to medic.	Science/ Eng./ Tech/IT	Human/ Social Sci./ Bus./Law	Creat Art/ Lang./ Hum.	Educ.	Comb./ other
Living costs*	Mean	_1	10,310	11,224	10,251	8,868	11,767	-
	Median	-	9,966	8,983	8,531	8,584	8,910	-
	SE	-	792	644	608	576	1,293	-
Housing costs*	Mean	-	3,716	2,727	3,345	3,409	3,923	-
	Median	-	3,464	2,388	3,200	3,186	3,771	-
	SE	-	281	310	255	325	254	-
Participation	Mean	-	2,312	2,009	1,757	1,568	1,763	-
costs	Median	-	1,830	1,650	1,522	1,350	1,535	-
	SE	-	323	115	120	66	103	-
Spending on	Mean	-	991	397	812	799	1,312	-
children*	Median	-	0	0	0	0	968	-
	SE	-	239	107	133	208	186	-
Estimated total	Mean	-	17,328	16,357	16,165	14,644	18,765	-
expenditure*	Median	-	17,773	14,635	15,433	13,132	15,357	-
	SE	-	1,120	803	818	794	1,492	-
N = (2,336) unwe	ighted	11	73	117	152	78	85	27

* Note: figures adjusted for joint financial responsibility where relevant

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

Base: all English-domiciled students

Table A4.10: Total student expenditure and main sources of student expenditure for Englishdomiciled students, by type of institution (£)

			Full-time Part-time			Part-time		
		England HEI	Wales HEI	England FEC	England HEI	Wales HEI	England FEC	OU
Living costs*	Mean	6,475	5,155	8,407	10,851	_1	9,168	10,579
	Median	5,272	4,723	7,002	8,824	-	8,300	10,079
	SE	232	281	376	497	-	537	676
Housing costs*	Mean	2,495	2,040	1,660	3,105	-	2,648	4,712
	Median	2,193	2,197	1,023	2,996	-	2,102	4,952
	SE	131	93	195	184	-	239	358
Participation	Mean	3,171	2,555	3,107	2,066	-	1,723	1,276
costs*	Median	3,258	3,100	2,990	1,725	-	1,560	980
	SE	53	109	150	100	-	66	152
Spending on	Mean	150	6	358	738	-	444	1,294
children	Median	0	0	0	0	-	0	0
	SE	21	1	83	94	-	104	247
Estimated total	Mean	12,291	9,755	13,531	16,759	-	13,983	17,861
expenditure*	Median	10,850	9,215	11,925	14,799	-	13,442	17,416
	SE	276	327	429	697	-	806	849
N = (2,336) unwe	ighted	1,513	121	159	380	23	70	70

* Note: figures adjusted for joint financial responsibility where relevant

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

Base: all English-domiciled students

Table A4.11: Total student expenditure and main sources of student expenditure for Englishdomiciled students, by whether lives in London or elsewhere (£)

		Ful	l-time	Part-time	
		Lives in London	Lives Elsewhere	Lives in London	Lives Elsewhere
Living costs*	Mean	6,663	6,469	_1	10,484
	Median	5,358	5,279	-	8,760
	SE	424	242	-	381
Housing costs*	Mean	2,446	2,457	-	3,214
	Median	2,208	2,161	-	3,041
	SE	183	134	-	159
Participation costs	Mean	3,271	3,132	-	1,849
	Median	3,330	3,235	-	1,560
	SE	145	49	-	60
Spending on children*	Mean	115	158	-	779
	Median	0	0	-	0
	SE	42	23	-	80
Estimated total	Mean	12,495	12,216	-	16,325
expenditure*	Median	11,395	10,770	-	14,796
	SE	615	280	-	530
N = (2,226) unweighted		228	1565	29	514

* Note: figures adjusted for joint financial responsibility where relevant

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

Base: all English-domiciled students

5 HE Participation and Other Costs

5.1 Summary of key findings

- Full-time English-domiciled students spent an average of £3,151 on participation costs in the academic year 2007/08 - that is the costs they incurred as a direct result of attending university or college.
- Part-time students spent considerably less than their full-time counterparts on these costs: an average of £1,890.
- Among full-time students, participation costs were highest for those whose parental or own occupations were classified as routine / manual / unemployed, those with children (particularly lone parents), those classified as new system students and those studying in England (rather than Wales).
- Among part-time students, those studying at English HEIs and those studying medicine or a subject allied to medicine (such as nursing) spent the most on participation costs.
- Full-time students spent an average of £379 on direct course costs such as books, computers and equipment, and part-time students £317. Across full-timers and part-timers, first year students, those studying creative arts/languages/humanities, and those studying at an English institution reported the highest expenditure on these items.
- Full-time students spent an average of £521 over the academic year on facilitation costs (such as course-related travel and childcare); part-time students spent a similar amount, averaging £567. Facilitation costs were relatively high for students who lived with their parents and students with dependent children.
- Living costs accounted for £6,496 of full-time students' and £10,522 of part-time students' spending (the highest share of spending among both groups).
- Among full-time students, living costs were highest for parents (particularly lone parents), those from a routine/manual/unemployed socio-economic background and those who were buying or renting their home. Among part-time students, those studying at HEIs or the OU, those not studying in their first or final year and those studying education or subjects allied to medicine reported the highest living costs.
- Housing costs accounted for £2,455 of spending among full-time students and £3,257 among part-time students. Full-time students typically lived in rented (non-university) property with friends or other students, with their parents or relatives or in university provided accommodation: these groups reported particularly low housing costs. Part-time students were more likely to be buying or privately renting a property (alone or with family) and this is reflected in their higher overall housing costs.
- Eight per cent of full-time students and 35 per cent of part-time students were parents who lived with their children; among these, full-time students spent £1,951 and part-time students spent £2,219 on their children.

5.2 Introduction

In this chapter we explore in more detail the main areas of student expenditure, that is the different sub-categories of student spending outlined at the beginning of Chapter 4. We begin by looking at total participation costs (in Section 5.3), ie the total costs that students incur directly because of their higher education course. Participation costs comprise: tuition fees (Section 5.4); direct course costs (Section 5.5); and facilitation costs (Section 5.6).

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

- Living costs (Section 5.7), 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.
- Housing costs (Section 5.8), which account for around one-fifth of spending for both full and part-time students.
- Spending on children (Section 5.9), which represents 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- and part-time students are presented separately.

5.3 Total participation costs

5.3.1 Introduction

In this section, we look at the overall level of spending on participation and its main constituents. As Chapter 4 showed, participation costs accounted for a quarter of total expenditure in the 2007/08 academic year for full-time students, but less (just over one-tenth) for part-time students'. We also look at the overall profile of expenditure on participation.

5.3.2 Full-time students

English-domiciled full-time students reported spending an average (mean) of £3,151 on participation costs in the 2007/08 academic year. This is substantially higher (by 67 per cent) than the amount spent by part-time students (£1,890). Table 5.1 shows the total participation costs for full and part-time students. Total participation costs for full-time students consisted of:

- an average of £2,251 on tuition fees (71 per cent of the total participation costs)³⁹
- an average of £379 on direct course costs (12 per cent of the total)
- an average of £521 on facilitation costs (17 per cent of the total).

Full-time students spent comparatively more on tuition fees (almost three-quarters of their spending) and less on facilitation costs (17 per cent) than their part-time counterparts (Figures 5.1 and 5.2).

³⁹ Students' full tuition fee cost 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 has been treated as income (under main student support), and included in calculations in Chapters 2 and 3 on income.

		Full-time	Part-time
Tuition fee cost	Mean	2,251	1,006
	Median	3,007	800
	SE	29	43
Direct course costs (eg books and equipment)	Mean	379	317
	Median	230	175
	SE	16	27
Costs of facilitating participation (eg travel and	Mean	521	567
study-related childcare)	Median	195	390
	SE	33	62
Total participation costs	Mean	3,151	1,890
	Median	3,240	1,575
	SE	50	70
N = (2,336) unweighted		1,793	543

Table 5.1: Total student participation costs and main sources of student participation for English-domiciled students, by full-time and part-time status (£)

Base: all English-domiciled students completing diary

Source: NatCen / IES SIES 2007/08

Figure 5.1 and 5.2: Profile of participation costs for English-domiciled full-time and part-time students



Not all students incurred costs under some of the sub-categories of participation. For example, 64 per cent of full-time students incurred some facilitation costs, whereas almost all (99 per cent), reported direct course costs (Table 5.2). The average figures for those who had incurred such costs were £384 for direct course costs (similar to the average for all full-time students, £379) and £847 for facilitation costs (considerably higher than the average for all students, £521).

Full-time students' participation costs varied substantially according to their individual and course characteristics. Multiple linear regression analysis was used to identify which of these were most strongly associated with high or low average participation costs (Table 5.3). The model found that significant variations in participation costs were determined by a range of factors, discussed in turn below.

Table 5.2: Total student participation costs and main sources of student participation for English-domiciled students who incurred costs in participation categories, by full-time and part-time status (£)

		Full-time	Part-time
Tuition fee cost	Mean	2,261	1,048
	Median	3,017	825
	SE	28	44
	Ν	1,784	515
	% incurring cost	99	95
Direct course costs (eg books and	Mean	384	355
equipment)	Median	231	200
	SE	16	27
	Ν	1,772	502
	% incurring cost	99	92
Costs of facilitating participation	Mean	847	663
(eg travel and study-related childcare)	Median	585	390
	SE	43	77
	Ν	1,152	469
	% incurring cost	64	86
Total participation costs	Mean	3,151	1,890
	Median	3,240	1,575
	SE	50	70
	Ν	1,793	543
	% incurring cost	100	100
N = (2,336) unweighted		1,793	543

Base: all English-domiciled students completing diary

Student factors

Male and female students reported very similar levels of participation costs, £3,110 for men and £3,181 for women (Table A5.1). Women reported higher spending on facilitation (which included course-related childcare), but gender was not found to be significant in predicting level of expenditure on participation costs in the linear regression model.

Students in the 20-24 year old age group reported the lowest levels of expenditure on participation costs (£2,510) compared with younger and older students (£3,672 and £3,758 respectively; Table A5.2). Students aged 25 or more reported higher expenditure on direct course costs and considerably higher expenditure on facilitation costs, reflecting higher childcare costs. This difference was largely due to substantially lower tuition fee costs for students aged 20-24, who, by age default, were the most likely to be old system students and charged the lower rate of fees (£1,225 compared with up to £3,070 for new system students). However, this difference was not found to be significant in the multiple regression model.

Full-time students from routine/manual/unemployed social class backgrounds had higher overall participation costs than those who had a managerial/professional or intermediate background (£3,576 compared with £2,891 and £3,122 respectively; Table A5.3, Figure 5.3). This was driven mainly by differences in spending on facilitation costs, as well as on direct course costs. Socio-economic group was found to be a significant predictor of expenditure on participation in the linear regression model.







Source: NatCen / IES SIES 2007/08

Family type also showed a significant relationship with participation costs. Full-time students who were lone parents reported the highest levels of participation costs (£4,980) followed by those who were part of a two-parent family (£4,265; Table A5.4; Figure 5.4). The costs of both were much higher than those without children (£3,018 for those who were single and £3,278 for those who were married or living as a couple). Lone parents spent considerably more on facilitation costs than others, particularly childcare costs.



Figure 5.4: Total participation costs by family type, for English-domiciled full-time students (£)

Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08

Figure 5.5 shows that full-time students living in rented private rented accommodation with friends or other students had the lowest spending on participation (£2,502; Table A5.5). This was characterised by substantially lower tuition fee costs, lower direct course costs and lower facilitation costs.



Figure 5.5: Total participation costs by tenure, for English-domiciled full-time students (£)

Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08

HE study factors

As expected, whether full-time students were eligible for the old or new system packages of support was found to be highly significant in predicting the level of expenditure on participation costs. This mainly reflected the higher tuition fee costs for new system students (a mean of £2,899) compared with old system students (set at £1,225; Table A5.6). New system students also reported higher spending on direct course costs than old system students.

Expenditure on participation also varied with the subject of the course being taken. Students studying education or subjects allied to medicine (eg nursing) tended to have higher participation costs, particularly facilitation costs; these students had particularly high study-related travel costs (Table A5.7). Average tuition fee costs were lowest for medical students, but this is because the timing of the 2007/08 study meant that a comparatively high proportion (55 per cent) of medical students studied under the old system (as they tended to be on longer courses and so were more likely to start before 2006); hence they were more likely to pay the lower level of tuition fees.

Location factors

The type of institution attended was also important - full-time English students studying at a Welsh HEI had much lower participation costs than those attending English institutions (HEI or FEC), characterised by lower spending on both direct course costs and facilitation costs (Table A5.9). Whether the student lived in London or elsewhere while studying had little effect on participation costs.

Table 5.3: Linear regression model estimates: total participation costs for English-domiciled full-time students

			95% Confi	dence limit
Variables	Regression coefficient	Significance level	Lower	Upper
Gender				
Male (ref. category)	0			
Female	-61	0.216	-158	36
Age group				
Under 25 (ref. category)	0			
25+	-3	0.982	-295	289
Socio-economic group				
Managerial / professional (ref. category)	0			
Intermediate	18	0.773	-105	141
Routine / manual**	307	0.001	119	495
Never worked	76	0.544	-170	322
Misclassified	141	0.261	-105	386
Family/household type				
Two adult family (ref. category)	0			
Lone parent family	476	0.262	-358	1311
Married / couple***	-929	0.000	-1,406	-451
Single***	-1,084	0.000	-1,633	-535
Tenure				
Owning / buying (ref. category)	0			
Renting privately (with family / alone)	333	0.120	-87	752
University accommodation	-78	0.743	-549	392
Renting privately (with friends)	-105	0.648	-555	346
Living with parents / relatives*	511	0.031	46	976
System				
Old (ref. category)	0			
New***	1,656	0.000	1,424	1,889

Variables	Regression coefficient	Significance level	Lower	Upper
Institution type				
English HE (ref. category)	0			
Welsh HE***	-224	0.000	-317	-130
English FEC**	-850	0.001	-1,330	-370
Subject				
Medicine (ref. category)	0			
Allied to medicine	-221	0.178	-543	101
Science / Engineering / Technology**	-459	0.006	-787	-131
Humanities / Social sciences	-364	0.053	-734	5
Creative arts*	-374	0.029	-711	-38
Education**	-526	0.007	-908	-144
Combined / other**	-493	0.002	-796	-190
Year of study				
First year (ref. category)	0			
Second / other year*	-160	0.023	-298	-22
Final year / one-year course	-144	0.221	-376	87
Living in London				
Yes (ref. category)	0			
No	-136	0.120	-307	35
Qualification				
Bachelor (ref. category)	0			
Foundation	-100	0.522	-408	208
PGCE / ITT	-35	0.886	-513	444
Ethnicity				
White (ref. category)	0			
Asian	39	0.713	-172	251
Black	8	0.961	-316	333
Mixed / other*	220	0.023	30	410
Parental experience of HE				
Yes (ref. category)	0			
No	59	0.251	-42	160
Parental income				
Up to 15k (ref. category)	0			
15-20k	176	0.264	-134	487
20-25K	217	0.130	-64	497
25-30k	22	0.811	-160	204
30-40k	-93	0.238	-248	62
40k+	1	0.994	-152	154
Don't know	85	0.497	-161	331

95% Confidence limit

N = (1,793) unweighted

Note: *p<0.05, **p<0.01, ***p<0.001 Base: all English-domiciled full-time students

5.3.3 Part-time students

English-domiciled part-time students reported spending an average of £1,890 on participation costs in the 2007/08 academic year (Table 5.1), a lower average than for full-time students. This difference was almost entirely due to significantly lower tuition fee costs (an average of £1,006 compared with £2,251 for full-time students).

Part-time students' spending on direct course costs (£317) and facilitation costs (£567) was broadly similar to the costs incurred on these items by full-time students (£379 and £521). Similar to full-time students, tuition fees were proportionally the largest item of expenditure among part-timers, accounting for about half (53 per cent) of their participation costs. However, facilitation costs accounted for a far greater proportion of part-time students' expenditure on participation than for full-time students (30 per cent compared with 17 per cent). Spending on direct course costs was broadly similar across the two groups (Fig. 5.1).

Most part-time students incurred costs under each of the sub-categories of participation (Table 5.2). The average figures amongst those who incurred such costs were only marginally higher than the averages shown for all part-time students, at £1,048 for tuition fees, £355 for direct course costs and £663 for facilitation costs.

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 5.4). The findings of this analysis are discussed next.

Student factors

On average, part-time male students spent more on participation than part-time female students (£2,033 compared with £1,799; Table A5.1). Men spent more on tuition fees and direct course costs than women, who had higher expenditure on facilitation costs (including course-related childcare). Unlike full-time students, gender was found to be a significant predictor of part-timers' expenditure on participation costs in the multiple regression model. Part-time students' age had little effect on their overall expenditure on participation. Younger students (aged under 25) reported the highest spending on participation (£1,902), whilst the oldest students (aged 40 or over) reported the lowest spending (£1,770), characterised by lower facilitation costs (Table A5.2). These differences were not found to be significant in the multiple regression model, which suggests that they were determined by other factors. In contrast to the findings for full-time students, social class was not found to be a significant predictor of participation costs in the linear regression model.

HE study factors

As with full-time students, expenditure on participation also varied with the subject of the course being taken. Again, those studying medicine or subjects allied to medicine (such as nursing) tended to have higher participation costs, particularly facilitation costs (these students had particularly high study-related travel costs) (Table A5.8).

Location factors

Part-time students' expenditure on participation was markedly different according to whether they studied at an English HEI or FEC, a Welsh HEI, or with the OU. Part-time students studying at English HEIs reported the highest spending on participation (£2,066), with higher expenditure on fees, direct course costs and facilitation costs (Table A5.9). OU students had the lowest expenditure on participation (£1,276), characterised by considerably lower fees and spending on facilitation costs (which included course-related travel).

Table 5.4: Linear regression model estimates: total participation costs for English-domiciled part-time students

			95% Confi	dence limit	
Variables	Regression coefficient	Significance level	Lower	Upper	
Gender					
Male (ref. category)	0				
Female*	-258	0.026	-485	-32	
Age group					
Under 25 (ref. category)	0				
25-29	-244	0.115	-549	61	
30-39	88	0.606	-249	424	
40+	-145	0.408	-493	202	
Socio-economic group					
Managerial / professional (ref. category)	0				
Intermediate	-8	0.948	-257	240	
Routine / manual	104	0.639	-338	547	
Family/household type					
Two adult family (ref. category)	0				
Lone parent family	-121	0.433	-428	185	
Married / couple	-51	0.687	-303	201	
Single	9	0.962	-354	371	
Tenure					
Owning / buying (ref. category)	0				
Renting privately (with family / alone)	-183	0.119	-415	48	
Living with parents / relatives	-47	0.828	-478	384	
When started course					
Pre-2006/07	0				
Post-2006/07	-189	0.289	-543	164	
Institution type					
English HE (ref. category)	0				
English FEC*	-292	0.023	-542	-42	
Subject					
Medicine / allied to medicine (ref. category)	0				
Science / Engineering / Technology	-509	0.129	-1170	152	
Human / social sciences	-627	0.069	-1305	50	
Creative arts	-580	0.094	-1261	100	
Education*	-619	0.037	-1201	-37	
Year of study					
First year (ref. category)	0				
Second / other year	73	0.691	-293	440	
Final year / one-year course	-271	0.058	-552	10	
N = (543) unweighted Note: *p<0.05, **p<0.01, ***p<0.001					

5.4 Tuition fee costs and support

5.4.1 Full-time students

As noted in Chapter 1, from September 2006 institutions in England were able to charge variable tuition fees of up to £3,000 to new students beginning a course of study. At the time of the 2007/08 survey, two systems of financial support were available to new and existing students depending on when they started their course (ie before or after the 2006 reforms) and two maximum fee charges applied to old and new system students.

Old system students (who tended to be in their third or later year of study) were charged a set fee cost of £1,225 and may be eligible for a means-tested grant to cover the full or partial fee cost. New system students were charged tuition fees of up to £3,070 (dependent on institution attended). Neither old nor new system students were required to pay their fees 'up-front' and students under both systems could apply for a tuition fee loan to cover the cost of their fees while studying.

This section therefore focuses on the overall differences in tuition fees charged to old and new system students and the associated impact on total participation costs and overall expenditure (trends since 2004/05 are described in Chapter 9).

Differences between old and new system students

The average fee cost for old system students was $\pounds 1,225^{40}$ compared with $\pounds 2,899$ for new system students (reflecting the higher overall fee charge of up to $\pounds 3,070$ for this group; Table A5.6; Figure 5.6). New system students' fees were therefore more than twice as much as those of old system students (a difference of $\pounds 1,697$). As previously noted, whether full-time students were eligible for the old system or new system package of support (and thus the related fee charge) was found to be highly significant in predicting both average expenditure on participation costs and average expenditure overall.

Figure 5.6: Total fee costs, total participation and total expenditure by old or new system, for English-domiciled full-time students (£)



⁴⁰ In the CAPI programme, fees for old system students were set at £1,225.

5.4.2 Part-time students

The average tuition fee charge for part-time students was almost half the amount charged to full-time students (£1,006 compared with £2,251; Table 5.1). Many part-time students were not expected to meet the full cost of their fees personally and just under one-third (31 per cent) either received or expected to receive a grant for fees from their LA (or the Student Loan Company). Among those students who received a grant for fees, the average received was £696 and the average amount not covered by grants (that is tuition fee cost minus the grant for fees) was £225.

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. Almost half of part-time students said that they paid some of the difference themselves (45 per cent), while the same proportion received help from an employer (note that more than one source could be named).

5.5 Direct course costs

5.5.1 Introduction

Direct course costs include spending on books, computers, special equipment for the student's course and other course-related expenditure, such as amenity fees, photocopying, printing and stationery.

5.5.2 Full-time students

Expenditure on direct course costs made up the smallest proportion of full-time students' participation costs (12 per cent) - they spent an average of £379 on these items in the 2007/08 academic year. Full-time students spent most on computers (£138), followed by books (£130) and photocopying, printing and stationery (£67), as shown in Table 5.5.

As we might expect, some of the differences in expenditure on direct course costs were related to HE study factors:

- Full-time students in their first year of study had the highest expenditure on direct course costs (particularly books and computers) at £462 over the academic year compared with those in their final year of study / doing a one-year course (£347) and those in intermediate years (£330; Table A5.10).
- Expenditure on direct course costs varied by subject type, from £339 (among those doing education-related courses) to £431 (among those doing creative arts, languages or humanities; Table A5.11).
- Full-time students attending FECs reported the highest spending on direct course costs (£525) and those attending a Welsh HEI considerably less (£225). As shown in Table A5.13, students attending FECs had particularly high expenditure on computers and equipment for their course (this may be related to the more vocational nature of HE courses delivered in FE).

5.5.3 Part-time students

Part-time students spent as much on direct course costs as full-time students (£317) and this represented a similar proportion of their total expenditure on participation (17 per cent). Like full-time students, their largest items of expenditure were computers (£138), followed by books (£98) and photocopying, printing and stationery (£53; Table 5.5).

As with full-time students, part-time students in their first year of study reported the highest expenditure on direct course costs (Table A5.10), as did those attending an English HEI (Table A5.13) and those studying creative arts, languages or humanities (Table A5.12).

		Full-time	Part-time
Books	Mean	130	98
	Median	100	50
	SE	4	7
Computers	Mean	138	150
	Median	0	0
	SE	10	30
Equipment	Mean	29	11
	Median	0	0
	SE	6	2
Other course expenditure	Mean	17	6
	Median	0	0
	SE	10	2
Printing, photocopying and	Mean	67	53
stationery	Median	33	20
	SE	4	5
Total direct course costs	Mean	379	317
	Median	230	175
	SE	16	27
N = (2,336) unweighted		1, 793	543

Table 5.5: Total student direct course costs and main sources for English-domiciled students, by full-time and part-time status (\mathbf{f})

Base: all English-domiciled students completing diary

5.6 Facilitation costs

5.6.1 Introduction

The final element of participation costs is that associated with facilitating study - such as travel to and from the university or college, and any trips or childcare related to the course.

5.6.2 Full-time students

Full-time students spent an average of £520 over the academic year on facilitation costs (Table 5.6). Travel costs (including petrol) accounted for most of this at an average of £412. A further £44 was spent on course-related trips and £68 on course-related childcare.

However, it is important to view these average figures in context. Firstly, just over half of students (51 per cent) reported that they usually travelled to their place of study on foot and therefore incurred no travel costs at all (this explains why the median figures for travel in Table 5.6 are zero). Two-fifths of full-time students (39 per cent) used some form of public transport, while a quarter (26 per cent) travelled using their own car or motorbike.⁴¹

Full-time students who lived with their parents reported higher expenditure on travel costs (£733), especially compared with those who lived in university accommodation (£101) or who were renting with friends or other students (£173; these students were most likely to travel to their university or college on foot; Table A5.14). Students who owned or were buying their home reported the highest spending on travel (£885) and were most likely to travel by car. Students in Wales also reported lower travel costs than those studying in England (particularly in London).

Secondly, childcare costs were only relevant to students who had children (just eight per cent of full-time students reported living with dependent children) - most full-time students did not incur any expenditure in this category. Unsurprisingly, the greatest course-related childcare costs were reported by lone parents (£1,326 compared with £659 for two-parent families; Table A5.15), reflecting a greater need for paid-for childcare amongst this group.

5.6.3 Part-time students

Part-time students reported slightly higher facilitation costs than full-time students (£567 compared with £521; Table 5.6). Like full-time students, the largest item of expenditure was travel (including petrol), which at £477 accounted for four-fifths (84 per cent) of part-time students' expenditure in this category. Much less was spent by part-time students on trips associated with their course (£14) but only slightly more on childcare to facilitate study (£78). Part-time students were far more likely than full-time students to travel to their university or college by car (73 per cent). One-fifth reported travelling by public transport, but only one in ten (nine per cent) walked to their place of study and did not incur any travel costs. This explains the higher expenditure on petrol by part-time students, which formed the majority of their reported travel costs. As might be expected, OU students (who study from home) reported particularly low travel costs associated with their course.

⁴¹ These percentages add up to more than 100 per cent because some students reported using more than one mode of transport.

As with full-time students, expenditure on childcare costs varied by the student's family composition (although the total cost of childcare was significantly lower for part-time students). Part-time students who were lone parents reported childcare costs of £339, compared with £180 for students living in a two-parent family, as well as higher overall facilitation costs (Table A5.15).

		Full-time	Part-time
Travel	Mean	196	75
	Median	0	0
	SE	22	14
Petrol	Mean	216	404
	Median	0	195
	SE	18	37
Course-related trips	Mean	44	15
	Median	0	0
	SE	5	4
Childcare costs	Mean	68	77
	Median	0	0
	SE	15	32
Total facilitation costs	Mean	521	567
	Median	195	390
	SE	33	62
N = (2,336) unweighted		1,793	543

Table 5.6: Total student facilitation costs and main items of expenditure for English-domiciled students, by full-time and part-time status (£)

Base: all English-domiciled students completing diary

Source: NatCen / IES SIES 2007/08

5.7 Living costs

5.7.1 Introduction

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 students alike were general living costs, including food, entertainment, personal items, and other spending not directly related to their course.

5.7.2 Full-time students

Full-time students reported spending an average of £6,496 on living costs over the academic year 2007/08. Of these costs:

- Food accounted for just over a quarter of this expenditure (£1,724, 27 per cent; Figure 5.7 and Table 5.7).
- Personal items such as clothes, toiletries, mobile phones, CDs, magazines and cigarettes accounted for around another quarter (£1,828, 28 per cent).

- Spending on entertainment contributed a further 18 per cent (£1,154).
- About one-fifth was spent on travel not associated with their course (£1,343, 21 per cent).
- A smaller amount was spent on household goods (£279, three per cent).





Within the 'personal items' category, the largest items of expenditure were clothes, shoes and accessories (full-time students spent an average of £588 on such items), followed by phone bills (an average of £276; Table A5.16).

Within the 'entertainment' category the largest items of expenditure were alcohol consumed outside the home (an average of £483 for the year; Table A5.17), electrical entertainment equipment (such as TVs, DVDs, music equipment etc; £164) and sports, hobbies, clubs and societies (£158 for the year). Students spent a further £101 on entrance to nightclubs and £107 on alcohol to consume at home.

		Full-time	Part-time
Food*	Mean	1,724	2,533
	Median	1,442	2,175
	SE	46	130
Personal items*	Mean	1,828	2,277
	Median	1,139	1,598
	SE	93	104
Entertainment*	Mean	1,154	1,236
	Median	780	780
	SE	44	67
Household goods*	Mean	279	665
	Median	20	241
	SE	27	71
Non-course travel*	Mean	1,343	3,108
	Median	830	2,275
	SE	55	178
Other living costs*	Mean	168	703
	Median	0	113
	SE	19	92
Total living costs*	Mean	6,496	10,522
	Median	5,289	8,769
	SE	218	378
N = (2,336) unweighted		1,793	543

Table 5.7: Total student living costs and main components for English-domiciled students, by full-time and part-time status (£)

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled students completing diary

Source: NatCen / IES SIES 2007/08

Multiple linear regression analysis was used to identify which characteristics were most strongly associated with high or low average living costs amongst full-time students (Table 5.8). The characteristics that were associated with high average living costs were similar to those associated with high average total expenditure:

- Family type was found to have a strong association with overall living costs: full-time students with children (particularly lone parents) reported the highest living costs, whilst students who were single, married or living as a couple had substantially lower expenditure on living costs (Table A5.18; Figure 5.9).
- Full-time students from a routine/manual/unemployed social class background had higher overall living costs than those who had a managerial/professional or intermediate background (£6,695 compared with £6,196 and £6,509 respectively; Table A5.19). Social class was found to be a significant predictor of expenditure on living costs in the linear regression model.

- Full-time students who owned or were buying their homes, or who rented privately (either alone or with a partner or relatives) had the highest living costs, while students who lived in university accommodation had the lowest (Table A5.20; Figure 5.10).
- Full-time students studying education or subjects allied to medicine (such as nursing) tended to have higher expenditure on living costs than students studying other subjects (Table A5.21; Figure 5.11).

Table 5.8: Linear regression model	estimates: total living costs for	English-domiciled full-time
students		

			95% Confidence limit	
Variables	Regression coefficient	Significance level	Lower	Upper
Gender				
Male (ref. category)	0			
Female	345	0.206	-191	881
Age group				
Under 25 (ref. category)	0			
25+	287	0.594	-773	1,346
Socio-economic group				
Managerial / professional (ref. category)	0			
Intermediate	-606	0.090	-1,306	95
Routine / manual*	-692	0.019	-1,269	-116
Never worked	337	0.685	-1,294	1,968
Misclassified	386	0.573	-960	1,732
Family / household type				
Two adult family (ref. category)	0			
Lone parent family*	1,982	0.036	134	3,829
Married / couple	-779	0.209	-1,996	438
Single	336	0.710	-1,444	2,116
Tenure				
Owning / buying (ref. category)	0			
Renting privately (with family / alone)*	-2,055	0.014	-3,699	-411
University accommodation***	-5,747	0.000	-8,454	-3,040
Renting privately (with friends)***	-4,701	0.000	-7,267	-2,134
Living with parents / relatives*	-3,612	0.011	-6,396	-827
System				
Old (ref. category)	0			
New	279	0.520	-572	1,129
Institution type				
English HEI (ref. category)	0			
Welsh HEI	-238	0.442	-846	370
English FEC	929	0.065	-58	1,917

Variables Regression coefficient Significance level Lower Upper Subject Medicine (ref. cotegon)) 0	
Subject	
Madicine (ref. category)	
weuchie (rei. category) 0	
Allied to medicine** 1,330 0.005 395 2,265	
Science / Engineering / Technology 492 0.149 -177 1,160	
Humanities / social sciences*** 1,677 0.000 742 2,612	
Creative arts* 1,200 0.035 88 2,312	
Education*** 1,869 0.001 773 2,966	
Combined / other* 1,074 0.022 159 1,990	
Year of study	
First year (ref. category) 0	
Second / other year -291 0.504 -1,146 565	
Final year / one-year course 58 0.933 -1,299 1,415	
Living in London	
Yes (ref. category) 0	
No 286 0.611 -821 1,393	
Qualification	
Bachelor (ref. category) 0	
Foundation -552 0.309 -1,619 515	
PGCE / ITT -1,136 0.192 -2,846 574	
Ethnicity	
White (ref. category) 0	
Asian 1,834 0.153 -685 4,352	
Black 2,383 0.131 -715 5,482	
Mixed / other 977 0.113 -234 2,188	
Parental experience of HE	
Yes (ref. category) 0	
No 449 0.108 -98 997	

N = (1,793) unweighted

Note: *p<0.05, **p<0.01, ***p<0.001 Base: all English-domiciled full-time students



Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08





Base: all English-domiciled full-time students



Figure 5.11: Total living costs by subject of study, for English-domiciled full-time students (£)

Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08

Full-time female students had higher overall living costs than males and older students (aged 25 or older) had higher living costs than those aged under 25. However, neither was found to be significant in the regression model, suggesting that differences by age and gender merely reflected other associated factors such as family type and tenure.

5.7.3 Part-time students

Part-time English-domiciled students reported spending a total of \pounds 10,522 on living costs over the 2007/08 academic year (Table 5.7). This was considerably higher (by 62 per cent) than the amount spent by full-time students (\pounds 6,496).

As with full-time students, two of the greatest items of expenditure for part-time students were food (£2,533, 24 per cent) and personal items (£2,277, 22 per cent; Figure 5.8). However, part-time students spent relatively more of their living costs on non-course travel (£3,108, 30 per cent) and relatively less on entertainment (£1,236, 12 per cent) than full-time students.

Multiple linear regression analysis was used to identify which characteristics were most strongly associated with high or low average living costs amongst part-time students (Table 5.9). These were similar to those associated with high total expenditure and mainly related to HE study factors:

- Students studying at HEIs (English or Welsh), or with the OU reported significantly higher expenditure on living costs compared with those studying at FECs (Table A5.23).
- Students studying in intermediate years reported the highest expenditure on living costs, averaging £11,735 (Table A5.24).
- As with full-time students, those studying education or medicine / subjects allied to medicine (such as nursing) tended to have higher expenditure on living costs than students studying other subjects (Table A5.22; Figure 5.12).

 Part-time students from an intermediate social class background reported lower living costs than those from a routine / manual / unemployed, or a managerial / professional background (£8,674 compared with £10,883 and £10,882 respectively; Table A5.19). The linear regression model found that social class was a significant predictor of average expenditure on living costs.



Figure 5.12: Total living costs by subject of study, for English-domiciled part-time students (£)

Base: all English-domiciled part-time students

Table 5.9: Linear regression model estimates: total living costs for English-domiciled part-time students

			95% Confidence limit	
Variables	Regression coefficient	Significance level	Lower	Upper
Gender				
Male (ref. category)	0			
Female	-780	0.420	-2,693	1,134
Age group				
Under 25 (ref. category)	0			
25-29	-164	0.892	-2,554	2,227
30-39	252	0.804	-1,762	2,265
40+	1,291	0.125	-369	2,951
Socio-economic group				
Managerial / professional (ref. category)	0			
Intermediate*	-1,695	0.030	-3,221	-169
Routine / manual	-33	0.968	-1,653	1,587
Family / household type				
Two adult family (ref. category)	0			
Lone parent family	-522	0.507	-2,081	1,037
Married / couple	-1,206	0.172	-2,949	538
Single	314	0.793	-2,059	2,686
Tenure				
Owning / buying (ref. category)	0			
Renting privately (with family / alone)	-314	0.726	-2,098	1,469
Living with parents / relatives	-723	0.559	-3,179	1,733
Start of course				
Pre-2006/07	0			
Post 2006/07	1,371	0.195	-718	3,460
Institution type				
English HE (ref. category)	0			
English FEC*	-1,727	0.049	-3,445	-10
Subject				
Medicine / allied to medicine (ref category)	0			
Science / engineering / technology	962	0.360	-1,121	3,046
Human / social sciences	425	0.616	-1,258	2,108
Creative arts*	-2,305	0.014	-4,127	-483
Education	1,485	0.298	-1,340	4,310
Year of study				
First year (ref. category)	0			
Second / other year**	3,038	0.007	839	5,237
Final year / one-year course	1,254	0.155	-483	2,991

N = (543) unweighted

Note: *p<0.05, **p<0.01, ***p<0.001 Base: all English-domiciled part-time students

5.8 Housing costs

5.8.1 Introduction

This section examines students' housing costs, showing how these varied according to their housing tenure, and the relative importance of the different types of costs in this category.

Figures 5.13 and 5.14: Profile of housing tenure for all English-domiciled full-time and part-time students who completed an expenditure diary



unweighted)

Source: NatCen / IES SIES 2007/08

5.8.2 Full-time students

Full-time students most commonly lived in rented (non-university) property with friends or other students (35 per cent), with their parents or relatives (23 per cent; up from 20 per cent in 2004/05) or in university accommodation (22 per cent; Figure 5.13). Smaller proportions rented privately (ten per cent) or owned or were buying a property with a mortgage (nine per cent). A minority of students lived in a property owned by their parents (but not with them; just one per cent).

Full-time students spent on average £2,455 on housing costs over the 2007/08 academic year (Table 5.10). This varied according to their housing tenure:

- Those who rented privately, either alone or with a partner or relatives, reported the highest average housing costs, at \pounds 3,475. Rental costs were the highest for this group (\pounds 2,702) and these represented over three-quarters (78 per cent) of their total average housing costs.
- Full-time students who owned or were buying their home spent an average of £3,392 on housing. These students reported the highest expenditure on other housing costs, such as household bills and council tax payments.
- Full-time students who rented privately with friends or other students reported an average expenditure of £3,259 on housing. This group reported the highest expenditure on retainer costs, at £731, almost a guarter of their housing costs (23 per cent).

- Full-time students who lived in university accommodation reported average housing costs of £2,547. Although the rent paid by this group was not dissimilar from those who rented privately (with friends or other students), they made considerable savings on other general housing costs, such as household bills and council tax payments.
- Students who lived with their parents while studying reported by far the lowest average expenditure on housing, at just £482 over the academic year. The average rent was just £397, but only one-third (31 per cent) of those living with their parents actually paid any rent. Among those who did, the average was higher at £1,333.

Table 5.10: Total student housing costs and main sources for English-domiciled students, by full-time and part-time status (£)

		Full-time	Part-time
Mortgage and rent costs*	Mean	1,857	2,276
	Median	1,364	1,935
	SE	113	122
Retainer costs*	Mean	336	66
	Median	0	0
	SE	27	13
Other housing costs*	Mean	262	915
	Median	55	948
	SE	15	40
Total housing costs	Mean	2,455	3,257
	Median	2,162	3,130
	SE	123	151
N = (2,336) unweighted		1,793	543

* Note: figures adjusted for joint financial responsibility where relevant Base: all English-domiciled students completing diary

Source: NatCen / IES SIES 2007/08

Certain groups of students reported particularly high or low average housing costs, although this was mainly associated with their tenure. For example, students from an Asian / Asian British background reported significantly lower housing costs than those from any other ethnic background, but were far more likely to live with parents or relatives while studying (more than half did so).

5.8.3 Part-time students

Considerably more part-time students than full-time students owned or were buying their homes (53 per cent compared with nine per cent) or were renting privately (alone or with relatives; 19 per cent compared with ten per cent). A sizeable minority of part-time students lived with parents or relatives while studying (22 per cent; an increase from 17 per cent in 2004/05).

The overall housing costs of part-time students reflected the greater likelihood of part-time students than full-time students to be buying or renting their home. Total average housing costs for part-time students were £3,257, one-third higher than for full-time students (Table 5.10).

Part-time students who lived with parents or relatives reported the greatest savings on housing costs; their average spending on housing was £1,057, just a quarter of the amount spent by those renting privately (£3,970) or who owned or were buying a house (£3,963; Table 5.11).

5.9 Spending on children

This section reports on the amounts that students spent on children, excluding courserelated 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

As we saw earlier, the average spending on children among all full-time students was relatively low, but just eight per cent of full-time students were parents living with dependent children. Among these, average spending on children was £1,951 over the academic year (ten per cent of their total expenditure).

5.9.2 Part-time students

A much higher proportion of part-time students than full-time students were parents living with dependent children (35 per cent). These parents spent an average of £2,219 on their children over the academic year, accounting for 11 per cent of their total expenditure (a similar proportion to that reported by full-time students).

			Full-time						Part-time	
		Owning	Private renter (alone/family)	University accom	Private renter (friend)	Lives with parents	Parent- owned accom	Owning	Private renter (alone/family)	Lives with parents
Mortgage and rent costs*	Mean	2,313	2,702	2,309	2,247	397	_1	2,614	2,972	929
	Median	2,160	2,340	1,602	1,825	0	-	2,511	2,700	900
	SE	206	171	252	162	47	-	110	282	108
Retainer costs*	Mean	75	126	213	731	48	-	94	19	33
	Median	0	0	0	636	0	-	0	0	0
	SE	20	31	34	52	12	-	19	8	25
Other housing costs*	Mean	1,004	647	25	281	37	-	1,255	979	95
	Median	964	606	0	225	0	-	1,179	904	0
	SE	48	47	7	20	10	-	34	51	21
Total housing costs	Mean	3,392	3,475	2,547	3,259	482	-	3,963	3,970	1,057
	Median	3,141	3,039	1,926	2,690	0	-	3,771	3,625	900
	SE	208	196	244	184	53	-	137	314	120
N = (2,309) unweighted		189	187	370	613	409	23	335	106	77

Table 5.11: Total student housing costs and main sources for English-domiciled students, by tenure (£)

* Note: figures adjusted for joint financial responsibility where relevant

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

Note: some types of tenure for part-time students are not shown in the table due to extremely small base sizes.

Base: all English-domiciled students completing diary

5.10 Additional tables

Table A5.1: Total student participation costs and main sources of student participation for English-domiciled students, by gender (\pounds)

		Full	-time	Part	-time
		Male	Female	Male	Female
Tuition fee cost	Mean	2,278	2,232	1,152	912
	Median	3,070	3,000	900	765
	SE	43	38	71	38
Direct course costs (e.g. books and equipment)	Mean	382	377	362	287
	Median	223	240	170	180
	SE	22	16	51	20
Costs of facilitating participation (e.g. travel	Mean	450	572	519	600
and study-related childcare)	Median	100	234	362	390
	SE	48	38	62	80
Total participation costs	Mean	3,110	3,181	2,033	1,799
	Median	3,230	3,256	1,693	1,490
	SE	59	68	102	99
N = (2,335) unweighted		543	1,250	139	403

Base: all English-domiciled students completing diary

Source: NatCen / IES SIES 2007/08

Table A5.2: Total student participation costs and main sources of student participation for English-domiciled students, by age group at start of the academic year (£)

		Full-time				Part-t	ime	
		Under 20	20-24	25+	Under 25	25-29	30-39	40+
Tuition fee cost	Mean	2,989	1,705	2,131	1,098	984	980	937
	Median	3,070	1,225	2,560	900	825	800	705
	SE	22	34	59	72	67	62	58
Direct course	Mean	363	356	467	304	251	286	373
costs (e.g. books and equipment)	Median	230	200	340	150	150	155	210
	SE	20	21	26	71	27	28	30
Cost of facilitating	Mean	321	448	1,160	629	667	601	461
travel and study-	Median	0	170	780	390	318	273	312
related childcare)	SE	33	30	83	81	174	123	49
Total	Mean	3,672	2,510	3,758	2,032	1,902	1,866	1,770
participation costs	Median	3,508	2,013	3,496	1,640	1,520	1,485	1,568
	SE	38	57	123	115	185	147	80
N =(2,333) unweigh	ted	614	809	368	96	71	148	227

Base: all English-domiciled students completing diary

Table A5.3: Total student participation costs and main sources of student participation for English-domiciled students, by socio-economic group (£)

			Full-time		Part-time				
		Managerial/ professional	Intermediate	Routine/ manual/ unemployed	Managerial/ professional	Intermediate	Routine/ manual/ unemployed		
Tuition fee cost	Mean	2,271	2,198	2,310	1,047	947	1,099		
	Median	3,070	3,000	3,070	840	850	900		
	SE	39	62	44	64	50	67		
Direct course costs (e.g. books and equipment)	Mean	350	385	402	325	311	332		
	Median	210	225	265	163	185	190		
	SE	20	22	23	49	56	39		
Costs of facilitating participation (e.g. travel and study-related childcare)	Mean	360	540	864	641	511	631		
	Median	60	273	390	390	390	390		
	SE	27	47	98	72	49	135		
Total participation costs	Mean	2,981	3,122	3,576	2,013	1,769	2,062		
	Median	3,213	3,210	3,370	1,685	1,565	1,645		
	SE	48	83	131	102	94	163		
N = (2, 131) unweighted		881	312	370	259	88	119		

Base: all English-domiciled students completing diary

			· ·				-		
		Full-time				Part-time			
		Two adult family	One adult family	Married/ living as couple	Single	Two adult family	One adult family	Married/ living as couple	Single
Tuition fee cost	Mean	2,117	2,362	2,178	2,262	1,007	718	921	1,129
	Median	2,500	3,070	2,560	3,070	800	685	760	900
	SE	97	137	87	31	59	49	52	73
Direct course costs (e.g. books and equipment)	Mean	521	558	335	368	249	312	380	321
	Median	370	500	250	220	120	265	170	185
	SE	55	41	29	17	25	39	37	39
Costs of facilitating participation (e.g. travel and study-related childcare)	Mean	1,627	2,061	765	387	606	796	498	535
	Median	1,170	1,163	585	100	234	390	390	390
	SE	205	315	72	25	114	234	53	57
Total participation costs	Mean	4,265	4,980	3,278	3,018	1,862	1,826	1,799	1,985
	Median	3,975	4,321	3,355	3,215	1,520	1,413	1,526	1,640
	SE	241	381	125	39	117	227	99	110
N = (2,336) unweighted		117	60	135	1,481	169	61	146	167

Table A5.4: Total student participation costs and main sources of student participation for English-domiciled students, by family type (£)

Base: all English-domiciled students
		Owning	Private renter (alone/with family)	Univ. accom	Private renter (with friends)	Living with parents	Parent- owned accom
Tuition fee cost	Mean	2,057	2,309	2,702	1984	2,261	_1
	Median	1,700	3,070	3,070	1,225	3,000	-
	SE	72	87	61	45	45	-
Direct course costs (e.g.	Mean	484	445	408	283	429	-
books and equipment)	Median	325	350	282	168	252	-
	SE	39	24	37	19	32	-
Costs of facilitating	Mean	1,204	1,129	127	235	822	-
participation (e.g. travel	Median	858	700	0	0	663	-
childcare)	SE	125	132	34	24	50	-
Total participation	Mean	3,745	3,883	3,237	2,502	3,512	-
costs	Median	3,617	3,600	3,322	2,124	3,624	-
	SE	153	163	62	57	73	-
N = (1,791) unweighted		189	187	370	613	409	23

Table A5.5: Total student participation costs and main sources of student participation for English-domiciled full-time students, by tenure (£)

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

Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08

Table A5.6: Total student participation costs and main sources of student participation for English-domiciled students, by old or new system (full-time students) or when started course (part-time students) (\pounds)

		Ful	I-time	Part	-time
		Old	New	Pre- 2006/07	Post- 2006/07
Tuition fee cost	Mean	1,225	2,899	1,016	1,076
	Median	1,225	3,070	840	855
	SE	0	29	66	58
Direct course costs (e.g. books and	Mean	328	411	347	319
equipment)	Median	190	260	190	180
	SE	20	18	34	39
Costs of facilitating participation (e.g.	Mean	523	519	696	566
travel and study-related childcare)	Median	195	195	390	390
	SE	45	37	123	50
Total participation costs	Mean	2,077	3,829	2,059	1,961
	Median	1,757	3,635	1,712	1,660
	SE	51	51	142	84
N = (2,266) unweighted		693	1,100	188	285

Base: all English-domiciled students completing diary

Table A5.7 Total student participation costs and main sources of student participation for English-domiciled full-time students, by subject of study (£)

		Medic./ Dentist	Allied to medic.	Science/ Eng./ Tech./IT	Human/ Social Sci/Bus/ Law	Creative Art/Lan./ Hum.	Educ.	Comb/ other
Tuition fee cost	Mean	1,994	2,125	2,280	2,309	2,287	2,179	2,291
	Median	1,225	3,000	3,070	3,070	3,000	3,000	3,025
	SE	81	101	62	54	69	84	122
Direct course	Mean	344	346	368	370	431	339	393
costs (e.g. books and equipment)	Median	205	206	210	228	280	215	290
	SE	36	35	30	26	28	31	38
Cost of facilitating	Mean	938	857	350	504	391	844	411
participation (e.g. travel and study-	Median	390	429	50	195	100	585	140
related childcare)	SE	157	132	06 210 228 280 35 30 26 28 57 350 504 391 29 50 195 100 32 42 75 57 28 2,998 3,184 3,109	87	84		
Total	Mean	3,277	3,328	2,998	3,184	3,109	3,361	3,095
participation costs	Median	3,185	3,160	3,195	3,284	3,230	3,460	3,197
	SE	197	179	65	92	90	154	185
N = (1,793) unwei	ghted	155	129	382	427	408	175	117

Base: all English-domiciled full-time students completing diary Source: NatCen / IES SIES 2007/08

Table A5.8: Total student participation costs and main sources of student participation for English-domiciled part-time students, by subject of study (£)

		Medic/	Allied to	Science/ Eng/	Human/ Social Sci/Bus/	Creative Arts/ Lang/		Comb/
		Dentist	medic	Tech/IT	Law	Hum	Educ	other
Tuition fee cost	Mean	-1	1,132	1,118	983	764	906	-
	Median	-	800	900	850	600	800	-
	SE	-	188	85	58	44	61	-
Direct course costs	Mean	-	233	307	286	436	352	-
(e.g. books and	Median	-	140	140	155	250	260	-
equipment)	SE	-	50	58	35	53	41	-
Costs of facilitating	Mean	-	947	584	488	368	505	-
participation (e.g.	Median	-	468	390	273	225	390	-
travel and study- related childcare)	SE	-	226	73	86	44	69	-
Total participation	Mean	-	2,312	2,009	1,757	1,568	1,763	-
costs	Median	-	1,830	1,650	1,522	1,350	1,535	-
	SE	-	323	115	120	66	103	-
N = (1,793) unweigh	nted	11	73	117	152	78	85	27

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

Base: all English-domiciled part-time students completing diary

			Full-time			Part	-time	
		England HEI	Wales HEI	England FEC	England HEI	Wales HEI	England FEC	OU
Tuition fee cost	Mean	2,271	2,222	1,707	1,079	_1	968	711
	Median	3,070	3,000	1,250	850	-	900	575
	SE	31	95	108	53	-	70	54
Direct course costs (e.g. books and equipment)	Mean	379	225	525	352	-	240	250
	Median	230	140	370	195	-	105	100
	SE	17	22	55	38	-	31	34
Costs of facilitating	Mean	522	107	874	634	-	515	315
participation (e.g. travel and study-	Median	195	0	585	390	-	390	52
related childcare)	SE	35	22	90	88	-	75	142
Total participation	Mean	3,171	2,555	3,107	2,066	-	1,723	1,276
costs	Median	3,258	3,100	2,990	1,725	-	1,560	980
	SE	53	109	150	100	-	66	152
N =(2,336) unweighted		1,513	121	159	380	23	70	70

Table A5.9: Total student participation costs and main sources of student participation for English-domiciled students, by institution type (\pounds)

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

Base: all English-domiciled students completing diary

Table A5.10: Total student direct course costs and main sources for English-do	omiciled
students, by year of study (£)	

			Full-tim	ne		Part-tim	e
		First year	Other years	Final year or one year course	First year	Other years	Final year or one year course
Books	Mean	162	108	121	114	104	78
	Median	130	80	75	80	60	30
	SE	8	4	6	12	16	11
Computers	Mean	187	116	113	169	157	126
	Median	0	0	0	0	0	0
	SE	14	17	15	43	35	24
Equipment	Mean	24	29	34	17	12	5
	Median	0	0	0	0	0	0
	SE	5	5	16	6	5	4
Other course	Mean	24	18	10	12	6	2
expenditure	Median	0	0	0	0	0	0
	SE	12	13	5	5	3	2
Printing,	Mean	65	59	76	58	58	43
photocopying and stationerv	Median	30	30	40	25	20	15
,	SE	5	5	6	6	11	5
Total direct course	Mean	462	330	347	370	334	255
costs	Median	330	200	200	235	170	120
	SE	22	26	18	42	39	31
N = (2,336) unweighted		602	536	655	173	181	189

Base: all English-domiciled students completing diary

		Medic/ Dentist	Allied to medic	Science/ Eng/ Tech/IT	Human/ Social Sci/Bus/ Law	Creative Arts/ Lang/ Hum	Educ	Comb/ other
Books	Mean	114	132	94	154	137	125	163
	Median	90	75	70	120	100	90	110
	SE	8	15	5	8	10	10	12
Computers	Mean	107	129	158	132	151	107	132
	Median	0	0	0	0	0	0	0
	SE	22	26	19	19	14	24	27
Equipment	Mean	32	22	36	5	51	34	16
	Median	0	0	0	0	0	0	0
	SE	5	6	20	2	10	10	5
Other course	Mean	27	3	25	16	17	3	14
expenditure	Median	0	0	0	0	0	0	0
	SE	21	1	17	9	9	1	6
Printing,	Mean	65	59	65	63	75	71	69
photocopying and stationerv	Median	30	35	30	30	33	40	35
	SE	11	9	6	7	8	8	11
Total direct course	Mean	344	346	368	370	431	339	393
costs	Median	205	206	210	228	280	215	290
	SE	36	35	30	26	28	31	38
N = (1,793)		155	129	382	427	408	175	117

Table A5.11: Total student direct course costs and main sources for English-domiciled full-time students, by subject of study (£)

unweighted

Base: all English-domiciled full-time students completing diary

		Medic/ Dentist	Allied to medic	Science/ Eng/ Tech/IT	Human/ Social Sci/Bus/ Law	Creative Arts/ Lang/ Hum	Educ	Comb/ other
Books	Mean	_1	89	66	103	111	137	-
	Median	-	60	30	60	80	80	-
	SE	-	13	12	11	16	23	-
Computers	Mean	-	58	179	121	217	159	-
	Median	-	0	0	0	0	0	-
	SE	-	39	64	25	48	28	-
Equipment	Mean	-	11	12	5	33	1	-
	Median	-	0	0	0	0	0	-
	SE	-	5	6	5	13	1	-
Other course	Mean	-	8	9	7	6	1	-
expenditure	Median	-	0	0	0	0	0	-
	SE	-	6	4	4	3	1	-
Printing,	Mean	-	67	42	50	70	54	-
photocopying and stationery	Median	-	33	15	20	20	25	-
,	SE	-	11	5	8	20	7	-
Total direct course	Mean	-	233	307	286	436	352	-
costs	Median	-	140	140	155	250	260	-
	SE	-	50	58	35	53	41	-
N = (543)		11	73	117	152	78	85	27

Table A5.12: Total student direct course costs and main sources for English-domiciled part-time students, by subject of study (f)

unweighted

Base: all English-domiciled part-time students completing diary

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

			Full-time	9		Part-	time	
		England HEI	Wales HEI	England FEC	England HEI	Wales HEI	England FEC	OU
Books	Mean	131	101	122	114	_1	86	38
	Median	100	50	80	65	-	50	25
	SE	4	10	10	9	-	10	38
Computers	Mean	139	68	194	158	-	101	169
	Median	0	0	0	0	-	0	0
	SE	10	18	34	41	-	22	169
Equipment	Mean	27	12	94	14	-	10	1
	Median	0	0	0	0	-	0	0
	SE	7	3	22	3	-	4	1
Other course	Mean	17	2	12	7	-	9	0
expenditure	Median	0	0	0	0	-	0	0
	SE	10	1	6	2	-	6	0
Printing,	Mean	67	43	103	60	-	34	41
photocopying and stationery	Median	33	20	50	25	-	13	15
	SE	4	9	15	7	-	5	41
Total direct course	Mean	379	225	525	352	-	240	250
COSIS	Median	230	140	370	195	-	105	100
	SE	17	22	55	37	-	30	250
N =(2,336) unweighted		1,513	121	159	380	23	70	70

Table A5.13: Total student direct course costs and main sources for English-domiciled students, by institution type (f)

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

Base: all English-domiciled students completing diary

		Owner/ buyer	Private renter (alone/with family)	University accom	Private renter (with friends)	Living with parents	Parent- owned accom
Travel	Mean	170	313	83	108	398	_1
	Median	0	0	0	0	39	-
	SE	48	75	33	23	58	-
Petrol	Mean	715	382	18	65	375	-
	Median	585	0	0	0	0	-
	SE	49	53	8	8	35	-
Course-related trips	Mean	39	31	25	58	49	-
	Median	0	0	0	0	0	-
	SE	13	10	5	11	10	-
Childcare costs	Mean	279	443	0	5	0	-
	Median	0	0	0	0	0	-
	SE	107	107	0	5	0	-
Total facilitation costs	Mean	1,204	1,129	127	235	822	-
	Median	858	700	0	0	663	-
	SE	125	132	34	24	50	-
N = (1,791) unweighted		189	187	370	613	409	23

Table A5.14: Total student facilitation costs and main sources for English-domiciled full-time students, by tenure (£)

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

Base: all English-domiciled full-time students completing diary

Table A5.15: Total student facilitation costs and main sources for English-domiciled students, by family type (\pounds)

			Full	-time			Part	-time	
		Two adult family	One adult family	Married/I iving as couple	Single	Two adult family	One adult family	Married/ living as couple	Single
Travel	Mean	158	227	238	194	43	59	76	98
	Median	0	0	0	0	0	0	0	0
	SE	49	56	60	22	11	22	22	28
Petrol	Mean	784	584	480	14	386	395	401	420
	Median	585	468	195	0	195	195	312	195
	SE	61	96	60	14	52	77	53	47
Course-related trips	Mean	43	38	48	44	8	3	21	18
	Median	0	0	0	0	0	0	0	0
	SE	18	28	16	6	3	2	7	8
Childcare costs	Mean	659	1326	0	0	180	339	0	0
	Median	0	90	0	0	0	0	0	0
	SE	184	334	0	0	84	214	0	0
Total facilitation	Mean	1,627	2,061	765	387	606	796	498	535
costs	Median	1,170	1,163	585	100	234	390	390	390
	SE	205	315	72	25	114	234	53	57
N = (2,336) unweighted		117	60	135	1,481	169	61	146	167

Base: all English-domiciled students completing diary

		Full-time	Part-time
Clothes, shoes, accessories	Mean	588	631
	Median	0	0
	SE	38	66
Phone bills	Mean	276	376
	Median	255	340
	SE	7	10
Gifts and cards (e.g. for birthdays)	Mean	291	401
	Median	0	78
	SE	24	44
Toiletries	Mean	136	174
	Median	0	0
	SE	10	16
Music and DVDs / videos	Mean	132	114
	Median	0	0
	SE	10	12
Eye products, medical treatment, other	Mean	126	301
large items (over £50)*	Median	0	100
	SE	12	56
Newspapers, magazines, non-course	Mean	122	183
books and stationery	Median	0	47
	SE	10	18
Miscellaneous small personal items	Mean	92	109
	Median	0	0
	SE	9	32
Cigarettes and tobacco	Mean	51	93
	Median	0	0
	SE	7	13
Prescriptions and other medicines	Mean	39	75
	Median	0	0
	SE	6	12
Personal items*	Mean	1,828	2,277
	Median	1,139	1,598
	SE	93	104
N = (2,336) unweighted		1,793	543

Table A5.16: Total student personal costs and main sources of personal costs for Englishdomiciled students, by full-time and part-time status (f)

*Note: figures adjusted for joint financial responsibility where relevant. Adjustments for joint financial responsibility are made at the overall (total) level. Therefore, the sum of contributing items may not be equal to the total.

Note: items are ranked in descending order of value for full-time students

Base: all English-domiciled students completing diary

		Full-time	Part-time
Alcohol consumed outside home	Mean	483	412
	Median	195	0
	SE	23	35
TV, video/DVD, radio, music equipment	Mean	164	292
over £50*	Median	51	135
	SE	18	26
Sports, hobbies, clubs, societies	Mean	158	180
	Median	0	0
	SE	12	20
Cinema, theatre, concerts	Mean	133	136
	Median	0	0
	SE	9	24
Alcohol bought for home	Mean	107	170
-	Median	0	0
	SE	7	21
Nightclubs, discos	Mean	101	40
	Median	0	0
	SE	7	9
National Lottery or betting	Mean	29	68
	Median	0	0
	SE	5	9
Religious activities	Mean	11	25
	Median	0	0
	SE	2	5
Entertainment*	Mean	1,154	1,236
	Median	780	780
	SE	44	67
N = (2,336) unweighted		1,793	543

Table A5.17: Total student entertainment costs and main sources of entertainment costs for English-domiciled students, by full-time and part-time status (\pounds)

*Note: figures adjusted for joint financial responsibility where relevant. Adjustments for joint financial responsibility are made at the overall (total) level. Therefore, the sum of contributing items may not be equal to the total.

Note: items are ranked in descending order of value for full-time students

Base: all English-domiciled students completing diary

Table A5.18: Total student living costs and main sources for English-domiciled students, by family type (\mathfrak{L})

			Full	-time		Part-time			
		Two adult family	One adult family	Married/ living as couple	Single	Two adult family	One adult family	Married/ living as couple	Single
Food*	Mean	2,948	3,492	2,001	1,573	3,244	3,485	2,483	1,883
	Median	2,714	3,237	1,569	1,338	3,008	2,937	2,145	1,391
	SE	166	224	146	43	122	288	196	180
Personal items*	Mean	2,596	3,161	1,954	1,731	2,672	2,365	2,168	2,075
	Median	2,043	2,471	1,221	1,073	2,164	1,610	1,418	1506
	SE	191	355	197	87	226	339	188	159
Entertainment*	Mean	1,040	801	855	1,196	1,173	879	1,114	1,442
	Median	728	468	585	807	745	520	779	1,000
	SE	92	111	88	51	94	150	130	136
Household	Mean	531	932	386	236	763	662	505	711
goods*	Median	195	500	156	0	390	392	234	150
	SE	94	128	68	28	78	125	65	159
Non-course	Mean	2,436	2,332	2,030	1,190	3,051	2,411	2,531	3,697
travel*	Median	2,129	2,325	1,537	700	2,319	2,245	2,069	2,395
	SE	181	309	224	45	201	301	241	425
Other living	Mean	446	322	275	137	845	634	743	599
costs*	Median	90	0	0	0	173	26	165	51
	SE	129	97	71	19	237	289	172	124
Total living	Mean	9,997	11,040	7,501	6,064	11,749	10,437	9,545	10,407
costs*	Median	8,790	10,325	6,518	4,996	10,263	8,781	8,142	8,195
	SE	418	868	428	200	533	975	725	589
N = (2,336) unweighted		117	60	135	1,481	169	61	146	167

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled students completing diary

		I	Full-time				
		Managerial/ professional	Inter- mediate	Routine/ manual/ un- employed	Managerial/ professional	Inter- mediate	Routine/ manual/ un- employed
Food*	Mean	1,698	1,638	1,801	2,557	1,867	2,357
	Median	1,444	1,399	1,512	2,261	1,727	1,725
	SE	58	72	77	156	198	241
Personal items*	Mean	1,639	1,935	1,931	2,272	1,979	2,348
	Median	1,001	1,214	1,313	1,512	1,310	1,830
	SE	90	146	110	199	214	143
Entertainment*	Mean	1,179	1,038	1,122	1,335	970	1,280
	Median	819	683	780	880	616	1,000
	SE	55	78	57	109	126	137
Household goods*	Mean	242	225	301	632	770	586
	Median	0	0	52	234	204	156
	SE	35	32	42	84	321	114
Non-course travel*	Mean	1,235	1,538	1,379	3,184	2,617	3,693
	Median	740	1,009	900	2,459	1,930	2,280
	SE	61	107	98	201	246	636
Other living costs*	Mean	202	135	160	903	472	618
	Median	0	0	0	175	98	70
	SE	32	26	25	125	97	196
Total living costs*	Mean	6,196	6,509	6,695	10,882	8,674	10,883
	Median	5,016	5,409	5,667	8,987	7,551	8,824
	SE	238	273	370	605	583	765
N = (2.029) unweighted		881	312	370	259	88	119

Table A5.19: Total student living costs and main sources for English-domiciled students, by socio-economic group (\pounds)

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled students completing diary

Table A5.20: Total student living costs and main sources for English-domiciled full-time students, by tenure $(\mathbf{\hat{t}})$

		Owning	Private renter (alone/ with family)	University accom	Private renter (with friends)	Living with parents	Parent- owned accom
Food*	Mean	2,916	2,418	1,389	1,599	1,509	_1
	Median	2,740	1,895	1,166	1,423	1,197	-
	SE	124	159	74	45	98	-
Personal items*	Mean	2,377	2,620	1,251	1,472	2,339	-
	Median	1,904	1,633	750	972	1,433	-
	SE	183	209	107	59	204	-
Entertainment*	Mean	1,055	1,178	1,094	1,159	1,234	-
	Median	705	780	776	827	718	-
	SE	66	85	94	68	93	-
Household goods*	Mean	789	601	106	194	252	-
	Median	237	220	23	0	0	-
	SE	104	136	11	27	56	-
Non-course travel*	Mean	2,591	1,674	809	1,027	1,676	-
	Median	2,200	1,290	444	630	1,248	-
	SE	215	111	61	57	101	-
Other living costs*	Mean	588	198	119	80	187	-
	Median	100	0	0	0	0	-
	SE	162	45	39	12	24	-
Total living costs*	Mean	10,316	8,689	4,768	5,532	7,197	-
	Median	9,172	6,752	4,131	4,684	6,146	-
	SE	447	564	194	142	452	-
N = (1,791) unweighted		189	187	370	613	409	23

* Note: figures adjusted for joint financial responsibility where relevant

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

Base: all English-domiciled full-time students completing diary

		Medic/ Dentist	Allied to medic	Science/ Eng/ Tech/IT	Human/ Social Sci/ Bus/Law	Creative Arts/ Lang/ Hum	Educ	Comb/ other
Food*	Mean	1,585	1,866	1,522	1,835	1,684	1,934	1,843
	Median	1,370	1,599	1,416	1,491	1352	1,521	1,358
	SE	115	106	58	91	113	126	162
Personal items*	Mean	1,470	2,083	1,322	2,075	1,835	2,318	2,025
	Median	1,091	1,411	838	1,243	1,043	1,619	1,369
	SE	100	251	83	173	174	197	261
Entertainment*	Mean	818	978	1,135	1,275	1,233	1,089	1,078
	Median	585	585	761	866	831	671	829
	SE	112	95	84	82	101	99	83
Household goods*	Mean	215	382	223	310	267	340	278
	Median	0	117	0	20	0	46	0
	SE	42	74	43	59	71	49	63
Non-course travel*	Mean	1,351	1,852	1,110	1,342	1,219	1,882	1,295
	Median	968	1,566	590	819	606	1,531	781
	SE	116	171	95	88	69	121	172
Other living costs*	Mean	106	330	147	125	120	398	143
	Median	0	0	0	0	0	0	0
	SE	27	114	33	22	16	144	40
Total living costs*	Mean	5,545	7,492	5,458	6,962	6,358	7,962	6,661
	Median	5,408	6,436	4,483	5,523	4,837	6,906	5,762
	SE	253	448	207	384	406	429	511
N = (1,793)		155	129	382	427	408	175	117

Table A5.21: Total student living costs and main sources for English-domiciled full-time students, by subject of study (f)

unweighted

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled full-time students completing diary

		Medic/ Dentist	Allied to medic	Science /Eng/ Tech/IT	Human/ Social Sci/Bus /Law	Creative Arts/ Lang/ Hum	Educ	Comb/ other
Food*	Mean	_1	2,564	2,032	2,841	2,585	3,135	-
	Median	-	2,291	1,578	2,457	2,496	2,867	-
	SE	-	222	227	201	175	302	-
Personal items*	Mean	-	2,588	2,095	2,192	2,148	2,767	-
	Median	-	1,774	1,431	1,612	1,418	1,918	-
	SE	-	306	206	162	254	410	-
Entertainment*	Mean	-	1,056	1,441	1,266	975	1,164	-
	Median	-	858	1,032	753	432	750	-
	SE	-	138	88	161	132	154	-
Household goods*	Mean	-	640	746	579	626	731	-
	Median	-	234	195	342	250	287	-
	SE	-	130	208	76	178	130	-
Non-course travel*	Mean	-	2,978	4,199	2,604	2,222	2,886	-
	Median	-	2,100	2,904	1,930	2,070	2,197	-
	SE	-	319	451	191	206	303	-
Other living costs*	Mean	-	483	711	769	312	1,085	-
	Median	-	150	159	114	8	120	-
	SE	-	124	180	199	66	265	-
Total living costs*	Mean	-	10,310	11,224	10,251	8,868	11,767	-
	Median	-	9,966	8,983	8,531	8,584	8,910	-
	SE	-	792	644	608	576	1,293	-
N = (543) unweighted		11	73	117	152	78	85	27

Table A5.22: Total student living costs and main sources for English-domiciled part-time students, by subject of study (f)

* Note: figures adjusted for joint financial responsibility where relevant

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

Base: all English-domiciled part-time students completing diary

Table A5.23: Total student living costs and main sources for English-domiciled students, by institution type (\pounds)

			Full-time		Part-time			
		England HEI	Wales HEI	England FEC	England HEI	Wales HEI	England FEC	OU
Food*	Mean	1,725	1,404	1,980	2,455	_1	2,294	3,202
	Median	1,443	1,385	1,349	2,095	-	2,067	2,859
	SE	49	83	171	172	-	95	249
Personal items*	Mean	1,833	1,145	2,330	2,350	-	1,848	2,442
	Median	1,135	842	1,712	1,598	-	1,427	1,737
	SE	99	97	197	138	-	164	247
Entertainment*	Mean	1,151	1,230	1,188	1,259	-	1,256	1,073
	Median	780	982	723	780	-	939	669
	SE	47	110	145	89	-	89	152
Household goods*	Mean	278	125	472	640	-	669	777
	Median	10	20	58	230	-	212	399
	SE	29	19	52	90	-	136	147
Non-course travel*	Mean	1,326	1,043	2,130	3,339	-	2,627	2,596
	Median	819	548	1,925	2,282	-	2,280	2,245
	SE	58	108	114	233	-	281	322
Other living costs*	Mean	162	209	306	807	-	474	489
	Median	0	0	0	150	-	60	10
	SE	20	113	95	119	-	145	198
Total living costs*	Mean	6,475	5,155	8,407	10,851	-	9,168	10,579
	Median	5,272	4,723	7,002	8,824	-	8,300	10,079
	SE	232	281	376	497	-	537	676
N = (2,336) unweighted		1,513	121	159	380	23	70	70

* Note: figures adjusted for joint financial responsibility where relevant

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

Base: all English-domiciled students completing diary

Table A5.24: Total student living costs and main sources for English-domiciled students, by year of study (\pounds)

			Full-time)		Part-tin	ne
		First year	Other years	Final year or one year course	First year	Other years	Final year or one year course
Food*	Mean	1,742	1,651	1,773	2,408	2,587	2,597
	Median	1,442	1,416	1,485	2,065	2,297	2,261
	SE	89	56	54	201	192	126
Personal items*	Mean	1,908	1,684	1,883	2,159	2,644	2,058
	Median	1,126	1,114	1,172	1,610	2,184	1,417
	SE	159	87	118	176	207	144
Entertainment*	Mean	1,237	1,090	1,137	1,209	1,188	1,302
	Median	870	744	741	915	753	749
	SE	80	55	66	129	120	127
Household goods*	Mean	323	227	287	839	660	515
	Median	59	0	0	390	271	200
	SE	60	34	35	177	110	52
Non-course travel*	Mean	1,171	1,279	1,557	2,562	3,856	2,932
	Median	663	751	1,049	2,152	2,749	2,125
	SE	81	80	92	172	423	303
Other living costs*	Mean	133	155	212	548	800	755
	Median	0	0	0	72	165	130
	SE	14	33	47	149	222	137
Total living costs*	Mean	6,514	6,086	6,849	9,724	11,735	10,159
	Median	5,157	5,169	5,669	8,108	10,400	8,300
	SE	396	188	267	595	599	531
N = (2,336) unweighted		602	536	655	173	181	189

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English-domiciled students completing diary

6 Overall Financial Position

6.1 Summary of key findings

- Predictions for savings levels at the end of the academic year were remarkably similar among full- and part-time students at £2,553 and £2,513 respectively. Among full-time students, savings levels remained steady over time, however part-time students appeared to dig into their savings as the year progressed. Across this group, savings fell over the summer vacation from a high at the end of the previous year (for continuing students), and were predicted to fall further during the current academic year.
- Key differences in the level of savings were found for students from different socioeconomic backgrounds, different family circumstances and different ethnic backgrounds.
- Levels of borrowing among full-time students were over three times higher (at £8,889) than found among part-time students. In addition, full-time students were considerably more likely to borrow money (93 per cent had some form of borrowing compared to 62 per cent of part-time students). Full-time students' borrowing was predominantly made up of student loans (£7,961 out of £8,889). However, some full-time students had borrowed from commercial or 'higher cost' sources such as commercial credit companies (16 per cent) and via bank overdrafts (41 per cent), and where students had made use of these sources, the average amounts involved were substantial (£2,745 and £1,001 respectively).
- There was some difference in average borrowing levels of full-time students from different socio-economic backgrounds, and those from routine/ manual backgrounds were almost twice as likely to take on some form of commercial credit as those from managerial / professional backgrounds. There were higher levels of borrowing among full-time students operating under the old system of student finance (linked with variations by age and year of study to some extent). This was due to higher student loan debt but also higher levels of borrowing from commercial sources (which were almost twice as high as those found among new system students). Comparing old and new system students in intermediate years found they had similar average borrowing.
- Part-time students borrowed less heavily than full-time students (£2,783 on average), but tended to make more use of other sources such as commercial credit and bank overdrafts. Together these higher-cost sources accounted for 82 per cent of part-time students' borrowing (averaging £2,273). Average borrowings in the form of student loans were small.
- It is possible to estimate graduate debt (for final year students only, who are studying under the old system and therefore not paying variable tuition fees) by deducting predicted year-end savings from predicted year-end borrowings. For 2007/08 graduates this gives an average anticipated debt of £7,798 for full-time graduates and £441 for parttime ones. Thus net debt levels of full-time graduates are much higher than part-time graduates.
- Estimated net debt on graduation varied considerably in a number of ways, reflecting many of the variations noticed for savings and borrowing patterns. In particular, for full-time students, relatively higher net debt was predicted among students from routine and manual work backgrounds and those living away from their parental home. Students on Foundation degrees had significantly lower levels of net debt on graduation (linked partly to the shorter length of their course).

6.2 Introduction

Having considered students' income and expenditure in previous chapters, 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 students' overall financial position. In particular, we discuss: how students use, build up and deplete savings while studying in HE; how much students are borrowing and from which sources; and the extent of the debt they expect to have by the end of their course. The impact of this financial position, from the student perspective, is covered in Chapter 7.

It is important to note that no analysis has been undertaken of the net difference between students' reported total income and expenditure. This is in keeping with the established methodology set out in the Family Expenditure Survey and the previous waves of SIES (1998/99 and 2004/05) where savings and borrowing were examined separately from income and expenditure. The main reasons for this are:

- It reflects the aggregate nature of the data looking at total income and expenditure across all students (or groups of students) rather than incomings and outgoings of an average student.
- Students bridge the gap between income and expenditure in a number of ways, using savings, borrowing from families, banks or credit cards. In some cases the gap may be temporary and can be dealt with by simply 'doing without', delaying payments or economising on certain items.
- The survey accepts estimates and 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). We have also made assumptions about how income is shared between partners. Any detailed comparisons between income and expenditure of students are likely to exacerbate any measurement inaccuracies, and could lead to spurious results.

This chapter includes:

- An examination of savings or money 'set aside' at the beginning of the academic year, and estimates of levels of savings by the end of the academic year.
- Analysis of borrowing levels and patterns.
- An assessment of the overall financial position of the student body taking into account savings and borrowing to identify net debt.

6.3 Savings

6.3.1 Introduction

There are several ways of off-setting the financial demands of being a student, including taking on paid work to increase income (as highlighted in Section 3.5). However, another way is to rely on savings. This section examines how students use and build up or deplete savings while studying in HE.

Savings are defined in this section as money that students have 'set aside' and 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 that they do not intend to spend. Some individuals are defined as having shared financial responsibility with a partner (see Glossary in Chapter

1) - in these circumstances joint savings are taken into account, but the overall amount has been divided into two to provide individual estimates of savings.

6.3.2 Savings over time

Overall, more than half of students had savings at the beginning of the academic year: 65 per cent of full-time students and 55 per cent of part-time students. Predictions for the end of the year suggest that only a few full-time and part-time students will have exhausted their savings by then, as 60 per cent of full-time students and 52 per cent of part-time students still expected to have savings at this point. As the proportion of students reporting savings at different times varies only very 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, however the average (mean) was £2,553 for full-time students and almost exactly the same for part-time students at £2,513. Looking at the median figures indicates that half of full-time students had less than £500 set aside while half of part-time students had less than £100. A minority had very high levels of savings (ten per cent of full-time students had \pounds 7,000 or more, and ten per cent of part-time students had \pounds 6,500 or more).

Full-time students

Savings remained steady over time. In general, full-time continuing students (ie those who had already started HE, not first year or one year only students) had savings at the end of the previous academic year amounting to an average of £2,524. These students started the current academic year with an average of £2,645 and predicted they would end the year with £2,672.

Overall, full-time students (whether continuing or not) started this current academic year with an average of £2,575 in savings and predicted that by the end of the year they would have $\pounds 2,553$ (Table 6.1).

However, if we consider just those students with savings (65 per cent at the start of the year and 60 per cent at the end of the year), the average levels are much higher. Half of full-time 'savers' started the year with more than \pounds 2,000 in savings, and the average amount put aside at the start was \pounds 3,973; and half still predicted they would have at least \pounds 2,000 by the end of the year, with the average predicted at year-end increasing to \pounds 4,243.

Part-time students

Across part-time continuing students, average savings at the end of the previous year were £3,561. This level was largely maintained over the summer vacation period to £3,510 at the start of the academic year, then was predicted to fall over the current academic year to £3,004 (Table 6.1). Looking at all part-time students (whether continuing or not) levels of savings were also predicted to fall over the coming year - with average savings at the start of the academic year at £2,807 predicted to fall to £2,513 on average (Table 6.1). This can partly be explained by falling numbers of savers. While 61 per cent of continuing part-time students had money set aside at the end of the previous academic year, fewer reported having savings at the start of the year and fewer again predicted they would have savings at the end of the year (55 and 52 per cent respectively).

However, looking at saving levels among savers (Table 6.2) shows that not only are the numbers of savers falling slightly over time but the average amounts saved fall too. On average continuing students with savings finished the previous year with £5,801 set aside, but this fell to an average per saver of £5,101 at the start of this academic year and dropped again to £4,833 predicted for the end of this academic year.

		All full-time	Continuing full-time	All part-time	Continuing part-time
Savings at end of last academic year*	Mean	na	2,524	na	3,561
	Median	na	500	na	400
	SE	na	190	na	580
N = (1,608) unweighted ¹		na	1,295	na	335
Savings at start of academic year*	Mean	2,575	2,645	2,807	3,510
	Median	600	500	200	250
	SE	196	192	288	501
N = (2,620) unweighted ²		2,014	1,295	606	356
Predicted savings by end of academic	Mean	2,553	2,672	2,513	3,004
year*	Median	500	500	100	200
	SE	195	202	267	465
N = (2,686) unweighted ²		2,045	1,295	641	356

Table 6.1: Levels of savings (£): all English-domiciled students

* Note: figures adjusted for partner contributions where relevant

¹ Base: all English-domiciled students in their second year or above (answering the question)

² Base: all English-domiciled students (answering the question)

Source: NatCen / IES SIES 2007/08

6.3.3 Predicted savings by end of the academic year

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 and study-related characteristics. Those where the differences appear greatest are discussed below, separately for full-time students and for 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 short of savings (tying in with lower assessments of financial well-being discussed in Chapter 7), and also greater levels of poverty among this group in the general population.

		Full-time	Part-time
Savings at end of last	Mean	4.209	5.801
academic year*	Median	2.000	2.000
	SE	276	829
	Percentage	60	61
N = (1,608) unweighted ¹	No. in receipt (unweighted)	756	204
Savings at start of academic year*	Mean	3,973	5,101
	Median	2,000	2,500
	SE	247	486
	Percentage	65	55
N = (2,620) unweighted ²	No. in receipt (unweighted)	1,267	339
Predicted savings by end of	Mean	4,243	4,833
academic year*	Median	2,000	2,000
	SE	278	448
	Percentage	60	52
	No. in receipt	1,198	324
N = (2,686) unweighted ²	(unweighted)	2,045	641

Table 6.2: Levels of savings (£): all English-domiciled students with savings

* Note: figures adjusted for partner contributions where relevant

¹ Base: all English-domiciled students in their second year or above (answering the question)

² Base: all English-domiciled students (answering the question)

Source: NatCen / IES SIES 2007/08

Full-time students

The main difference in savings levels for full-time students were by socio-economic background, family circumstances and ethnicity. Those from managerial and professional backgrounds had average predicted savings levels of £3,221 (Figure 6.1), which were almost twice as high as those found across students from routine and manual work backgrounds (only £1,745). This higher socio-economic group were more likely to predict they would have savings than those from routine or manual backgrounds (66 per cent compared with 55 per cent).

Figure 6.1: Levels of savings by socio-economic background, English-domiciled full-time and part-time students (£)



Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

Lone-parent families were the least likely to have any savings by the end of the year (at just 30 per cent). Across all lone-parents the average level of predicted savings was only £712, indicating the financial vulnerability of this group (Figure 6.2). Couples without children and single students had the most savings (with predicted averages of £2,881 and £2,644 respectively); and were unsurprisingly the most likely to have savings (65 and 62 per cent respectively).



Figure 6.2: Levels of savings for English-domiciled students, by family type (£)

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

Predicted savings were considerably lower among BME students (Figure 6.3), indeed the average level (£1,274) was less than half that found among white students (£2,799). Black/black British students had average savings of only £385, and just over one-third (37 per cent) felt they would have savings at the end of the year. These patterns remain even when taking into account socio-economic backgrounds. So within professional and managerial families, average savings levels of BME students were considerably lower than those of white students (£1,906 and £3,348 respectively). This was also the case when focusing on students from intermediate backgrounds (£1,505 and £2,734 respectively) and on those from routine and manual work backgrounds (£713 and £2,021 respectively).

Figure 6.3: Levels of savings by ethnicity, English-domiciled full-time students (£)



Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08

Exploring within groups differences indicates that other groups with relatively lower levels of predicted savings (although the differences were smaller) were:

- students who lived at home with their parents during term-time (£2,220, compared with those living away with £2,656); and, of those living away from home, students living in private rented accommodation rather than in university accommodation (£1,921 and £2,717 respectively)
- students with a disability (£2,051 compared with £2,659 for those without a disability).

Whilst independent students had similar average levels of savings to dependent students, a considerably smaller proportion of independent students anticipated having any savings at the end of the academic year (45 per cent compared to 65 per cent among dependent students).

Looking at HE study characteristics, other groups with relatively lower savings at the end of the year were:

- old system students, who when compared with new system students at a similar point in their HE career (second year) - had lower average savings (£2,033 compared with £2,637)
- students in further education colleges (£1,628, compared with £2,568 among those in an English HEI and £3,119 among those in a Welsh HEI)
- those living in London (£2,075, compared with those living elsewhere £2,619)
- and those following Foundation degree courses (£1,415, although this may be due to the shorter course, compared with £2,625 for those following Bachelor degrees or HND/C courses, and £2,848 for those following PGCE or ITT programmes).

New system students in receipt of a maintenance or special support grant predicted average savings were considerably lower (\pounds 1,793) than found among non-recipients (\pounds 2,937).

Part-time students

Among part-time students, patterns of saving varied considerably by socio-economic background, family circumstances and ethnicity. The amounts individuals predicted they would be able to set aside by the end of the year decreased from an average of £3,314 among students from managerial and professional backgrounds, to £2,002 among those from routine or manual backgrounds. In fact, those from routine or manual backgrounds were the most likely to predict having savings by the end of the year (60 per cent) but the amount was much lower at approximately half that of those from other socio-economic backgrounds. Lone-parents were the most financially precarious, with just £654 in average predicted savings by the end of the year. This contrasts strongly with an average of £3,032 found among couples with children. As with full-time students, part-time students from black and minority ethnic backgrounds had substantially lower levels of predicted savings (for the end of the year) than predicted for white students, at £1,140 and £2,686 respectively; and only one-third (33 per cent) of them predicted any savings by the end of the year. Part-time students reporting a disability had considerably higher savings levels (at £3,796) than students without a disability (£2,177).

Other (smaller) differences were noted by different student and study characteristics, and those with relatively lower levels of savings were:

- following HE courses at further education colleges (£1,402) or following courses with the Open University (£1,340, compared with average savings of £3,075 among those studying in English HEIs)
- in their first year of their course (£1,859, compared to £2,912 and £2,777 for those mid course and those in their final year respectively)
- studying human or social sciences (including business and law, £1,746), indeed in contrast to full-time students, part-time students studying subjects allied to health had the highest average predicted levels of savings (£3,865).

Students aged 40 and older had significantly higher levels of savings than those in younger age groups (averaging £3,575).

6.4 Borrowings

6.4.1 Introduction

Students have access to a wide range of borrowing options and, as has been widely discussed in the media, they can accrue substantial debt over the duration of their course.

The main categories of borrowing discussed in this section are:

- commercial sources of credit, such as bank loans, credit cards and any hire-purchase agreements
- bank overdrafts
- arrears, including any outstanding unpaid bills
- informal loans, such as borrowing from family and friends

- Career Development Loans
- student loans, including student loans for maintenance and student loans for fees (for the current academic year) as well as amounts owing from previous years
- any outstanding (and repayable) Access to Learning Funds (ALF) for those studying in an HEI in England, or Financial Contingency Funds (FCF) for those studying in an HEI in Wales.

6.4.2 Full-time students

Overall, average levels of borrowing among full-time students were over three times higher than found among part-time students (see Section 6.4.3). Borrowing was almost universal among full-time students, with 93 per cent having some form of borrowing (Table 6.4). Their predicted levels of borrowing by the end of the academic year were, on average, £8,889; over half would owe £7,900 (Table 6.3). For full-time students the key component of borrowing is student loan debt - comprising the student loan for fees and student loan for maintenance for the current academic year, plus any unpaid student loans from previous years - which accounted for 90 per cent of all borrowing (Figure 6.5). The average amount of student loan debt was £7,961 and half of all full-time students owed £7,070 or more. Levels of student loan take-up were high (see Chapter 3) and 88 per cent still had outstanding loan debt (Table 6.4).

Other sources contributed very little to the overall level of borrowing for full-time students. Overall, average levels of commercial credit and overdrafts (together referred to as borrowing from commercial sources) were similar at just over £400 each (£440 and £414 respectively). Two-fifths of students had an overdraft (41 per cent) while less than one-fifth (16 per cent) had taken out commercial credit (Table 6.4). However, where students had used these sources, they tended to borrow relatively heavily from them: the average amount owed in commercial credit was £2,745 and in overdrafts £1,001 (Table 6.4).

Amounts owing in arrears or taken out as informal loans were smaller still, while Career Development Loans and outstanding Access to Learning Funds or Financial Contingency Funds had virtually no impact on average borrowing levels.

		Full-time	Part-time
Commercial credit*	Mean	440	2,081
	Median	0	0
	SE	53	243
Overdraft*	Mean	414	192
	Median	0	0
	SE	19	29
Arrears*	Mean	50	69
	Median	0	0
	SE	8	18
Informal loans	Mean	23	8
	Median	0	0
	SE	13	5
Career Development Loans	Mean	1	0
	Median	0	0
	SE	1	0
Outstanding student loan debt	Mean	7,961	430
	Median	7,070	0
	SE	202	69
Outstanding Access to Learning Funds	Mean	1	2
(if to be repaid)	Median	0	0
	SE	1	2
Estimated total borrowing at end of	Mean	8,889	2,783
year*	Median	7,900	600
	SE	210	252
N = (2,686) unweighted		2,045	641

Table 6.3: Total student borrowing and main sources of student borrowing for English-domiciled students, by full-time and part-time status (f)

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

		Full-time	Part-time
Commercial credit*	Mean	2,745	4,406
	Median	1,000	2,600
	SE	224	376
	Percentage with borrowing	16	47
Overdraft*	Mean	1,001	723
	Median	1,000	500
	SE	30	74
	Percentage with borrowing	41	27
Arrears*	Mean	594	771
	Median	400	500
	SE	59	131
	Percentage with borrowing	9	9
Informal loans	Mean	1,142	1,398
	Median	400	1,000
	SE	79	0
	Percentage with borrowing	2	1
Career Development Loans	Mean	1,303	0
	Median	900	0
	SE	0	0
	Percentage with borrowing	**	0
Outstanding student loan debt	Mean	9,079	4,261
	Median	8,169	3,300
	SE	169	403
	Percentage with borrowing	88	10
Outstanding Access to Learning	Mean	893	610
Funds (if to be repaid)	Median	1,000	610
	SE	0	0
	Percentage with borrowing	**	**
Estimated total borrowing at	Mean	9,578	4,475
end of year*	Median	8,755	2,600
	SE	189	318
	Percentage with borrowing	93	62
N = (2,686) unweighted		2,045	641

Table 6.4: Levels of borrowing for English-domiciled students: those with borrowing, by full-time and part-time status (£)

* Note: figures adjusted for partner contributions where relevant

** Note: less than half of one per cent

Base: all English-domiciled students



Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

Figure 6.5 and 6.6: Proportion of overall borrowing attributed to main sources, all Englishdomiciled students



Differences by student and study characteristics

Borrowing patterns among full-time students varied according to a range of characteristics, with the greatest differences according to: age, family status, ethnicity, living arrangements, type of institution and course, and subject of study.

Although borrowing among old and new system students is compared in Table A6.4, this is not a particularly valid comparison given that old system students are more likely to be in later years of study and therefore to have accumulated higher debts. A more robust way of comparing differences in borrowing is to look at the difference between first year students in 2004/05 and 2007/08 (presented in Chapter 9). Another approach is to compare old and new system students at the same point in their HE career (ie in the second year of their course). This indicates that new system students at the end of their second year owed more than old system students at the same point (£9,916 compared with £9,317). This is due to higher levels of student loan debt (£9,137 compared with £7,940) despite lower levels of commercial borrowing (£700 and £1,259).

Those from managerial and professional backgrounds had lower levels of borrowing (£8,657 compared to £9,400 among those from routine/manual backgrounds; see Table A6.8). This difference was largely due to lower levels of student loan debt, which can be explained by the reduced student loan for maintenance amount available to those from high income backgrounds. Those from routine and manual work backgrounds had slightly higher levels of borrowing from commercial credit than found for those from higher socio-economic backgrounds (£580 compared with £408), and the former were almost twice as likely to take on a commercial form of credit (23 per cent compared to 13 per cent).

Other notable differences were as follows:

- Borrowing from commercial sources (that is, commercial credit plus bank overdraft) significantly increased with age, standing at £2,081 for those aged 25 or more at the start of the academic year, compared to £862 among 20 to 24 year olds and only £246 amongst those aged below 20. Almost half of mature students (47 per cent) had a commercial loan compared to 15 per cent of those in their early 20s, and only three per cent of those under 20 at the start of the academic year. For full-time mature students, commercial sources were an important way of supporting their studies, and this group relied less heavily on the alternative lower cost option of a student loan. Indeed, considerably fewer mature students compared to 90 and 91 per cent respectively). Overall, younger students (those under 20) had the lowest average borrowing (£7,159), due to lower borrowing from commercial sources and from student loans (although the latter is explained by less time in HE).
- Lone parent families had the highest levels of borrowing (averaging £10,915), in contrast to couples with children (£7,552) who had the lowest levels of borrowing of any family type (due to their low levels of student loan debt). Lone parents had higher levels of borrowing from all sources including (on average) £2,012 from commercial sources and £8,370 from student loans. It is perhaps important to note that over half of lone parents (55 per cent) took out a commercial loan, compared to only 11 per cent of single students. In general, students without partners and/or children had considerably lower levels of borrowing from commercial sources.

- Black and minority ethnic students had, on average, lower levels of overall borrowing, due mainly to lower levels of student loan debt (particularly among black/black British students). The overall borrowing level for this group was £7,787 compared to £9,105 for white students, including student loan debt of £6,829 compared with £8,183. Generally, students from black and minority ethnic backgrounds had considerably higher levels of arrears and informal loans (the latter was relatively more important to those from Asian / Asian British backgrounds) than found among white students.
- Levels of borrowing were greater among those who lived away from their parental home during term-time. These students borrowed on average £9,530 compared to £6,823 amongst those living with their parents. This is largely explained by differences in student loan debt. Those living away from home are eligible for a higher loan amount and indeed the average amount owed in loans was higher at £8,519 (compared to £6,162). Analysis of the take-up of student loans (discussed in Chapter 3) finds that whilst 75 per cent of full-time students living away from home take out a loan for maintenance, only 59 per cent of those living with their parents do so. Those living away from home also had greater levels of borrowing from commercial sources.
- Independent students had only marginally higher borrowing levels than dependent students. (£9,334 compared to £8,760) but the borrowing pattern differed considerably. Independent students were more reliant on commercial credit than dependent students, accounting for 16 per cent of their borrowing (compared to only two per cent for dependent students). Almost half of all independent students had a commercial loan (43 per cent) compared with just eight per cent of dependent students, and their average level of commercial credit was considerably higher at £1,457 compared with £143. However, this is likely to reflect the age profile of independent students. Independent students also had lower levels of student maintenance loans than dependent students and were less likely to have taken one out (57 per cent compared with 76 per cent).
- While there was no significant difference in overall borrowing between those who were renting privately and those in university accommodation, the former did have considerably higher levels of commercial credit (£1,134 compared to £166), and a greater likelihood of relying on this form of borrowing (40 per cent compared to eight per cent of students living in university accommodation). This group also had higher levels of arrears (£176 compared with £33).
- Disabled students not only had higher levels of borrowing overall (averaging £9,966), but also higher levels of borrowing from each source, than students without disabilities (who averaged £8,673).
- Those studying in further education colleges had much lower borrowing levels at £6,515 compared to £8,857 among those studying in higher education institutions, driven by much lower student loan borrowing. Their lower average for student loan debt could be explained by the likelihood of this group following shorter courses and therefore having less time to accumulate this type of debt. Indeed, 62 per cent of FE students were in their first year of study compared to 35 per cent of those studying at an English HEI.
- Medical students had by far the highest average borrowing levels of any subject group, at £10,357, mainly due to a higher estimated student loan debt. This reflects the greater number of student loans that medical students can take out as a result of the longer length of their courses. Indeed, whilst 26 per cent of medical students were in their first year of study (compared to 36 per cent of those following other subjects), 25 per cent were in their fourth year or above (compared to only five per cent of those across other subjects). When taking year of study into consideration, it is only in year four and above when average borrowing levels of medics outstrips those of non-medics. Medical students also

had higher levels of borrowing from commercial sources, particularly in the latter years of study (fourth year and above), as well as higher arrears, compared to those studying other subjects.

- Those studying subjects allied to medicine had the lowest average borrowing, mainly due to their small student loan debt almost half the level of that found amongst medical students (£4,710 compared to £8,837). This could be explained by the levels of sponsorship available to these students from the NHS (see Chapter 3) reducing the need to take out a student loan. Indeed, only 63 per cent of those studying subjects allied to medicine had any student loan debt.
- It is difficult to discern a clear pattern of changes in borrowing levels by year of study, due to the change in the student funding regime. As already discussed, those further into their courses are covered by the old system whereas those in their first year are funded through the new system, and those mid-course may operate under either. Nevertheless, it is interesting to note that those studying for PGCE / ITT qualifications essentially postgraduate qualifications had considerably higher levels of borrowing (£11,348), and particularly higher levels of student loan debt (£9,970) which is a clear indicator of the build up of debt over time in HE. In contrast, those studying for Foundation degrees (which generally take two years) had the lowest average levels of borrowing overall (at £4,762), and of student loan debt (at £3,466).
- Full-time English-domiciled students studying in Wales had higher levels of debt than those who stayed in England to study, borrowing on average £9,976 compared to £8,857. This was due to higher amounts of student loan debt.
- The average borrowing levels of those new system students in receipt of grant support (maintenance or special support grant) was relatively higher than found for non-recipients (£8,979 compared with £6,904). This is largely due to relatively higher levels of student loan debt (£8,195 compared to £6,255).

6.4.3 Part-time students

There is a considerable difference in both the level and make-up of borrowing amongst parttime students compared to full-time students. Across part-time students, the predicted levels of borrowing by the end of the academic year were, on average, £2,783 but only half predicted they would owe £600 or more (Table 6.3). Indeed only 62 per cent of part-time students had some form of borrowing, compared to 93 per cent of full-time students.

For part-time students the key component of borrowing was commercial credit, at £2,081 on average, which accounted for almost 75 per cent of total average borrowing. In contrast to full-time students, average borrowings in the form of student loans were small (presumably accrued during earlier periods of study as part-time students are not eligible for student loan support), at around £430. Only a small proportion, 10 per cent of part-time students, had outstanding student loans, but for this group they represented a significant debt, on average £3,300 (Table 6.4).

Differences by student and study characteristics

There was some difference in borrowing patterns for those from different socio-economic backgrounds: those from routine/manual backgrounds had the lowest average borrowing ($\pounds 2,698$), and particularly of commercial credit. Those from intermediate occupational backgrounds had the highest borrowing, at $\pounds 3,330$.

The main variations in borrowing among part-time students related to their gender, age, family type, ethnicity, subject of study and time on course. Specifically:

- Average borrowing increased with age through the 20s and 30s, but declined after 40. This reflects the pattern of borrowing from commercial sources where levels tailed off among students aged 40 or over. The average borrowing for those aged under 25 was £2,307 compared to £3,228 among those in their late 20s, £3,693 in their 30s, and £2,382 in their 40s or older.
- Reflecting the pattern found among full-time students, lone parents had the highest average borrowing at £4,288, considerably more than found among those students with a partner. This is due to higher levels of borrowing from commercial sources (particularly credit, but also bank overdrafts, at averages of £3,494 and £237 respectively).
- Part-time students following courses in education had the highest levels of borrowing (£3,925), driven by high levels of borrowing from commercial credit (£3,381). This contrasts strongly with students studying creative arts, languages and humanities subjects where levels of borrowing overall and from commercial credit sources were considerably lower (£1,448 and £651).
- Levels of borrowing amongst part-time students increased over time in HE. Those in their first year had lower levels of borrowing compared to those in their final year (£2,271 compared to £3,219) mainly due to increasing levels of commercial credit.

6.5 Estimated student net debt

6.5.1 Introduction

By comparing student savings and borrowings, it is possible to consider a student's overall financial position. Student net debt has been calculated by subtracting the amount of savings that individuals predicted they would accrue by the end of the academic year, from the amount of debt or borrowing they predicted they would owe by the same 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 (net) debt on graduation, regardless of the length of their course. In this section, therefore, the situation for all students is examined in brief but the main focus is placed on the overall financial situation of final year students. It should be noted that students in their final year are likely to be covered by the old system of student finance (which among other aspects means lower tuition fees).

6.5.2 All students

Full-time students estimated their overall levels of debt would be £6,337 by the end of the academic year (Table 6.5). However, levels of debt for full-time students increased dramatically by year of study (Table 6.6). First year students estimated that they would owe an average of £3,518, those mid-course £7,559, and final year students £7,798. Looking at students under different support systems shows that second year students under the old system estimated they would owe £7,284 at the end of the academic year whilst second year new system students had estimated year-end debt of £7,278 – almost exactly the same (Table A6.27).

Part-time students had much smaller debts (an average of £269), and at least half reported they would have no debt by the end of the year (Table 6.5). Debt levels varied across the years of study (Table 6.6). Those in their first year had an average deficit of £413, those mid course had savings (rather than debt) of £84, and those in their final year of study owed on average £441.

		Full-time	Part-time
Savings*	Mean	2,553	2,513
	Median	500	100
	SE	195	267
Estimated total borrowing at end of year*	Mean	8,889	2,783
	Median	7,900	600
	SE	210	252
Estimated net debt at end of year*	Mean	6,337	269
	Median	6,455	0
	SE	286	384
N = (2,686) unweighted		2,045	641

Table 6.5: Student net debt for all English-domiciled students (£)

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

6.5.3 Final year students

As we have seen, net debt levels of full-time students were much higher than part-time students. This is particularly marked when considering final year students. The final year net debt figures include results for 70 full-time and 38 part-time students who are taking one-year courses (following the methodology established in the 2004/05 SIES analysis). This ensures that the estimates for savings, borrowings and net debt are reflective of students' final position on leaving HE regardless of length of course. The average level of net debt for full-time students on one-year courses was £9,631: this is higher than found for those full-time students in the final year of a longer course (£7,613). As well as studying under the new student finance system (and thus having higher tuition fees/increased likelihood of taking out a tuition fee loan compared with final year students), many of these students were doing PGCE courses and hence their net debt for part-time students on one-year courses was £432, compared to £444 found for part-time students in the final year of a longer course.

Table 6.6: Student net debt for English-domiciled students, by year of study (£)											
		Full-time				Part-time					
		First year	Other years	Final year or 1 year course	Final year (excl- uding 1 year course)	First year	Other years	Final year or 1 year course	Final year (excl- uding 1 year course)		
Savings*	Mean	2,318	2,598	2,726	2,747	1,859	2,912	2,777	2,909		
	Median	400	650	300	300	0	200	200	125		
	SE	345	246	258	265	296	458	655	775		
Estimated total borrowing at end of year*	Mean	5,835	10,156	10,524	10,359	2,271	2,828	3,219	3,352		
	Median	6,370	11,000	11,000	11,000	480	750	1,000	1,100		
	SE	166	287	349	319	396	377	385	374		
Estimated net debt at end of year*	Mean	3,518	7,559	7,798	7,613	413	-84	441	444		
	Median	4,670	8,485	8,985	8,940	0	0	0	0		
	SE	423	350	413	404	565	597	711	761		
N = (2,686) unweighted		680	613	752	682	212	207	222	184		

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

Full-time students

Estimated net debt among final year full-time students varied significantly according to a range of characteristics. These reflect some of the differences already outlined in levels of savings and borrowing for different groups. A multiple linear regression model (Table A6.28) was developed to determine which student and study characteristics were most strongly associated with variations in overall net debt, and significant differences were found to be associated with socio-economic background, whether living at home with parents while studying, and qualification type. Significant differences found were:

- Those from lower socio-economic backgrounds had higher levels of net debt. Students from managerial and professional backgrounds had an average net debt of £6,604 compared with £9,501 among those from routine/manual backgrounds. This is due to much lower levels of savings among those from routine/manual backgrounds (around half of that found for managerial and professionals). Focusing only on students in the final year of a two-year course or longer (i.e. excluding those on a one-year course), those from managerial and professional backgrounds had an average debt of £6,671 compared with £9,142 among those from routine/manual backgrounds.
- Full-time students living away from their parental home during term-time had significantly higher levels of net debt, £8,810 compared to £4,766 for those living at home. This is due to much higher levels of borrowing (although it should be noted that students living away from home can borrow a larger amount of student loan for maintenance). These figures perhaps suggest that living at home is a successful strategy for reducing student debt. It is also interesting to note that these students may have more concerns about finances than others, as indicated by their greater likelihood of citing financial reasons for considering dropping out (see Chapter 7). Focusing on students in the final year of a two-year course
or longer, debt levels were still considerably higher among those living away from home (£8,648 compared to £4,457).

Students doing a Foundation degree⁴² had lower levels of net debt, once other factors were controlled for in the regression. This is in part due to the shorter nature of Foundation degrees than other types of qualification. Foundation degree students had projected net debt of £2,259 compared with £8,028 among students doing degrees or HNDs/HNCs and £8,935 among those studying for PGCE and other ITT qualifications.

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

- Those from black and minority ethnic backgrounds had lower levels of net debt £6,469 compared to £8,070 found amongst white students. Whilst black and minority ethnic students had, on average, lower savings, this was offset by lower levels of borrowing. The lowest net debt was found amongst students from Asian/Asian British backgrounds (£5,401⁴³) due to significantly lower borrowing. Focusing on students in the final year of a two-year course or longer finds that average debt levels were still lower among those from black and minority ethnic backgrounds (£6,484 compared to £7,816).
- Disabled students had much higher average net debt at £10,534 (compared to £7,183 among students without disabilities), due to a combination of higher borrowing and lower savings. Removing those on one year only courses, gives average net debt figures of £10,371 among disabled students compared to £6,972 among students who were not disabled.
- Those studying in Welsh institutions had much higher net debt levels (£9,846 compared to £7,727), due to higher average borrowing levels combined with lower average savings. In contrast, those studying in a further education institution (in England) had the lowest net debt at £5,806. Again, removing the influence of those on one year only courses, gives an average net debt of £9,886 among students studying in Wales and £7,352 for those in England.

Part-time students

As noted, although levels of savings among part-time students were similar to those of fulltime students, part-time students were less likely to borrow money and, when they did, borrowed less. This results in predicted levels of average net debt which are much smaller for part-time compared to full-time students (averaging £441 compared with £7,798 and £444 compared with £7,613 excluding those on a one-year course). Indeed, at least half of parttime students completed their course with no debt at all. The relatively low proportion of parttime students who had net debt combined with the large variability among those who did means that there were few significant differences by student or HE study characteristics.

⁴² This figure should be treated with caution as the unweighted base size is less than 50 (N=48 all finalists, and 46 for those on courses longer than one year).

⁴³ This figure should be treated with caution as the unweighted base size is less than 50 (N=48).

6.6 Additional tables

				-					
		Full-ti	ime		Part-time				
	Mean	Median	SE	Base**	Mean	Median	SE	Base**	
All students	2,553	500	195	2,045	2,513	100	267	641	
Gender									
Male	2,718	500	297	632	3,043	500	620	167	
Female	2,431	400	207	1,412	2,151	0	299	472	
Socio-economic background									
Managerial / professional	3,221	900	312	986	3,314	250	597	302	
Intermediate	2,502	400	244	353	2,409	0	615	99	
Routine / manual	1,745	200	247	437	2,002	300	291	139	
Family situation									
Two-adult family	1,602	0	342	148	3,032	375	509	199	
Lone-parent family	712	0	330	70	654	0	211	75	
Married or living in couple	2,881	500	560	161	2,289	0	480	170	
Single	2,644	500	230	1,666	2,794	300	680	197	
Ethnicity									
White	2,799	500	221	1,715	2,686	200	295	578	
Asian / Asian British	1,438	200	237	135	_1	-	-	21	
Black / Black British	385	0	100	84	-	-	-	26	
Mixed / other	1,671	250	423	106	-	-	-	14	
Black and minority ethnic group	1,274	10	160	325	1,140	0	297	61	
Disability									
Disabled	2,051	200	292	350	3,796	450	1,038	136	
Non-disabled	2,659	500	224	1,692	2,177	0	251	503	

Table A6.1: Predicted savings (£): Key differences, all English-domiciled students

* Note: figures adjusted for partner contributions where relevant

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

** N = unweighted

Base: all English-domiciled students

Table A6.2: Predicted savings (£): Other differences – student background, all Englishdomiciled students

		Full-ti	me		Part-time			
	Mean	Median	SE	Base**	Mean	Median	SE	Base**
All students	2,553	500	195	2,045	2,513	100	267	641
Age (at the start of the academic year)								
Under 20	2,359	700	213	676				
20-24	2,652	500	234	930				
25 +	2,697	0	537	437				
Under 25					2,168	500	414	118
25-29					2,126	0	617	80
30-39					1,597	0	277	177
40+					3,575	0	748	265
Whether lives with parents								
Yes	2,220	600	216	469				
No	2,656	400	237	1,576				
Tenure								
Owning / buying	3,206	100	527	230				
Renting privately	1,921	0	826	221				
University accommodation	2,717	500	257	1,090				
Living with parents or relatives	2,220	600	216	469				
Student status								
Dependent	2,544	600	197	1,500	na	na	na	na
Independent	2,583	0	442	545	2,513	100	267	641
Parental experience of HE								
Yes	2,861	600	266	1,073	2,431	100	434	204
No	2,221	240	244	959	2,583	150	356	432
Receipt of Maint Grant or SSG new system students only								
Yes	1,793	300	248	535				
No	2,937	500	345	712				

* Note: figures adjusted for partner contributions where relevant

** N = unweighted

Base: all English-domiciled students

Table A6.3: Predicted savings (£): Other differences – HE study characteristics, all Englishdomiciled students

	Full-time				Part-time				
	Mean	Median	SE	Base**	Mean	Median	SE	Base**	
All students	2,553	500	195	2,045	2,513	100	267	641	
Funding system (and year of study)									
Student on old system:	2,723	400	242	798	2,714	375	480	212	
Second year	2,033	300	431	97					
Third year	2,814	300	307	530					
Fourth year	3,009	600	452	112					
Fifth year +	(1,923)	(100)	(707)	49					
Student on new system:	2,442	500	231	1,247	2,731	200	499	340	
First year	2,320	400	315	740					
Second year	2,637	600	246	501					
Institution type									
English HEI	2,568	500	206	1,716	3,075	250	385	439	
Welsh HEI	3,119	800	561	136	_1	-	-	29	
FEC	1,628	0	423	193	1,402	0	241	84	
OU	na	na	na	na	1,340	0	364	89	
Year of course									
First year	2,318	400	345	680	1,859	0	296	212	
Other year	2,598	650	246	613	2,912	200	458	207	
Final year or one-year course	2,726	300	258	752	2,777	200	655	222	
Institution location									
England	2,536	500	200	1,909	2,716	200	311	523	
Wales	3,119	800	561	136	-	-	-	29	
OU	na	na	na	na	1,340	0	364	89	
Whether living in London									
London	2,075	200	310	277	(1,161) ²	(0)	(316)	41	
Elsewhere	2,619	500	223	1,632	2,616	200	280	571	
Subject									
Medicine / Dentistry	2,566	200	481	170	-	-	-	13	
Subjects allied to medicine	1,960	100	391	144	3,865	300	1,031	82	
Sciences / Engineering / Technology / IT	3,045	1,000	387	430	2,630	300	468	136	
Human / Social Sciences / Business / Law	2,288	400	257	497	1,746	0	315	178	
Creative Arts / Languages / Humanities	2,827	400	448	459	2,270	0	690	93	
Education	2,140	400	338	205	2,978	200	1,712	100	
Combined / other	2,098	100	360	140	(2,795)	(20)	(1,090)	39	

		Full-tir		Part-time				
	Mean	Median	SE	Base**	Mean	Median	SE	Base**
Type of programme								
Bachelor degree, HNC/D	2,625	500	205	1,767	2,807	50	368	439
Foundation degree, non- degree	1,415	100	412	178	1,932	200	316	202
PGCE / ITT	2,848	400	631	100	na	na	na	na

* 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
- ** N = unweighted

Base: all English-domiciled students

Table A6.4: Total student borrowing and main sources of student borrowing for English-domiciled full-time students, by old system/new system status and year of study, (£)

		Old system					New system			
		Year 2	Year 3	Year 4	Year 5 +	Total	Year 1	Year 2	Total	
Commercial credit*	Mean	691	544	436	(1,514) ¹	574	373	318	353	
	Median	0	0	0	(0)	0	0	0	0	
	SE	195	105	150	(609)	81	66	66	54	
Overdraft*	Mean	568	550	687	(1,449)	592	235	382	297	
	Median	300	50	250	(1,700)	200	0	0	0	
	SE	71	31	76	(137)	25	23	38	25	
Arrears*	Mean	118	60	49	(197)	69	29	49	38	
	Median	0	0	0	(0)	0	0	0	0	
	SE	71	15	25	(134)	17	6	13	5	
Informal loans	Mean	0	29	84	(17)	31	10	28	17	
	Median	0	0	0	(0)	0	0	0	0	
	SE	0	26	47	(14)	19	5	21	9	
Career Development Loans	Mean	0	2	0	(36)	2	0	0	0	
	Median	0	0	0	(0)	0	0	0	0	
	SE	0	2	0	(37)	1	0	0	0	
Outstanding student loan debt	Mean	7,940	8,707	12,548	(14,507)	9,296	5,670	9,137	7,094	
	Median	8,210	9,705	13,130	(15,100)	9,900	6,315	10,340	6,455	
	SE	655	340	621	(1,472)	331	200	274	191	
Outstanding Access to Learning Funds	Mean	0	0	0	(0)	0	2	2	2	
(if to be repaid)	Median	0	0	0	(0)	0	0	0	0	
	SE	0	0	0	(0)	0	1	2	1	
Estimated total borrowing at end of	Mean	9,317	9,891	13,803	(17,719)	10,565	6,318	9,916	7,802	
year*	Median	9,212	10,900	14,000	(18,000)	11,000	6,400	11,120	6,655	
	SE	758	360	719	(1,554)	343	234	241	198	
N = (2,039) unweighted		97	530	112	49	798	740	501	1,247	

* 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

Base: all English-domiciled full-time students Source: NatCen/ I ES SIES 2007/08

Table A6.5: Total student borrowing and main sources of student borrowing for English-domiciled students, by gender (\pounds)

		Full	-time	Part	-time
		Male	Female	Male	Female
Commercial credit*	Mean	323	530	1,883	2,223
	Median	0	0	0	0
	SE	66	64	374	332
Overdraft*	Mean	427	402	158	217
	Median	0	0	0	0
	SE	29	19	46	33
Arrears*	Mean	51	50	79	62
	Median	0	0	0	0
	SE	9	9	33	20
Informal loans	Mean	30	17	5	5
	Median	0	0	0	0
	SE	16	11	5	4
Career Development Loans	Mean	0	1	0	0
	Median	0	0	0	0
	SE	0	1	0	0
Outstanding student loan debt	Mean	8,154	7,813	397	454
	Median	7,468	6,780	0	0
	SE	339	194	99	79
Outstanding Access to	Mean	0	2	5	0
Learning Funds (if to be repaid)	Median	0	0	0	0
. ,	SE	0	1	4	0
Estimated total borrowing at	Mean	8,985	8,816	2,526	2,962
end of year*	Median	8,283	7,660	500	750
	SE	377	181	367	360
N = (2,683) unweighted		632	1,412	167	472

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

		Under 20	20-24	25+
Commercial credit*	Mean	30	309	1,639
	Median	0	0	0
	SE	14	49	183
Overdraft*	Mean	216	553	442
	Median	0	0	0
	SE	21	28	37
Arrears*	Mean	13	50	128
	Median	0	0	0
	SE	4	11	21
Informal loans	Mean	25	15	38
	Median	0	0	0
	SE	15	6	34
Career Development Loans	Mean	0	2	0
	Median	0	0	0
	SE	0	1	0
Outstanding student loan	Mean	6,874	9,146	6,991
debt	Median	6,455	9,642	6,345
	SE	201	296	567
Outstanding Access to	Mean	0	1	3
Learning Funds (if to be repaid)	Median	0	0	0
	SE	0	1	3
Estimated total borrowing	Mean	7,159	10,076	9,240
at end of year*	Median	6,455	10,625	7,700
	SE	198	312	628
N = (2,043) unweighted		676	930	437

Table A6.6: Total student borrowing and main sources of student borrowing for Englishdomiciled full-time students, by age group at start of the academic year (\pounds)

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled full-time students, where age was given

		Under 25	25-29	30-39	40 or over
Commercial credit*	Mean	1,225	2,826	2,844	1,985
	Median	0	600	500	0
	SE	345	692	444	327
Overdraft*	Mean	178	117	204	222
	Median	0	0	0	0
	SE	62	30	36	56
Arrears*	Mean	62	18	78	86
	Median	0	0	0	0
	SE	42	10	35	26
Informal loans	Mean	7	9	21	0
	Median	0	0	0	0
	SE	7	9	20	0
Career Development Loans	Mean	0	0	0	0
	Median	0	0	0	0
	SE	0	0	0	0
Outstanding student loan	Mean	835	258	546	83
debt	Median	0	0	0	0
	SE	161	121	168	38
Outstanding Access to	Mean	0	0	0	6
Learning Funds (if to be repaid)	Median	0	0	0	0
-17	SE	0	0	0	5
Estimated total borrowing	Mean	2,307	3,228	3,693	2,382
at end of year*	Median	400	1,250	1,100	250
	SE	401	689	511	329
N = (640) unweighted		118	80	177	265

Table A6.7: Total student borrowing and main sources of student borrowing for English-domiciled part-time students, by age group at start of the academic year (\pounds)

N = (640) unweighted

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled part-time students

Table A6.8: Total student borrowing and main sources of student borrowing for Englishdomiciled students, by social class (NS-SEC)(£)

			Full-time			Part-time	
		Managerial and professional	Inter- mediate	Routine, manual and unemployed	Managerial and professional	Inter- mediate	Routine, manual and unemployed
Commercial	Mean	408	526	580	2,253	2,810	1,590
credit*	Median	0	0	0	100	450	0
	SE	84	114	79	296	693	455
Overdraft*	Mean	420	411	406	167	188	226
	Median	0	0	0	0	0	0
	SE	23	36	33	43	39	83
Arrears*	Mean	33	59	64	46	58	135
	Median	0	0	0	0	0	0
	SE	6	23	13	15	28	59
Informal	Mean	11	13	14	2	0	18
loans	Median	0	0	0	0	0	0
	SE	5	8	8	2	0	12
Career	Mean	0	0	2	0	0	0
Development Loans	Median	0	0	0	0	0	0
	SE	0	0	2	0	0	0
Outstanding	Mean	7,786	8,354	8,368	299	274	731
student Ioan debt	Median	7,200	7,580	6,982	0	0	0
	SE	221	362	343	76	117	183
Outstanding	Mean	2	0	0	0	0	0
Access to Learning	Median	0	0	0	0	0	0
Funds (if to be repaid)	SE	1	0	0	0	0	0
Estimated	Mean	8,657	9,365	9,400	2,767	3,330	2,698
total borrowing at	Median	7,800	9,000	8,000	500	1,500	500
end of year*	SE	243	384	340	313	663	511
N = (2,434) unweighted		986	353	437	302	99	139

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students (where socio-economic background could be calculated)

Table A6.9: Total student borrowing and main sources of student borrowing for English-domiciled students, by family type (\pounds)

		Full-time				Part-time			
		Two adult family	One adult family	Married/ living as couple	Single	Two adult family	One adult family	Married/ living as couple	Single
Commercial	Mean	1,757	1,459	763	292	1,886	3,494	2,061	1,863
credit*	Median	0	400	0	0	450	60	0	0
	SE	307	289	136	55	258	963	452	321
Overdraft*	Mean	266	553	343	426	168	237	148	226
	Median	0	0	0	0	0	0	0	0
	SE	29	106	47	22	33	68	36	56
Arrears*	Mean	94	291	42	41	61	107	39	85
	Median	0	0	0	0	0	0	0	0
	SE	39	102	17	8	30	44	13	35
Informal loans	Mean	10	239	4	19	0	41	0	11
	Median	0	0	0	0	0	0	0	0
	SE	8	250	3	9	0	31	0	7
Career	Mean	0	0	0	1	0	0	0	0
Development Loans	Median	0	0	0	0	0	0	0	0
	SE	0	0	0	1	0	0	0	0
Outstanding	Mean	5,416	8,370	8,372	8,091	120	408	507	590
student loan debt	Median	4,000	7,805	6,570	7,407	0	0	0	0
	SE	547	1,001	777	198	69	130	208	148
Outstanding	Mean	8	3	0	1	8	0	0	0
Access to Learning Funds (if	Median	0	0	0	0	0	0	0	0
to be repaid)	SE	8	3	0	1	7	0	0	0
Estimated total	Mean	7,552	10,915	9,525	8,870	2,242	4,288	2,755	2,775
of year*	Median	6,350	10,800	8,755	7,916	750	1,400	650	400
-	SE	732	920	746	213	293	1,025	476	398
N = (2,686) unweighted		148	70	161	1,666	199	75	170	197

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

Table A6.10: Total student borrowing and main sources of student borrowing for English-domiciled students, by ethnicity (\pounds)

			Full		Part-time		
		White	Asian/ Asian British	Black/ Black British	Mixed/ Other	White	Black & minority ethnic
Commercial credit*	Mean	446	417	532	331	2,113	1,845
	Median	0	0	0	0	0	0
	SE	59	166	166	159	253	451
Overdraft*	Mean	433	277	358	325	164	428
	Median	0	0	0	0	0	0
	SE	21	44	64	52	26	131
Arrears*	Mean	32	171	180	69	37	331
	Median	0	0	0	0	0	0
	SE	6	51	50	19	10	116
Informal loans	Mean	10	183	4	19	4	19
	Median	0	0	0	0	0	0
	SE	3	151	4	11	3	18
Career Development Loans	Mean	1	0	0	0	0	0
	Median	0	0	0	0	0	0
	SE	1	0	0	0	0	0
Outstanding student loan	Mean	8,183	6,586	6,160	7,637	390	767
debt	Median	7,500	6,000	6,385	6,455	0	0
	SE	207	385	476	767	81	304
Outstanding Access to	Mean	1	0	2	9	2	0
Learning Funds (if to be repaid)	Median	0	0	0	0	0	0
	SE	1	0	2	9	2	0
Estimated total borrowing	Mean	9,105	7,634	7,236	8,389	2,709	3,390
at end of year*	Median	8,365	6,225	6,600	7,140	500	1,500
	SE	220	370	543	827	254	691
N = (2,679) unweighted		1,715	135	84	106	578	61

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students (where ethnicity was reported)

Table A6.11: Total student borrowing and main sources of student borrowing for Englishdomiciled full-time students, by whether lives with parents during term-time or not and by whether independent or dependent status (\pounds)

		Living	status	Student status		
		Lives with parents	Does not	Dependent	Independent	
Commercial credit*	Mean	366	463	143	1,457	
	Median	0	0	0	0	
	SE	77	67	26	157	
Overdraft*	Mean	226	472	405	443	
	Median	0	0	0	0	
	SE	22	24	23	29	
Arrears*	Mean	30	57	25	138	
	Median	0	0	0	0	
	SE	16	7	5	27	
Informal loans	Mean	39	18	21	31	
	Median	0	0	0	0	
	SE	27	9	9	27	
Career Development Loans	Mean	0	1	1	0	
	Median	0	0	0	0	
	SE	0	1	1	0	
Outstanding student loan debt	Mean	6,162	8,519	8,165	7,262	
	Median	6,000	7,817	7,500	6,350	
	SE	206	247	196	543	
Outstanding Access to	Mean	0	1	1	3	
Learning Funds (if to be repaid)	Median	0	0	0	0	
. ,	SE	0	1	1	2	
Estimated total borrowing at	Mean	6,823	9,530	8,760	9,334	
end of year^	Median	6,070	9,000	7,913	7,917	
	SE	213	277	204	599	
N = (2,045) unweighted		469	1,576	1,500	545	

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled full-time students

Table A6.12: Total student borrowing and main sources of student borrowing for Englishdomiciled students, by whether or not has disability (\pounds)

		Full-	time	Part-time	
		Does have disability	Does not	Does have disability	Does not
Commercial credit*	Mean	740	380	1,855	2,144
	Median	0	0	0	0
	SE	132	49	415	272
Overdraft*	Mean	469	401	202	190
	Median	0	0	0	0
	SE	44	17	44	34
Arrears*	Mean	85	44	77	67
	Median	0	0	0	0
	SE	25	6	37	19
Informal loans	Mean	29	22	10	4
	Median	0	0	0	0
	SE	16	15	10	3
Career Development	Mean	3	0	0	0
Loans	Median	0	0	0	0
	SE	3	0	0	0
Outstanding student loan	Mean	8,642	7,825	388	442
debt	Median	7,580	7,000	0	0
	SE	360	198	108	82
Outstanding Access to	Mean	0	1	0	2
Learning Funds (if to be repaid)	Median	0	0	0	0
· · ·	SE	0	1	0	2
Estimated total	Mean	9,966	8,673	2,533	2,850
borrowing at end of year*	Median	8,821	7,758	280	610
	SE	445	190	409	286
N = (2,681) unweighted		350	1,692	136	503

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students (where health status was reported)

Table A6.13: Total student borrowing and main sources of student borrowing for Englishdomiciled students, by type of institution (\pounds)

			Full-time		Part-time			
		English HEI	Welsh HEI	English FEC	English HEI	Welsh HEI	English FEC	OU
Commercial credit*	Mean	423	297	1,055	2,139	_1	1,967	2,005
	Median	0	0	0	0	-	300	0
	SE	55	224	197	278	-	751	497
Overdraft*	Mean	415	555	238	200	-	126	240
	Median	0	0	0	0	-	0	0
	SE	20	83	25	41	-	40	62
Arrears*	Mean	51	11	77	83	-	39	46
	Median	0	0	0	0	-	0	0
	SE	8	9	17	26	-	23	25
Informal loans	Mean	24	0	6	12	-	0	0
	Median	0	0	0	0	-	0	0
	SE	14	0	3	8	-	0	0
Career	Mean	1	0	0	0	-	0	0
Development Loans	Median	0	0	0	0	-	0	0
	SE	1	0	0	0	-	0	0
Outstanding	Mean	8,025	9,112	5,140	498	-	100	511
student loan debt	Median	7,130	9,390	4,675	0	-	0	0
	SE	215	409	288	95	-	52	179
Outstanding	Mean	1	0	0	0	-	11	0
Access to Learning Funds (if to be	Median	0	0	0	0	-	0	0
repaid)	SE	1	0	0	0	-	9	0
Estimated total	Mean	8,940	9,976	6,515	2,933	-	2,244	2,802
borrowing at end of year*	Median	7,970	10,055	5,425	500	-	610	1,000
	SE	223	507	314	273	-	797	524
N = (2,686) unweighted		1,716	136	193	439	29	84	89

* Note: figures adjusted for partner contributions where relevant

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

Base: all English-domiciled students

Table A6.14: Total student borrowing and main sources of student borrowing for English-domiciled students, by type of programme (f)

			Full-time		Part	t-time
		Bachelor degree, HNC/D	Foundation degree, non-degree	PGCE/ ITT	Bachelor degree, HNC/D	Foundation degree, non-degree
Commercial credit*	Mean	394	724	979	2,168	1,910
	Median	0	0	0	0	0
	SE	52	201	244	258	397
Overdraft*	Mean	418	407	327	225	127
	Median	0	0	0	0	0
	SE	21	55	70	38	28
Arrears*	Mean	42	155	72	59	89
	Median	0	0	0	0	0
	SE	6	54	45	20	34
Informal loans	Mean	25	9	0	9	6
	Median	0	0	0	0	0
	SE	14	6	0	5	6
Career Development	Mean	1	0	0	0	0
Loans	Median	0	0	0	0	0
	SE	1	0	0	0	0
Outstanding student	Mean	8,206	3,466	9,970	458	376
loan debt	Median	7,510	2,000	8,930	0	0
	SE	203	472	1,040	87	158
Outstanding Access to	Mean	1	1	0	3	0
Learning Funds (if to be repaid)	Median	0	0	0	0	0
	SE	1	1	0	3	0
Estimated total	Mean	9,086	4,762	11,348	2,921	2,509
borrowing at end of year*	Median	8,350	4,000	10,000	610	350
·	SE	216	519	1,105	277	413
N = (2,686) unweighted		1,767	178	100	439	202

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

		Medicine and Dentistry	Subjects allied to medicine	Sciences/ Engineer./ Technol./IT	Human/ Social Sci/ Business/ Law	Creative Arts/ Lang./ Humanit.	Education	Combined/ other
Commercial	Mean	679	972	169	413	270	942	580
credit*	Median	0	0	0	0	0	0	0
	SE	190	226	41	135	76	186	162
Overdraft*	Mean	711	512	369	416	362	329	480
	Median	300	100	0	0	0	0	50
	SE	94	49	37	35	36	43	71
Arrears*	Mean	105	82	35	62	43	30	29
	Median	0	0	0	0	0	0	0
	SE	45	20	11	18	10	19	12
Informal	Mean	18	8	29	31	15	4	45
loans	Median	0	0	0	0	0	0	0
	SE	13	7	22	23	6	3	33
Career	Mean	6	0	0	0	2	0	0
Development	Median	0	0	0	0	0	0	0
Loans	SE	6	0	0	0	2	0	0
Outstanding	Mean	8,837	4,710	8,171	7,943	8,391	7,740	8,535
student loan debt	Median	8,300	3,100	7,468	7,270	7,570	6,903	7,817
GODI	SE	746	586	263	329	282	580	409
Outstanding	Mean	1	0	0	4	0	0	0
Access to	Median	0	0	0	0	0	0	0
Funds (if to be repaid)	SE	1	0	0	3	0	0	0
Estimated	Mean	10,357	6,283	8,773	8,870	9,084	9,045	9,669
total borrowing	Median	9,750	4,500	8,283	7,970	8,000	7,500	10,079
at end of year*	SE	765	657	288	336	297	684	498
N = (2,045) unweighted		170	144	430	497	459	205	140

Table A6.15: Total student borrowing and main sources of student borrowing for English-domiciled full-time students, by subject type (f)

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled full-time students

Table A6.16: Total student borrowing and main sources of student borrowing for English-domiciled students, by year of study (f)

			Full-time			Part-time			
		1st year	Other years	Final year or 1 year course	1st year	Other years	Final year or 1 year course		
Commercial credit*	Mean	332	265	698	1,641	1,939	2,612		
	Median	0	0	0	0	0	60		
	SE	65	48	93	314	299	385		
Overdraft*	Mean	229	447	551	206	226	150		
	Median	0	0	0	0	0	0		
	SE	23	35	28	51	62	25		
Arrears*	Mean	29	57	63	87	53	66		
	Median	0	0	0	0	0	0		
	SE	6	9	14	35	24	22		
Informal loans	Mean	10	25	32	0	17	8		
	Median	0	0	0	0	0	0		
	SE	6	17	21	0	10	8		
Career Development Loans	Mean	0	0	2	0	0	0		
	Median	0	0	0	0	0	0		
	SE	0	0	2	0	0	0		
Outstanding student loan debt	Mean	5,232	9,361	9,177	337	592	378		
	Median	6,170	10,039	9,772	0	0	0		
	SE	152	288	318	112	147	159		
Outstanding Access to	Mean	2	2	0	0	0	5		
Learning Funds (if to be repaid)	Median	0	0	0	0	0	0		
(opaid)	SE	2	2	0	0	0	5		
Estimated total borrowing	Mean	5,835	10,156	10,524	2,271	2,828	3,219		
at end of year*	Median	6,370	11,000	11,000	480	750	1,000		
	SE	166	287	349	396	377	385		
N = (2,686) unweighted		680	613	752	212	207	222		

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled students

Table A6.17: Total student borrowing and main sources of student borrowing for Englishdomiciled full-time students, new system students only, by whether in receipt of Maintenance or Special Support Grant (£)

		In receipt of MG/SSG	Not in receipt of MG/SSG
Commercial credit*	Mean	415	306
	Median	0	0
	SE	85	51
Overdraft*	Mean	300	296
	Median	0	0
	SE	32	29
Arrears*	Mean	41	37
	Median	0	0
	SE	7	7
Informal loans	Mean	28	9
	Median	0	0
	SE	20	4
Career Development Loans	Mean	0	0
	Median	0	0
	SE	0	0
Outstanding student loan debt	Mean	8,195	6,255
	Median	6,675	6,370
	SE	213	255
Outstanding Access to Learning	Mean	2	2
Funds (if to be repaid)	Median	0	0
	SE	2	2
Estimated total borrowing at	Mean	8,979	6,904
end of year*	Median	7,580	6,455
	SE	246	261
N = (1,247) unweighted		535	712

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled full-time students, new system only

Table A6.18: Student net debt for English-domiciled final year students, by gender (£)

		Full-time		Part-time	
		Male	Female	Male	Female
Savings*	Mean	2,650	2,776	3,689	2,052
	Median	500	300	500	50
	SE	361	350	1,274	434
Estimated total borrowing	Mean	10,429	10,586	3,553	2,951
at end of year*	Median	10,900	11,034	1,250	750
	SE	350	324	727	328
Estimated net debt at end	Mean	7,779	7,810	-136	899
of year*	Median	8,900	9,034	0	200
	SE	744	447	1,240	547
N = (972) unweighted		212	540	66	154

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled final year students

Source: NatCen / IES SIES 2007/08

Table A6.19: Student net debt for English-domiciled full-time final year students, by age group at start of the academic year (£)

		Under 20	20-24	25+
Savings*	Mean	_1	2,633	3,038
	Median	-	455	0
	SE	-	272	533
Estimated total borrowing at end of year*	Mean	-	10,379	11,160
	Median	-	11,148	10,000
	SE	-	324	982
Estimated net debt at end	Mean	-	7,747	8,122
of year*	Median	-	9,015	8,263
	SE	-	345	1,330
N = (752) unweighted		9	547	196

* Note: figures adjusted for partner contributions where relevant

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

Base: all English-domiciled full-time final year students

Table A6.20: Student net debt for English-domiciled final year students, by social class (NS-SEC) (£)

			Full-time			Part-time	
		Managerial and profess- ional	Inter- mediate	Routine, manual and unempl- oyed	Managerial and profess- ional	Inter- mediate	Routine, manual and unempl- oyed
Savings*	Mean	3,466	2,956	1,857	3,968	(1,526) ²	(1,629)
	Median	1,000	200	100	500	(0)	(200)
	SE	488	526	542	1,141	(492)	(540)
Estimated total	Mean	10,071	11,110	11,358	3,074	(3,412)	(3,593)
borrowing at end of vear*	Median	10,325	11,275	11,995	600	(2,500)	(2,000)
, . . .	SE	473	667	524	593	(632)	(994)
Estimated net debt	Mean	6,604	8,154	9,501	-894	(1,885)	(1,964)
at end of year*	Median	7,477	10,175	10,583	0	(1,000)	(1,560)
	SE	651	934	786	1,165	(836)	(1,239)
N = (879) unweighted		336	143	154	114	(31)	(40)
Estimated net debt	Mean	6,671	7,578	9,142	-858	_1	(3,408)
at end of year*, excluding those on 1	Median	7,642	10,175	10,562	0	-	(3,400)
year only courses	SE	606	1,019	809	1,271	-	(1,195)
N = (797) unweighted		305	130	137	106	29	35

* 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

Base: all English-domiciled final year students for whom NS-SEC could be reliably derived

Table A6.21: Student net debt for English-domiciled full-time final year students, by whether lives with parents during term-time or not, and by whether independent or dependent status (f)

		Living status		Student status		
		Lives with parents	Does not	Dependent	Independent	
Savings*	Mean	3,199	2,569	2,758	2,647	
	Median	1,000	200	500	0	
	SE	522	285	289	418	
Estimated total borrowing at	Mean	7,965	11,379	10,340	10,985	
end of year*	Median	7,315	11,900	11,130	10,010	
	SE	559	423	334	896	
Estimated net debt at end of year*	Mean	4,766	8,810	7,582	8,338	
	Median	5,405	10,300	9,000	8,263	
	SE	737	517	370	1,089	
N = (752) unweighted		172	580	512	240	
Estimated net debt at end of	Mean	4,457	8,648	7,543	7,824	
year*, excluding those on one year only courses	Median	5,000	10,300	9,000	7,477	
your only obuided	SE	798	499	371	1,178	
N = (682) unweighted		151	531	488	194	

* Note: figures adjusted for partner contributions where relevant Base: all English-domiciled full-time final year students

Source: NatCen / IES SIES 2007/08

Table A6.22: Student net debt for English-domiciled full-time final year students, by type of institution (£)

		English HEI	Welsh HEI	English FEC
Savings*	Mean	2,758	2,186	2,375
	Median	400	250	0
	SE	272	612	957
Estimated total borrowing at	Mean	10,551	12,031	8,181
end of year*	Median	11,000	12,375	7,112
	SE	371	892	691
Estimated net debt at end of	Mean	7,793	9,846	5,806
year*	Median	8,985	11,140	6,912
	SE	436	1,141	1,367
N = (752) unweighted		634	51	67

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled full-time final year students

Table A6.23: Student net debt for English-domiciled final year students, by type of programme (£)

			Full-time		Par	Part-time		
		Bachelor degree, HNC/D	Foundation degree, non-degree	PGCE/ ITT	Bachelor degree, HNC/D	Foundation degree, non-degree		
Savings*	Mean	2,661	$(3,008)^2$	3,122	3,276	1,650		
	Median	300	(200)	500	500	0		
	SE	252	(1,432)	708	866	524		
Estimated total borrowing at end of year*	Mean	10,689	(5,266)	12,056	3,465	2,663		
	Median	11,200	(2,000)	11,000	1,050	500		
	SE	341	(1,039)	1,180	488	521		
Estimated net debt at	Mean	8,028	(2,259)	8,935	188	1,013		
end of year*	Median	9,200	(1,150)	10,000	0	250		
	SE	405	(2,048)	1,426	842	761		
N = (974) unweighted		621	48	83	147	75		
Estimated net debt at	Mean	8,054	(2,241)	_1	123	1,375		
end of year*, excluding	Median	9,215	(1,000)	-	0	100		
courses	SE	410	2,119	-	891	1,002		
N = (866) unweighted		609	46	27	132	52		

* 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

Base: all English-domiciled final year students

		Medicine and Dentistry	Subjects allied to medicine	Sciences/ Engineering/ Technology/ IT	Human/Social Sciences/ Business/ Law	Creative Arts/ Languages/ Humanities	Education	Combined/ other
Savings*	Mean	2,555	2,065	3,429	3,399	2,155	2,508	1,563
	Median	0	200	1,000	500	200	500	0
	SE	1,635	751	506	617	376	579	536
Estimated total borrowing at end of	Mean	11,437	7,043	10,138	10,988	10,840	10,864	11,341
	Median	9,000	5,240	10,500	11,300	12,000	10,000	11,215
,	SE	1,824	1,075	527	473	644	1,041	1,152
Estimated net debt at end of year*	Mean	8,882	4,978	6,709	7,589	8,685	8,356	9,778
	Median	9,000	4,566	8,180	9,900	10,025	7,700	10,900
	SE	2,897	1,530	756	779	738	1,203	1,323
N = (752) unweighted		56	53	134	171	177	110	51

Table A6.24: Student net debt for English-domiciled full-time final year students, by subject type (£)

* Note: figures adjusted for partner contributions where relevant

Base: all English-domiciled full-time final year students

Source: NatCen / IES SIES Survey 2007/08

Table A6.25: Student net debt for English-domiciled full-time final year students, by ethnicity $(\mathbf{\hat{t}})$

		White	Asian/ Asian British	Black/ Black British	Mixed/ Other	Black and minority ethnic group
Savings*	Mean	2,883	(2,013) ²	_1	(2,071)	1,778
	Median	400	(200)	-	(400)	200
	SE	294	(625)	-	(766)	351
Estimated total borrowing at end	Mean	10,953	(7,414)	-	(8,816)	8,247
of year*	Median	11,272	(6,225)	-	(9,000)	6,873
	SE	380	(917)	-	(1,185)	701
Estimated net debt at end of year*	Mean	8,070	(5,401)	-	(6,745)	6,469
	Median	9,500	(3,500)	-	(6,845)	6,000
	SE	477	(1,198)	-	(1,294)	733
N = (725) unweighted		638	48	21	43	112
Estimated net debt at end of	Mean	7,816				6,484
year*, excluding those on one vear only courses	Median	9,415				6,000
,,,,	SE	470				729
N = (681) unweighted		576				105

* 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

Base: all English-domiciled full-time final year students (where ethnicity was reported)

Table A6.26: Student net debt for English-domiciled final year students, by whether or not has disability (£)

		Full-t	ime	Part-	time
		Does have disability	Does not	Does have disability	Does not
Savings*	Mean	1,675	2,966	(5,028) ¹	2,282
	Median	0	455	(100)	200
	SE	366	306	(3,072)	457
Estimated total borrowing	Mean	12,209	10,149	(2,830)	3,312
at end of year*	Median	11,700	11,000	(250)	1,100
	SE	780	331	(807)	427
Estimated net debt at end	Mean	10,534	7,183	(-2,198)	1,030
of year*	Median	10,300	8,500	(0)	250
	SE	962	420	(2,380)	702
N = (971) unweighted		136	615	43	177
Estimated net debt at end	Mean	10,371	6,972	(-2,460)	1,071
of year*, excluding those on one year only courses	Median	10,138	8,312	(0)	140
- ·	SE	868	432	(2,999)	731
N = (863) unweighted		127	554	34	148

* Note: figures adjusted for partner contributions where relevant

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

Base: all English-domiciled final year students

		Old system				New system		
		Year 2	Year 3	Year 4	Year 5 +	Year 1	Year 2	
Savings*	Mean	2,033	2,814	3,009	(1,923)	2,320	2,637	
	Median	300	300	600	(100)	400	600	
	SE	431	307	452	(707)	315	246	
Borrowings* (year end)	Mean	9,317	9,891	13,803	(17,719)	6,318	9,916	
	Median	9,212	10,900	14,000	(18,000)	6,400	11,120	
	SE	758	360	719	(1,554)	234	241	
Estimated net debt at	Mean	7,284	7,077	10,794	(15,795)	3,998	7,278	
end of year*	Median	7,610	8,325	12,355	(17,175)	4,845	8,125	
	SE	1,014	450	827	(1,367)	434	331	
N = (2,039) unweighted		97	530	112	49	740	501	

Table A6.27: Student net debt for English-domiciled full-time students, by old system/new system status and year of study, (£)

* 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

Base: all English-domiciled full-time students

Table A6.28: Multiple linear regression, net debt among English-domiciled full-time final year students

			95% Confid	dence limit
	Regression coefficient	Significance level	Lower	Upper
All students	8,098	0.016	1,510	14,687
Gender	· · ·		·	
Male (ref. category)	0			
Female	558	0.579	-1,070	2,186
Age	· · ·	<u>.</u>		
Under 20 (ref. category)	0			
20-24	-273	0.939	-7,047	6,528
25+	-1,847	0.529	-8,415	4,721
Socio-economic group				
Managerial / professional (ref. category)	0			
Intermediate	1,359	0.216	-805	3,525
Routine / manual / unemployed*	2,815	0.019	472	5,160
Ethnicity				
White (ref. category)	0			
Asian / Asian British	-1,247	0.498	-4,882	2,389
Black / Black British	1,456	0.258	-1,078	3,991
Mixed / other	-556	0.615	-2,743	1,631
Household/family type				
Single (ref. category)	0			
Married or living in a couple	-1,514	0.329	-5,004	1,975
One adult family	3,208	0.108	-710	7,125
Two adult family	-1,877	0.342	-5,771	2,017
Status				
Dependent (ref. category)	0			
Independent	2,352	0.142	-799	5,503
Lives with parents				
No (ref. category)	0			
Yes**	-3,929	0.001	-6,199	-1,658
Lives in London				
Elsewhere (ref. category)	0			
London	1,232	0.461	-2,064	4,529
Parental experience of HE				
No (ref. category)	0			
Yes	-1,557	0.170	-3,789	676
Institution type		,		
English HEI (ref. category)	0			
Welsh HEI	2,086	0.103	-426	4,599
FEC	-461	0.783	-3,768	2,845

	Regression coefficient	Significance level	Lower	Upper
Subject				
Social sciences /Business / Law (ref. category)	0			
Medicine / Dentistry	2,388	0.407	-3,291	8,068
Subjects allied to medicine	-1,744	0.307	-5,110	1,621
Science / Engineering / Technology / IT	-581	0.625	-2,932	1,769
Arts / Humanities / Languages	1,078	0.453	-1,760	3,916
Education	1,746	0.324	-1,742	5,235
Combined / other	1,980	0.190	-994	4,954
Qualification				
Bachelor degree, HNC/D (ref. category)	0			
Foundation degree, non-degree*	-7,189	0.022	-13,306	-1,072
PGCE/ I TT	638	0.760	-3,478	4,754
New system old system	·			
Old system student (ref. category)	0			
New system student	-1,335	0.484	-5,100	2,430

Base: all English-domiciled full-time final year students

7 Financial Well-Being

7.1 Summary of key findings

- Approximately one-third of students had considered dropping out of their university or college course. Part-time students were more likely to have considered leaving early than full-time students (38 per cent compared with 33 per cent).
- Among full-time students the most common reason for considering leaving was financial difficulties, whereas part-time students were most likely to cite domestic, family or personal reasons. Indeed, full-time students were almost twice as likely as part-time students to cite finances as a reason for considering dropping out.
- Almost three in five full-time students (56 per cent) felt that finance had affected their academic performance, although only one in ten (nine per cent) felt it had done so a great deal. Part-time students were less likely to feel their performance had been affected by financial concerns (41 per cent). Across both full-time and part-time students, the most common effect was worry and stress, followed by having to take on paid work, and then difficulties buying books and materials.
- Despite concerns over finance, the vast majority (91 per cent) of students had not fallen into arrears on any key payments such as credit card bills, utility bills or rent.
- Lone parents appeared to feel particularly vulnerable. They were more likely than students with other family circumstances to consider dropping out. A quarter of full-time students who were lone parents felt financial difficulties had affected them a great deal and this group had amongst the highest level of arrears of any full-time students.

7.2 Introduction

The previous chapter presented results outlining students' overall financial situation, including the extent to which they have both savings and borrowing. In this chapter we examine students' views on their own financial situation, the impact of their financial situation on their HE experience, and which students are more likely to be experiencing financial difficulties or hardship.

The level of student debt and its impact on current and potential students is an area of debate. 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. The changes to the student funding system, specifically the introduction of variable tuition fees (see Chapter 1), may affect the way that students view the financial aspects of HE. In this new study we can explore assessments of financial well-being for those operating under the old and new systems of student finance (see Chapter 9).

This chapter includes:

- an analysis of the extent and impact of financial difficulties, including whether students had ever considered dropping out due to concerns over finance (or other reasons) and the effect of their financial situation on their studies
- the extent to which students fall behind on payments and their reliance upon high cost forms of borrowing to supplement their income.

7.3 Extent and impact of financial difficulties

7.3.1 Introduction

The survey has provided a huge amount of detailed information on student finances to allow an objective picture to be built up of their overall financial situation. In addition, students themselves were asked questions designed to reveal how they felt about their finances and the impact, if any, that finances had on their studies.

7.3.2 Considering drop-out

Students were asked whether they had ever thought about dropping out of their university or college or giving up their studies, and about one-third said they had. Part-time students were more likely than full-time students to have considered dropping out (38 per cent compared to 33 per cent).

Among full-time students those most likely to have considered dropping out were: independent students; those from mixed ethnic backgrounds; those studying subjects allied to medicine or creative arts, languages or humanities; and those in intermediate years of study. Considering leaving early was also significantly more common among those with arrears (54 per cent compared to 31 per cent) and higher than average levels of borrowing. Among new system students, considering dropping out was also more common among those in receipt of the Maintenance or Special Support Grant (32 per cent compared to 28 per cent).

Students less likely to have considered dropping out, once other factors were controlled for, were those whose parents had been to university, those studying in Wales, and those studying under the new system of student finance (this is likely to be inter-related with year of study / length of time on the course).

Those who had considered dropping out were then asked to select from a range of potential reasons which had been the main reason for this (Figure 7.1). For full-time students, by far the most commonly cited reason was financial, mentioned by 26 per cent of those who had considered leaving early. This was also the case in the 2004/05 survey. Financial reasons were closely followed by disenchantment with the course or institution (cited by 17 per cent), domestic, family or personal reasons (17 per cent) or because they did not like the course (15 per cent). Academic reasons and social reasons featured less strongly and few had considered leaving because they had been offered a job (just three per cent).

Amongst part-time students the most commonly cited reason for considering leaving early was due to domestic, family or personal reasons, mentioned by 38 per cent, followed by other reasons (21 per cent). Financial reasons were cited by 15 per cent of part-time students who had considering leaving.

There was no real difference in likelihood of citing financial reasons among those from different years of study or operating under the old or new student finance systems.



Base: All full-time and part-time English-domiciled students who had considered dropping out

Source: NatCen/ I ES SIES 2007/08

7.3.3 Effect of financial situation on studies

Students were also asked whether (if at all) financial difficulties had affected how well they were doing at university or college. Full-time students were more likely to feel that their financial situation had some impact on their academic performance, even if it was only small (Figures 7.2 and 7.3). Indeed 56 per cent of full-time students felt that finance had affected them compared to 41 per cent of part-time students. However, only nine per cent of full-time and six per cent of part-time students felt their financial situation had affected their studies 'a great deal'.



Figures 7.2 and 7.3: Effect to which financial difficulties have affected attainment of Englishdomiciled students Full-time students who were in arrears were much more likely to feel their financial difficulties had affected their performance (35 per cent by a great deal and a further 32 per cent by a fair amount); as were those with above average levels of borrowing. Those new system students who received the Maintenance Grant or Special Support Grants were also relatively more likely to feel affected by their financial difficulties.

When asked *how* their financial situation had affected their studies, similar issues were raised by full and part-time students (Figure 7.4). For both groups, the most common effect was worry and stress, cited by 70 per cent of full-time and 67 per cent of part-time students who said financial difficulties had affected their studies. This was followed by having to work in a paid job (mentioned by 45 and 44 per cent of such full- and part-time students respectively), and difficulties buying books and materials (mentioned by 43 and 39 per cent). A small proportion (nine per cent of full-time and 15 per cent of part-time students who said financial concerns had affected their studies) reported that financial worries had affected their health.





Base: all English-domiciled students who said financial difficulties had affected their studies

Source: NatCen / IES SIES 2007/08

7.4 Indicators of financial hardship

7.4.1 Arrears and debt

In order to get an idea of levels of hardship among students, respondents were asked whether at some point during the academic year they had fallen, or felt they would fall, behind on regular payments for key living expenses / household bills - essentially that they would get into arrears. They were given a list of various payments and asked to indicate which, if any, they were (or would be) behind with by at least two payments. The vast majority (91 per cent full-time and 90 per cent part-time) of students reported that they had not fallen behind on any of the payments listed. Furthermore, among full-time students no more than three per cent had fallen behind by more than two months on any one payment, and among part-time students, no more than four per cent. Students were most likely to get into difficulties with credit card payments, utilities (particularly gas and electricity bills), and rent.

The amount of arrears that students predicted for the end of the academic year was taken into account when exploring the extent of borrowing in the previous chapter. The average level of arrears across all full-time students was £50 and for part-time students it was slightly higher at £69. Approximately nine per cent of both full and part-time students predicted they would have arrears by the end of the year, and these students felt they would owe on average £594 and £771 respectively.

Among full-time students, average levels of arrears were relatively higher for the following groups: older students (those in the late 20s or older, at £128); lone parents (£291); students living away from their parental home in private rented accommodation (£176); students classed as independent (£138); those from black and minority ethnic backgrounds (£140, particularly Asian / Asian British with £171 average arrears, and black / black British with £180); those studying for a foundation degree (£155) and students following courses in medicine or dentistry (£105).

For part-time students, relatively higher levels of average arrears were found for those from routine / manual work backgrounds (\pounds 135) and lone parents (\pounds 107).

7.4.2 Extent of 'high cost' borrowing

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 of borrowing from student loans or family and friends (which may be paid back over a longer period). As noted in the previous chapter, full-time students had much lower levels of borrowing from these sources, accounting for only ten per cent of their borrowing; whereas part-time students relied heavily on these high cost sources, accounting for 82 per cent of their average borrowing. In order to determine which full-time and which part-time students are most reliant on commercial credit and/or bank overdrafts, multiple regression models were constructed looking at levels of borrowing from these sources. The models (Tables A7.2 and A7.3) show that the characteristics significantly associated with high-cost debts were as follows.

- Among full-time students, levels of borrowing from commercial sources were significantly higher among independent students, once controlling for differences by other background factors. They were also related to age, with older students aged 25 or older having significantly higher levels of commercial debt once other factors were taken into account.
- Among part-time students, the key factor associated with high levels of commercial borrowing was being in the 25 to 29 or 30 to 39 age bracket and coming to the end of the course; whereas low levels of debt were associated with two adult households and with studying arts, humanities and languages.

7.5 Additional tables

Table A7.1: Extent and impact of financial difficulties by financial situation, English-domiciled	
full-time students only (%)	

	Considered dropping out		Effect of				
	Yes	No	Great deal	Fair amount	Little	Not at all	Base (N)
In arrears	54	46	32	33	23	12	182
Not in arrears	31	69	7	15	31	47	1,862
Maintenance Grant / SSG* recipient	32	68	9	19	33	39	535
Not MG / SSG recipient*	28	72	5	16	29	50	712
Receives maintenance loan	33	67	8	18	32	42	1,430
Does not receive maintenance loan	34	66	11	13	28	48	614
Average / lower borrowing	30	70	8	15	29	49	1,109
Above average borrowing	37	63	10	19	33	38	935

Base: all English-domiciled full-time students * New system students only

Source: NatCen / IES SIES 2007/08

Table A7.2: Multiple linear regression, amount of commercial debt among English-domiciled full-time students

			95% Confidence limit		
	Regression coefficient	Significance level	Lower	Upper	
All students	601	0.009	154	1,048	
Gender					
Male (ref. category)	0				
Female	105	0.286	-88	299	
Age					
Under 20 (ref. category)	0				
20-24	161	0.235	-105	428	
25+**	1,045	0.011	244	1,846	
Socio-economic group					
Managerial / professional (ref. category)	0				
Intermediate	-178	0.184	-446	91	
Routine / manual / unemployed	-245	0.063	-503	14	
Ethnicity					
White (ref. category)	0				
Asian / Asian British	129	0.611	-369	626	
Black / black British	-226	0.423	-781	328	
Mixed / other	-274	0.156	-653	105	

	Regression coefficient	Significance level	Lower	Upper
Household/family type				
Single (ref. category)	0			
Married or living in a couple*	-635	0.020	-1,172	-99
One adult family	-194	0.709	-1,217	829
Two adult family	-276	0.589	-1,281	729
Status				
Dependent (ref. category)	0			
Independent**	958	0.003	335	1,581
Lives with parents				
No (ref. category)	0			
Yes	-172	0.206	-439	95
Lives in London				
Elsewhere (ref. category)	0			
London	-40	0.867	-505	425
Parents experience of HE				
No (ref. category)	0			
Yes	95	0.298	-84	274
Type of institution				
English HEI (ref. category)	0			
Welsh HEI	157	0.557	-368	682
FEC	437	0.123	-118	991
Subject				
Social sciences / Business / Law (ref. category)	0			
Medicine / Dentistry	245	0.387	-311	801
Subjects allied to medicine	57	0.823	-446	560
Science / Engineering / Technology / IT	-256	0.095	-556	44
Arts / Humanities / Languages	-200	0.272	-558	158
Education	325	0.256	-237	888
Combined / other	189	0.410	-261	638
Year of study				
First year (ref. category)	0			
Intermediate year	15	0.886	-188	217
Final / one-year course	292	0.114	-71	655
Qualification				
Bachelor degree, HNC/D (ref. category)	0			
Foundation degree, non-degree	-297	0.279	-836	242
PGCE / ITT	-754	0.061	-1,544	36
New system/old system				
Old system student (ref. category)	0			
New system student	-251	0.096	-547	45

95% Confidence limit

Base: all English-domiciled full-time students
Table A7.3: Multiple linear regression, amount of commercial debt among English-domiciled part-time students

			95% Confidence limit		
	Regression coefficient	Significance level	Lower	Upper	
All students	1,591	0.121	-425	3,608	
Gender					
Male (ref. category)	0				
Female	333	0.557	-788	1,454	
Age group					
Under 25 (ref. category)	0				
25-29*	2,047	0.020	337	3,758	
30-39*	1,763	0.037	109	3,418	
40+	1,249	0.109	-282	2,779	
Socio-economic group					
Managerial / professional (ref. category)	0				
Intermediate	569	0.417	-817	1,954	
Routine / manual / unemployed	-721	0.179	-1,780	337	
Ethnicity					
White / white British (ref. category)	0				
All other ethnic groups	-260	0.743	-1,826	1,307	
Household/family type					
Single (ref. category)	0				
One adult family	1,044	0.396	-1,388	3,476	
Married or living in a couple*	-1,061	0.034	-2,039	-82	
Two adult family **	-1,676	0.002	-2,716	-636	
Qualification					
Foundation degree, non-degree (ref. category)	0				
Bachelor degree, HNC/D	278	0.390	-361	916	
Lives with parents					
No (ref. category)	0				
Yes	-416	0.508	-1,658	826	
Lives in London					
Elsewhere (ref. category)	0				
London	901	0.360	-1,045	2,847	
Parents experience of HE					
No (ref. category)	0				
Yes	167	0.607	-474	807	
Institution type					
English HEI (ref. category)	0				
Welsh HEI	-659	0.265	-1,825	508	
FEC	86	0.897	-1,225	1,397	

	Regression coefficient	Significance level	Lower	Uppe
Subject				
Social sciences / Business / Law (ref. category)	0			
Medicine / Dentistry	-942	0.065	-1,943	58
Science / Engineering / Technology / IT	-353	0.465	-1,308	602
Arts / Humanities / Languages***	-2,019	0.000	-2,963	-1,075
Education	984	0.119	-258	2,226
Combined / other	-519	0.714	-3,319	2,281
Year of study				
First year (ref. category)	0			
Intermediate year	517	0.080	-64	1,098
Final year / one-year course*	750	0.045	19	1,482
Start of course				
Pre- 2006/07 (ref. category)	0			
Post 2006/07	-160	0.765	-1,219	900

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2007/08

8 Student Choices and Attitudes

8.1 Summary of key findings

- Around one in three students (32 per cent of full-timers and 31 per cent of part-timers) said that the availability of funding and financial support affected their decisions about HE. The majority of these (68 per cent of full-time and 70 per cent of part-time students) said that they would not have studied at all without financial support. Nearly half of all part-time students (45 per cent) said that availability of funding affected their decision to study part-time. The cost of tuition fees was less influential, however it affected part-time students notably more than full-time students (23 per cent compared with 16 per cent respectively).
- Most students were positive about the value of going to university: the majority felt that their HE experience was equipping them for the demands of working life, would lead to higher salaries and was worthwhile despite its high cost. Nevertheless, 59 per cent of full-time students had concerns about increasing competition in the graduate job market. Furthermore 25 per cent of full-time and 31 per cent of part-time students said that concerns over debt nearly stopped them coming to university. New system students were more likely to have had concerns about debt than old system students, as were older students compared with younger ones.
- The majority of students (72 per cent of full-timers and 54 per cent of part-timers) expected to get a job in their chosen career upon completing their courses. A sizeable proportion intended to continue studying after their current qualification (33 per cent of full-timers and 42 per cent of part-timers).
- Full-time students expected to earn an average (mean) of £19,821 on graduation, rising to £32,328 after five years (a rise of 63 per cent). Part-time students had higher initial expectations, but were more modest in their long-term ambitions. They expected an average (mean) initial salary of £22,684, rising to £30,841 after five years (a rise of only 36 per cent).

8.2 Introduction

This chapter looks at overall student attitudes towards their finances and is structured as follows:

- the extent to which students' perceptions of the likely financial demands of HE 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 long-term salary expectations.

8.3 Influence of finances pre-entry

8.3.1 Influence of financial issues on HE decisions

Students were asked whether the student funding and financial support available to them affected their decisions about HE study in any way. Just over 30 per cent of both full- and part-time students responded that it did. Full-time students studying under the new finance system were more likely to report being affected than those under the old system⁴⁴ (35 per cent compared with 28 per cent (see Table 8.1).

Among full-time students, those from a routine/manual social class background were more likely to say they were influenced by student funding and financial support than those from a professional/managerial background (44 per cent compared with 26 per cent). Also among full-time students, those aged 25 and over were far more likely to report being affected than their younger counterparts (52 per cent compared with 28 per cent), as were those who were lone parents (60 per cent), or in a couple with children (49 per cent), compared with single students (29 per cent). These patterns are likely to be related to targeted forms of student support available to students from lower-income households or with children.

Table 8.1: Did the student funding and support available to you affect your decisions about study in any way? All English-domiciled students (%)

	Full	-time
	Old system	New system
Yes	28	35
No	72	65
N = (2,597) unweighted	798	1,247

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

Those who said that the funding and support available to them affected their decisions were asked about the specific ways in which they were affected (Figure 8.1). Around 70 per cent of both full- and part-time students said that they would not have studied at all without funding, and 45 per cent of part-time students said that availability of funding affected their decision whether to study full- or part-time. There were no significant differences between old and new system students.

⁴⁴ Although differences between old and new system full-time students may sometimes overlap with differences by year of study, there was no significant difference according to year of study in this case.

Figure 8.1: Influence of student funding and support on HE decision-making for Englishdomiciled students



Base: all English-domiciled full and part-time students who said that finance had influenced their decisions about HE

Source: NatCen / IES SIES 2007/08

Among full-time students, those from a routine/manual socio-economic background were more likely to report they would not have studied without the funding and support available to them (76 per cent, compared with 63 per cent of students from professional or managerial backgrounds). Interestingly, there was no difference by socio-economic background in terms of the proportion of students who said that the funding available to them affected their decision to study at a nearby university rather than having to move away. There was also no difference by socio-economic group within part-time students.

All students were also asked whether the cost of the tuition fees at their university or college affected their decisions about study in any way. Sixteen per cent of full-time students and 23 per cent of part-time students said that they did. Among full-time students, there was no difference by whether they studied under the old or new system of student support (Table 8.2). Overall, students were more likely to report being affected as their age increased. Whereas only 11 per cent of full-time and ten per cent of part-time students under 20 were affected, these figures rose to 25 and 27 per cent respectively for those aged 25 and over.

Table 8.2: Did the cost of tuition fees affect your decisions about study in any way? Englishdomiciled full-time and part-time students, by old or new system (%)

	Full-time			
	Old system	New system		
Yes	15	16		
No	85	84		
N = (2,596) unweighted	798	1,247		

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

Those who said that they were affected by the cost of tuition fees were then asked about the specific ways in which they were affected (Figure 8.2). Approximately half of full-time and part-time students alike said that they would not have studied at all without funding, and 39 per cent of part-time students said their decision to study full-time or part-time was affected.

Figure 8.2: Influence of tuition fees on HE decision-making for English-domiciled full-time and part-time old system students



Base: all English-domiciled full-time and part-time old system students who said the cost of tuition fees had influenced their decisions about HE

Source: NatCen / IES SIES 2007/08

Among full-time students the impact of support for tuition fees appeared to have had a stronger role among students from routine/manual and intermediate socio-economic backgrounds. Among those who said they were affected by the cost of tuition fees, two-thirds of students from routine/manual and intermediate backgrounds said they would not have studied at all without funding (66 per cent and 71 per cent each), compared with just 41 per cent of students from professional or managerial backgrounds.

8.3.2 Most important sources of financial support

Students who said that the financial support available to them affected their decisions about HE study in some way were also asked whether any particular type of funding affected them. Among these, forty per cent of full-time students and 35 per cent of part-time students said that it had.

Students were then asked which specific fund affected them. Overall, the most common answers given for full-time new system students were the Maintenance Grant, institutional bursaries, and the student loans for tuition fees (all elements of the new finance system)⁴⁵ (Table 8.3). Among old system students, the most common mentions were the student loan for maintenance, the student loan for fees, and NHS Bursaries.

Table 8.3: Sources of funding which affected student decisions, English-domiciled full-time students by old/new system (%): TOP MENTIONS

	Old system	New system
Maintenance Grant	18	45
Bursaries from your college or university in England	4	29
Student loan for fees	23	20
Student loan for maintenance	31	16
NHS Bursary	22	11
Teacher Training-related funds	1	6
Parents' Learning Allowance	3	5
Childcare Grant	2	4
Tuition Fee Grant	6	3
Access to Learning Fund, England	3	3
Higher Education Grant	11	2
N = (288) unweighted	90	198

Base: all English-domiciled full-time students who said that a specific funding source had affected them

Source: NatCen / IES SIES 2007/08

Among part-time students, the most common source of funding mentioned was the Course Grant (cited by 37 per cent of students who said a particular type of support had influenced their decisions). Other funding sources were each mentioned by fewer than ten per cent of students. The small base size (N=64) means that no further analysis is possible.

⁴⁵ A handful of students mentioned funding for which they were not eligible (such as the Maintenance Grant for old system students or Higher Education Grant for new system ones). This may have occurred if the students were unclear about the name of the specific grant or loan that had affected them.

8.4 Views on economic and social returns of HE

8.4.1 Introduction

A range of factors affect the decision to enter HE, for example the influence of family and peer groups is important, alongside prior academic performance. 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.

8.4.2 Perceived returns to HE

Students were asked whether they agreed or not with a series of statements about their views of HE and the perceived returns of participation. Results for full-time and part-time students are summarised in Figure 8.3.

Figure 8.3: Proportion of students agreeing with each statement, for English-domiciled full-time and part-time students (%)



Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

- 'Most of the people I know go to or have gone to university' 60 per cent of full-time students agreed or strongly agreed with this, whereas only 40 per cent of part-time students did. Two-thirds of those from managerial / professional social class backgrounds agreed (67 per cent) compared with less than half of those from routine / manual backgrounds (45 per cent).
- I nearly did not come to university because I was concerned about the debts I would build up' - 25 per cent of full-time and 31 per cent of part-time students agreed or strongly agreed with this statement. A higher proportion of full-time students on the new student support system than the old one felt this way (26 per cent compared with 21 per cent), perhaps reflecting the increased debt that full-time new system students will face due to higher tuition fees. Notably, students from a routine/manual socio-economic background

were twice as likely to agree with this statement as those from a professional or managerial background (37 per cent compared with 17 per cent; see Table 8.4).

- I am worried that the growing number of graduates will make it hard for me to get a graduate job' 59 per cent of full-time students agreed or strongly agreed with this statement, whereas only 31 per cent of part-time students did. The most pessimistic were those studying education or sciences / engineering /technology / IT.
- I think that I will earn more as a result of being in Higher Education' more full-time than part-time students agreed or strongly agreed with this (87 per cent compared with 81 per cent). Those studying medicine, dentistry or subjects allied to medicine were the most likely to agree, whereas those studying for PGCE / ITT degrees were the least likely.
- I think that in the long term the benefits of Higher Education are greater than the costs' more full-time than part-time students agreed or strongly agreed with this (86 per cent compared with 74 per cent). Notably, despite the earlier finding that new system students were more likely to be concerned by debt, they were equally as likely as old system students to believe in the long-term benefits of HE.
- 'My course is equipping me for the demands of working life' around three-quarters of students (76 per cent of full-time and 71 per cent of part-time students) agreed or strongly agreed with this statement. Agreement was highest among those studying medicine and dentistry and subjects allied to medicine, which are, by implication, vocational subjects.

Table 8.4: 'I nearly did not come to university because I was concerned about the debts I would build up' by socio-economic backgrounds, English-domiciled full-time students (%)

	Managerial/ professional	Intermediate	Routine/ manual
Strongly agree	5	6	13
Agree	12	17	24
Neither agree or disagree	10	12	9
Disagree	32	32	30
Strongly disagree	39	30	23
N = (2,184) unweighted	965	345	428

Base: all English domiciled full-time students (for whom NS-SEC could be reliably derived) Source: NatCen / IES SIES 2007/08

Table 8.5: 'I think that in the long term the benefits of Higher Education are greater than the costs', English-domiciled full-time old and new system students (%)

	Old system	New system
Strongly agree	32	35
Agree	53	47
Neither agree or disagree	12	15
Disagree	2	3
Strongly disagree	*	0
N = (2,045) unweighted	798	1,247

Base: all English domiciled full-time students

Source: NatCen / IES SIES 2007/08

Overall, students appeared to be generally positive about the benefits of attending HE in relation to future jobs and earnings. While they were concerned about competition in the graduate job market, this has not made them doubt that HE participation is worthwhile, despite its costs.

Table 8.6: English-domiciled student views of the attitude statements (%

			Full-time					Part-time		
	Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree	Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
My course is equipping me for the demands of working life	21	55	13	9	2	25	46	18	11	1
I nearly did not come to university because I was concerned about the debts I would build up	8	17	11	32	33	9	23	10	36	24
I am worried that the growing number of graduates will make it hard for me to get a graduate job	17	42	16	20	5	10	20	23	35	11
I think that I will earn more as a result of being in Higher Education	40	46	9	4	1	35	47	10	7	2
Most of the people I know go to or have gone to university	20	40	16	21	4	14	26	22	32	6
I think that in the long term the benefits of Higher Education are greater than the costs	31	53	12	3	1	30	53	13	4	1

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

8.5 Impact of finance on future plans

8.5.1 Plans on graduation

When asked what they planned to do once they had finished their course, by far the most common plan for full-time students was to get a job in their chosen career (72 per cent), whereas for part-time students it was to get a better job than the one they had currently or to get a promotion (54 per cent). A sizeable portion of full-timers and even more part-timers (33 and 42 per cent respectively) intended to continue studying after their current qualification (Figure 8.4). Full-time students were much more likely than part-time students to plan to take time off or go travelling (26 compared with five per cent).

Figure 8.4: Plans after completion of course, for English-domiciled full-time and part-time students



Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

Among part-timers, women were more likely than men to plan to get a better job than the one they had or get a promotion (64 compared with 47 per cent). Among full-timers, those from managerial and professional social backgrounds were the most likely to plan to take time off or go travelling (29 per cent compared with 18 per cent from routine and manual social backgrounds). Overall, those studying creative arts, languages or humanities were the most likely to be uncertain of their future plans (seven per cent of full- and 16 per cent of part-time students).

8.5.2 Salary expectations

As was the case in the 2004/05 survey, students were asked to estimate how much they felt they would be earning in their first job after graduation and in five years' time. Results have been rounded to the nearest £100. The short-term salary expectations of part-time students were slightly higher than those of full-time students (Table 8.7). The former (who are more likely to be working already) expected to be earning an average of £22,700 in their first job after graduation whereas the latter expected to be earning an average of £19,800. In contrast

however, and also consistent with the 2004/05 survey, full-time students' salary expectations after five years outstripped those of part-time students, at an average of £32,300 (a rise of 63 per cent) compared to £30,800 (a rise of only 36 per cent) among part-time students.

		Full-time	Part-time
Expected salary on graduation	Mean	19,800	22,700
	Median	20,000	22,000
Expected salary after five years	Mean	32,300	30,800
	Median	30,000	30,000
N = (2,686) unweighted		2,045	641

Table 8.7: Expected future earnings for English-domiciled students (£)

Base: all English-domiciled students

Source: NatCen / IES SIES 2007/08

Full-time students

There was some variation in the salary expectations of full-time students (Table 8.8). The main differences were as follows:

- Men expected to earn more than women, both in their first job and in five years' time. Consistent with the 2004/05 survey, the differential in salary expectations widens to around £4,000 by the end of five years.
- Also like 2004/05, students from managerial and professional backgrounds had the highest expected earnings both on graduation and after five years.
- Lone parents had the highest salary expectations in the short term, whereas single students (without children) had the highest salary expectations in the longer term.
- White students had the lowest salary expectations in both the short and longer term. Black / black British students had the highest salary expectations in the short term while Asian / Asian British students did so in the long term.
- Medicine and dentistry students had the highest salary expectations in both the short and long-term. Students doing creative arts, languages and humanities courses had the lowest salary expectations in the short term, whereas those studying education had the lowest salary expectations in the long term.

Characteristic	Expected salary on graduation	Expected salary after five years
Gender		
Male	20,600	34,700
Female	19,200	30,400
Age group		
Under 20	20,000	33,700
20-24	19,400	31,800
25 and over	20,600	30,900
Socio-economic group		
Managerial / professional	20,500	33,500
Intermediate	19,000	30,900
Routine / manual	19,000	30,700
Household/family type		
Two-adult family	20,800	30,400
Lone-parent family	21,500	31,700
Married or living as a couple	19,500	29,300
Single	19,700	32,700
Ethnicity		
White	19,600	31,300
Asian / Asian British	20,700	38,700
Black / Black British	22,000	38,100
Mixed or other	19,900	34,000

Table 8.8: Average salary expectations of different student groups, English-domiciled full-time students (£)

Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2007/08

Part-time students

- Trends among the expectations of part-time students (Table 8.9) were broadly similar to those of full-time students:
- Consistent with the 2004/05 survey, men had much higher initial salary expectations than women, expecting to earn around £5,000 more on graduation. In the longer term, their salary expectations continued to exceed women's.
- Salary expectations on graduation increased with age, with those under 20 expecting to earn the least and those 25 and older the most. This trend was reversed however for salary expectations over five years.
- Students from managerial and professional social backgrounds had the highest expected earnings both on graduation and over time.
- Students in lone parent families had the lowest salary expectations for both the short and long term, in contrast to the findings for full-time students.

- White students had the lowest salary expectations in both the short and longer term. Black
 / black British part-time students had the highest salary expectations in the short term and
 Asian / Asian British students did so in the long term.
- Those studying medicine and dentistry had the highest salary expectations in both the short and long term.

Table 8.9: Average salary expectations of different student groups, English-domiciled part-time students (\pounds)

Characteristic	Expected salary on graduation	Expected salary after five years
Gender		
Male	25,200	34,000
Female	20,800	28,500
Age group		
Under 20	20,600	31,600
20 -24	22,600	31,500
25 and over	22,900	30,500
Socio-economic group		
Managerial / professional	24,200	32,200
Intermediate	20,800	28,800
Routine / manual	22,100	30,500
Household/family type		
Two-adult family	23,600	31,300
Lone-parent family	19,500	28,800
Married or living as a couple	21,600	29,300
Ethnicity		
White	22,300	30,200
Asian / Asian British	22,000	31,900
Black / Black British	29,100	39,400
Mixed / other	24,400	35,300

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2007/08

9 Comparison with 2004/05

9.1 Summary of key findings

9.1.1 Income

- Average income among all full-time students rose from £9,275 to £10,425 between 2004/05 and 2007/08: an increase of 12 per cent (taking account of inflation⁴⁶). This does not mean that the average student saw a 12 per cent increase in the money they had to spend, however, as the bulk of this increase came in income from the tuition fee loan, which is paid direct to the students' institution. If both this and tuition fee support are discounted, there has been virtually no change in average student income between the two studies. The largest increases were in income from main sources of student support (which includes income from the tuition fee loan/tuition fee support) and other sources of student support (including more targeted, subject-specific support, and institutional bursaries). Average income from family and friends fell in real terms, over the same period.
- Among full-time first year students, singled out for comparison as they are the students most likely to be in receipt of the new student support package, average total income increased by 15 per cent taking account of inflation. Average income from the main and other sources of student support increased much more for first year students than for other students (partly driven by income from tuition fee loans). At the same time, first year students received less income from paid work and from family and friends.
- Total average income for part-time students increased by eight per cent, accounting for inflation, from £11,196 in 2004/05 to £13,511 in 2007/08. The main cause of this was an increase in income from family, partner and friends.
- Overall, there has been no change in students' average earnings from paid work during the academic year, in real terms. Full-time students in 2004/05 earned an average of £2,027 in today's money compared to £2,108 in 2007/08. Part-time students in 2004/05 earned an average of £9,572, comparable to the £9,580 they earned in 2007/08.
- For both full-time and part-time students, overall income from paid work has changed very little between the two studies. However, this was not the case when looking at trends for full-time first year students: in the 2007/08 academic year, they earned just £1,831, an average of 16 per cent less in real terms than first year students in 2004/05 (£2,178). This decrease in income from paid work was largely due to the lower proportion of first year full-time students who did any paid work during the 2007/08 academic year, (49 per cent in 2007/08, compared with 58 per cent in 2004/05).

9.1.2 Expenditure

The total average expenditure across all full-time students went up by seven per cent between 2004/05 and 2007/08, from £11,434 to £12,254. This increase in total spending was driven by a 43 per cent increase in participation costs (to be expected given the introduction of variable course fees). Living, housing and child-related spending costs were steady between the studies (decreasing by between one and seven per cent).

⁴⁶ All 2004/05 monetary figures have been uprated by 1.113 to reflect changes in the Retail Price Index since the previous study.

- Total average expenditure among part-time students remained steady between the two studies (£16,042 in 2004/05 and £16,435 in 2007/08).
- Participation costs increased by 68 per cent for full-time first year students, and by 55 per cent for students not in their first or final year. This largely explained the rises in total spending for these groups. First year students were mainly new system students while intermediate year students were a mix of old and new system.
- Among full-time students, tuition fees rose from an average of £1,280 in 2004/05 to £2,251 in 2007/08, up by 76 per cent. However, the full extent of the impact is shown most clearly when looking solely at first year full-time students. Among this group, expenditure on fees more than doubled in the same period, from £1,280 to £2,927. The cost of tuition fees rose by 25 per cent for part-time students, a smaller increase than that observed for full-time students. The full impact of variable tuition fees on part-time students seems to be of a similar order: among first-year students, fee costs increased by around one-fifth.

9.1.3 Savings, borrowings and debt

- Across all full-time students, average borrowing increased since the 2004/05 survey due to substantial increases in student loans. Although there have been modest increases in savings, the overall impact on students' financial position has been to increase the level of predicted student (net) debt by the end of the students' current year of their course. However, there has been a small shift away from borrowing from the more high cost commercial sources.
- Interestingly, graduate net debt appears to have fallen slightly since the 2004/05 survey but it is too early to capture the impact of the introduction of the new student support system, as final year students in both studies were (generally) subject to the old system of financing and fees.
- Across all part-time students, in contrast to full-time students, borrowing levels have fallen since 2004/05. Savings levels have also fallen (although not substantially) and so average net debt amongst part-time students has decreased since the previous survey. However, analysis of final year student debt levels indicates that graduate debt amongst part-time students could be on the increase, although from a generally very low base.

9.1.4 Overall financial position

- Comparing across all students, and across first year students, current students are no more likely than those in 2004/05 to consider dropping out or leaving their courses early, nor to cite financial reasons for doing so.
- Arrears are measured by the proportion of students falling at least two payments behind on key bills such as credit cards, utilities, or rent. The proportion of students falling into arrears has declined since 2004/05.
- Reliance on high cost forms of borrowing has fallen amongst full-time students, particularly first year students operating under the new student finance system, but has remained constant among part-time students.

9.1.5 Choices and attitudes

- The proportion of full-time students who reported that the student funding and financial support available to them affected their decisions about HE study rose slightly between the two surveys. However, the proportion who stated that the support affected their decision whether to live at home remained stable. There was no change among part-time students.
- The proportion of full-time students who reported that concern over debts almost stopped them coming to university remained the same at approximately one quarter. Among parttimers, there was a small increase from 27 per cent in 2004/05 to 31 per cent in 2007/08.
- Fewer full-time students agreed that 'the long term benefits of HE are greater than the costs' in 2007/08 compared with 2004/05 (82 per cent compared with 86 per cent). However, the reverse was true among first year students (an increase from 84 to 89 per cent). Among part-time students the proportion agreeing that 'the long term benefits of HE are greater than the costs' declined (from 81 to 74 per cent).

9.2 Introduction

The funding of higher education has undergone marked changes in recent years, as has the way that students fund their studies. Changes in the higher education funding package made since the most recent SIES survey, in 2004/05, were outlined in Chapter 1. In particular, a raft of changes was introduced from September 2006, covering both tuition fees and maintenance costs, which in effect introduced two different systems of student finance.

These changes included:

- The introduction of variable tuition fees and abolition of the tuition fee grant for new system students, replaced by a student loan for tuition fees. Old system students (who started before September 2006, or who applied before that date and deferred their place) could still get the tuition fee grant.
- Institutions were required to increase the level of financial aid for low-income students. Institutions charging fees of more than £2,700 per year are required to provide additional financial help in the form of bursaries to new system students eligible to receive the full grant, in order to at least make up the difference between the grant and the tuition fee rate.
- The re-introduction of the Maintenance Grant for new system students on a low income or from low-income families, along with a Special Support Grant for particular groups of students eligible to receive certain benefits. At the same time, the Higher Education Grant was abolished for new students (although old system students could still get it).

All of these changes will impact on comparisons with the results of the SIES 2004/05. In this chapter, therefore, while we do compare patterns observed among all students (for both 2004/05 and 2007/08), we also explore comparisons between first year students across each survey because of the inter-linkage of the student funding systems with year of study. It is particularly important to note that the measure of net debt on graduation, reported in SIES 2007/08, does not pick up the impact of the new student support system.

In this chapter we focus mainly on statistics that refer to all full-time or part-time students, rather than those receiving income or incurring expenditure in a given category.

All monetary values relating to the SIES 2004/05 have been uprated by 1.113, reflecting changes in the Retail Price Index between Quarter 1 of 2004/05 and Quarter 1 of 2007/08.

This chapter is divided into six main parts, as follows:

- a brief comparison of the sample profiles across the two surveys
- comparisons over time of income, expenditure, savings, borrowings and debt, and overall financial position
- a comparison of the impact of finances on students' HE choices and attitudes.

9.3 Socio-demographic characteristics

The sample profiles for the SIES 2007/08 and SIES 2004/05 are presented in Table 9.1(a) for all full-time and part-time students and in Table 9.1(b) for full-time first year students. There were very few differences in terms of student and HE study characteristics, among full-time students overall and among first year students.

Small differences occurred among part-time students (namely slightly more women, more students aged under 25 and over 40, and, probably reflecting these differences, more couples without dependent children and fewer couples with dependent children).

Table 9.1(a): Comparison of sample profiles, SIES 2004/05 and 2007/08, key student and HE study characteristics, all English-domiciled students

	Full-	time	Part-time		
	SIES 2007/08	SIES 2004/05	SIES 2007/08	SIES 2004/05	
Gender					
Male	43	44	41	45	
Female	57	56	59	55	
Age group, full-time (at start of academic year)					
Under-25	83	84	-	-	
25 and older	17	16	-	-	
Age group, part-time (at start of academic year)					
Under-25	-	-	28	23	
25-39	-	-	38	46	
40+	-	-	35	31	
Ethnicity					
White	83	85	89	90	
Black/ Black British	4	3	4	3	
Asian / Asian British	7	5	3	2	
Mixed	5	6	2	5	
Socio-economic group					
Professional / managerial	57	57	55	54	
Intermediate	18	20	19	18	
Routine / manual	24	23	29	28	
Status					
Dependent	77	79	n/a	n/a	
Independent	23	21	100	100	
Family type					
Single	85	87	39	38	
Couple without children	7	6	26	22	
Lone parent family	2	3	10	8	
Two-adult family	6	5	26	31	
Location of study					
England	97	96	84	86	
Wales	3	4	1	1	
Open University	na	na	15	11	
Year of study					
First year	32	35	33	32	
Intermediate years	32	30	31	31	
Final year / one-year course	35	35	36	37	
Whether lives with parents					
Lives at home / with parents	24	19	23	16	
Lives away from home	76	81	77	84	
N = unweighted	2,045	2,509	680	320	

Base: all English-domiciled students

Source: NatCen / IES SIES 2004/05 and 2007/08

	SIES 2007/08	SIES 2004/05
Gender		
Male	44	44
Female	56	56
Age group (at start of academic year)		
Under 25	84	83
25 and older	16	17
Ethnicity		
White	82	83
Black / Black British	6	4
Asian / Asian British	8	6
Mixed	5	6
Family type		
Single	85	88
Couple without children	6	5
Lone parent family	3	3
Two-adult family	6	4
Location of study		
England	98	97
Wales	2	3
Open University	n/a	n/a
Whether lives with parents		
Lives at home / with parents	25	21
Lives away from home	75	79
N = unweighted	680	858

Table 9.1(b): Comparison of sample profiles, SIES 2004/05 and 2007/08, key student and HE study characteristics, English-domiciled full-time first year students

Base: all English-domiciled full-time first year students

Source: NatCen / IES SIES 2004/05 and 2007/08

9.4 Change over time in total student income

9.4.1 Full-time students

Average income among all full-time students rose from £9,275⁴⁷ to £10,425 between 2004/05 and 2007/08: an increase of 12 per cent taking account of inflation. The largest increases were in income from the main sources of student support, which increased by 29 per cent, and other sources of student support, including institutional bursaries, (which increased by 46 per cent) (Table 9.2). Average income from family and friends fell by 13 per cent in real terms, over the same period.

⁴⁷ This figure and all subsequent monetary amounts presented in the text or tables for 2004/05 have been uprated by a factor of 1.113, to reflect increases in the RPI between the two studies. When referring to a 'real terms' increase or decrease, this means a change based on the uprated figure, ie taking account of inflation.

This does not mean that the average student saw a 12 per cent increase in the money they had to spend, however, as the bulk of this increase came in income from the tuition fee loan, which is paid direct to the students' institution. If this income and income from tuition fee support are discounted in both 2007/08 and 2004/05, there has been virtually no change in average student income between the two studies (see bracketed figures in Table 9.2 for the relevant amounts, minus income from tuition fee loans or tuition fee support).

What about first year students (singled out because they are the group most likely to be receiving the new student support package)? There was a slightly greater increase in average total income for them, between the two surveys - up 15 per cent taking account of inflation. Average income from the main and other sources of student support increased by 47 per cent each (discussed in detail later in this chapter). One of the key drivers for the increase in income from the main sources of student support was income from the student loan for tuition fees, which, as discussed previously, is payable direct to the students' institution rather than to individual students. If such income is discounted, along with income from tuition fee support for first year students in 2004/05 (which was also payable directly to the institution), there was virtually no change in average income for first year students, between the two studies.

At the same time as income from the main and other sources of support increased, first year students received less income from paid work (down 16 per cent) and from family and friends (down 13 per cent), which partly offset the extra money they were getting in student support. This is particularly interesting given that average income from paid work rose among students in their final year or on a one-year course (among whom it increased by 30 per cent from £1,980 to £2,306), and among students in intermediate years (up 14 per cent from £1,907 to £2,168).

	SIES 2007/08	SIES 2004/05		SIES 2007/08	SIES 2004/05	
	All full-time students	All full-time students	Index (07/04)	Year 1 full-time students	Year 1 full-time students	Index (07/04)
Main sources of student support	4,771 (3,143) ¹	3,703 (3,159)	1.29 (0.99)	5,720 (3,448)	3,893 (3,343)	1.47 (1.03)
Other sources of student support	1,025	700	1.46	978	664	1.47
Income from paid work	2,108	2,027	1.04	1,831	2,178	0.84
Income from family and friends*	2,045	2,342	0.87	2,116	2,429	0.87
Social security benefits*	258	259	1.00	316	337	0.94
Other income*	219	243	0.90	213	229	0.93
Estimated total income*	10,425 (8,798)	9,275 (8,731)	1.12 (1.01)	11,173 (8,901)	9,732 (9,180)	1.15 (0.97)
N = unweighted	2.045	2.509		680	858	

Table 9.2: Comparison of average total income figures (£): 2007/08 and 2004/05 (adjusted), all English-domiciled full-time students and all Year 1 full-time students[#]

Note: *figures adjusted for partner contributions where relevant

[#] 2004/05 figures were multiplied by 1.113 to reflect RPI increases

¹ Figures in brackets indicate the amount from that source, minus income from tuition fee support (which is paid direct to the students' institution)

Base: all English-domiciled full-time students and full-time first year students

Source: NatCen / IES SIES 2004/05 and 2007/08

Figure 9.1 illustrates the changes to the relative composition of total average income over time for all full-time students and first year full-time students. The distribution of average income among first year students in 2004/05 was almost identical to that among all students. In contrast, 2007/08 finds a much greater divergence between the two, which reflects the differences in the student finance systems for students in different years of study.

Of particular note when comparing first year students is the apparent reversal of the trends identified in 2004/05, for a declining contribution made by income from the main sources of student support (which has since increased from 40 to 51 per cent), and an increasing contribution by income from paid work (which has since decreased from 22 per cent to 16 per cent). The share of income from family and friends has also declined among first year students between the two surveys (from 25 per cent in 2004/05 to 19 per cent in 2007/08). Taken together, these findings suggest that income from paid work and from family is becoming less important to first year students over time, in light of changes to the student funding system. However, as discussed previously, it should be remembered that students do not actually get to spend the income they receive in the shape of the student loan for tuition fees, which is paid directly to their institution.





Note: *figures adjusted for partner contributions where relevant

Base: all English-domiciled full-time students and full-time first year students

Source: NatCen / IES SIES 2004/05 and 2007/08

9.4.2 Part-time students

Shifting the focus to part-time students, we find that total average income increased from $\pounds 11,196$ in 2004/05 to $\pounds 13,511$ in 2007/08: a smaller rise than among full-time students, at eight per cent (taking account of inflation). The greatest rise was in income from family and friends, which was a small negative value in 2004/05 because part-time students contributed more than they received. In 2007/08 this had reversed and part-time students were net 'receivers' of $\pounds 1,036$ from family (including share of partner's income). It is likely that this is influenced by changes in the composition of the part-time student sample between the two surveys.

Notably, income from paid work remained stable over time and income from social security benefits actually decreased in real terms, by 13 per cent. Other income and income from the main sources of student support witnessed large increases, although from a low base.

	SIES 2007/08	SIES 2004/05	
	All part-time students	All part-time students	Index (07/04)
Main sources of student support	256	209	1.22
Other sources of student support	606	573	1.06
Income from paid work	9,580	9,572	1
Income from family and friends*	1,036	-17	-
Social security benefits*	1,416	1,632	0.87
Other income*	618	490	1.26
Estimated total income*	13,511	12,461	1.08
N = unweighted	641	890	

Table 9.3: Comparison of average total income figures (£): 2007/08 and 2004/05 (adjusted), all English-domiciled part-time students[#]

Note: *figures adjusted for partner contributions where relevant

[#] 2004/05 figures were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2004/05 and 2007/08

Figure 9.2 highlights the continuing importance of income from paid work among part-time students, which continues to contribute the vast majority of their total average income (although its share has fallen from 77 per cent to 71 per cent). Other than the increase in income from family, the relative contributions of other sources have remained broadly the same as in 2004/05.





Note: *figures adjusted for partner contributions where relevant Base: all English-domiciled part-time students Source: NatCen / IES SIES 2004/05 and 2007/08

9.4.3 Changes in total average income for different groups

Full-time students

Table 9.4 summarises trends across key groups of full-time students. It shows that average total income increased for all groups between 2004/05 and 2007/08 (accounting for inflation), and most saw an increase that was broadly in line with the average of 12 per cent. Full-time students experiencing above average increases in total income were: students aged under 20 (who are likely to be new system students) and those aged 25 or older; students from intermediate or routine/manual social class backgrounds; and students in couples with children. The lowest increases were among students aged 20 to 24 (among whom total income remained relatively static), lone parents, and students in their final year or doing a one-year course.

Table 9.4: Comparison of SIES total income figures (£): 2007/08 data for full-time Englishdomiciled students compared with adjusted 2004/05 data for key subgroups (mean)[#]

	SIES 2007/08	SIES 2004/05	Index (07/04)
Gender			
Male	9,980	8,749	1.14
Female	10,776	9,684	1.11
Age group			
Under 20	10,570	8,745	1.21
20-24	9,012	8,954	1.01
25+	13,974	11,865	1.18
Socio-economic group			
Managerial / professional	10,598	9,499	1.12
Intermediate	10,588	8,802	1.20
Routine / manual	10,902	9,322	1.17
Household/family type			
Two-adult family	14,755	12,177	1.21
Lone parent family	17,703	16,302	1.09
Couple	11,330	9,878	1.15
Single	9,837	8,845	1.11
Ethnicity			
White	10,683	9,463	1.13
Asian / Asian British	8,002	6,974	1.15
Black / Black British	10,979	9,494	1.16
Mixed	9,486	8,618	1.10
Whether lives with parents			
Lives with parents	8,606	7,480	1.15
Lives away	10,989	9,711	1.13
Year of study			
First year	11,173	9,732	1.15
Intermediate years	10,384	9,090	1.14
Final year / one-year course	9,780	8,980	1.09
Location of study			
Studying in England	10,448	9,307	1.12
Studying in Wales	9,656	8,600	1.12

[#] 2004/05 figures were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2004/05 and 2007/08

Part-time students

Turning attention to part-time students, Table 9.5 compares total average income for the key student and HE study characteristics, across 2007/08 and 2004/05.

There was greater variation in the trends across different student and HE study characteristics among part-time students. Those who saw a higher than average increase in their total average income compared with 2004/05 were students in couples with children, students in intermediate years of their course, and those studying at the OU. In contrast, income fell behind inflation slightly for lone parents and single students, first year students, and (particularly) those studying at FE colleges, whose income declined by 13 per cent in real terms.

	SIES 2007/08	SIES 2004/05	Index (07/04)
Gender			
Male	12,852	12,251	1.05
Female	13,964	12,631	1.11
Age group			
Under 25	12,204	10,886	1.12
25-29	13,790	12,247	1.13
30-39	13,836	12,995	1.06
40 or older	14,237	13,423	1.06
Socio-economic group			
Managerial / professional	14,656	13,691	1.07
Intermediate	12,556	12,301	1.02
Routine / manual	11,822	10,517	1.12
Household/family type			
Two-adult family	14,854	11,707	1.27
Lone parent family	15,640	15,903	0.98
Couple	13,324	12,367	1.08
Single	12,207	12,394	0.98
Whether lives in London			
Living in London	13,473	13,037	1.03
Living elsewhere	13,514	12,388	1.09
Year of study			
First year	12,095	12,255	0.99
Intermediate years	15,250	12,255	1.24
Final year / one-year course	13,326	12,814	1.04
Type of institution			
English HEI	14,444	12,797	1.13
Welsh HEI	-	-	-
English FEC	10,460	12,631	0.83
OU	14,425	11,043	1.31

Table 9.5: Comparison of SIES total income figures (£): 2007/08 data for English-domiciled parttime students compared with adjusted 2004/05 data for key subgroups (mean)[#]

[#] 2004/05 figures were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2004/05 and 2007/08

9.5 Change over time in the main sources of student income

In this section we provide a breakdown of each of the main components of total student income, and explore how they have changed since 2004/05. Comparisons focus on full-time and part-time students and, within full-timers, students in their first year of study.

9.5.1 Main and other sources of student support

Full-time students

Table 9.6 compares income from the main and other sources of student support among fulltime students, across the two surveys. It should be noted that, due to changes in the student finance systems between the two surveys, it is not possible to make comparisons for some income sources which were only available under either the old or new student finance packages.

As discussed earlier, income from the main sources of student support has grown markedly for all full-time students since 2004/05 (up 29 per cent in real terms), but especially for first year students (up 47 per cent). This is mainly as a result of the **student loan for tuition fees** (ie, part of the new student finance regime) which is in fact paid directly to the students' institution, rather than to students. If income from the student loan for tuition fees and tuition fee support is discounted for this reason, we find that, accounting for inflation, average income from the main sources of student support barely changed between the two studies, among all full-time students and first year students. Average figures discounting the student loan for tuition fees and tuition fee support, and the relevant index figures compared with 2004/05, are shown in brackets in Table 9.6.

Other notable differences between 2004/05 and 2007/08 are:

- Average income from the student maintenance loan has fallen to 83 per cent of its 2004/05 level. The take-up of student maintenance loans has dropped somewhat since 2004/05 (from 79 per cent to 71 per cent among all full-time students and from 78 per cent to 73 per cent among first year students), which helps to account for this difference.
- Average income from Access to Learning/Financial Contingency Funds has almost halved since 2004/05.
- Average income from the Higher Education Grant has also decreased, however we would expect this as it is no longer available, except to certain old system students who typically started their HE course in 2004/05 or 2005/06. The same is true of tuition fee support, which was only available to old system students in 2007/08.
- The **Maintenance Grant** was not available to students in 2004/05. However, an *indicative* comparison between the Maintenance Grant in 2007/08 and the Higher Education Grant in 2004/05, among first year students, finds that a higher proportion received the Maintenance Grant (40 per cent) than the Higher Education Grant (25 per cent).

Table 9.6: Comparison of average income from the main and other sources of student support (£): 2007/08 and 2004/05 (adjusted), all English-domiciled full-time and first year students[#]

	SIES 2007/08	SIES 2004/05		SIES 2007/08	SIES 2004/05	
	All full-time students	All full-time students	Index (07/04)	Year 1 full-time students	Year 1 full-time students	Index (07/04)
Main sources of student support	4,771 (3,143) ¹	3,703 (3,159)	1.29 (0.99)	5,720 (3,448)	3,893 (3,343)	1.47 (1.03)
Student loan for tuition fees	1,451 (0)	na	-	2,265 (0)	na	
Student loan for maintenance	2,492	3,020	0.83	2,534	3,084	0.82
Maintenance Grant	527	na	-	835	na	
Special Support Grant	37	na	-	73	na	
Access to Learning/ Financial Contingency Funds	23	51	0.45	15	29	0.52
Higher Education Grant	64	88	0.73	na	229	
Course Grant	na	na	-	na	na	
Tuition fee support	177 (0)	544 (0)	0.33	7 (0)	550 (0)	
Other sources of student support	1,025	700	1.46	978	681	1.44
- of which, institutional bursaries	236	na		338	na	
N = unweighted	2,045	2,509		680	858	

[#] 2004/05 figures were multiplied by 1.113 to reflect RPI increases

¹ Figures in brackets indicate the amount from that source, minus income from tuition fee loan/support (which is paid direct to the students' institution)

Base: all English-domiciled full-time students and full-time first year students

Source: NatCen / IES SIES 2004/05 and 2007/08

Income from other sources of student support has increased by 46 per cent since 2004/05 among all students, and grew by a similar amount, 44 per cent, among first year students. This source includes more targeted funds such as child-related support, support related to particular degree subjects such as medicine or other health-related subjects and teacher training, and tuition fee support from the students' institution (including bursaries). The growth in other forms of student support has sustained its upward trend since the 1998/99 survey and although the average contribution to total income from this source remains relatively low, analysis in Chapter 4 highlighted that this is a key element of finance for certain groups of students.

Much of the increase in income from the other sources of student support was driven by institutional bursaries. These were only introduced under the new student finance system, therefore there is no comparable data for 2004/05. If the average income from bursaries was removed, there would be a much smaller increase in income from this source overall: up 13 per cent across full-time students as a whole, and down six per cent among first year students.

Part-time students

Table 9.7 provides a breakdown of the main and other sources of student support for parttime students, across the two surveys. Only those main sources of student support which are available to part-timers are displayed.

Between 2004/05 and 2007/08, average income from the main sources of student support increased by 22 per cent in real terms, driven in particular by a 37 per cent increase in **tuition fee support** (however, both these increases were from a relatively low base, in monetary terms). As the proportion of students accessing this type of support has remained steady (28 per cent in 2007/08, 27 per cent in 2004/05), it is likely that income from tuition fee support has increased due to the similar increase in the cost of part-time course fees since 2004/05 (discussed in more detail in Section 9.6.4).

There was a small increase of five per cent in income from the **Course Grant**. Again, the proportion of part-time students receiving this (19 per cent) was broadly in line with 2004/05 (16 per cent).

Income from other sources of support has only increased by six per cent among part-time students, but this disguises an almost six-fold increase in the average amount they receive from their employer, at £394 in 2007/08 compared with £69 (uprated) in 2004/05. Many more part-time students received financial support from their employer in 2007/08 compared with 2004/05 (33 per cent compared with just five per cent), and the higher average is likely to be driven by this as well as the fact that most employer support is paid towards tuition fees, which have increased since the previous study.

Table 9.7: Comparison of average income from the main and other sources of student support (£):2007/08 and 2004/05 (adjusted), all English-domiciled part-time students[#]

	SIES 2007/08	SIES 2004/05	
	All part-time students	All part-time students	Index (07/04)
Main sources of student support	256	209	1.22
Access to Learning / Financial Contingency Funds	13	22	0.59
Course Grant	44	42	1.05
Tuition fee support	199	145	1.37
Other sources of student support	606	573	1.06
- of which, employer support	394	69	5.71
N = unweighted	641	890	

[#] 2004/05 figures were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2004/05 and 2007/08

9.5.2 Income from paid work

Full-time students

There has been no change in full-time students' average earnings from paid work during the academic year, in real terms (see Table 9.2, Section 9.4.1). Full-time students in 2004/05 earned an average of £2,027 in today's money compared to £2,108 in 2007/08.

Having said this, there were some small changes in propensity to work and average hours worked in different types of employment, particularly in non-continuous jobs. Overall, slightly fewer students worked in 2007/08 compared to 2004/05 (53 per cent compared to 56 per cent), although for those that did work average income was slightly higher (£4,005 compared to £3,625).

In terms of the types of jobs students had, although a similar proportion of students reported working in a continuous job in 2007/08 (40 per cent) when compared to 2004/05 (39 per cent), slightly fewer reported working in non-continuous jobs (20 per cent compared to 25 per cent in 2004/05). Similarly, although those working in a continuous job in 2007/08 worked similar hours to those in 2004/05 (15 hours per week on average in 2007/08 compared to 16 hours in 2004/05), students who had a non-continuous job⁴⁸ worked for fewer hours on average (13 hours compared to 16 hours) for a shorter period of time (17 weeks compared to 25).

For full-time first year students (those most affected by the changes in the funding system) the change in income from paid work over time is more substantial. Full-time first year students in the 2007/08 academic year earned just £1,831 on average,16 per cent less in real terms than first year students in 2004/05 (£2,178 uprated).

This decrease in income from paid work was largely due to the lower proportion of first year full-time students who did any paid work during the 2007/08 academic year, (49 per cent in 2007/08, compared to 58 per cent in 2004/05, Table 9.8). Indeed, the change in overall income from paid work is almost entirely attributable to the change in the incidence of working, rather than any change in earnings, as average income for those working has remained remarkably consistent in real terms (£3,724 in 2007/08, compared to £3,729 in 2004/05).

The change in the incidence of working among first year full-time students could be explained to some extent by their increase in income from the main and other sources of student support (such as increased loans for fees, and the re-introduction of the Maintenance Grant for some students) outlined in Chapter 3; however, this would need to be investigated more fully.

⁴⁸ As mentioned previously in Chapter 3, students in the 2007/08 academic year had up to three non-continuous jobs. However, 80 per cent of those with non-continuous jobs had only one such job. The figures quoted in this section are for the first of these non-continuous jobs only.

Table 9.8: Proportion of English-domiciled full-time students working, and average income for those that do work, 2007/08 and 2004/05 (adjusted)[#]

	SIES 2007/08	SIES 2004/05		SIES 2007/08	SIES 2004/05	
	All full- time students	All full-time students	Index (07/04)	Year 1 full-time students	Year 1 full-time students	Index (07/04)
% working	53	56	-	49	58	-
Mean earnings (among those who work)	4,005	3,625	1.10	3,724	3,729	1.00
N = unweighted	2,045	2,509		602	173	

[#] 2004/05 figures were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled full-time students and full-time first year students

Source: NatCen / IES SIES 2004/05 and 2007/08

Although there was little change in the overall average income for those who did work, there were some changes in the types of job that first year students had during the academic year as well as in their patterns of working.

First year students were slightly less likely to have a continuous job in 2007/08 than they were in 2004/05 (35 per cent compared to 39 per cent in 2004/05), reflecting the general downwards trend in propensity to work. However, the average number of hours worked per week remained constant between the two surveys for those first year students who did have a continuous job.

First year students in 2007/08 were also less likely to take up non-continuous jobs than were first year students in 2004/05, again reflecting a lower propensity in general to take up work. Those who did take up a non-continuous job worked fewer hours on average and kept the job for a shorter length of time than first year students in 2004/05 (Table 9.9).

	All students 07/08	All students 04/05	First year students 07/08	First year students 04/05
% with continuous job	40	39	35	38
Mean hours per week	15	16	15	15
Hourly rate, £	6.67	6.38	6.36	6.96
N with continuous job (unweighted)	802	986	247	331
% with non-continuous jobs	20	25	20	29
Mean hours per week in job 1 ¹	13	16	13	17
Number of weeks worked in job 1	17	25	14	26
N with non-continuous job (unweighted)	411	595	132	231
N = unweighted	2,045	2,509	680	858

Table 9.9: Proportion of students holding different types of job during the academic year, hours worked and hourly rate for those working

¹ Job 1 refers to the first/main non-continuous job

Base: all English domiciled full-time students

Source: NatCen / IES SIES 2004/05 and 2007/08

There is little change in the overall proportion of full-time students reporting that doing paid work affected their studies. Impacts such as less time studying, increased levels of stress and reduced quality of work were the most commonly-cited effects in 2007/08, as they were in 2004/05 (Table 9.10). However, slightly fewer full-time students in 2007/08 indicated that the quality of their university work was affected by their job (60 per cent, compared with 68 per cent in 2004/05), or that they had less time for sleeping (48 per cent, compared with 56 per cent in 2004/05).

A similar pattern emerges when comparing first year full-time students in 2007/08 to first year students in 2004/05. Again, almost the same proportions of students suggested that working had affected their studies (28 per cent in 2007/08 and 29 per cent in 2004/05). Similar proportions of these cited less time studying (72 per cent in 2007/08, compared to 74 per cent in 2004/05), with slightly fewer reporting increased stress (54 per cent in 2007/08, compared with 59 per cent in 2004/05). First year students in 2007/08 were more likely to report that working in a job eased any financial worries they might have (28 per cent compared with 13 per cent), and less likely to report the following problems:

- reduced quality of university work due to time constraints (50 per cent, compared with 63 per cent in 2004/05)
- less time for revising (29 per cent, compared with 44 per cent in 2004/05)
- missing lectures and classes (15 per cent, compared with 21 per cent).

Table 9.10: Has work affected course/studies, and in what way? Comparison for Englishdomiciled full-time students 2007/08 and 2004/05

	SIES 2007/08	SIES 2004/05	SIES 2007/08	SIES 2004/05
	All full-time students	All full-time students	Year 1 full-time students	Year 1 full-time students
Work has affected studies, %	37	39	28	29
N = unweighted	1,066	1,400	336	494
Less time studying and reading	74	77	72	74
Increased levels of stress / overload	61	65	54	59
Cannot spend enough time on university work therefore reduces quality of work	60	68	50	63
Less time sleeping	48	56	55	59
Less time for leisure and sports	46	49	52	48
Less time to revise for exams	38	40	29	44
Missing lectures and classes	22	25	15	21
More difficulty accessing university library and computers	11	14	13	12
Less worry about finance so more relaxed in study	18	20	13	28
Other	5	2	5	1
N = unweighted	458	557	98	145

Base: English-domiciled full-time students and full-time first year students who worked during the academic year

Source: NatCen / IES SIES 2004/05 and 2007/08

Part-time students

Part-time students in 2007/08 averaged £9,580 in income from paid work, which is comparable to £9,572 in 2004/05 (Table 9.3).

Table 9.11 shows that between 2004/05 and 2007/08 there was no significant change for part-time students, either in their likelihood of working or (among those who worked) in their average earnings.

Table 9.11: Proportion of English-domiciled part-time students working, and average income for those that do work, 2007/08 and 2004/05 (adjusted)[#]

	SIES 2007/08	SIES 2004/05	
	All part-time students	All part-time students	Index (07/04)
% working	81	83	-
Mean earnings	11,875	11,564	1.03
N = unweighted	641	890	

[#] 2004/05 figures were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2004/05 and 2007/08

The proportion of part-time students who felt that their studies were affected by paid work was the same in 2007/08 as it was in 2004/05, at just over half (52 per cent in both academic years, Table 9.12). Slightly more part-time students in 2007/08 felt that they had increased levels of stress, that the quality of their work had suffered, and that they had less time for sleep. Conversely, fewer part-time students reported missing lectures or classes, or having less time for sports and leisure or revision.

Table 9.12: Has work affected course/studies, and in what way? Comparison for Englishdomiciled part-time students, 2007/08 and 2004/05

	SIES 2007/08	SIES 2004/05
	All part-time students	All part-time students
Work has affected studies, %	52	52
Base, N (unweighted)	521	689
Less time studying and reading	72	71
Increased levels of stress / overload	74	70
Cannot spend enough time on university work therefore reduces quality of work	68	63
Less time sleeping	43	36
Less time for leisure and sports	53	60
Less time to revise for exams	38	43
Missing lectures and classes	25	34
More difficulty accessing university library and computers	28	31
Less worry about finance so more relaxed in study	15	17
Other	6	3
N = unweighted	287	346

Base: English-domiciled part-time students who worked during the academic year

Source: NatCen / IES SIES 2004/05 and 2007/08

9.5.3 Income from family and friends

Full-time students

Among all full-time students, income from family, partner and friends declined by 13 per cent between 2007/08 and 2004/05 (Table 9.13). Contributions from parents declined the most, down 21 per cent in real terms. As discussed earlier in this chapter, students' share of their partners' income increased between the two studies, from a negative value in 2004/05 (indicating they contributed more than they received) to an average of £220 in 2007/08. The proportion of students who received income from family, partner or friends fell slightly from 90 per cent to 86 per cent across the two studies, with the average among recipients also declining from £2,617 in 2004/05 to £2,376 in 2007/08. The proportion receiving income from parents fell more steeply, from 76 per cent in 2004/05 to 68 per cent in 2007/08 (the average amount among recipients also declined from £2,368 to £2,084).

First year students experienced a 13 per cent drop in income from family and friends, compared with a 25 per cent fall among students in intermediate years (the amount that final year students received from this source remained static). First year students also had a smaller drop in income from parents than students in other years (15 per cent), whereas income from parents among students in intermediate and final years fell by around 25 per

cent each during the same interval. The contribution they received from non-relatives increased while it fell for students in other years (although the absolute amounts remained low).

	SIES 2007/08	SIES 2004/05		SIES 2007/08	SIES 2004/05	
	All full-time students	All full-time students	Index (07/04)	Year 1 full-time students	Year 1 full-time students	Index (07/04)
Income from family, partner and friends*	2,045	2,342	0.87	2,116	2,428	0.87
Contributions from parents	1,413	1,795	0.79	1,512	1,772	0.85
Contributions from other relatives	169	137	1.23	180	152	1.18
Contributions from non- relatives	14	17	0.82	16	12	1.14
Gifts in kind	228	306	0.75	280	352	0.80
Contributions from partner	1	0	-	3	1	3
Share of partner's income	220	-86		125	138	0.91
N = unweighted	2,045	2,509		680	858	

Table 9.13: Comparison of average income from family and friends (£): 2007/08 and 2004/05 (adjusted), all English-domiciled full-time and first year students[#]

Note: figures adjusted for partner contributions where relevant

[#] 2004/05 figures were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled full-time students and full-time first year students

Source: NatCen / IES SIES 2004/05 and 2007/08

Part-time students

Among part-time students there was a very different pattern (Table 9.14). Income from family, partner and friends increased substantially between the two surveys, from a small negative value in 2004/05 to an average of £1,036 in 2007/08. This was mainly driven by the increased share of partner's income they received (up from a small negative value in 2004/05), as well as more income from parents and gifts in kind. These changes are related to complex differences within the profile of part-time students:

- The higher proportion of under-25s among the part-time population helps to explain the increase in contributions from parents.
- Contributing more money to family/partner than is received (resulting in a negative figure for share of partner's income) was associated with being male, aged in their thirties, and from a managerial/professional socio-economic group. Within the part-time sample, the proportions of male students, in particular those aged 30 to 39, and students from a managerial/professional socio-economic background, have all declined since 2004/05. In particular, the ratio of males to females within the 30 to 39 age group was evenly balanced in 2004/05 (at 32 per cent male compared with 31 per cent female), whereas in 2007/08, 30 per cent of female part-time students were aged 30 to 39 compared to only 17 per cent of males.

These factors combined help to explain the shift from a small negative figure in 2004/05 to a positive one in 2007/08.

Table 9.14: Comparison of average income from family and friends (\pounds): 2007/08 and 2004/05 (adjusted), all English-domiciled part-time students[#]

	SIES 2007/08	SIES 2004/05		
	All part-time students	All part-time students	Index (07/04)	
Income from family, partner and friends*	1,036	-17		
Contributions from parents	245	146	1.68	
Contributions from other relatives	68	60	1.13	
Contributions from non-relatives	9	4	2.25	
Gifts in kind	139	122	1.14	
Contributions from partner	8	10	0.80	
Share of partner's income	566	-359		
N = unweighted	287	346		

[#] 2004/05 figures were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2004/05 and 2007/08

9.5.4 Social security benefits

Full-time students

Comparing income from social security benefits (Table 9.2, Section 9.4.1) finds that the overall level of income received across all full-time students is virtually unchanged (\pounds 258 now, compared to \pounds 259 in real terms in 2004/05). Income from benefits fell by six per cent among full-time first year students (from \pounds 337 in 2004/05 to \pounds 316 in 2007/08).

Part-time students

For part-time students, however, there has been a marked decrease in the amount of income received from social security benefits (Table 9.15). Across all part-time students income from benefits has decreased by 12 per cent in real terms, from £1,632 in 2004/05 to £1,416 in 2007/08. This is due to slightly fewer students in this group (47 per cent compared with 50 per cent in 2004/05) claiming slightly less on average from these benefits (£3,003 compared with £3,290 in real terms in 2004/05).

For first year part-time students there is an even greater decrease in the overall income from benefits, with first year part-time students in 2007/08 getting just £1,487, which is 28 per cent less than the same group in 2004/05 (£2,066, uprated).
Table 9.15: Average income from benefits among all English-domiciled part-time students, 2007/08 and 2004/05 (adjusted)[#]

	SIES 2007/08	SIES 2004/05	
	All part-time students	All part-time students	Index (07/04)
Average income from benefits, across all (£)	1,416	1,632	0.88
% of students in receipt	47	50	-
Average income, those receiving (£)	3,003	3,290	0.91
N = unweiahted	641	890	

[#] 2004/05 figures were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2004/05 and 2007/08

9.5.5 Other miscellaneous income

For full-time students there has been a decrease of 15 per cent in real terms in the overall level of income received from 'other' miscellaneous sources between 2004/05 and the 2007/08 (Table 9.2). In absolute terms this amounts to a small decrease from £259 in 2004/05 to £219 in 2007/08. For first year full-time students there has been an even smaller decrease of just seven per cent (from £229 to £213 in 2007/08).

For part-time students on the other hand, income from 'other' miscellaneous sources has increased, up by 26 per cent in real terms among all part-time students and by 51 per cent among first year students (Table 9.3, Section 9.4.2). Given the wide range of types of income included in this category it is not possible to explore the main changes underlying this overall pattern.

9.6 Change over time in total student expenditure

9.6.1 Changes in total student expenditure and the main categories of spending Full-time students

The total average expenditure of full-time students went up by seven per cent between 2004/05 and 2007/08, from £11,434 in today's money to £12,254 (Table 9.16). This increase in total spending was driven by a 43 per cent increase in participation costs (to be expected given the introduction of variable course fees). Living, housing and child-related spending costs were steady between the studies (decreasing by between one and seven per cent). Looking just at students who incurred child-related costs, average spending in this category was £2,360 in 2004/05 compared to £1,957 in 2007/08, a decrease of 17 per cent in real terms.

Table 9.16: Comparison of SIES expenditure figures (£): 2007/08 data for all English-domiciled students compared with adjusted 2004/05 data for all students[#] (mean)

		Full-time			Part-time		
	SIES 2007/08	SIES 2004/05	Index (07/04)	SIES 2007/08	SIES 2004/05	Index (07/04)	
Living costs*	6,496	6,533	0.99	10,522	10,079	1.04	
Housing costs*	2,455	2,533	0.97	3,257	3,386	0.96	
Participation costs	3,151	2,204	1.43	1,890	1,796	1.05	
Spending on children*	152	164	0.93	766	780	0.98	
Estimated total expenditure*	12,254	11,434	1.07	16,435	16,042	1.02	
N = unweighted	1,792	2,219		543	744		

* Note: figures adjusted for partner contributions where relevant

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled students

Source: NatCen / IES SIES 2004/05 and 2007/08

As mentioned earlier, increased participation costs are to be expected given the introduction of 'top up' fees (which largely affected current first and second year students). However, students in their third (or later) year were generally unaffected by this, as were many second year students who had deferred their place and still paid 'old system' fees. Thus, looking at trends for all students does not show the full impact of the new fees regime on spending – this is only seen fully by comparing first year students in each of the studies (as the 2004/05 cohort were not affected by the reforms whereas virtually all the 2007/08 students are). Table 9.17, therefore, looks at trends between 2004/05 and 2007/08 broken down by year of study. Participation costs increased by 68 per cent in real terms for full-time first year students, and by 55 per cent for students not in their first or final year. This largely explained the rises in total spending for these groups. By contrast, participation costs went up by nine per cent for final year students (and those on one-year courses) and overall levels of spending were relatively steady between 2004/05 and 2007/08. Housing, living and child-related costs remained steady for full-time students in all years (with the exception of a drop in child-related spending for first year students).

Part-time students

Between 2004/05 and 2007/08, total average expenditure for part-time students was steady, being £16,042 in 2004/05 and £16,435 in 2007/08 (Table 9.16). This was true for all categories of spending. Participation costs were up slightly (by five per cent in real terms).

Breaking down trends by year of study, the pattern for part-time students was less clear-cut than for full-time students (Table 9.17). There was little overall change between 2004/05 and 2007/08 for final year students.⁴⁹ However, spending amongst first-year students went down by eight per cent, driven by falls in child-related spending (by 37 per cent) and housing costs (by 12 per cent). In contrast, spending amongst other students (not in their first or final year)

⁴⁹ Note that this category included students on one-year courses, who generally fell under the post-2006 fees and student support regime. Classifying students according to the year of the course showed that student not in their first or final year still had higher overall expenditure (though the difference between years was not statistically significant).

was higher by 18 per cent, reflecting a 23 per cent increase in participation costs and 25 per cent increase in living costs.

The relatively small change amongst first and final year part-time students, and the spending increase seen for other students, was linked to changes in the composition of these three groups. In particular, the proportion of students in two-parent families (as documented in Chapter 5, particularly high spenders) fell amongst first and final year students, but was steady among students in other years. This could be linked to trends in the types of qualification taken, in particular Foundation degrees. The proportion of first and final year students taking Foundation degrees rose (from 22 per cent to 36 per cent, and from 16 per cent to 34 per cent respectively). However, in the same period foundation degrees seemed to become less attractive to students from two-parent families: in 2004/05, 53 per cent of part-time foundation degree students were classed as this, compared to only 30 per cent in 2007/08.

	Full-time			Part-time		
	SIES 2007/08	SIES 2004/05	Index (07/04)	SIES 2007/08	SIES 2004/05	Index (07/04)
First-year students						
Living costs*	6,514	6,655	0.98	9,724	10,237	0.95
Housing costs*	2,157	2,164	1.00	3,166	3,609	0.88
Participation costs	3,884	2,314	1.68	1,927	1,917	1.01
Spending on children*	166	197	0.84	575	916	0.63
Estimated total expenditure*	12,721	11,328	1.12	15,393	16,679	0.92
N (unweighted)	424	748		768	217	
Not first or final year students						
Living costs*	6,086	6,357	0.96	11,735	9,423	1.25
Housing costs*	2,536	2,628	0.97	3,151	3,269	0.96
Participation costs	3,285	2,116	1.55	2,048	1,670	1.23
Spending on children*	98	102	0.96	923	768	1.20
Estimated total expenditure*	12,005	11,203	1.07	17,858	15,130	1.18
N (unweighted)	536	686		181	291	
Final year students and one- year courses						
Living costs*	6,849	6,568	1.04	10,159	10,469	0.97
Housing costs*	2,657	2,814	0.94	3,431	3,297	1.04
Participation costs	2,357	2,170	1.09	1,717	1,800	0.95
Spending on children*	188	184	1.02	797	678	1.18
Estimated total expenditure*	12,050	11,737	1.03	16,104	16,243	0.99
N = unweighted	655	785		189	236	

Table 9.17: Comparison of SIES expenditure figures (£): 2007/08 data for English-domiciled students compared with adjusted 2004/05 data by year of study[#] (mean)

* Note: figures adjusted for partner contributions where relevant # 2004/05 data were multiplied by 1.113 to reflect RPI increases Base: all English-domiciled students

Source: NatCen / IES SIES 2004/05 and 2007/08

9.6.2 Changes in spending profile

Full-time students

Reflecting the trends in expenditure for full-time students, spending profiles also changed (Figure 9.3). In 2004/05, participation costs accounted for 19 per cent of students' spending – in 2007/08 this rose to 26 per cent. Focusing on trends amongst first-year students – which provides a better indicator of the impact of the introduction of 'top up' fees – participation costs rose even more from 20 per cent of total spending in 2004/05 to 31 per cent in 2007/08.

Part-time students

The spending profile for part-time students did not change much between 2004/05 and 2007/08. This was also true when looking separately at first year students (Figure 9.4).





Figure 9.4: Part-time



* Note: figures adjusted for partner contributions where relevant

[#] 2004/05 data were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled students and first year students

Source: NatCen / IES SIES 2004/05 and 2007/08

9.6.3 Changes in total expenditure for different groups

Did trends in expenditure vary for different types of student? Table 9.17 looks at trends across key groups of full-time students. Comparisons are not shown for part-time students, due to the small numbers in many of the groups.

	SIES 2007/08	SIES 2004/05	, Index (07/04)
Gender			
Male	11,591	10,856	1.07
Female	12,740	11,870	1.07
Age group			
Under 20	11,332	10,137	1.12
20-24	11,330	10,937	1.04
25+	16,839	16,053	1.05
Socio-economic background			
Managerial / professional	11,855	11,098	1.07
Intermediate	12,261	11,364	1.08
Routine / manual	12,942	12,186	1.06
Tenure			
Owner / buying	18,405	16,963	1.08
Private renter (family / alone)	16,769	15,345	1.09
University accommodation	10,557	9,704	1.09
Private renter (friends)	11,294	11,415	0.99
Live with parents / relatives	11,192	10,043	1.11
Household/family type			
Two-adult family	18,877	17,691	1.07
Lone parent family	23,630	22,444	1.05
Couple	13,578	12,971	1.05
Single	11,401	10,688	1.07
Type of institution			
English HEI	12,291	11,451	1.07
Welsh HEI	9,755	10,001	0.98
FEC	13,531	12,618	1.07
OU			
Whether studying in London			
Studying in London	12,495	12,677	0.99
Studying elsewhere	12,216	11,474	1.06

Table 9.18: Comparison of total SIES expenditure figures (£): 2007/08 data for English-domiciled full-time students compared with adjusted 2004/05 data for key subgroups (mean)[#]

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases Base: all English-domiciled full-time students

Source: NatCen / IES SIES 2004/05 and 2007/08

Full-time students

Among full-time students, there was little difference in trends in expenditure for men and women. Differences were more pronounced by age, with those aged under 20 experiencing a 12 per cent increase compared to a 4-5 per cent increase for older students. This is probably related to the higher proportion of younger students studying under the new system and therefore subject to 'top up' fees. Trends between different family types, and the main tenure groups were very similar for full-time students.

There were some interesting patterns depending on where students were enrolled. For students in London, overall expenditure remained broadly the same, while students studying elsewhere faced a six per cent increase. Participation costs for London students rose by 31 per cent, while their spending on all other categories was steady or fell slightly. Students at Welsh institutions experienced a very small drop in spending (by just two per cent in real terms). In common with all students, those at Welsh institutions spent more on participation costs in 2007/08 (increasing by 52 per cent from 2004/05), but their spending on living and housing costs decreased (by 9 per cent and 21 per cent respectively).

9.6.4 Changes in participation costs

Full-time students

Table 9.19 documents the increased costs to full-time students of 'top up' fees: tuition fees rose from an average of £1,280 in 2004/05 to £2,251 in 2007/08, up by 76 per cent. However, the full extent of the impact is shown most clearly when looking solely at first year full-time students. Amongst this group, expenditure on fees more than doubled in the same period, from £1,280 to £2,927.

What has been the trend in other components of participation costs? There are signs that fulltime students are spending less on books and equipment for their course (direct course costs): spending in this category fell by one-fifth. The costs of facilitating participation⁵⁰ (such as course-related travel and childcare) have remained steady since 2004/05.

Part-time students

The cost of tuition fees rose by 25 per cent for part-time students, a smaller increase than that observed for full-time students. The full impact of variable tuition fees on part-time students seems to be of a similar order: among first-year students, fee costs increased by around one-fifth. However, in line with full-timers, part-time students did record lower spending on direct course costs than in 2004/05.

⁵⁰ See Section 5.6 for more information on this category.

Table 9.19: Comparison of SIES expenditure figures (£): 2007/08 data for English-domiciled students compared with adjusted 2004/05 data by year of study[#] (mean)

		Full-time			Part-time		
	SIES 2007/08	SIES 2004/05	Index (07/04)	SIES 2007/08	SIES 2004/05	Index (07/04)	
All students							
Tuition fee cost	2,251	1,280	1.76	1,006	807	1.25	
Direct course costs	379	474	0.80	317	408	0.78	
Costs of facilitating participation	521	449	1.16	567	581	0.98	
Total participation costs	3,151	2,204	1.43	1,890	1,796	1.05	
N (unweighted)	1,762	2,219		574	744		
First year students							
Tuition fee cost	2,927	1,280	2.29	1,069	881	1.21	
Direct course costs	462	581	0.80	370	467	0.79	
Costs of facilitating participation	495	453	1.09	488	569	0.86	
Total participation costs	3,884	2,314	1.68	1,927	1,916	1.01	
N = unweighted	536	686		181	291		

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled students

Source: NatCen / IES SIES 2004/05 and 2007/08

9.7 Change over time in students' overall financial position

9.7.1 Borrowing

Full-time students

Average borrowing across students in all years of study was predicted to be £8,889 by the end of the 2007/08 academic year. Taking account of changes in prices (using, as noted earlier, the Retail Price Index), borrowing in 2004/05 was considerably lower at £7,618. This increase is due to increases in levels of student loan debt which averaged £6,345 in 2004/05 and has increased to £7,961 in 2007/08 (this figure will include student loans for tuition fees).

This represents an increase of 25 per cent in real terms, between the two surveys. It is interesting to note that while student loan debt has increased considerably, borrowing from other sources has fallen (Table 9.20). The amount owing from higher cost sources (commercial credit and bank overdrafts) averaged £854 in 2007/08 but the corresponding figure for 2004/05 was £1,203. This change contributes to the relatively greater importance of student loan debt in students' total borrowing: in 2007/08, student loan debt accounted for 90 per cent of total borrowing, whereas in 2004/05 it accounted for 83 per cent.

Table 5.20. Net borrowing comparison, English-dominieu fun-time students							
	SIES 2007/08	SIES 2004/05		SIES 2007/08	SIES 2004/05		
	All full- time students	All full- time students	Index (07/04)	Year 1 full- time students	Year 1 full- time students	Index (07/04)	
Commercial credit	440	607	0.72	332	500	0.66	
Overdraft	414	597	0.69	229	394	0.58	
Arrears	50	47	1.06	29	32	0.91	
Informal loans	23	18	1.28	10	10	1	
Career Development Loans	1	2	0.5	0	8	-	
Outstanding student loan debt	7,961	6,345	1.25	5,232	3,459	1.51	
Outstanding Access to Learning Funds	1	3	0.3	2	1	2	
Estimated borrowing	8,889	7,618	1.17	5,835	4,403	1.33	
N = unweighted	2,045	2,509		680	858		

Table 9.20: Net borrowing comparison, English-domiciled full-time students[#]

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled full-time students and full-time first year students

Source: NatCen / IES SIES 2004/05 and 2007/08

First year students in 2004/05 had average borrowing levels of £4,403 and equivalent students in 2007/08 have average borrowing levels of £5,835; an increase of 33 per cent. The increase is driven by a 51 per cent rise in student loan debt, up from £3,459 to £5,232 - reflecting the introduction of tuition fee loans. As with the pattern found across all students, borrowing from higher cost sources fell from £894 in 2004/05 to £561 in 2007/08.

Part-time students

Among part-time students, the average level of borrowing was predicted to be £2,783 by the end of the 2007/08 academic year; down 16 per cent on 2004/05 (£3,307). The average borrowing among part-time students has fallen over time, and has fallen across most sources - with reduced levels of commercial credit and bank overdrafts (a similar pattern to that found among full-time students), and also a reduced level of student loan debt (Table 9.21). It is interesting to note a different pattern of relative borrowing for the 2007/08 cohort compared to the 2004/05 cohort. Whilst in 2004/05 average borrowing levels of men and women were very similar (£3,347 and £3,275, uprated), in 2007/08 women borrowed more on average than men (£2,962 compared to £2,526). Similarly, in 2004/05 younger part-time students had the highest levels of borrowing whereas in 2007/08 it was the mid-age range (25-39) who had the highest average borrowing.

	SIES 2007/08	SIES 2004/05	
	All part-time students	All part-time students	Index (07/04)
Commercial credit	2,081	2,303	0.90
Overdraft	192	264	0.73
Arrears	69	66	1.05
Informal loans	8	1	8
Career Development Loans	0	1	-
Outstanding student loan debt	430	672	0.64
Outstanding Access to Learning Funds	2	0	-
Estimated borrowing	2,783	3,307	0.84
N = unweighted	641	890	

Table 9.21: Net borrowing comparison, English-domiciled part-time students[#]

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2004/05 and 2007/08

9.7.2 Savings

Full-time students

Full-time students appear to be saving more. The average expected amount of savings at the end of the 2007/08 academic year was £2,553, 24 per cent higher than found in 2004/05 (Table 9.22). The increase in savings remains when focusing on first year only students. In 2004/05 average predicted year-end savings for those in their first year were £1,988 (uprated) and this has increased to £2,318 for first year students in 2007/08: up by 17 per cent. It is interesting to note that for students in 2007/08 there is no real difference in predicted savings by the end of the year between full and part-time students, whereas in 2004/05 part-time students had higher predicted savings than full-time students.

Table 3.22. Net saving comparison, English-domiched fun-time students							
		SIES 2007/08	SIES 2004/05*		SIES 2007/08	SIES 2004/05*	
		All full-time students	All full-time students	Index (07/04)	Year 1 full-time students	Year 1 full-time students	Index (07/04)
Savings at the beginning of this year	Mean	2,575	2,256	1.14	2,419	2,419	1
	$N = unweighted^1$	2,014	2,509		680	849	
Savings at the end	Mean	2,553	2,058	1.24	2,318	1,988	1.17
of this year	$N = unweighted^{1}$	2,045	2,509		680	858	
Savings at the end of the previous year	Mean	2,524	2,224	1.13	na	na	-
	$N = unweighted^2$	1,273	1,573		na	na	

 Table 9.22: Net saving comparison, English-domiciled full-time students[#]

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases

¹ Base: all English-domiciled students (answering the question)

² Base: all English-domiciled students in their second year or above (answering the question)

Source: NatCen / IES SIES 2004/05 and 2007/08

Part-time students

The average expected amount of savings across part-time students at the end of the academic year 2007/08 was £2,513, which is 11 per cent lower than the equivalent figure for 2004/05, £2,830 (Table 9.23). Part-time students appear to be saving less in 2007/08 than in 2004/05. This may be explained by a different age and gender profile of part-time students in 2007/08 compared to 2004/05 - with a greater proportion of women and older individuals in 2007/08 than in 2004/05 (see Chapter 1) but it is difficult to tell as competing effects seem to be taking place. Women part-time students have lower savings than men (in both cohorts) so the greater proportion of women in 2007/08 would reduce the overall level of savings in 2007/08. However, a contrary interaction is also taking place in that older individuals (40 plus) have relatively higher savings in both cohorts, so the greater proportion of older parttime students in 2007/08 would increase the overall levels of savings for that cohort.

		SIES 2007/08	SIES 2004/05	
		All part-time students	All part-time students	Index (07/04)
Savings at the beginning of this year	Mean	2,807	2,952	0.95
	$N = unweighted^1$	606	890	
Savings at the end of this	Mean	2,513	2,830	0.89
year	$N = unweighted^1$	641	890	
Savings at the end of the previous year	Mean	3,561	3,552	1
	$N = unweighted^2$	335	471	

Т

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled students (answering the question)

Base: all English-domiciled students in their second year or above (answering the question)

Source: NatCen / IES SIES 2004/05 and 2007/08

9.7.3 Net debt

Full-time students

Deducting savings from borrowing gives predicted net debt for the academic year. Net debt in 2007/08 was predicted to average £6,337 across all students. This compares to an average net debt of £5,561 in 2004/05: an increase of 14 per cent, allowing for inflation. Net debt among first year students rose much faster, up by 46 per cent in real terms (Table 9.24). although most of this will be accounted for by tuition fee loans.

Focusing on final year students (including those on one year only courses) gives a good estimate of graduate debt (ie debt accrued by the end of the course). Graduate net debt appears to have fallen slightly since 2004/05 (by 12 per cent in real terms) - driven by increased savings rather than lower borrowings. As the changes to the funding system were introduced in 2006/07 the vast majority of these final year students will be operating under the old financial system, and so the findings indicate that prior to the introduction of the new funding system, graduate debt had fallen slightly. It will be important to explore changes in graduate debt under the new system in the next SIES. However, indications from an assessment of first year students' financial situation are that, although savings levels have increased and borrowing from commercial sources has decreased, increases in overall borrowing levels far outweigh these - so by the end of their course, the net debt of new

system students is likely to be considerably greater than the £7,798 expected for 2007/08 graduates (Table 9.25)

Table 9.24: Net o	debt comparis	son, English-d	iomicilea full	-time students	5	
	SIES 2007/08	SIES 2004/05		SIES 2007/08	SIES 2004/05	
	All full-time students	All full-time students	Index (07/04)	Year 1 full-time students	Year 1 full-time students	Index (07/04)
Savings	2,553	2,058	1.24	2,318	1,988	1.17
Borrowings	8,889	7,618	1.17	5,835	4,403	1.33
Net debt	6,337	5,561	1.14	3,518	2,415	1.46
N = unweighted	2,045	2,509		680	858	

Table 9.24: Net debt comparison, English-domiciled full-time students[#]

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled full-time students and full-time first year students

Source: NatCen / IES SIES 2004/05 and 2007/08

Table 9.25: Net debt comparison, English-domiciled full-time final year students[#]

	SIES 2007/08	SIES 2004/05	
	Final year full-time students	Final year full-time students	Index (07/04)
Savings	2,726	1,903	1.43
Borrowings	10,524	10,716	0.98
Net debt	7,798	8,813	0.88
N = unweighted	752	874	

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled full-time final year students

Source: NatCen / IES SIES 2004/05 and 2007/08

Part-time students

Taking into account both savings and borrowing, predicted net debt among part-time students averaged £269 in 2007/08, compared with £477 in 2004/05 (Table 9.26). Debt among part-time students appears to have fallen over time, which would correspond with the observed pattern of falling savings but greater falls in borrowing. However, when focusing on final year students only - to give an estimate of graduate debt - this appears to have increased. Final year part-time students predicted they would leave with an average of £386 in savings (not debt) in 2004/05, whereas final year students in 2007/08 predict owing £441 on average when they finish their course. This can be explained by an increase in borrowing between the 2004/05 final year cohort and the same 2007/08 cohort (£2,945 to £3,219) which is contrary to the overall pattern of falling borrowing levels over time. Indeed for part-time students in 2007/08, borrowing levels increased over time on the course whereas in 2004/05 borrowing levels decreased (from first year to final year).

Table 9.26: Net debt comparison,	English-domiciled part-time students, and part-time final year
students [#]	

	SIES 2007/08	SIES 2004/05		SIES 2007/08	SIES 2004/05	
	All part-time students	All part-time students	Index (07/04)	Final year part-time students	Final year part-time students	Index (07/04)
Savings	2,513	2,830	0.89	2,777	3,331	0.83
Borrowing	2,783	3,307	0.84	3,219	2,945	1.09
Net debt	269	477	0.56	441	-386	-
N = unweighted	641	890		222	269	

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled part-time and part-time final year students

Source: NatCen / IES SIES 2004/05 and 2007/08

9.8 Financial well-being

Among full-time and part-time students alike, students were no more likely to have considered dropping out of their courses in 2007/08 than in 2004/5. Around a third of full-time students had considered it (33 per cent in 2007/08 and 34 per cent in 2004/05), while around two-fifths of part-time students had (38 per cent in 2007/08 and 42 per cent in 2004/05). Among full-time first year students, the proportion who had considered dropping out remained steady between the two studies, at 27 per cent in 2007/08 and 30 per cent in 2004/05. So, despite changes in the financial system, students are no more likely to consider leaving their courses early.

Among full-time students, financial reasons were the most common motivator for considering dropping out in both 2004/05 and 2007/08. The most common reason among part-time students was family/domestic and personal reasons in both years. Notably, the proportion citing financial reasons has fallen slightly among full-time students (from 31 per cent in 2004/05 to 26 per cent in 2007/08), and remained steady among part-time students (at 17 per cent compared to 15 per cent). Comparing first year only students in both years again indicates that the proportion citing financial concerns as a reason for considering leaving their course also remained steady, at 28 per cent of full-time first year students in 2004/05 compared to 26 per cent of full-time first year students in 2004/05

In 2007/08 slightly fewer students felt affected by their financial situation (56 per cent compared with 60 per cent in 2004/05). The proportions reporting that it had affected them a great deal were roughly the same (around one in ten students) as were the main impacts: worry and stress, taking on paid work and inability to afford course materials. The impact of finance has remained remarkably similar over time among part-time students (Table 9.27).

Table 9.27: Extent to which financial difficulties have affected attainment comparison, all English-domiciled students (%)

	SIES 2007/08	SIES 2004/05	SIES 2007/08	SIES 2004/05	
	All full-time students	All full-time students	All part-time students	All part-time students	
A great deal	9	10	6	8	
A fair amount	17	19	16	14	
A little	31	31	20	19	
Not at all	43	40	58	59	
N = unweighted	2,045	2,509	641	890	

Base: all English-domiciled students

Source: NatCen / IES SIES 2004/05 and 2007/08

The proportion of students falling into arrears has reduced since the 2004/05 survey. In the previous survey, 84 per cent of full-time and 81 per cent of part-time students had not fallen behind on any key payments (from a given list), and in 2007/08 this was 91 per cent for full-time and 90 per cent for part-time students.

Finally, reliance upon high cost forms of borrowing (commercial credit and/or bank overdrafts) has fallen among full-time students (but has remained constant amongst parttime students). In 2007/08 ten per cent of full-time students' borrowing came from high cost sources (an average of £854 across the cohort) whereas in 2004/05, 16 per cent of it did (at an average of £1,203). Focusing solely on first year students suggests that students under the new financial system are relying less on high cost sources of borrowing. In 2007/08, ten per cent of full-time first year students' borrowing came from commercial credit and/or bank overdrafts (averaging £561), compared to 20 per cent for equivalent students in 2004/05 (averaging £894).

9.9 Has the influence of finance on student choices and attitudes changed over time?

9.9.1 Impact on decisions about HE

Full-time

The proportion of full-time students who reported that the student funding and financial support available to them affected their decisions about HE study rose slightly from 26 per cent in 2004/05 to 32 per cent in 2007/08 (and from 26 per cent to 36 per cent for first year students). However, the proportion who stated that the support affected their decision of whether to live at home remained stable (31 per cent in 2004/05 and 29 per cent in 2007/08 for all full-time students; 33 per cent in 2004/05 and 30 per cent in 2007/08 for first year students).

Part-time

The proportion of part-time students who reported that the student funding and financial support available to them affected their decisions about HE study remained constant at just under one-third between 2004/05 and 2007/08 (32 and 31 per cent respectively). The proportion who stated that the support affected their decision of whether to live at home whilst studying also remained constant (19 and 18 per cent respectively).

9.9.2 Returns to HE

Full-time

In both 2007/08 and 2004/05, students were similarly positive about the benefits of HE in relation to future jobs and earnings: 87 and 86 per cent respectively (90 and 91 per cent for first year students) believed that they would earn more as a result of being in HE. This was despite some concern about competition in the graduate job market, expressed by almost 60 per cent (and exactly 50 per cent for first year students) at both time points.

The proportion of students who reported that concern over debts almost stopped them coming to university remained the same at approximately one quarter (26 per cent in 2004/05 and 25 per cent in 2007/08). However, the proportion agreeing with the statement that 'the long term benefits of HE are greater than the costs' fell slightly among all full-time students (from 86 to 82 per cent), yet rose slightly among first year full-time students (from 84 to 89 per cent).

Part-time

As with full-time students, in both 2007/08 and 2004/05, part-time students were similarly positive about the benefits of HE in relation to future jobs and earnings: 81 and 77 per cent respectively believed that they would earn more as a result of being in HE. Concern about competition in the graduate job market remained fairly low (especially in relation to full-time students) at just over 30 per cent at both time points. However, the proportion of students who reported that concern over debts almost stopped them coming to university rose slightly (from 27 per cent in 2004/05 to 31 per cent in 2007/08), and the proportion agreeing with the statement that '*the long term benefits of HE are greater than the costs*' declined (from 81 to 74 per cent).

9.9.3 Future salary expectations

Full-time students

Whereas salary expectations after five years increased among first year full-time students between 2004/05 and 2007/08, salary expectations on graduation declined slightly over this period, in real terms (Table 9.28).

Table 9.28: Expected future earnings (£), all English-domiciled full-time and first year students,2007/08 and 2004/05#

	SIES 2007/08	SIES 2004/05	SIES 2007/08	SIES 2004/05
	All full-time students	All full-time students	Yr 1 full-time students	Yr 1 full-time students
Expected salary on graduation (mean)	19,800	20,500	20,400	20,800
Expected salary after five years (mean)	32,300	33,100	34,500	33,900
N = unweighted	2,045	2,509	680	858

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled full-time and full-time first year students

Source: NatCen / IES SIES 2004/05 and 2007/08

Part-time

Accounting for increases in inflation, salary expectations among part-time students remained relatively static, for both short-term and longer-term earnings (Table 9.29).

Table 9.29: Expected future earnings (£), English-domiciled part-time students, 2007/08 and 2004/05[#]

	SIES 2007/08	SIES 2004/05
	All part-time students	All part-time students
Expected salary on graduation (mean)	22,700	22,800
Expected salary after five years (mean)	30,800	30,700
N = unweighted	641	890

[#]2004/05 data were multiplied by 1.113 to reflect RPI increases

Base: all English-domiciled part-time students

Source: NatCen / IES SIES 2004/05 and 2007/08

10 Comparison of English and Welsh-domiciled students

10.1 Summary of key findings

- As in 2004/05, there was no significant difference in the level of full-time student income between English and Welsh-domiciled students and there was little difference in the main sources of income between the two.
- The average income of Welsh-domiciled part-time students at £11,710 was lower than that of their English counterparts (£13,511), as the latter earned more from paid work and had greater contributions from their partner.
- Spending levels for full-time students were similar regardless of whether they lived in Wales or England, but were lower for Welsh-domiciled part-time students, compared with English-domiciled ones.
- Estimated graduate debt was higher (£7,798) among English-domiciled students compared with those from Wales (£7,187), due to higher savings levels among final year Welsh students.
- Attitudes to student finance and the costs and benefits of higher education were similar between the two sets of students.

10.2 Introduction

In this chapter we provide a summary overview of student income and expenditure among English-domiciled and Welsh-domiciled students. As discussed in Chapter 1, the Higher Education Act 2004 incorporated several key changes to the financial arrangements of full-time higher education students from the support system in place at the 2004/05 survey. In addition, the Act devolved to the Welsh Assembly the responsibility of funding students in higher education in Wales. This meant that the systems of student finance in England and Wales diverged from September 2006. The key differences are:

- In Wales, variable fees were introduced in September 2007, a year later than in England, although the main features of the new support package in England also became available in Wales in 2006 (namely tuition fee loans and Special Support Grants).
- Additional support for tuition fee costs was available for Welsh-domiciled students studying in Wales. From September 2007, students normally resident in Wales and studying in Wales were entitled to a non-repayable tuition fee grant of £1,845, irrespective of family income. The tuition fee grant was paid directly to the students' university or college, meaning that home-domiciled students studying in Wales were only required to pay up to £1,225 towards their tuition fees; essentially they were exempt from paying the higher fees charged to non-Welsh students. Welsh-domiciled students studying outside Wales were not entitled to the tuition fee grant.
- In both England and Wales, some grants towards maintenance were available for lowerincome students. In England, this came in the form of the Maintenance Grant (which replaced the Higher Education Grant), while in Wales, the Assembly Learning Grant was available. The maximum amount of grant available and the income eligibility for both types of support were very similar.

In the rest of this chapter we provide an overview of comparisons between English and Welsh-domiciled students, focusing on income, expenditure, overall financial position, financial well-being, and student choice and attitudes. In relation to income, the main and other sources of student support discussed in Chapter 3 have been combined into one category ('sources of student support'), including maintenance and tuition fee loans, grants, employer contributions, and bursaries.

10.3 Total student income

10.3.1 Full-time students

English and Welsh-domiciled full-time students had comparable income during the 2007/08 academic year (Table 10.1): although there was a small difference between the two it was not statistically significant. The composition of average income was also broadly similar. In both cases, sources of student support provided the largest share of total average income.

Table 10.1: Total student income and main sources of student income, by domicile and by full-time and part-time status (£)

		Full-t	ime	Part-time	
		English-dom	Welsh-dom	English-dom	Welsh-dom
Sources of student	Mean	5,796	5,912	862	995
support	Median	5,990	5,845	780	800
	SE	141	150	47	98
Income from paid work	Mean	2,108	1,904	9,580	8,411
	Median	380	120	9,000	8,100
	SE	109	162	341	762
Income from family and	Mean	2,045	1,679	641	-119
friends*	Median	1,100	900	80	0
	SE	119	143	199	453
Income from social	Mean	258	328	1,416	1,875
security benefits*	Median	0	0	1	527
	SE	34	43	104	497
Other income*	Mean	219	242	618	549
	Median	10	0	0	0
	SE	25	47	108	150
Estimated total income*	Mean	10,425	10,065	13,511	11,710
	Median	9,600	9,470	12,760	11,133
	SE	119	244	365	537
N = unweighted		2,045	550	641	194

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English and Welsh-domiciled students

Source: NatCen / IES SIES 2007/08

An examination of average total income (Table 10.2) showed some differences between old system and new system students in each domicile, but these were not statistically significant. In addition, the composition of average total income was also similar across each domicile, for old and new system students.

		Old system		New	system
		English- dom	Welsh- dom	English- dom	Welsh-dom
Sources of student support	Mean	4,159	4,489	6,859	6,698
	Median	4,315	4,425	6,550	6,455
	SE	119	195	176	179
Income from paid work	Mean	2,277	1,602	1,893	1,479
	Median	630	0	882	600
	SE	135	217	127	220
Income from family and	Mean	2,279	2,041	1,998	2,071
friends*	Median	1,400	1,485	195	308
	SE	136	220	149	199
Income from social security	Mean	164	270	319	360
benefits*	Median	0	0	0	0
	SE	31	72	49	55
Other income*	Mean	218	273	220	225
	Median	20	20	7	0
	SE	41	89	27	53
Estimated total income*	Mean	9,097	8,674	11,287	10,834
	Median	8,185	8,075	10,371	10,170
	SE	156	348	170	296
N = unweighted		798	182	1,247	368

Table 10.2: Total student income and main sources of student income, by domicile and old or new system (£)

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English and Welsh-domiciled full-time students

Source: NatCen / IES SIES 2007/08

10.3.2 Part-time students

Table 10.1 also reveals that Welsh-domiciled part-time students had lower income than English-domiciled students, on average (£11,710 compared with £13,511). The differences were mainly driven by English-domiciled students earning more from paid work and more from family, partner and friends (Welsh-domiciled part-time students had a small negative figure in this category). Although Welsh-domiciled part-time students received more from the other sources of student support, this was not enough to offset these differences.

10.4 Sources of student income

10.4.1 Main sources of student support

Comparisons between English and Welsh-domiciled full-time students in terms of income from the main sources of student support showed that:

- Take-up of the student maintenance loan was similar between the two domiciles (71 per cent among English-domiciled and 73 per cent among Welsh-domiciled students). The average amounts of maintenance loan among recipients were also broadly level.
- Targeted grants for maintenance for lower-income students took different forms in either country from 2006. In order to compare take-up rates for these new system targeted grants for lower-income students, we need to combine information about the **Maintenance Grant** (for English-domiciled students) and the **Assembly Learning Grant** (for Welsh-domiciled students).⁵¹ On this basis, similar proportions of new system students received these types of support: 41 per cent of English-domiciled new system students and 37 per cent of Welsh-domiciled new system students.
- Arrangements for tuition fee support are complicated by the existence of the old and new finance systems but also by the divergent policy in the two countries. Student loans for fees were available to all students, but old system students in both countries still had access to (means-tested) grants, while a fixed grant for fees was available to Welsh-domiciled HE students staying in Wales to study.
- Overall, the tuition fee loan was taken out by around half of the students in each domicile (54 per cent English-domiciled and 51 per cent Welsh-domiciled). If we look just at new system students, more English-domiciled took out a tuition fee loan than Welsh-domiciled (76 per cent compared with 67 per cent), and average amounts were much higher for English-domiciled students (£2,934 compared with £1,907). Median levels were equivalent to the full fee amount for English-domiciled students (£3,070) and the subsidised fee amount available to new system Welsh-domiciled students who studied in Wales (£1,225). Indeed, this latter group were much less likely than others to have taken out a fee loan (at 62 per cent) at a much lower average than among other Welsh or English-domiciled students (£1,423).
- Grants for tuition fees were received by around four in ten old system students from each country (37 per cent English-domiciled and 42 per cent Welsh-domiciled). However, the divergence in the two student finance regimes between England and Wales can be seen when comparing new system students: almost eight in ten (78 per cent) of new system Welsh-domiciled students studying in Wales received a tuition fee grant, averaging £1,755 and with a median of £1,845 (the fixed amount available). Generally speaking, new system English-domiciled students do not receive this type of support.

⁵¹ This is also necessary as some students claimed to receive grants for which they were not eligible, based on other information given. However, given the similarity of the Maintenance and Assembly Learning Grant, and the fact that students identified student support on the basis of descriptions as well as names, it is plausible that these may have been confused. Twenty Welsh-domiciled students who claimed to received income from the Maintenance Grant were recoded as the Assembly Learning Grant and a further four Welsh-domiciled students claimed to have received income from both sources.

The proportions of English and Welsh-domiciled part-time students receiving income from the main sources of student support were very similar (32 per cent and 29 per cent respectively). The key source of this type of support among part-timers in both countries was tuition fee support (which around three in ten part-time students got in both countries - averaging similar amounts at £711 and £733 respectively).

For the other income streams in this category, there were no significant differences according to domicile.

10.4.2 Income from paid work

English and Welsh-domiciled full-time students earned similar amounts on average (£2,108, compared to £1,904). Around half of full-time students worked in each country, but, among those working, English-domiciled students earned slightly more on average (£4,005, compared with £3,678 for Welsh-domiciled): a reverse of the findings in 2004/05. English-domiciled part-time students earned more on average than Welsh-domiciled students (£9,580, compared with £8,411). The difference was mainly due to a higher proportion of English-domiciled part-time students being in employment (81 per cent, compared with 75 per cent).

Table 10.3: Average income from paid work, for English and Welsh students (£), and proportion working (%)

	Full-1	ime	Part-time		
	English-dom	Welsh-dom	English-dom	Welsh-dom	
Average earnings (£)	2,108	1,904	9,580	8,411	
% working	53	52	81	75	
Average income, those working (£)	4,005	3,678	11,875	11,220	
N = unweighted	2,045	550	641	194	

Base: all English and Welsh-domiciled students

Source: NatCen / IES SIES 2007/08

10.4.3 Income from family and friends

Overall, English-domiciled full-time students averaged higher income from family and friends than Welsh-domiciled ones (\pounds 2,045 compared with \pounds 1,679), although there was no strong pattern underlying this.

The same was true among part-time students. The key difference here was in the share of partner's income, with Welsh-domiciled students contributing an average of £464, whereas English-domiciled students received an average of £566. This resulted in a negative net average among Welsh-domiciled students (-£119, compared with £1,035 for English domiciled) - a difference to 2004/05, when the average figure was a negative in both England and Wales. In addition, more Welsh-domiciled than English-domiciled part time students actually exchanged income with a partner (58 per cent, compared with 50 per cent).

10.4.4 Social security benefits and miscellaneous income

Similar proportions of English and Welsh-domiciled full-time students received income from benefits (13 per cent compared to 11 per cent of English full-time students) and the average income from benefits was also similar.

For part-time students, Welsh-domiciled students received more from benefits on average than their English-domiciled counterparts (\pounds 1,875, compared to \pounds 1,416). This time the difference between Welsh and English-domiciled students is mainly due to a larger proportion of Welsh-domiciled students receiving benefits when compared to English students (59 per cent, compared to 47 per cent).

10.5 Total student expenditure

In this section we compare total expenditure and spending within the main categories of living, housing, personal and child-related costs for English-domiciled and Welsh-domiciled students.

10.5.1 Full-time students

Full-time students' levels of expenditure were very similar regardless of where they were domiciled prior to their course (Table 10.4). Overall expenditure for English-domiciled students was £12,254, very close to the average of £12,430 recorded for Welsh-domiciled students. Spending levels within each of the main categories of living costs, housing costs, participation costs and child-related costs were also very similar for the two groups, as in 2004/05. Although differences were not significant, it is interesting to note that the pattern of higher housing costs and lower living costs among English-domiciled students compared to Welsh-domiciled students was replicated in 2004/05 and 2007/08.

		Full-time		Part-time	
		English-dom	Welsh-dom	English-dom	Welsh-dom
Living costs*	Mean	6,496	6,879	10,522	9,391
	Median	5,289	5,928	8,769	8,327
	SE	218	229	360	736
Housing costs*	Mean	2,455	2,225	3,257	2,992
	Median	2,162	1,962	3,130	2,772
	SE	123	135	149	219
Participation costs	Mean	3,151	3,132	1,890	1,708
	Median	3,240	3,220	1,575	1,385
	SE	50	62	67	102
Spending on children*	Mean	152	195	766	552
	Median	0	0	0	0
	SE	20	34	77	89
Estimated total expenditure*	Mean	12,254	12,430	16,435	14,644
	Median	10,817	11,185	14,907	13,188
	SE	260	270	507	827
N = unweighted		1.793	453	543	168

Table 10.4: Total student expenditure and main sources of student expenditure, by domicile and by full-time and part-time status (£)

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English and Welsh-domiciled students

Source: NatCen / IES SIES 2007/08

The student support systems in England and Wales have diverged since 2006, but generally this has not been in ways that would impact on students' overall expenditure. Variable tuition fees were introduced in both countries, but the resultant increase in fees (and therefore participation costs) is of a similar order. This is confirmed by the figures in Table 10.4, as well as by more detailed inspection of full-time students under the old and new systems of student support in Table 10.5.

For both English and Welsh-domiciled students, those under the new student support and fee arrangements spent more than those under the old system (reflecting the rise in tuition fees and higher participation costs). However, the expenditure of old system students was very similar between the two countries, and the same was also true for new system students.

Table 10.5: 1	Fotal student	expenditure a	າd main s	sources of	student exp	penditure, b	by old or new
system (full-	time student	s) (£)					

		Old system		New system	
		English-dom	Welsh-dom	English-dom	Welsh-dom
Living costs*	Mean	6,387	6,773	6,565	6,941
	Median	5,253	5,444	5,301	6,060
	SE	252	430	277	273
Housing costs*	Mean	2,728	2,433	2,283	2,103
	Median	2,473	2,086	1,895	1,800
	SE	159	266	128	130
Participation costs	Mean	2,077	2,057	3,829	3,759
	Median	1,757	1,795	3,635	3,603
	SE	51	66	51	59
Spending on children*	Mean	111	149	178	223
	Median	0	0	0	0
	SE	25	40	26	49
Estimated total expenditure*	Mean	11,302	11,412	12,855	13,025
	Median	9,802	10,100	11,394	11,612
	SE	319	510	325	336
N = unweighted		693	157	1,100	296

* Note: figures adjusted for joint financial responsibility where relevant

Base: all English and Welsh-domiciled full-time students

Source: NatCen / IES SIES 2007/08

10.5.2 Part-time students

Among English-domiciled part-time students, average spending was £16,435, greater than the average of £14,644 for Welsh-domiciled students (Table 10.4). Although this difference was larger than for full-time students, it fell just short of statistical significance. There was a similar pattern for each of the main categories of spending. For each, Welsh-domiciled part-time students reported lower levels of spending than their English-domiciled counterparts, but the differences were not statistically significant.

10.6 Overall financial position

10.6.1 Savings

English-domiciled full-time students predicted average savings of approximately £500 more by the end of the year than Welsh-domiciled full-time students (£2,553 compared with £2,075). The reverse is true when focusing on part-time students. Here the average savings levels for part-time Welsh-domiciled students were higher than found for equivalent Englishdomiciled part-time students (at £2,911 compared with £2,513). Indeed, while levels of savings among English full-time students were very similar to those of part-time students, part-time Welsh-domiciled students had relatively higher savings than their full-time counterparts. These patterns were also true of the 2004/05 cohorts, although the difference in part-time savings appears to have narrowed since the previous survey.

English full-time students who were funded under the new financial system had lower levels of savings than those operating under the old system. The same pattern was noted for Welsh students but the difference was much greater, with students under the new system having considerably lower levels of savings (£1,560 compared to £2,442).

10.6.2 Borrowing

On average, borrowing levels were higher amongst English-domiciled full-time students than equivalent Welsh students (£8,889 and £8,222), as was student loan debt (at £7,961 compared to £7,206). This was not the case in the 2004/05 survey where borrowing levels and student loan debt levels were very similar for English-domiciled and Welsh-domiciled students. This pattern for 2007/08 can be explained to some extent by the later introduction of variable fees in Wales (introduced in 2006/07 in England and 2007/08 in Wales, see Chapter 1) and the new system tuition fee grant available for Welsh-domiciled students studying in Wales, leading to less time (and need) to access higher levels of loans for the Welsh-domiciled cohort.

Differences in borrowing levels between the old and new funding systems were found for both English and Welsh-domiciled full-time students. Across both cohorts, those operating under the old system had higher borrowing (due to higher levels of student loan debt). It is interesting to note that whereas in England old system students had twice the level of commercial borrowing of new system students, average levels of commercial borrowing were similar for old and new system students of Welsh domicile. Students studying out-country not only had higher savings on average, but also higher borrowing due to higher student loan debt. This was particularly the case for Welsh-domiciled students studying in England, where the difference in borrowing levels was substantial (£3,000 more borrowing for Welsh students studying out-country, compared to £1,000 more borrowing for English students studying outcountry). Among Welsh-domiciled students, those from routine and manual work backgrounds had lower average borrowing levels than those from managerial and professional backgrounds due to lower levels of student debt. The reverse, however, was found for English-domiciled students, where average borrowing levels were highest for those from routine and manual work backgrounds.

In contrast to full-time students, Welsh and English-domiciled part-time students had comparable levels of average borrowing (£2,975 compared to £2,783). This is due to a higher average level of commercial debt amongst Welsh-domiciled part-time students (£2,427 compared with £2,081), despite the fact that fewer Welsh part-time students borrowed at all. This indicates that those part-time students who do borrow, access larger amounts in Wales than in England (£5,192 compared to £4,475). This contrasts with the pattern found for the 2004/05 cohort where average borrowing of English-domiciled part-time students was higher than that found for Welsh-domiciled part-time students (\pounds 2,971 and \pounds 2,546 respectively).

10.6.3 Estimated student net debt

Subtracting predicted year-end savings from borrowing gives an estimation of student net debt. Across both Welsh and English-domiciled students, there were higher levels of net debt among full-time than part-time students.

Across all full-time students net debt levels were somewhat similar for English and Welshdomiciled students (at £6,337 and £6,147 respectively). Yet when focusing on final year fulltime students, to get an estimate of graduate debt amongst those who had studied full-time, English-domiciled students had higher net debt (£7,798 compared to £7,187 among Welshdomiciled ones), which follows the pattern found in the previous study (although the difference between English and Welsh-domiciled students has increased). This pattern is due to higher savings levels among final year Welsh-domiciled students, as borrowing levels were very similar for the two cohorts. For both English and Welsh-domiciled final year students, estimated graduate debt was lower among those studying in their own country of domicile. Notably, final year Welsh-domiciled students studying in Wales had lower net debt on graduation (£5,158) than final year English students studying in England (£7,727).

Different levels of net debt were found for part-time English and Welsh-domiciled students. Welsh-domiciled part-time students had much lower net debt (£65) than English-domiciled part-time students (£269). Yet when focusing on final year students, lower average levels of net graduate debt were estimated for English part-time students (£441) compared to Welsh part-time students (£586).

10.7 Financial well-being

Proportionally fewer Welsh-domiciled students had considered dropping out or leaving their courses early than was found for English-domiciled students: 33 per cent and 38 per cent of part-time students respectively, and 29 per cent and 33 per cent of full-time students respectively.

The proportions reporting that their financial situation had affected their studies were very similar amongst the English and Welsh cohorts. Welsh-domiciled part-time students were also considerably less likely to report having to take on paid work (as a result of their financial situation) than English-domiciled part-time students (26 per cent compared with 44 per cent).

Although the proportion of students affected by arrears was similar across English and Welsh-domiciled students, Welsh-domiciled full-time students owed less in arrears than their English equivalents, whereas Welsh-domiciled part-time students owed more. Welsh students (both full and part-time) relied more on commercial credit than English students.

10.8 Student choices and attitudes to finance

There were no major differences between the English and Welsh-domiciled part-time students in the influence of finance on decisions about HE (Table 10.6). However, Welsh-domiciled full-time students were more likely to be affected by the availability of a specific fund as well as by the cost of tuition fees. It is difficult to unpick which specific funds make the most difference, but one of them is likely to be the tuition fee grant, which was mentioned by 17 per cent of Welsh-domiciled students compared with just three per cent of English-domiciled students.

Table 10.6: Influence of funding on decisions about HE, all students by mode of study and domicile (%)

	Full-t	ime	Part-time	
	English-dom	Welsh-dom	English-dom	Welsh-dom
% affected by available funding and support	32	35	31	28
Base (N) all students	2,045	550	641	194
% affected by availability of a specific fund	40	53	35	33
Base (N) all those who said they were affected by availability of funding/support	690	212	217	51
% affected by the cost of tuition fees	16	23	23	20
N = unweighted	2,045	550	641	194

Base: all English and Welsh-domiciled students

Source: NatCen / IES SIES 2007/08

Students did not differ notably by domicile in their views on the economic and social returns of higher education. All were generally positive about the benefits of attending HE and believed it to be worthwhile, despite concerns about competition in the graduate job market. Furthermore, within-domicile differences between full-time and part-time students and also old and new system students were similar across the two countries.

Plans on graduation were similar for both English and Welsh-domiciled students, with by far the most common plan for full-time students in each country being to find a job in their chosen career (72 per cent in England and 73 per cent in Wales). Sizeable proportions (between 33 and 42 per cent) of full-timers and part-timers intended to continue studying once they had completed their current course. Average (mean) salary expectations (rounded to the nearest hundred pounds) were consistently higher in England than in Wales, both on graduation and after five years. In both countries, part-time students had the highest salary expectations for the short-term and full-time students had the highest salary expectations for the long-term (Table 10.7).

Table 10.7: Salary expectations by mode of study and domicile, all students (£)

	English-dom full-time students	Welsh-dom full-time students	English-dom part-time students	Welsh-dom part-time students
Mean expected salary in first job after graduation	19,800	19,000	22,700	20,900
Mean expected salary in five years time	32,300	30,700	30,800	26,600
N = unweighted	2,045	550	641	194

Base: all English and Welsh-domiciled students

Source: NatCen / IES SIES 2007/08

11 Conclusions

The Student Income and Expenditure Survey (SIES) in England, and its sister survey in Wales, is the most authoritative and comprehensive source of information on student finance. The objectives for SIES 2007/08 were:

- To produce a representative sample of English and Welsh-domiciled full-time and parttime students, with sample and sub-group sizes that were robust enough to present a comprehensive picture of the income, expenditure, borrowing, net debt on graduation and financial hardship for a range of key student and HE study characteristics.
- To monitor changes in students' financial position over time by comparing the financial position of students in 2007/08 with that of comparable students in 2004/05, while providing a baseline by which future changes in student finance can be measured.
- To provide evidence to support the 2009 Independent Commission on Student Finance and other policy development needs of DIUS and the Welsh Assembly Government in the area of HE student finance, in particular regarding the impact of the new policy on tuition fees.

As discussed in Chapter 1 of this report (and in the accompanying Technical Report), the SIES 2007/08 has successfully produced the required quality of sample on which to make an assessment about the current financial position of HE students under both the old and the new systems of student finance. This process relied on high levels of co-operation from a large number of institutions and, of course, from students themselves. We are grateful for the assistance they have given.

The report looks at the 'average student', both full-time and part-time, (as in 2004/05) although it is becoming increasingly evident that the 'average' is becoming less typical and therefore a less useful concept. The student body becomes ever more diverse and this is reflected in their income and expenditure patterns, eg as older students have access to wider sources of funds and students who are parents have greater spending needs. The average student concept is even less applicable with the distinctions in the old and new student finance systems, coupled with a diverging student finance system in Wales, and increasingly targeted forms of student support.

In order to truly focus on changes in students' financial position over time and explore the impact that the new system of student finance has made, the rest of these conclusions focus on comparisons between first year students in 2004/05 and in 2007/08. This is the best indication we have of the impact of the new funding system because it does not confound differences in the student finance and support systems (including those resulting from higher tuition fees) with differences between students by year of study.

11.1 Full-time students

11.1.1 Income

Generally, income has risen in real terms to reflect the increase in fees and there are some interesting shifts in the balance of sources of income, with government support appearing to play a stronger role.

Overall, total average income among first year students has increased by 15 per cent in real terms since 2004/05, compared with a 12 per cent increase overall. This is driven by increased income from the main sources of student support (which includes the tuition fee loan, not available in 2004/05) - up by 47 per cent in real terms - and other sources of student support (which includes institutional bursaries) - up by 44 per cent. For both of these sources, the rise for first year students outstripped that among students in other years. At the same time, income from paid work and income from family and friends fell (both as a proportion of first year's total average income and in monetary terms), as did the proportion of students receiving income from these sources. Income from paid work fell by 16 per cent for full-time first year students, largely due to a fall in the proportion of students working during the academic year (from 58 per cent to 49 per cent). Contributions from parents fell in real terms by 15 per cent (although this was a smaller drop than seen among students from other years).

If we focus just on maintenance, first year students were slightly less likely to take out a student maintenance loan compared with first year students in 2004/05, and average income from this source has declined overall. In contrast, first year students' average income from the Maintenance Grant in 2007/08 was higher than their average income from the Higher Education Grant in 2004/05, not just because of the higher amounts available but also because significantly more received it. Overall, these findings suggest that the balance of funding for maintenance costs among first year students has shifted (slightly) away from student loans and towards the re-introduced grant.

Taken together these findings suggest that first year students under the new system have a greater reliance on government support than in 2004/05 and depend less on personal and family sources of funds. It is interesting to note, but without drawing any conclusions about the causality, that there is no longer a significant difference in income levels between students from different social classes, whereas in the last survey students from lower social backgrounds were more likely to have lower overall levels of income.

11.1.2 Expenditure

First year students' expenditure rose by a similar proportion as income between the two surveys (12 per cent in real terms) and this was almost entirely driven by increased participation costs, namely the introduction of variable tuition fees. Spending on fees among first year students almost doubled between the two surveys.

The amount students spend on other items, including food, transport and accommodation is almost exactly the same in real terms (ie deflated by the Retail Prices Index) in each of the two surveys. There is little evidence to suggest that student living costs are increasing faster than living costs more generally⁵².

11.1.3 Overall financial position

Average borrowing among full-time students has increased by 17 per cent since 2004/05 (in real terms) but by 33 per cent among first year students, almost entirely driven by the student loan for tuition fees. However, borrowing from higher-cost sources has fallen (particularly for first year students). This suggests that first year students under the new system have much higher borrowing overall, but with a higher proportion of it coming from student loans (which have more favourable interest rates and repayment terms) rather than commercial sources. Average savings had increased overall, but remained static among first year students.

⁵² Using the RPI as the measure of inflation.

It is possible to calculate 'net' student debt by subtracting savings from borrowing. This reveals that net debt among first year students is increasing faster than average (up by 46 per cent). The increase in average levels of savings among first year students was outstripped by their increase in borrowing, mainly driven by the tuition fee loan. Among final year students there was a drop in net debt, by 12 per cent (although borrowing remained steady over time, accounting for inflation, savings increased by 43 per cent), but it should be noted that this does not reflect the impact of the new system of student support. We would expect this trend to be reversed by the time today's first year students graduate, especially if their average savings continue to fall behind their average borrowing.

11.1.4 The impact of finance on HE choices and attitudes

Although the proportion of students living at home with their parents has shown a small increase, there was no real difference in the proportion of students who said they were influenced to study at home or away by the financial support available to them.

Overall, students' confidence that the long-term benefits of HE outweighed the costs declined slightly over time (although the majority in 2007/08 still regarded HE as being 'worth it', at 82 per cent). Notably, however, first year students in 2007/08 were marginally more positive both compared with their counterparts in 2004/05.

11.2 Part-time students

There has been less change in the financial position for part-time students between the two studies, reflecting fewer changes in the financial support policy for part-timers.

11.2.1 Income

Average total income among part-time students increased by eight per cent between 2004/05 and 2007/08. However, average total income for some groups of part-time students barely kept pace with inflation (namely, first year students, lone parents, and single students with no dependent children).

The greatest rise in income was from family and friends (driven mainly by an increased share of partner's income), although there were also increases from the main sources of student support and other income sources. Income from paid work continued to account for the lion's share of income among part-time students, including first year students. In contrast, income from benefits declined overall, and in particular among first year students (down 28 per cent on the figures from 2004/05).

11.2.2 Expenditure

Taking account of inflation, total average expenditure remained steady for part-time students, with just a small rise in participation costs. There was relatively little change in expenditure patterns among final year part-time students. Although spending decreased by eight per cent among first year students, it went up by 18 per cent among intermediate year students. This was linked to different patterns in participation by family and qualification type and indicates how expenditure (and income) pattern vary with student characteristics.

The impact of variable tuition fees was much less marked for part-time students than for fulltime students: part-timers in their first year faced tuition fee cost increases of around onefifth.

11.2.3 Overall financial position

Average predicted borrowing across all sources declined among part-time students (down by 16 per cent), but the decline was greater for student loan debt than for commercial credit. Savings fell by 11 per cent over the same period. This resulted in a small decrease in average net debt between 2004/05 and 2007/08. However, focusing on final year part time students reveals that net debt has increased since the previous SIES, although it remains far lower than among full-timers.

11.2.4 The impact of finance on HE choices and attitudes

Attitudes to HE remained stable among part-time students across the two surveys, although the proportion who felt that the long-term benefits of HE are greater than the costs fell from 81 to 74 per cent. This means that part-time students are now less likely than full-time students to regard the long-term benefits of HE as being worth the costs (although the majority still feel that HE is worthwhile).

12 Technical Appendix

12.1 Background to the Study

This is a report on the research methods used in the Student Income and Expenditure Survey 2007/08 (SIES 2007/08) carried out on behalf of the Department for Innovation, Universities and Skills (DIUS) and the Welsh Assembly Government (WAG).

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 2007/08 survey is the latest in a series of surveys carried out at approximately threeyear intervals, and its methods and design drew heavily from the baseline study carried out in 2004/05. The 2004/05 study had differed in key ways from its predecessors. In particular the 2004/05 study used a different sampling methodology, the interview content was very different, Open University (OU) students were included for the first time, there were alternative options open to respondents completing the spending diary and incentives were used to maximise response.

For the 2007/08 study, the methods and interview content were kept as similar as possible to the previous wave, in order to make any trend comparisons as robust as possible. Some updating of the interview content was necessary, in order to reflect the changes in the student support system that were introduced in 2006.

12.1.1 Collaboration

As for 2004/05, the National Centre for Social Research (NatCen) and the Institute for Employment Studies (IES) conducted the 2007/08 SIES in close collaboration. 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.

12.1.2 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, with the overall project timetable shown in Table 12.1 overleaf.

Table 12.1: Project timeline

Quarter	Task
April - June 2007	Start of the contract
	Initial contact with institutions
July - September 2007	Development of interview questionnaire and expenditure diary (for pilot)
	Opt-in questionnaire finalised for main-stage
	Recruitment of institutions for mainstage
October - December 2007	Dress rehearsal pilot of opt-in procedures, interview and diary
	Initial contact with students (opt-in stage)
	Interview questionnaire and expenditure diary finalised for main-stage
January - March 2008	Main-stage fieldwork: face to face interviews with students and diary completion
April - June 2008	Data editing, coding and checking
	Preliminary analysis of the dataset
July - December 2008	Main analysis and report drafting
January - March 2008	Finalisation of report

Source: NatCen / IES SIES 2007/08

As for 2004/05, interviews for students were carried out during January-March (broadly corresponding to the Spring Term in the academic year). This was felt to be the optimum time for interviewing students as it allowed sufficient time for enrolment databases for the academic year to be finalised (which was particularly important in covering first-year students fully) but did not clash with major examination periods.

Sampling - selection of institutions

NatCen selected a number of institutions in England and Wales based on Higher Education Statistics Agency (HESA)⁵³ figures about the student populations at each.

Letters were sent from DIUS and WAG 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 by type and country of institution). IES instructed institutions about the numbers of students to sample and helped institutions to do this using random selection.

Institutions produced a list of sampled students and two sets of labels containing names and addresses. They then attached labels to pre-prepared 'opt-in' packs and posted these packs to the selected students.

⁵³ Learning and Skills Council (LSC) Learner Record data were used to provide FEC information.

Students each received an initial 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 and £3 of Love2Shop vouchers to thank them for their time and encourage their involvement. Institutions posted 'reminder' opt-in packs to all 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 NatCen (although not all gave contact details and consent to be re-contacted). All returned questionnaires were keyed. NatCen then selected students for interview based on their consent to be re-contacted, availability of contact details and their eligibility for the study based on answers given to questions in the opt-in form (eg the qualification towards which students were working and their country of domicile). The database was also checked for any duplicate returns, which were excluded.

Fieldwork and data collection

Students selected for interview were sent a letter in advance letting them know an interviewer would contact them.

Interviewers contacted students and carried out face-to-face interviews using a computer assisted personal interview (CAPI) on a laptop. All students giving an interview were asked to complete a seven-day diary of spending. Interviewers instructed students how to complete the diary at the end of the interview. There was also an Internet version of the diary which students could complete instead of the paper version if they preferred. Interviewers made a reminder (phone) call and attempted a pick-up visit for the diary.

Students completing and returning a diary were sent a letter and £12 of Love2Shop vouchers to thank them for their help with the study.

12.2 Sampling

12.2.1 Background and overview of the sampling methodology

The sample design of this survey was very similar to that used for the 2004/05 survey (although the 2004/05 design was substantially altered from that of earlier surveys in the SIES series).

For the study, the student sample was obtained using an opt-in process.

Institutions were asked to draw a random sample of the student populations of interest and mail survey materials supplied by the researchers to the selected students. The mailing packages included an opt-in questionnaire which the students were 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 stage was then drawn from the returned questionnaires of eligible students who had opted in. This methodology had proved feasible in 2004/05.

The details of the design were complex and a full account of each stage is given in the following sections. In the remainder of this section, we give an overview of the approach. In total, the survey was designed to include 63 higher education institutions (HEIs) (53 in England and ten in Wales), 20 further education colleges (FECs) and the Open University (OU).

The eligibility definition⁵⁴ for the survey specified that students had to be English- or Welshdomiciled; studying at an English or Welsh HEI or FEC, or the OU; studying for a higher education qualification (namely a first degree, foundation degree, PGCE / ITT, Dip HE, HND, HNC, Certificate of Higher Education, or University Certificate or Diploma) and studying fulltime or if part-time for 50 per cent or more of the full-time equivalent course.

Each participating HEI in England was asked to draw a sample of 305 students, comprising (up to) four discrete samples of full-time English-domiciled students, full-time Welsh-domiciled students, part-time, and (where applicable) medical students. HEIs in Wales were asked to select a slightly larger sample of 495 students, again comprising (up to) four discrete samples.⁵⁵ Medical and part-time students were also oversampled to ensure sufficient numbers for analysis.

Each participating FEC was asked to sample 100 of their students on higher education courses who were eligible for the survey. The OU was also included in the sample, and asked to select 500 eligible students.

In general, HESA counts were used as a guide for determining the numbers of students to be selected from each sample group. In practice, however, the HESA counts often differed from the numbers of students from whom institutions actually selected, and this meant that selection probabilities could vary.

12.2.2 Piloting the opt-in phase

Pilot of sampling processes

The piloting involved four institutions, three HEIs and one FEC (none of which had any medical students). The pilot aimed to identify any problems which might arise in the selection of students and the opt-in forms and processes. The main difference for institutions from 2004/05 was that they were asked to mail out different (coloured) envelopes / questionnaires to the different sample groups (ie English-domiciled full-time, Welsh-domiciled full-time and part-time). As the mailings were undertaken in July / August during the summer vacation, the pilot could not test response rates (as the mainstage mailing would take place during term-time).

The findings of the pilot showed that the basic sampling method was still feasible and acceptable to institutions. The piloting had also tested the feasibility of pre-printing institutional details and serial numbers on the questionnaires, and suggested some refinement of the logistical aspects of the mail-out process (eg the order in which documents were packed by the printer for mail-out). Broadly, the mail-out process was found to work well.

Inspection of opt-in questionnaires

In total, 114 completed forms were returned to NatCen as part of the pilot (41, 30 and 24 from the three HEIs and 19 from the FECs). Of these, 96 students gave their consent to the study and fulfilled the eligibility criteria.

⁵⁴ Two other groups (sandwich students on their paid placement year, and students on a foreign placement) were also excluded for practical reasons.

⁵⁵ The projected sample sizes for English HEIs were smaller than those in the 2004/05 study, while the projected Welsh HEI sample was larger.

Although it was not feasible to contact opt-in respondents for their views on the questionnaire, completed returns were inspected. A couple of minor amendments were made, namely to update the initial question about payment of fees, and to refine the code frame for previous qualifications.

12.2.3 Selecting and approaching institutions and students

Selecting institutions and allocating numbers of students to select

The target numbers of institutions for the study were 53 English HEIs, 10 Welsh HEIs, 20 FECs and the OU.

The sample selection was divided into three main subgroups of institution: English HEIs, Welsh HEIs, and English FECs. Within these separate samples were selected across a number of student groups: medics; English-domiciled full-time; Welsh-domiciled full-time and part-time.

English HEIs

For English HEIs our aim was to select a total of 16,165 students from 53 institutions, with the 16,165 divided as

- 420 medical students
- 4,040 part-time students
- 800 Welsh-domiciled full-time students
- 10,905 English-domiciled full-time students.

Students in each of these groups were to be selected with as close to equal probability as possible (at least for the non-medic groups), but with each institution contributing a total sample of 305.

In practice this meant selecting English-domiciled full-time students with a sampling fraction of about 1 in 78, Welsh-domiciled full-time students with a sampling fraction of about 1 in 23, and part-time students with a sampling fraction of about 1 in 32. In order to approximate equal probability samples for a two-stage sample we selected the 53 HEIs with probability proportional to a weighted size:

(Full-time English*0.442)+(full-time Welsh*1.398)+(part-time)

where the weights are based on the desired sampling fraction relative to the sampling fraction for part-time students. The counts of students in the sum were based on 2005/06 HESA returns.

Institutions were selected from a stratified (sorted) list: sorted firstly by Government Office Region, then by whether pre- or post-1992, and finally by weighted size. A cumulative size column was also constructed, and a sampling interval calculated by dividing the total (cumulative) size of all institutions by the number of institutions to be selected. The 53 HEIs were then selected systematically from the sorted list using a random start (ie if n=the random start and k=the sampling interval, then the institutions containing the nth student, the n+kth student, the n+2kth student etc were selected).

In practice six HEIs proved to be large enough to give selection with certainty (ie their weighted size was larger than the sampling interval). Only the remaining 47 were selected with probability strictly *proportional* to weighted size.

Although the 53 institutions were selected based on probability sampling methods, procedures were put in place to replace any institutions that dropped out of the study at an early stage with another, similar, HEI. This was achieved by selecting, at random, either the HEI immediately before the original HEI in the sorted list, or the one immediately after. As noted above, the aim was to select 305 students within each of the 53 HEIs selected, with an overall sample of approximately:

- 420 medical students
- 4,040 part-time students
- 800 Welsh-domiciled full-time students
- 10,905 English-domiciled full-time students.

In practice this meant allocating 305 students across the three non-medical groups in those HEIs *without* a medical school; and allocating 270 students across these three groups for the 12 HEIs *with* a medical school (with the remaining 35 selected as medical students).

This was achieved as follows:

- For part-time students we set the initial sample size per HEI proportionate to the part-time component of the weighted sum (ie N*pt/wtsum where N=305 or 270).
- But as this gave slightly fewer than the 4,040 required we scaled up all the part-time sample counts by 1.1 to reach 4,040.
- For the Welsh-domiciled, we set the sample size proportionate to the Welsh component of the weighted sum (ie N*Welsh*1.398/wtsum).
- As this gave some HEIs with a Welsh-domiciled sample of just one or two, the minimum sample size was set to be five. This gave 817 in total.
- Finally, we set the English-domiciled full-time count so that the total for the HEI added to 305.

Welsh HEls

For Welsh HEIs, the aim was to select 4,950 students overall, divided as

- 1,980 part-time students
- 2,240 Welsh-domiciled full-time students
- 730 English-domiciled full-time students.

This equates to sampling fractions of 1 in 38 for English-domiciled full-time students; 1 in 14 for Welsh-domiciled full-time students and 1 in 4 for part-time students.

To generate a sample with these approximate sampling fractions ten (out of 12) Welsh HEIs were (in principle) to be selected with probability proportional to:

(Full-time English*0.103)+(full-time Welsh*0.275)+(part-time)

In practice nine HEIs proved to be large enough to give selection with certainty (ie their weighted size was larger than the sampling interval). Only the remaining one was selected with probability strictly *proportional* to weighted size.

Within each Welsh HEI, 495 students were selected. This was achieved as follows:

- For part-time students we set the initial sample size per HEI proportionate to the part-time component of the weighted sum (ie 495*pt/wtsum).
- This gave slightly fewer than the 1,980 required; so the part-time sample counts were scaled up by 1.07 to reach 1,980.
- For full-time Welsh-domiciled, we set the initial sample size proportionate to the Welsh full-time component of the weighted sum (ie 495*Welsh*0.275/wtsum).
- This gave slightly more than the 2,240 required; so we scaled down all the sample counts by 0.95 to reach 2,240.
- Finally, we set the English-domiciled full-time count so that the total for the HEI added to 495.

FECs

The Learning and Skills Council data we had for FECs on HE students was of rather poorer quality than the HEI data: although we had a total number of HE students many of these are in an 'unknown' category which did not allow us to quantify the number of full-time and part-time students per FEC. To allow for this we made *estimates* of the full-time and part-time numbers per FEC, so that we could draw a reasonable sample. But the uncertainty in the numbers means that the probabilities of selection for the final sample of FEC students are more variable than might have been the case with precise counts.

In practice we estimated the total number of full-time students per FEC as the specified 'known' number plus 50 per cent of the unknowns, and similarly for part-time. (The 50 per cent was derived from the fact that, for the 'knowns' the split between full-time and part-time was approximately 50:50.)

FECs with fewer than 100 HE students were excluded from the sampling frame. This means excluding 34 per cent (N=127) of colleges, but just three per cent of HE students. Twenty FECs were selected from the remaining 252. For the 252 the number of full-time students was estimated at 64,665, and the number of part-time students as 64,040. The FECs were selected with probability proportional to:

(Full-time*2)+part-time

The 20 were selected from a stratified (sorted) list, sorted firstly by Government Office Region, then by weighted size. The 20 FECs were selected systematically from the sorted list using a random start.
Within each of the 20 FECs 100 students were selected, to generate an overall sample of approximately:

- 1,333 full-time students
- 667 part-time students

This was achieved as follows:

- For part-time students we set the sample size per FEC proportionate to the part-time component of the weighted sum (ie 100*pt/wtsum).
- But this gave slightly fewer than the 667 required; so we scaled up all the part-time sample counts by 1.1 to reach 667.
- Finally we set the full-time sample size equal to 100-(pt sample size).

As with English HEIs, FECs that were selected but did not wish to take part in the survey were replaced with a 'similar' FEC. The 'reserve' FEC was selected at random from the FECs immediately before and after the original FEC in the sorted list. More replacements were used for FECs than for HEIs (see section 'Approaching institutions' for more details).

The OU

A separate sample of 500 part-time students studying at the OU was obtained directly from the OU. The sample was designed to closely resemble the part-time student population eligible for the study, 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, Cert HE, HND or HNC); working towards a qualification that made 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 or Wales only. The sample included new and continuing students, and was drawn from those with October 2007 starts. It should be noted that the sample is therefore not representative of OU students as whole.

Approaching institutions

As a first step, a letter signed by the Minister of State for Education and Lifelong Learning was sent (in May 2007) to the vice-chancellors or principals of all HE institutions (not just those selected) and to the selected FE institutions. This informed them about the study and asked them for their help if they were selected. In July 2007, further information about the study was sent to all selected institutions, containing an agreement form to be faxed back if the institution could take part, along with information such as the main contact person. IES also liaised extensively with institutions in this period to answer any general queries about the study as well as specific questions on how to sample students for the study. In total, 108 institutions were followed up by the IES research team.

Eighty institutions eventually took part in the research, including the OU (Table 12.2). The participation rate for HEIs was very high: no Welsh and only two English HEIs had to be replaced, while three English HEIs dropped out at a late stage of the project, when it was too late to replace them. A relatively high number of replacement FECs were used. This was primarily because many FECs did not have sufficient numbers of students studying for higher educational qualifications to be eligible for the study. (In addition to the numbers shown in the table, a number of other FECs were contacted as potential replacements, but did not satisfy

the eligibility criteria.) One FEC also dropped out at a late stage of the study, and could not be replaced. The OU also consented to take part in the study.

Table 12.2: Co-opera	ation by institut	ions			
	English HEIs	Welsh HEIs	English FECs	OU	Total
Originally issued	53	10	20	1	84
Reserves used	2	0	9	n/a	11
Agreeing to take part	53	10	20	1	84
Actually taking part	50	10	19	1	80

Base: Institutions agreeing to take part in SIES 2007/08

Source: NatCen / IES SIES 2007/08

One issue arose (primarily amongst FECs) of merging institutions. For this scenario, an institution was retained if it had merged with a smaller institution, but dropped (and replaced) if it had been absorbed by a larger institution.

Selecting and approaching students (opt-in stage)

Random selection

Written instructions were sent to institutions on how to draw separate random samples of qualifying students. An Excel 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 305. In most cases just three separate samples were drawn: full-time English-domiciled, full-time Welsh-domiciled and part-time students, with the numbers assigned in advance for each institution by the research team. A definition for part-time students eligible for selection was given to institutions: they had to be 50 per cent+ full-time equivalent students. An additional sample group - medical students - was defined for English HEIs with a medical school and for these institutions 35 of the 305 students chosen were medical students.

In Welsh HEIs the process was the same but the total was 495 rather than 305 and no medical student group was defined.

The process was also similar for FECs, where 100 students were selected per institution. In practice, only two sample groups were requested: full-time (English-domiciled) and part-time students.

In a small number of institutions, fewer students were selected than requested, as occasionally the number of students specified for selection in a particular group was higher than the total number of students at the institution in that group. A total of 22,465 students was sampled by institutions for the opt-in process.⁵⁶

⁵⁶ Some institutions did not return information about how many students had actually been selected, so for these institutions it is assumed that the full numbers were selected.

In contacting institutions, IES researchers found that there were potential difficulties caused by franchised students (ie taught at the institution but registered elsewhere), which was a particular issue for FECs. Institutions were told to include students registered at the sampled institution, even if they were taught elsewhere (so long as this is within England or Wales) but exclude students taught at the institution but registered elsewhere. This gave the closest correspondence to their treatment in the HESA statistics which had been used as the original guide in deciding numbers of students to sample.

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

In October 2007, institutions who had agreed to take part in the study were sent packages containing the student opt-in packs to be mailed out. Students were sent two mailings by their institutions. The initial 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. A £3 incentive was included to help encourage response. A second mailing, which institutions were asked to send two weeks later to all selected students, contained a reminder letter and second copy of the opt-in questionnaire. Students were sent differently coloured questionnaires depending on which sample group they had been drawn from, pre-printed with a serial number and institutional details. This meant that the sample group a student was drawn from could be identified (an improvement from the 2004/05 study).

Welsh HEIs received all materials translated into English and Welsh, and their mailing contained English and Welsh language versions of the covering letters and questionnaires. Institutions were asked to send two mailings out in October/November to students' term-time addresses. The majority of institutions (57) managed to do this. Of the remainder, 17 had to do the reminder mailing in December and two had already notified researchers that a reminder mail-out was not possible. In addition, three institutions had to make their initial mail-outs in December or during the Christmas holidays to home addresses. These delays to mailings mainly occurred because enrolment databases had not been finalised, or because there were difficulties with staffing in the busy start-of-year period.

Table 12.3 shows the final opt-in return rates, by type of institution. In all, 6,656 opt-in returns were received, or approximately 30 per cent of those despatched⁵⁷. The number of returns was lower than originally hoped for, particularly in comparison to the 2004/05 study when 45 per cent of forms had been returned. As a result of this, the deadline for receiving forms was put back (from the beginning of December to the beginning of January), to accommodate late mailings. A higher proportion of Welsh HEIs mailed out late so for three Welsh HEIs, additional returns were added in to the sample at the end of January. However, this was not logistically possible for all institutions.

As in 2004/05, the rate of return varied greatly by institution. Excluding non-mailers, the proportion of forms returned varied from 8 per cent to 45 per cent. Although late mailing institutions tended to have lower response rates (as some returns only arrived after the latest possible cut-off date), variation in response rates was also observed among institutions which mailed out earlier (where the cut-off had little or no effect in terms of excluding any returns). For example, among institutions which mailed out before the middle of November the response rates varied from 15 per cent to 45 per cent. This suggests institutional factors still played a part in influencing return rates. These factors could include 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.

Opt-in returns were checked (using Access) to identify any duplicate responses based on the student's name, sex and date of birth. A small number of forms (three per cent) were identified as duplicates.

	English HEIs	Welsh HEls	English FECs	OU	All
Number despatched (actual)	15,220	4,916	1,829	500	22,465
Number returned	4,423	1,474	534	225	6,656
% returned	29	30	29	45	30
Minimum return rate (%)	8	23	15	-	8
Maximum return rate (%)	43	38	43	-	45
Duplicates	150	48	20	8	226
% duplicates, of all returned	3	3	4	4	3
Number consenting to contact	3,555	1,150	4,36	185	5,326
% consenting, of all returned	80	78	82	82	80
% consenting, of all despatched	23	23	24	37	24

Table 12.3: Opt-in return and consent rates

Base: Institutions participating in SIES 2007/08. Figures include all returns received by beginning of January, and additional late returns accepted for three Welsh HEIs.

Source: NatCen / IES SIES 2007/08

⁵⁷ Percentage of forms received based, where information was received, on the numbers of forms institutions said they had sent out, rather than the number originally requested.

Of those students returning a questionnaire, 5,326 consented to be contacted and gave contact details, i.e. approximately 80 per cent of forms returned or 24 per cent of students sampled and sent a form by their institution. This return rate was lower than expected, particularly compared to the return rates in 2004/05 (when 35 per cent of forms despatched had resulted in a consenting student). The downward trend in the response rates means that any future use of opt-in methods for this study should be carefully reviewed.

There was little variation in the return and consent rates between English and Welsh HEIs and FECs, although OU students did have higher rates of return.

Selecting and approaching students (interview stage)

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. Although instructions to institutions had been designed to exclude some of these groups, institutions were not always able to do so.

Ninety per cent of consenting students were classified as eligible and ten per cent as ineligible (Table 12.4). This was slightly higher than the figure in 2004/05 (86 per cent). Overall, the proportion of sampled students who consented and were eligible was 20 per cent.

The OU had the highest rates of ineligibility (19 per cent), while FECs had the lowest (7 per cent). The main causes of ineligibility were:

- part-time students (other than PGCE/ITT students) who reported that they already had a degree (six per cent of consenting returns, and a particular factor in OU ineligibility)
- students who reported studying for a postgraduate qualification other than a teaching qualification (three per cent)
- sandwich students who were in their placement year (two per cent).

Table 12.4: Eligibility rates

	English HEls	Welsh HEls	English FECs	OU	All
Number consenting to contact	3,555	1,150	436	185	5,326
Number eligible for study	3,196	1,023	405	149	4,773
% eligible of consenting	90	89	93	81	90
Number not eligible for study	356	126	31	36	549
% not eligible of consenting, of which:	10	11	7	19	10
- part-time with degree (exc PGCE)	5	7	4	16	6
- postgraduate qualification	3	4	*	1	3
- sandwich student in placement year	2	1	2	1	2
- not domiciled in England or Wales	1	*	1	2	1
- qualification below degree level	*	1	*	1	*
Number issued for study	3,194	1,018	405	149	4,766
Target issued number for study	2,836	1,314	565	241	4,956

Base: Students responding to opt-in stage of SIES 2007/08. * indicates <0.5%. The number issued is slightly lower than the number eligible as a small number of students were excluded because they were not available during the fieldwork period (mainly because they were studying abroad).

Source: NatCen / IES SIES 2007/08

These patterns were very similar to those observed in 2004/05. Very few students were ineligible because they were domiciled outside England and Wales or studying for a qualification below degree level, suggesting that institutions were better equipped to exclude these groups than in 2004/05.

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. Due to the lower than expected response rate however, there was no spare capacity and all consenting and eligible returns had to be issued for interview. A few cases had to be excluded at a later stage, for other reasons (mainly because they were studying abroad during the fieldwork period).

In total, 4,766 students were issued for interview⁵⁸. This comprised higher than expected numbers of students at English HEIs, but lower than expected numbers for students at other types of institution. The bulk of the sample was issued for interview in mid-January but an additional sample of Welsh HEI students was issued at the end of January.

⁵⁸ After issuing for interview, a further 8 cases were discovered to be duplicates. These were students who had returned the form twice, but where the date of birth or other details had been recorded differently on the duplicate forms, hence they were not picked up in the main duplicate checks.

12.3 Questionnaire and diary of spending development

All students - whether at a higher education institution (HEI), further education college (FEC) or the Open University - were interviewed using the same methods. First, there was a face-to-face interview using computer assisted personal interview (CAPI) methods. All students were then asked to complete a seven-day diary of spending after the interview, which could be filled in on paper or online.

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 and holidays whilst day-to-day spending on items such as food and entertainment was recorded in the diary of spending.

An important feature of the study was to measure trends since 2004/05. For this reason, a deliberate attempt was made to keep the interview and diary instruments as similar as possible to the last study. However, amendments were needed, for the following main reasons:

- The student support system had undergone considerable reform (mainly in 2006). Student Loans for Fees were introduced to help students pay for the newly introduced variable tuition fees. Institutions could now charge up to a maximum of £3,070 for tuition fees (a rise on previous levels), and were obliged to offer bursary support to lower-income students. The sample included both 'new system' students on the post-2006 funding regime and 'old system' students who were still on the old funding regimes (but who could access elements of the new system as well). To accommodate these changes, new and amended information had to be collected in relation to tuition fees and fee support.
- There were a number of other smaller reforms (eg the withdrawal of the Higher Education Grant) that required questions to be deleted, added or amended.
- Based on the experiences of the 2004/05 study, a small number of improvements had been noted. These mainly related to a question about income from work, and the addition of two diary categories related to parking.

12.3.1 Questionnaire development

Initial development

The 2004/05 questionnaire was taken as the starting point for the 2007/08 development. Initial amendments (to reflect the changes above) were made and agreed with DIUS and WAG.

Dress Rehearsal Piloting

A 'dress rehearsal' pilot was carried out in October 2007, with the aim of testing the final version of the questionnaire and the fieldwork processes in preparation for the mainstage survey. The pilot was also the first opportunity to identify the length of the full interview. Six institutions (four English HEIs, one Welsh HEI and one FEC) were involved in the pilot. Students for the dress rehearsal pilot at the English institutions were selected from the pilot opt-in sample of institutions. In addition, one interviewer used snowball sampling to interview students at a Welsh HEI, in order to check questions specific to studying in Wales and the related routing within the questionnaire. (As all Welsh HEIs had been selected to take part in the main sample or as a reserve institution, it was not possible to use any of them at the pilot opt-in stage.)

In total, 44 interviews were conducted, with a good spread across respondent and course characteristics. (Interviewers were asked to attempt rough 'quotas' to achieve this.)

A number of amendments were suggested to the advance letter, instructions and briefing materials, and interviewer documents. Some amendments were also made to question wording or code frames, but only where this was judged not to have a major impact on trends. Many queries on the interview were addressed by the inclusion of additional interviewer instructions or noted as briefing points. It was noted that many students did not know or were confused by their student support arrangements. This occurred, for example, where parents or employers paid tuition fees directly. There was particular confusion over Student Loans for Fees as opposed to Maintenance, as well as evidence of double-counting of some types of support (eg Student Loans and tuition fee grants). To combat this, a number of strategies were used including clarifying the wording of some questions and the introduction of a showcard at the beginning of the fees section which outlined the types of grants or loans available.

The average interview length in the pilot was 54 minutes, longer than the target interview length (45 minutes). This was due to the inclusion of new questions related to the new fee support arrangements. Further questions were removed, namely:

- follow-up questions on awareness and take-up of the Access to Learning and Financial Contingency Funds
- some of the questions relating to hardship (how respondents manage their money, items they may go without, past arrears)
- distance between (parental) home and education institution
- some questions on access to computers and reasons for not owning one.

12.3.2 Diary of spending

Early development

As with the questionnaire, the 2004/05 version of the diary was taken as the starting point of development. Based on the experiences in the last survey, two new categories of expenditure were added to the diary to collect specific information about parking costs for study-related and other reasons. Both paper and online versions were available for students to use, depending on their preferences.

Dress rehearsal pilot

The diary was tested as part of the overall dress rehearsal pilot in October 2007. Students who were interviewed in the pilot were asked to fill in a diary of spending for the seven days after the interview. Due to the short time period of the fieldwork, interviewers were asked to pick up the diaries where this was possible. Office staff then made reminder phone calls for any diaries that were due to be returned or completed after the fieldwork period had finished. The pilot was not therefore seen as a test of the diary return rate, as the mainstage procedures would fully involve the interviewer in the reminder and pick-up process and this strategy had been proven to maximise returns.

Of the 44 respondents who gave a pilot interview, around 18 also filled out paper diaries, while three filled the diary out online.

Completed diaries were inspected, in order to spot any potential problems in filling them out. No amendments were suggested for the diary, but a number of changes were made to the pick-up procedures and how interviewers were briefed about the diary.

12.3.3 Welsh language versions

A Welsh language version of the 2004/05 interview program was already available, so any amended questions for the 2007/08 survey were translated and added into the program. Full Welsh language showcards (to be seen by respondents) were also produced. This allowed the full interview to 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 amendments made sense and matched the English version.

12.4 Fieldwork

CAPI interviews covered all the students in the issued sample. This represented a change from the 2004/05 study when Open University (OU) students had been interviewed using computer assisted telephone interviewing (CATI) methods. However, it was felt that the cost and logistical benefits in interviewing this group separately were outweighed by the difficulties in comparing the resulting (fewer) data for OU students with the main sample of students and the complexities of programming more than one interview instrument.

12.4.1 Briefing and interviewer numbers

Around 210 interviewers were briefed over a two-week period from the 8-17 January 2008, in half-day briefings. Five of these briefings were held in London, with the remaining briefings held in Cardiff, Brentwood, Bristol, Derby, Leeds and Manchester. An additional briefing was also held in Bristol on the 26 February. The briefings covered the background to the survey, the sample of respondents, use of the study documents (eg the advance letter, 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.

12.4.2 Contact and interviewing procedures

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.

For each student issued in the main sample, interviewers were given an address record form (ARF) showing the contact details of the student including landline and mobile phone numbers where these were available. Interviewers also used the ARF to record details of their contact with the student. Interviewers were allowed 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. For those who did, a Welsh language version of the programme and Welsh showcards were also available.

Contact and liaison with institutions

In December 2007, prior to the start of fieldwork, NatCen researchers wrote to the main contact person who had dealt with the sampling. The letter reminded them that student interviews would begin in January and asked them to pass the letter on to any relevant staff or contacts. It also asked about any contact procedures NatCen interviewers needed to follow if they came onto institutional premises (including halls of residence). A reminder e-mail was also sent shortly before fieldwork in January.

A number of institutions replied with additional contact procedures or contact names, and these details were circulated to all NatCen interviewers working on the project. Interviewers were also given a copy of the letter sent to institutions which they could produce when visiting university campuses, and were advised to register with the local police station whilst interviewing.

There were no reported problems with access to university or college premises during fieldwork.

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. A paper version of the diary was left with all students who agreed to fill it in. This also contained details of how to access and complete a diary online, using a unique ID number and password.

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 two or three 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 filling in either the paper or internet version of the diary.
- Diary pick up Interviewers were asked to try to pick up the diary from the student to maximise the return of diaries. If the diary pick-up was not successful, interviewers were asked to leave a reminder letter and a reply pre-paid envelope to send the completed diary back to NatCen. For those students who planned to fill in the diary online, interviewers generally made a second telephone reminder call instead of a pick-up visit.

Incentives

On receipt of the completed diary by post or online the student received a thank you letter and £12 of Love2Shop vouchers (in addition to the £3 of vouchers received at the opt-in stage).

12.4.3 Fieldwork period and monitoring

Fieldwork began on 17 January 2008. Fieldwork was originally scheduled to end in the week commencing the 10 March.

Weekly response reports were issued to DIUS and WAG. There was one difficulty in monitoring returns, as the CAPI interview could only be transmitted back to the office once the interviewer had attempted at least one reminder call for a diary (as this information was required for completion of the interview program). In fact, in most cases, the CAPI interview was only transmitted on completion and pick-up of a full diary, which took place around ten days after the interview. The weekly response reports therefore had a built-in time lag, and the exact number of achieved interviews could not be determined.

However, by the middle of February, it was clear that the coverage of interviews was low, particularly in Wales. The initial sample for this area was large, but there had also been additional cases issued at the end of January for a number of Welsh institutions. To try to counter this low coverage, additional interviewers were briefed towards the end of February and cases reallocated to them. One other fieldwork area also briefed an additional interviewer for the study. Interviewers in other areas were reminded of the deadlines for the study, which reflected end of term dates when many students would leave their institutions. The final cut-off for fieldwork was extended to the end of March 2008. Very few interviews were in fact conducted in these last few weeks. By the original end of fieldwork dates, 92 per cent of the sample had been covered and 93 per cent of all productive interviews had been returned.⁵⁹

12.4.4 Response rates

Interview response

Table 12.5 shows the final response rates for the interview phase. Overall, 72 per cent of the issued sample of students was interviewed. The original target for the 2007/08 study was 78 per cent (based on the response rate achieved in 2004/05 of 78 per cent, which had exceeded its target of 70 per cent). The main reason why students did not take part was due to refusal (15 per cent), followed by non-contact (five per cent). A further five per cent of students were found to be ineligible when the interviewer contacted them or when their details were checked at the start of the interview (eg they had dropped out of their course). Table 12.6 shows the response rates by type of institution and student. Response was highest for students at Welsh higher education institutions (HEIs), and lowest for those studying at further education colleges (FECs) or the OU. This was largely related to the rates of refusal amongst the different groups. Response was also lower for part-time students (and older students, more of whom tended to be part-time), mainly due to the higher rates of ineligibility amongst such students.

⁵⁹ Note that these figures excluded interviews conducted but not yet returned, so a higher proportion of interviews might have been completed.

	Ν	%
Issued	4,758	100
Covered	4,758	100
Productive:	3,432	72
Full interview	3,426	72
Partial interview	6	0
Unproductive:		
Refusal	697	15
Non-contact	240	5
Ineligible	219	5
Address problems	87	2
Other unproductive	83	2

Table 12.5: Final productive and unproductive interview rates

Base: Students sampled and issued for interview for SIES 2007/08. The number issued differs slightly from that shown in Table 12.4 as a few cases were removed shortly after fieldwork started as they were ineligible or duplicate.

Source: NatCen / IES SIES 2007/08

	Response rate (%)	Refusal rate (%)	Ineligibility rate (%)
All	72	15	5
English HEI	72	15	4
Welsh HEI	74	12	5
FEC	69	16	6
OU	62	20	7
Full-time	74	14	3
Part-time	67	16	10
Male	75	11	4
Female	71	16	5
Age at start of academic year:			
Under 20	75	14	2
20-24	72	15	3
25 or older	71	15	8

Table 12.6: Interview response rates, by institution and type of student

Base: Students sampled and issued for interview for SIES 2007/08.

Source: NatCen / IES SIES 2007/08

12.4.5 Diary response

Table 12.7 shows the level of diary returns. In total, 86 per cent of respondents who completed a full interview also returned a diary (close to the target of 88 per cent). The majority of respondents completed the paper version of the spending diary, although around a fifth of returns (20 per cent of completed diaries) were online. The proportion of diaries completed online had risen since the 2004/05 study, when it was 13 per cent of completed diaries.

Table 12.7	': Final	productive	and un	productive	diary rates

N	% of (full) interviews	% of issued sample
4,758	_	100
3,432	100	72
2,953	86	62
2,356	69	50
597	17	13
	N 4,758 3,432 2,953 2,356 597	N% of (full) interviews4,758-3,4321002,953862,3566959717

Base: Students giving full interview and those sampled and issued for interview for SIES 2007/08. The number issued differs slightly from that shown in Table 12.4 as a few cases were removed shortly after fieldwork started as they were ineligible or duplicate.

Source: NatCen / IES SIES 2007/08

The level of diary returns did not vary substantially for different groups (Table 12.8), although it was a little lower amongst FEC and OU students, and mature students (these groups would overlap). Younger and full-time students were more likely to complete the diary online.

Table 12.8: Diary return rates, by institution and type of student

	All	Paper	Online	
All	86	69	17	
English HEI	88	70	17	
Welsh HEI	84	65	19	
FEC	82	69	14	
OU	79	64	15	
Full-time	87	68	19	
Part-time	84	71	14	
Male	84	71	14	
Female	87	70	17	
Age				
Under 20	89	69	20	
21-24	86	67	19	
25 or older	85	70	15	

Diary return rate (% of full interviews)

Base: Students giving full interview for SIES 2007/08. Age is based on information given in interview (rather than at opt-in stage), and excludes a small number of diaries removed after coding.

Source: NatCen / IES SIES 2007/08

12.4.6 Interview length

The average length of the interview was 52 minutes. Interviews tended to be longer for parttime students (56 minutes compared to 51 minutes for full-time students), as they often had more income sources to report.

12.4.7 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 (around ten per cent) of respondents were telephoned to check that the interviews were conducted correctly.

12.5 Data checking, coding and editing

12.5.1 Data checking

CAPI interview

Interviewers in the field carried out most of the validation of data for this study. Interviewer checks in the questionnaire program allowed interviewers to clarify and query data discrepancies directly with the respondent. Generally, '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. It should be noted that this still allowed the original answers to be accepted, and interviewers were encouraged to record additional remarks if this was the case. Less often, '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 was given a set range of possible answers. This allowed 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.

Interim data were also inspected by researchers from NatCen and IES.

Diary of spending

Given that spending may legitimately be very high or very low in a given week, it was not feasible to set validation checks on individual entries in the spending diary. However, diaries were checked after receipt in the office for suspicious patterns of spending (see 'Diary of spending' in section 12.5.2 below).

12.5.2 Coding and editing of data

CAPI interview

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.

Factsheets 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 factsheet 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 based primarily on those developed for the 2004/05 study. Where no previous list existed, researchers inspected question responses from the first completed interviews. Any complex editing decision was referred to the researchers for adjudication. These cases were documented and instructions relayed to the data processing team.

Diary of spending

A data processing team also carried out the coding and editing of the 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 the week (so that a weekend or weekday was not over- or under-represented in the data). If the diary indicated that days of the week had been duplicated (eg Sunday missing, but two Tuesdays), the diary was not accepted. However, diaries were acceptable if there were entries for each different day of the week, even if the seven days were not consecutive. In a small number of cases, diaries with other suspicious patterns⁶⁰ of spending (eg duplicate entries for every day of the week) were also rejected.

The other major purpose of the diary editing was to allocate a code to any spending that students had entered as 'other' spending. The same rules that were developed for the 2004/05 study were adopted here. 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

⁶⁰ It should be noted that blank days (ie with no spending) were acceptable, as was generally a blank week (ie no spending recorded at all for the week) as it was plausible that this could occur.

already been collected in the main interview. This categorisation was needed because the diary data and the interview data were looked at in combination in analysis. It was key that data about an item of spending was not double-counted by the interview and diary.

12.5.3 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 full academic year, assuming that answers given in the questionnaire or diary represented average weeks.

The derived variables relating to the day-to-day spending recorded in the diary follow the same principles. Again it was assumed that spending within the recorded week was an average week. The weekly amount spent on different types of item was therefore multiplied by 39 to give the spending for college- and university-based students over an academic year, whereas the money spent by Open University students was multiplied by 52 to give figures for their academic year.

12.6 Data and analysis

12.6.1 Dataset

Interview and diary data were merged together to form one complete dataset. This dataset also included all the derived variables for the interview and diary instruments.

Extreme values

Once the summary measures of income, spending, borrowing and savings were created and tested, they were reviewed by the research team. This allowed them to correct any unfeasible answers and also trim any outliers that would skew the analyses if left untreated. Trimming involved identifying outliers through boxplots and then trimming these outliers to the highest amount within the accepted range. In the questionnaire data around 115 high outliers were trimmed. In the diary data 133 high outliers were trimmed. (In some cases, inspection of the outliers revealed errors in how information had been entered, eg answers entered as pounds and pence, when only pounds were acceptable (thus multiplying the resulting figure by 100). These data were also corrected.)

12.6.2 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.

12.6.3 Additional data adjustments

A number of additional adjustments were made to the data, primarily in relation to the new questions asking about fees. It should be noted that adjustment was only made where it was felt an error had been made and there was evidence from the data or additional information recorded by the interviewer that a change should be made. In cases where information was not consistent (eg total contributions to fees were more or less than the course fees) but there was no identifiable correction strategy, no adjustment was made. The main adjustments made were:

- 24 NHS students had not identified themselves as such in the introductory section, so were mistakenly asked the fees section. (In the dataset, the fees information has been removed and the question asking about whether or not they applied for tuition fee support (TUITAP) set to a new code 3 denoting support from the NHS.) Some of these students also recorded amounts under general student support questions that should have been recorded in specific questions on NHS support the data were amended to reflect this.
- Some students had not included their Student Loan for Fees (FLOAN) in the amount recorded under their own contribution (DTFWHAM / ITFWHAM). This applied to around 350 cases. The amount of Student Loan was generally added on to any contribution made by themselves. In some cases, it had been recorded as an 'other' contribution so any amount recorded here was removed.
- A small number of old system and Welsh new system students recorded Student Loans for Fees that were higher than their course fees. For these cases, the course fees were amended to the higher amount.
- For a small number of Welsh new system students, there was sometimes confusion between the amounts given for the (fixed) tuition fee grant and the Student Loan. These were made consistent if it was felt amounts had been duplicated or switched; however, where this was not clear and the amount of the tuition fee grant was less than £1,845, no amendment was made.
- For around 40 students, changes were made to the fees section (e.g. amount of course fee, employer or other contributions) based on additional information recorded by the interviewer.
- For a small number of cases, additional information recorded by the interviewer indicated that different or higher amounts should have been recorded for certain types of student support, and the data were amended to reflect this. This applied mainly to course grants, training bursaries, Student Loans for Maintenance, Maintenance Grants and Higher Education Grants.

12.6.4 Data errors and imputation

Although interim data was inspected, a number of errors or other issues were detected with the data during checking and analysis. In general these affected different sub-groups of the sample, and are detailed below.

Open University students

It was found that some information for (the 92 interviewed) Open University (OU) students had not been correctly recorded. This applied to the job information (on which NS-SEC (National Statistics - Socio-Economic Classification) was based) and the income information. This information is therefore not available for such students.

Fee information and support for fees

It was found that some full-time old system students had missing information relating to how they paid their fees and what grants and Student Loan for Fees they had received (131 students in total). In the last study in 2004/05, such students were asked if their parents had to contribute to their fees (DTFAM or ITFAM). If they answered 'No', it was assumed that they got a full grant and no further questions about how they paid their fees were asked.

In 2007/08, the same question was asked of old system students. However, in addition, the interview also checked whether or not the student got a full grant (DTWTFG / DTWTFGA or ITWTFG / ITWTFGA). If the answers to the questions were inconsistent, the interviewer was alerted via a check. Whether or not the student was asked the remaining questions about fees was dependent on the first question (as per the last survey) rather than the specific questions about grants.

Despite the interview check, some students gave inconsistent answers, ie they said 'no' to the question about whether their parents had to contribute to fees, but also indicated no or a low grant for fees. They therefore were not asked questions about how they actually covered their fees, including the questions about Student Loans for Fees.

It looked likely that these students should have answered 'yes' to the first question about parental contribution, and been asked the remaining questions about fees. This was backed up by comparisons with 2004/05 data about the proportion of students receiving full grants (and figures from the Student Loans Company confirmed this had not changed over this period).

The missing information on parental/own/college (and other) contributions to fees as well as the questions relating to amount of Student Loan for Fees was therefore imputed for these cases, for the following reasons:

- Excluding students from analysis implicitly assumes that they are fairly similar to the students who have responded. In this case, there was evidence that the missing group were more like students who did **not** receive full grants and were therefore more likely to use other means of paying for their fees e.g. by Student Loans. Excluding such students would be likely to undercount these other types of funding, and it was felt more desirable to adjust the data to some degree to correct for this potential bias.
- Although the overall number of students with missing information would not have too large an effect on 'all sample' analysis, or analysis by other subgroups, it would affect comparisons between old and new system students within the 2007/08 wave, which were of interest to the study (The missing information had only a very limited effect on trend comparisons between 2004/05 and 2007/08.)

- As missing information at the question level also affected derived variables, it also affected more general expenditure measures, and comparison measures based on income and expenditure.
- There was a large amount of background information available on each student which meant it was possible to impute fee information based on students with similar characteristics.

A hot-deck procedure was used to impute values of missing data. This works by matching a case with missing values to a similar case with full responses, on the basis of background information. For this study, there was background information available on sociodemographics (eg sex, marital status) and their course/institution attended (year of study, subject of course).

Table 12.9 shows the variables used to divide the sample into groups of people sharing similar characteristics. The hot-deck procedure then used these classes. For example, a person in the first main class with missing values had these values replaced by those of someone from that main class with the same marital status, sex and degree-type (medical/not medical). The variables used to define the classes were chosen taking into account the type of analysis planned, the sample size available and the predictive power of the variable.

able 12.9: Variables used to create imputation groups					
Characteristics of the main class	Variables used to define the subclasses				
1 Full-time, independent, English-domiciled	Medic, marital status, sex, course fee				
2 Full-time, dependent, English-domiciled	Year of study, London, sex, course fee				
3 Full-time, independent, Welsh-domiciled	Medic, marital status, sex, course fee				
4 Full-time, dependent, Welsh-domiciled	Year of study, sex, course fee				
5 Part-time teacher-trainers	No finer breakdown required (only 1 case required imputation)				

Source: NatCen / IES SIES 2007/08

The imputed variables therefore corrected for non-response bias in calculating means and proportions of national population estimates and estimates of most major subgroups. Hotdecking, like many other imputation methods can introduce bias in estimates of standard deviations and other secondary statistics. Although this can be a problem, it is unlikely to be a big problem unless a high proportion of respondents have imputed values. Because of this any subgroup analysis using the imputed variables should be checked by counting the number of imputed cases used. However, checks comparing the original dataset with data including imputed variables indicated that there were no strong effects on computed means. In the dataset, imputed cases can be identified by the condition DVFLAG1>0. All summary derived variables include the imputed information but question-level variables have not been altered. Additional variables were added which contain the imputed question-level data.

Maintenance Grant

English-domiciled students studying in Wales (N=78) were not asked the specific prompt question asking about receipt of Maintenance Grants. In the main report, figures for receipt of this funding stream are based on English-domiciled students studying in England only. If it is assumed that a similar proportion of students in Wales would have received the Maintenance

Grant⁶¹ as in England, the proportion of English-domiciled students receiving it overall would rise to 43 per cent (compared to 41 per cent based on those studying in England only). This should also make very little difference to the total average income figure as it only affects a relatively small number of students and Maintenance Grant income could also have been recorded under the general 'other' category of student support.

Financial status and NS-SEC

During analysis, it was also noted that the proportion of independent students was higher than that found in 2004/05 and compared to information available from the Student Loans Company. This increase was mainly attributable to a change in how these students were classified in the questionnaire. The previous method of classifying students was no longer viable as it was linked to the old system of student financial support.

In 2007/08, students were classified as independent if they were (a) part-time or (b) full-time and in one of the following groups: aged 25 or over, married, living with dependent children or had supported themselves financially for three years or more prior to their course (based on a new question SUPFIN). However, some students seem to have misinterpreted this question.

It was therefore agreed to recode student status from independent to dependent, where:

 students were only classified as independent because they reported they had supported themselves financially for three years or more at SUPFIN

and

where they also reported that their parents', step-parents', or guardians' income was taken into account when assessing support (at the question LEASS1).

The status recode applied to 158 English-domiciled students and 46 Welsh-domiciled students.

NS-SEC is also linked with student status because it relies on information about parental or own occupation. In the survey, dependent students were asked about their parents' (or equivalent) occupation whereas students classified as independent were asked about their own. Therefore, the recoding of status also had an impact on NS-SEC. In effect, students who were re-coded from independent to dependent now have a missing NS-SEC (because they were not asked about their parents' occupation).

Among Welsh-domiciled students, the recoded students were no different to the rest of the Welsh dependent students by gender, age and ethnicity. However, for English-domiciled students there were some significant differences:

- newly recoded students average income was lower, with less coming from the main sources of support and their family, but more from work
- recoded students were more likely to be aged 20-24 at the start of the academic year, BME, and their parents were less likely to have gone to university.

⁶¹ In fact, figures from the higher education awards data indicate that the proportion of students receiving Maintenance Grants is lower for those studying in Wales compared to those studying in England.

12.6.5 Weighting⁶²

Summary of approach

The SIES weights were calculated from the estimated probability of being both selected and responding to the survey. For the survey this overall probability was calculated as the product of three main components:

- probability that the institution / student was selected (described in 'Computing the probability that the institution / student was selected')
- probability of agreeing to be followed-up by interviewer (described in 'Modelling the probability of agreeing to be followed up by interviews')
- probability of taking part in the main interview (described in 'Modelling the probability of taking part in the main interview').

The weights were calculated as the *inverse* of the overall probability. Extreme weights were trimmed so as to reduce their impact (detailed in 'Trimming the extreme selection weights'). Finally, the weights were adjusted so that the characteristics of the weighted sample matched that of the student population (as recorded by HESA) in terms of age and sex (described in 'Post-stratification to HESA totals').

The overall aim was to generate a weighted sample that matched the population of students⁶³ as closely as possible, whilst at the same time generating weights that were not so variable that the standard errors of survey estimates were unnecessarily inflated.

Computing the probability that the institution/student was selected

Section 12.2.3 gives full details of how institutions and students within institutions were selected, and the resulting selection probabilities.

Dealing with non-response by institutions

In principle the selection probabilities for the institutions in the survey were simply calculated as set out above. However not all selected institutions agreed to take part, and we adopted a policy of replacing any that refused with other 'similar' institutions. This means that the final sample of institutions is not, as was intended, a strict probability sample. Nevertheless we have treated the sample as a probability sample when calculating the weights, with 'replacement' institutions being assumed to have been selected with probability equal to their calculated probability of selection prior to replacement.

⁶² Please note that throughout the section on weighting, part-time students studying for PGCE / ITT are treated as part-time students, following the sampling definitions. However, in interview and during analysis for the main report, these part-time students were treated as full-time students, reflecting the similarity in their student support arrangements.

⁶³ To recap, the eligibility definition for the survey specified that students had to be English- or Welsh-domiciled; studying at an English or Welsh HEI or FEC, or the OU; studying for a higher education qualification (namely a first degree, foundation degree, PGCE / ITT, Dip HE, HND, HNC, Certificate of Higher Education, or University Certificate or Diploma) and studying full-time or if part-time for 50 per cent or more of the full-time equivalent course.

Even with replacement, four 'co-operating' institutions did not mail out to students. This potentially gives a small non-response bias to the survey, but given that the response rate by institutions was very high we have not adjusted the weights to account for this loss. In part the final adjustment stage of the weights (see section 5) is an attempt to deal with any bias this non-response introduces.

Probability of selection for students within institutions

Section 12.2.3 describes how we specified the number of students to select per institution. For instance, in Queen Mary and Westfield we specified that 245 English-domiciled full-time students were to be selected. From HESA we assumed that they would select these 245 from a population of around 6,905 English-domiciled full-time students, giving a sampling probability of 0.035. In practice we knew that the HESA figure of 6,905 would not be exact, so the actual probability would be higher or lower than 0.035.

For each institution selected who took part in the survey we asked for information to be returned on the number of students per group that were selected *and* the size of the population groups from which the samples were selected. This information allowed us to calculate the actual selection probabilities.

However, not all institutions provided us with the population counts: for those that did not we have assumed that the actual number of students within an institution equals their HESA count.

In some institutions there was quite a marked difference between the HESA count and the population that institutions told us they had drawn their sample from.⁶⁴ We have taken the numbers provided by the institutions as correct. But the result is that the selection probabilities, and hence the survey weights, vary more than we might have hoped for across institutions. Below we explain how we have dealt with this.

12.6.6 Trimming the extreme selection weights

As noted above, the selection weights calculated for the survey (within categories defined by sector and mode of study) were very variable. Given that variance in weights tends to inflate standard errors of estimates, it is standard practice to trim the weights at the extreme tails of the distribution to reduce the variance, even at the risk of introducing a small bias.

The trimming was carried out as follows:

- 1. We listed the institutions in order of the selection weights for the following nine subgroups (note that the same selection weight applies to all individuals within the same subgroup in the same organization so ordering weights by institutions is possible):
 - English higher education institutions (HEIs), Medics
 - $\hfill\square$ English HEIs, full-time English-domiciled
 - □ English HEIs, full-time Welsh-domiciled
 - □ English HEIs, part-time
 - □ Welsh HEIs, full-time English-domiciled
 - □ Welsh HEIs, full-time Welsh-domiciled
 - □ Welsh HEIs, part-time
 - □ Further education colleges (FECs), full-time
 - □ FECs, part-time

⁶⁴ This may be due to the different stages of the academic year at which the SIES and HESA counts were made. Also, franchised students may not be counted in the same way.

2. Within each group we trimmed the selection weights for those institutions with either extremely large or extremely small values.

However this approach does not entirely eliminate the problem of extreme weights. One of the differences between the 2004/05 and 2007/08 surveys is that in 2007/08 we knew exactly which group a student had been selected from, whereas in 2004/05 we did not. For example, if in 2004/05 a student self-reported in their postal questionnaire that they were full-time we simply assumed that they were selected by their institution as part of the full-time sample. In 2007/08 we were able to test this assumption and found that a small number of students gave a self-report different to that of the institution.

The consequence of this change is that in 2007/08 the students with a mismatch had selection weights very different to other students who self-reported as they did. For instance, in QMW, English-domiciled full-time students were selected with probability 0.033 whereas part-time students were selected with probability 0.27. Students selected as full-time but self-reporting as part-time would be given a weight of 1/0.033 which is very different to the weight of 1/0.27 given to other self-reporting part-time students.

To deal with this the following strategy was adopted: any student with a self-report different to their sample group was given the selection weight equal to their self-reporting equivalents. Again, this may introduce a small bias but the benefits in terms of decreased variance in the weights were felt to compensate for this. The number of students affected is shown in Table 12.10

	Final group				
	Medics	Eng Dom FT	Wel Dom FT	РТ	
Original sample group:					
Medics	-	0	0	0	
Eng Dom FT	0	-	10	13	
Wel Dom FT	0	12	-	3	
PT	0	49	10	-	

Table 12.10: Number of students moving from their original sampling group

Source: NatCen / IES SIES 2007/08

Modelling the probability of agreeing to be followed up by interviews

Having calculated and trimmed the selection weights the next stages for the weighting were adjustments for non-response. This comprised the following three stages:

- adjustment for refusal to be followed-up by an interviewer (conditional on returning a postal questionnaire and being eligible for follow-up)
- adjustment for non-response to the survey (conditional on agreeing to follow-up)
- a final adjustment of the survey to the HESA age-sex distribution.

This section describes the first of these.

The probability of agreeing to be followed-up by an interviewer was estimated using a nonresponse model. The approach adopted was to use a logistic regression model to predict a binary variable defined as:

1 = eligible for re-contact and agree to re-contact

0 = eligible for re-contact but do not agree to re-contact.

The predictors of this variable entered into the model were (using the question numbers from the opt-in questionnaire)⁶⁵:

- Q1 payment of tuition fees
- Q2 how well manages financially
- Q3 applications for access/hardship funds
- Q4 sex
- Q7 highest qualification before course
- Q8 whether parents went to university
- Q10 whether full-time or part-time course
- Age (derived from date of birth)
- Sector English HEI, English FEC, OU or Welsh HEI

Variables were entered forward stepwise into the model so as to avoid generating an overly complex model that would lead to more variability in the non-response weights. Six variables were found to be significant: Q1, Q2, Q3, Q4, Q10 and Age. The model coefficients are given in Table 12.11.

Modelling the probability of taking part in the main interview

For those agreeing to follow-up, the probability of agreeing to take part in the main interview was also estimated using a logistic regression model, the predictors in the model being the same list as used in the model to predict consent to follow-up (see previous footnote for a full list of variables). The binary dependent variable in this case was 1 for a productive interview. Four variables were found to be significant: Q2, Q4 Q10 and Age. The model coefficients are shown in Table 12.12.

⁶⁵ The full list of variables tested were Qs 1-5, 7-8, 10, whether part of medical boost and type/location of institution.

		otaniaara on or
Q1: How pay tuition fees		
Paid full tuition fees	(baseline)	
Paid contribution to tuition fees	-0.195	0.132
Paid no tuition fees	-0.260	0.082
Don't know	-0.413	0.196
Q2: How well manage financially		
Manage very well	(baseline)	
Manage quite well	0.205	0.119
Get by	0.259	0.119
Some financial difficulties	0.611	0.144
Lots of financial difficulties	0.942	0.216
Q3: Applied for access/hardship funds		
Yes - have applied	(baseline)	
Yes - expect to apply	0.545	0.242
Don't know / Not sure	0.201	0.161
No	-0.254	0.143
Q4: Gender		
Male	(baseline)	
Female	0.193	0.078
Q10: Mode of study		
Full-time	(baseline)	
Part-time	-0.168	0.098
Age		
19 or younger	(baseline)	
20 to 25	-0.077	0.103
26 to 29	-0.142	0.172
30 to 39	-0.162	0.143
40 or older	-0.382	0.135
Constant	1.587	0.192

Table 12.11: Non-response model for agreement to be followed up by interviewer Coefficient Standard error

Source: NatCen / IES SIES 2007/08

	Coefficient	Standard error
Q2: How well manage financially		
Manage very well	(baseline)	
Manage quite well	0.311	0.126
Get by	0.120	0.121
Some financial difficulties	-0.061	0.129
Lots of financial difficulties	0.142	0.164
Q4: Gender		
Male	(baseline)	
Female	-0.182	0.074
Q10: Mode of study		
Full-time	(baseline)	
Part-time	-0.435	0.089
Age		
19 or younger	(baseline)	
20 to 25	-0.059	0.087
26 to 29	0.004	0.148
30 to 39	0.063	0.124
40 or older	0.281	0.126
Constant	1.054	0.132

Table 12.12: Non-response model for taking part in the main interview

Source: NatCen / IES SIES 2007/08

Post-stratification to HESA totals

Applying the selection weights multiplied by the non-response weights described above does not appear to give a final weighted dataset that is genuinely representative of the student population – in the sense that the survey does not match HESA statistics particularly well. This survey bias probably arises because most of the non-response to the survey arises at the first stage: that is, non-response to the postal survey. Biases introduced at this stage are not adjusted for in the non-response models described in the previous two sections.

To reduce the bias, we included a final adjustment to the weights to bring the survey into line with HESA. This final stage adjusted the existing weights (the previous components of weighting described above multiplied together) to HESA counts by age and sex within each of the following nine groups:

- 1. English HEI, English-domiciled full-time
- 2. English HEI, Welsh-domiciled full-time
- 3. English HEI, English- & Welsh-domiciled part-time
- 4. Welsh HEI, English-domiciled full-time
- 5. Welsh HEI, Welsh-domiciled full-time
- 6. Welsh HEI, English- & Welsh-domiciled part-time
- 7. FEC, full-time
- 8. FEC, part-time
- 9. OU

The population figures used for the calibration adjustment are shown in Table 12.13.

	HE	SA Popula	tion estima	te
	Age		Gen	der
	<= 25	26+	Female	Male
English HEI, English-domiciled FT	736,165	122,000	486,500	371,665
English HEI, Welsh-domiciled FT	17,065	815	9,855	8,025
English HEI, English- & Welsh-domiciled PT	35,950	88,770	74,705	50,015
Welsh HEI, English-domiciled FT	25,290	1,345	13,655	12,980
Welsh HEI, Welsh-domiciled FT	27,285	6,875	20,600	13,560
Welsh HEI, English & Welsh-domiciled PT	2,320	6,660	5,155	3,825
FEC, FT	18,480	9,515	15,285	12,710
FEC, PT	13,890	21,360	17,955	17,295
OU	4,254	24,154	20,048	8,360

Table 12.13: HESA 2006/07 population estimates

Source: NatCen / IES SIES 2007/08

Distribution of the final weights

	English	English		Welsh	
	HEIs	FECs	OU	HEIs	Total
Full-time					
Mean	1.41	0.45	-	0.36	1.13
Median	1.31	0.41	-	0.28	1.17
Std. Deviation	0.61	0.20	-	0.26	0.70
Minimum	0.09	0.15	-	0.10	0.09
Maximum	3.46	0.89	-	1.91	3.46
5 th percentile	0.29	0.20	-	0.13	0.17
95th percentile	2.52	0.84	-	0.76	2.44
Part-time					
Mean	0.79	1.08	0.91	0.10	0.64
Median	0.63	1.03	0.89	0.09	0.48
Std. Deviation	0.58	0.69	0.36	0.07	0.60
Minimum	0.13	0.26	0.44	0.04	0.04
Maximum	3.25	3.55	1.83	0.45	3.55
5 th percentile	0.16	0.36	0.49	0.04	0.05
95th percentile	1.96	2.40	1.69	0.21	1.80

Table 12.14 gives the distribution of the final trimmed and calibrated weights.

Source: NatCen / IES SIES 2007/08

The effect of the weights on effective sample size for key groups

The effective sample size of a given weighted base is the equivalent simple random sample size 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. Tables 12.15 and 12.16 present the effective sample sizes for full-time and part-time students for each sector and overall, followed by figures by domicile. Note that the greatest losses of effective sample size, in percentage terms, occur for Welsh HEIs (where it is primarily caused by the over-sampling of Welsh-domiciled students relative to English and because most Welsh HEIs were selected with certainty and the sample size per Welsh HEI was not set proportional to the population size⁶⁶) and part-time students (where, as in 2004/05 the probabilities of selection of students within institutions proved hard to control because the HESA counts were only moderately correlated with the population counts that institutions drew their samples from).

⁶⁶ The sample size per HEI was set equal so that the burden of the survey was distributed equally across institutions. This is not statistically 'optimal' for Welsh HEIs.

	English	English		Welsh	
	HEIS	FECs	OU	HEIS	Total
Full-time					
Sample size	1,839	182		499	2,520
Effective sample size	1,546	153		326	1,816
Effective as % of actual	84	84	-	65	72
Part-time					
Sample size	467	96	92	255	818
Effective sample size	301	69	80	178	406
Effective as % of actual	64	72	87	70	50

Source: NatCen / IES SIES 2007/08

Table 12.16: Effective sample sizes by domicile

	English-domiciled	Welsh-domiciled
Full-time		
Sample size	2,005	513
Effective sample size	1,647	383
Effective as % of actual	82	75
Part-time		
Sample size	590	228
Effective sample size	368	140
Effective as % of actual	62	61

Source: NatCen / IES SIES 2007/08

Diary weights

In 2004/05, separate weights for the diary analysis (which took account of non-completers) were considered but discounted due to the high diary return rate and considerable complications of analysis that separate weights would introduce. The same situation applied in 2007/08, with a similarly high diary return rate. A comparison of the profiles of students being interviewed and completing a diary also showed no obvious differences. It was therefore agreed with DIUS/WAG not to have separate diary weights.

12.6.7 Identifying old and new system students

The tuition fee and student support system underwent great change between the 2004/05 and 2007/08 surveys, primarily with the introduction of variable tuition fees and Student Loans for Fees. Broadly speaking, these changes affected students starting their courses in England in September 2006 and after (although there were a number of exceptions to this eg students applying in 2005/06 but deferring their courses to September 2006, and students in Wales who were subject to variable fees a year later). The sample for the study therefore included students under both the 'old' and 'new' fee arrangements. Students subject to the arrangements prior to the main reforms and paying fixed tuition fees of £1,225 (full-time) for the year were 'old' system students. It should be noted though that 'old' system students could also access some of the 'new' system support (principally Student Loans for Fees).

In order to class students under the appropriate system for the survey, the following procedures were used:

- students were asked which academic year they started their course;
- those starting in 2006/07 were asked if they had deferred their course
- the program then derived an old/new system indicator based on responses to these questions (those starting before 2006 or taking up a deferred place in 2006 were classed as 'old'; all others were classed as 'new')
- the interviewer then checked back with the students to see if they agreed with this classification. Definitions of old/new systems were provided for the interviewer to read out if necessary
- if a student disagreed with the program derivation, the interviewer would change it as necessary. Students who agreed or did not know stayed as classified by the computer.

It is difficult to give an absolute assessment of the reliability of this self-classification. However, it should be noted that only a small proportion of students (six per cent overall) disagreed with the computer-derived classification based on when they had started their course. Of these, most said they did not know whether they were old or new system students (rather than stated that the computer-derived classification was wrong). Part-time students (who were less affected by the reforms) were more likely to say they did not know which system they were under. Interestingly, students starting their courses in 2006 (whether deferred or not) were most likely to change the classification assigned to them, implying that they were more aware of what system they were under.

12.6.8 Conducting analysis

In conducting analysis of SIES data for the main report, all percentages and means quoted are based on weighted data. The unweighted number of cases on which figures are based is also included. All regression analyses were also carried out on weighted data.

Thirty was taken as the minimum subgroup size for which percentages and means could be quoted. Figures based on subgroup sizes of less than 50 are shown in brackets. In the regression analysis, 30 was again taken as the minimum subgroup size that would be included in the analysis. If a category was smaller than this, it was either:

- a. merged with another category where this was meaningful to do so (and where it resulted in a larger subgroup with 30 or more respondents)
- b. excluded from the analysis, if no options for collapsing categories were available.

All cross-tabulation, description of means, regression analysis and significance testing for the main report was carried out using SPSS. Commands from the Complex Samples procedures were used, to ensure the correct treatment of complex sampling weights in these procedures.

12.7 Future lessons

In conducting the 2007/08 wave of the Student Income and Expenditure Survey, the following issues have emerged as important in carrying out any future waves of this study:

- Generating the sample of students. The methodology used to identify students in the 2007/08 was the same as that used in the 2004/05 study, namely recruiting a sample of institutions and using opt-in procedures to identify students. However, using an opt-in procedure is not ideal in terms of maximising coverage and the opt-in rate has dropped since 2004/05, and for any future waves the methodology should be carefully reviewed to ensure it is still feasible. A more radical alternative would be to explore scenarios allowing an *opt-out* approach. This would require negotiations between the institutional sector and DIUS / WAG to set up procedures (at enrolment) where students could give their consent to be contacted by the survey contractors. (This is the approach used for the National Student Satisfaction Survey.) Such procedures would need to be in place some time before the next wave of the study was due to start.
- After the opt-in, the response rate among students was good and completion of the diary also remained high, giving a high level of correspondence between the samples used for income and expenditure analyses. This makes the combination of interview and diary information a viable data collection option for future surveys.
- Trend measurement and therefore retaining the consistency of measures between studies will remain important. However, a number of questions particularly in relation to the payment of fees required additional editing or imputation (see Sections 12.6.3 and 12.6.4). The questions concerned along with their routing should be reviewed in order to avoid imputation procedures and minimise any additional editing. The questions for Open University (OU) students also need review and correction. The procedures used for determining whether students are dependent or independent also need attention.
- Response among part-time and OU students was lower than for full-time students. One strategy may be to place more emphasis on the full range of students eligible for the study in the covering letters at the opt-in and interview stages, eg by including a sentence 'We're interested in the experiences of all types of students, including full- and part-time students, those at the Open University and distance learners' or by developing special letters for each group.
- It may also be useful to carry out some review of certain key measures or approaches taken in the study to measuring students' income and expenditure. Some possible areas for review could include exploring in detail how students estimate future income or outgoings, identify student support and their own financial status (eg through cognitive interviewing), or whether some kind of online calculator may be useful for interviewers.
- Weighting schemes are likely to continue to have a major impact on the study results, and it would be useful to explore further the reasons for the discrepancy between HESA and study counts of students. Consideration should be given to the use of HESA counts as at 1 December instead of end of year counts⁶⁷, since one hypothesis for the reason for differences between the survey and HESA weighting targets is that the respective figures relate to different points of time in the academic year.

⁶⁷ It should be noted that (as for the 2004/05 study) only HESA data relating to the previous academic year (ie 2006/07) were available at the time of constructing the weights for the 2007/08 survey.

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