



The Pound in Your Pocket

Summary Report



national union of students



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Convenors' Introduction

Liam Burns and Pete Mercer

If you are reading this, then you already deserve our congratulations and thanks, because it means you are one of a small minority of people who is prepared to engage seriously with the forgotten face of tertiary education funding. We have seen some extraordinary years of change for politics, the economy, and the society that both are supposed to serve – and further and higher education have been touchstone issues running throughout. The reduction in direct government funding for higher education combined with the increase in the cap on undergraduate tuition fees have been amongst the most high profile and divisive issues of the times. There is also, though to a lesser extent, public discussion of how further education should be funded; it comes less directly, through talk of 'skills funding', 'co-funding' and 'employer-led funding', but it is there. What we have lacked is any serious consideration of the third part of this equation – how students themselves are funded, to get in to education, to stay the course, and to succeed. The Pound in Your Pocket programme was created to address this deficit.

In July 2011, at the start of our terms of office, we decided to invest considerable resource into a two-year programme of research and policy development that would explicitly examine the state of student financial support to sustain living costs. At the time, the issue had a low profile in both NUS itself and in the policy community around further and higher education. Internally, the organisation had decided to prioritise work on a fairer and more progressive system for funding higher education institutions, because it was known that this would soon become a critical debate. It is easy to forget today that when Lord Browne was appointed by the then Labour government, he was asked to look at 'Higher Education Funding and Student Finance' – but the latter half of the brief seemed to vanish, perhaps because it added enormous

complexity to an already difficult task being carried out with indecent haste. On the further education side, grand sector restructures, shuffling of quangos and reorganisation of funding regimes are all done with such frequency that it is simply impossible to draw breath and spend any time looking properly at how student finance fares in this turbulent environment.

We reflect with sadness and anger that the one issue on which funding of students themselves has cut through the noise – the abolition of the Education Maintenance Allowance – has had such a dismal outcome despite a growing consensus that it was doing a lot of good for some of the most disadvantaged young people in society. We wanted to revisit that issue, but also to look more widely at 'maintenance' across the spectrum of student experiences: further and higher, undergraduate and postgraduate, young and adult, full-time and part-time, and across the many factors that influence those experiences – social class, gender, ethnicity, sexuality, disability, parenthood, subject choice, institutional type, to take just the main ones. So we formed a Commission to help and advise us on how to proceed, what questions to ask and how best to marshal the answers we would get. We want to place on record our thanks to its members, who gave up many hours of their time to support our work. This is also a good opportunity to thank the NUS staff who have worked on the programme and all the external researchers who worked on different elements of it. As the elected officers of NUS who lead on this area, we take responsibility for the final products and the conclusions offered.

The Commission had oversight of three major work strands:

Mapping the evidence

We began by commissioning a literature review to map the existing evidence base, which we first published in April this year. This work shows the extent

to which student financial support in England is over complicated and under researched, and that is not a good position from which to get the right amounts of money to the students who need it now, or to revise and reform policies and processes for the future. This is not an area where evidence based policy seems to be winning. The report shows that some support policies are maintained with minimal evidence, with government failing to properly assess their impact; worse, it is clear that some policies have been discontinued despite there being the weakest evidence for doing so.

The literature reveals that the overall complexity of support structures is enormous, and there is poor research into the extent to which students are successfully navigating that complexity. The move in both the HE and FE sectors from centralised support policies to institutional support such as bursaries is very significant and there is growing evidence (mainly in HE, where this shift is now several years old) to suggest this leads to unfairness and poor accountability. The assumptions and expectations around parental support, which were once more explicit in the system if never truly clear, have become far more hazy and nebulous, and lack any substantial grounding. The overall balance of support between students in the FE and HE sectors cannot be considered properly because of the strong differentiation of support policies and the rationale behind them.

Understanding the impact

We wanted to make a new contribution to this under-researched field, by conducting a student centred research project. Between December 2011 and February 2012, we conducted an online survey of English further and higher education students to better understand students' experience of financial support and the extent to which financial considerations affect their wellbeing. A secondary objective was to gather information about students' opinions on the current student financial support system and what changes, if any, could be made to improve it. A total of 14,404 valid responses were received, ranging from sixteen year olds in further education to doctoral students. Analysis of the resulting data has been conducted primarily

through the lens of student wellbeing. As such, the relationship between financial factors and wellbeing indicators are core to the narrative as we seek to understand what impacts on student wellbeing and the nature of that impact.

Negotiating the system

Further to this, we wanted to understand in more depth the way that student financial support can change students' personal stories – the impact on the narrative of peoples' lives. To do this, we commissioned students' unions to conduct six focussed pieces of research into the experiences of different student groups and the financial support system. This provides an opportunity to examine some of the personal stories behind the large-scale survey. They afford the opportunity to see how different students are coping with the current system, specifically where pressure and disadvantage result in an unfair settlement. The picture which these six studies paint is one of negotiation; both in the sense of groups of students making their way through, often in spite of, the student financial support system as it is intended, and in terms of negotiation with the system to get the support they need.

Having reviewed all the material generated through this work, we have come to one central conclusion: **many students are struggling to make ends meet, concentrate on their studies and stay the course, because financial support is systemically inadequate across both further and higher education.** To illustrate this, we want to highlight these ten leading findings drawn from our large-scale research:

1. There are clear associations between financial support policy and practice, student wellbeing, socio-economic background and retention.
2. Financial difficulties are pushing many students to the brink of 'dropping out'.
3. Around a third of students across all groups report negatively on their wellbeing, on key indicators such as 'ability to meet the cost of basic expenses like rent and bills' and 'ability to concentrate on studies without worrying about finances'.

4. Even relatively small levels of debt (over £1000) in the form of bank loans, credit cards, or high risk borrowing like 'pay-day lenders' and 'cheque cashers' are strongly associated with poor student wellbeing.
5. Excessive working hours are associated with poor wellbeing and with origination in areas with low higher education participation rates.
6. Access to financial support from the family has a significant association with both wellbeing and progression to further study.
7. Students across all groups want more cash support such as loans, grants and bursaries, with a high frequency of payments, either weekly or monthly depending on the level of study.
8. Course related costs are prevalent, expensive, and often concealed; there is a clear association between high course costs and low wellbeing.
9. High levels of accommodation and transport costs are associated with reduced wellbeing.
10. Adults (19+) in further education, older students (21+) in higher education, NHS supported students, student parents and disabled students appear to be under particular financial strain.

Because the research focus on student wellbeing is unusual and some of the analytical approaches we have taken are quite novel, and because the methodology – as with all research – had some limitations, our first challenge is to government and the academic community to invest in further research designed to test these findings. In particular, we need additional research to make a more detailed assessment of causality where there are so many influencing factors at work. An attempt to determine which are the dominant causes of reduced wellbeing to be tackled by policy change, and which can safely be set aside, would represent a highly valuable new research agenda.

Nevertheless, our main challenge is to policy makers. We refer equally to our members who are making policy in the student movement, and those in institutions of further and higher education, in the further and higher education policy communities, and in government, because taking this issue on effectively will require engagement of all those stakeholders. We believe that we can see clearly enough from the existing evidence base and our own contribution to it that there is a significant public problem to address. First of all, it demands far more attention from all those involved. We should all stop for a moment and consider the personal experiences of the thousands of students who have helped us compile this evidence and ask what we might be able to do to help them.

The policy question itself is huge and finding solutions will require difficult choices to be made. Public budgets are under pressure like never before in our lifetimes. We may want to reform the system to make sure that most students, or groups of students under particular pressure, get more help overall. We may want to reduce the level of student borrowing from more expensive and riskier sources. We may want to reform the pattern of payments or improve the way that discretionary funding works, to ensure students have access to support when they really need it. We may want to introduce tighter controls on the costs students face. We may want to make sure that public sources of support interact in a much more holistic way with paid work and with the benefit system. None of these things are easy on their own, and doing several of them together will mean choosing the right priorities for the right reasons, and careful, detailed work to make it all coherent. We know that this will be challenging for many, not least in our own membership, who want to make a case for greater overall expenditure on student support. Instinctively, we want that too - but it would be an abdication of our responsibility to students facing difficulty now if we did not think hard about how better to distribute the precious resources we already have.

Before opening the debate about how we might reform the system, we want to give people an opportunity to consider the research, at least by weighing up the material presented in this document. The online resource will take even more time to digest. But time is of the essence, so we will publish and consult on outline policy proposals early in 2013.

A final thought. Sometimes, over several years working in and around the further and higher education policy communities we have heard people say 'but this is one of the most generous systems of student support in the world'. We disagree. We see a system in which many students are trapped in their own personal austerity, unable to progress, sustain their education or succeed. We see a system that confounds itself by requiring students at all levels to pay ever more for their education without ensuring they have the means to benefit properly from that education. We see a system in desperate need of change, and we will do whatever we can to make that change happen.



Liam Burns
National President



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In total, the full reports represented here comprise several hundred pages of material, and each can be downloaded in PDF format from the Pound in Your Pocket website:

www.nus.org.uk/poundinyourpocket

The website also makes available a spread sheet (in .xlsx format) containing more than a thousand graphs and figures showing data compiled from the main Pound in Your Pocket survey.

We also include through this website direct access to related reports produced or commissioned by NUS in recent years that have a bearing on student financial support. These include:

Accommodation Costs Survey, 2012

Students Working While Studying, 2012

Hidden Costs Toolkit, 2012

Broke and Broken, Postgraduate Finance Report, 2010

Evaluating Estrangement, 2008

True Costs of College, 2008

We plan to upload additional material to the website as it becomes available.

Student Financial Support: a Wicked Problem

David Malcolm and Graeme Wise

Grappling with the issues

Before we go into the report proper, we want to invite readers to consider student financial support through a particular conceptual lens. We think it may be helpful when digesting the material we have produced to have a 'toolkit' for working with it, not least because there is so much of it to work with. Since we began work on the *Pound in Your Pocket* programme eighteen months ago, it has become clear to us that researching in this area involves trying to understand a wide range of deep and complex issues that are all inter-connected. Whenever we have made an attempt to go into the detail of public and institutional policies and their impact on people, we have very quickly had to say 'there is just too much to grapple with here', often narrowing the scope or utilising a straw model to allow us to make progress. How can it be that after commissioning a literature review that ran to some sixty pages and carrying out a survey that gathered more than a million units of data, we are still not totally confident that our view of the landscape is completely comprehensive? We think it is because student financial support represents the perfect 'wicked problem'.

First theorised within the field of urban studies by Rittel and Webber (1973), the 'wicked problem' is a social or public problem that meets some particular characteristics in relation to complexity and the difficulty in formulating solutions. The model has been applied to education issues before (see, for instance, Watson 2000, Bore & Wright 2009, Trowler 2012). But we cannot find an example of its application specifically to student maintenance support in further and higher education. This is all the more surprising because it so closely meets the criteria for recognition of a wicked problem (as outlined by Rittel and Webber). For example:

There are no fixed criteria for judging when the 'problem' is fixed. Should we consider that the system is doing what it should when every student has all they need to sustain themselves (at all levels, and in all modes)? If so, how should this be financed? The cost of doing this on a non-repayable basis would easily run into many tens of billions, implausible even in a sound economic climate. What then should be considered an 'adequate' solution and why? It is a judgement call.

All judgements as to success or failure are at least partially subjective. When judgements are made, they are made in the context of an enormous range of possible priorities. Different interests are in play and they demand that different groups of students are helped. Policy makers may succeed or fail in different peoples' eyes by choosing a particular policy option. Increasing the amounts that students can borrow from the government for living costs could be part of the solution to students working excessive hours, but the consequence is increased student debt. Is this success or failure?

Every policy change impacts both widely and deeply on people (no room for trial and error, because all actions have significant consequences). Experimental policy implementation is used widely in many policy contexts, though pilot schemes and trial schemes. But here we are dealing with a policy ecosystem in which large numbers of people have to be accorded fair treatment under an established set of rules and practices (however extensive). This scale and its limits on pilots and trials means that changes to policy and practice – for instance on entitlements, means testing, interaction with welfare benefits, payment structure, and so on, must usually be implemented for a whole cohort. The consequences of making mistakes may be serious and widespread.

It is essentially unique. No other policy issue presents similar challenges, focused around the need to sustain the expenses of a very large number of people from across the social spectrum, often for years, in a highly heterogeneous structure, where most have few alternative sources of support. Heterogeneity is critical – it is necessary to fund students doing many different subjects in different durations, modes and at different ages. International comparisons may be inappropriate for the same reason – no other territory will have a similar enough mix of student and subject profiles to take meaningful lessons.

It appears as a symptom of wider problems. Student financial support is an essential dimension of several much wider, more complex and arguably 'wicked' problems – the transition to and continuing development of a mass system of higher education, the endless structural and funding regime changes around provision of further education, and tension in the (increasingly important) relationship between the two sectors. For forty years we have discussed 'problems in the transition from elite to mass higher education' (following Trow 1973). Perhaps the focus now turns to 'problems in the transition from mass to universal higher education', and the way that as this occurs higher education activity increasingly 'flows into' further education and vice-versa. Because of this, we view student financial support in 2012 as an essentially 'tertiary' problem, requiring 'tertiary' solutions. Indeed, one only needs to look at the difference in expenditure in this area between the further and higher education sectors, at the most general level, to see that there is considerable value in taking this approach.

Means and needs

The examples we have given so far all involve looking at the big picture. We want to illustrate the impact at the personal scale by looking at how one particular aspect of student financial support policy, and iterative reforms made to it over the years, has followed other social and political trends, has proven extremely tricky to 'fix', and has no wholly objective measure of success. The archetypal example of the 'wicked problem' at work can

be most easily seen by considering our treatment of means and needs.

Despite the name, when the mandatory grants system were first introduced in 1962, there was a system of means-testing – even if it wasn't until 1963 that applicants were asked to provide evidence of the income stated. Most support since that time has been subject to some form of the same, with a few exceptions such as nursing and midwifery students undertaking diploma-level study, and Care to Learn grants for childcare in further education.

More recently, the move in further education away from support with defined entitlements to discretionary support means it is left largely to the education provider to determine how funds should be apportioned. There is far greater demand than supply, and although different approaches are taken, many providers have put in place an income cap or other mechanisms that act as proxies for more defined means testing. In higher education, the allocation of fee waivers and bursaries is often related to a means test at some level, but the exact terms are widely variable across the sector and different amounts may be allocated to students with similar socio-economic backgrounds, spread differently across the period of study and awarded in different forms. As our literature review has shown, the impact of this is quite poorly understood – we have a poor overview of where help is being directed and it is therefore very hard to make even subjective judgments about performance.

As society has changed, so have the rules relating to the means testing of student support. Most obviously, less traditional family configurations have been recognised as forming the 'household' to be assessed. The definition of income and what is and is not included has evolved. The means-testing thresholds have also changed over time to adjust to budgetary pressures, or a political impetus to offer certain groups greater support. The result of all of these changes has been to make for a far more complex set of rules around means testing, and a system far more opaque than would be desirable. There are a number of areas, which either cause concern, or which can be amended if it were

thought this could improve the performance or the fairness of the system. We will discuss some of these areas below.

Parents, partners and the household

One of the more unusual features of student support is the definition of the 'household' for the purposes of the means test, and most particularly the inclusion of parents for most students under the age of 25 at the start of the academic year.

In higher education the definition of a household has shifted over the years: at first this was defined as the student and where appropriate either that of their natural or adoptive parents, or of their spouse; a married student was and is deemed independent of their parents regardless of age. The definition was expanded to incorporate cohabiting partners of the opposite sex for students over 25 in 2000, then civil partners and same-sex co-habiting partners in 2005. These changes were largely uncontroversial except insofar as the recognition of same-sex relationships has been in general (one letter of complaint received by NUS before 2005 protested that same-sex couples were being given preferential treatment by virtue of *not* being recognised in the means test).

More contentious was a change in the definition relating to parental support. When parents separate or divorce, only the natural or adoptive parent that the student lives with has their income included in the household assessment. If the student lives with neither, then whichever is regarded as most 'appropriate' by Student Finance England is assessed. In 2004, the new, cohabiting partners of natural parents were added to the definition of the household, and their income taken into account. This has caused some issues with students whose relationship with their step-parent is strained, or non-existent, or where that the step-parent does not feel a sense of financial responsibility for the student concerned and either refuses to give financial information that allows for means-tested support to be calculated, or even if they do, do not assist the student if their income reduces the amount the student can receive.

In addition, the fact that only one natural parent is assessed if parents separate or divorce can cause situations that can be regarded as unfair. Most students will have heard (possibly apocryphal) tales of students who get full student support because the assessed parent has little income, yet is simultaneously funded generously by the other parent who is well off, the perception being that they are somehow 'gaming' the system. The irony here is that this 'unfairness' also arose in the days before stepparents were included in the calculation, when only one natural parent was included in the means test and some would receive generous support from their stepparents as well as or instead of their other natural parent. Here we have a powerful example of subjectivity: what is 'fair' depends very much on your perspective.

Perhaps as controversial is the very fact parents of any sort are included in the means test. Many learners in receipt of EMA before its abolition felt that eligibility based on parental income was unfair at age 16; many of those in higher education feel no less aggrieved. For most purposes, a citizen is regarded as an autonomous adult by age 18, but the student support means test regards you as dependent until age 25. For NHS bursary recipients there is no upper age limit at all, and all students must prove their independence.

Even within these terms, there are difficulties. There was once a concept of an assumed family 'contribution' to student support, but this has now largely disappeared from the means test, and there has never been a legal compulsion for parents to provide support to those who do not receive the maximum levels. Whilst those who are estranged from their parents can be assessed as independent, those whose relationship is maintained but poor must rely on discretionary support or other sources of income to make up any difference. The previous split in total expected contribution between two or more students in the same family has also been removed for the purposes of maintenance grants and loans for living costs, so that such families end up with much lower support than was previously the case. This move has not been made on the basis of any overt policy rationale but most probably to keep within budget limits.

The concept of a parental means-test has endured for fifty years and in the absence of far greater investment in student support it remains the only feasible way of apportioning income. Meanwhile, the definition of a household and the categories of person included when making calculations has grown in the last 12 years, in part reflecting recognising a greater diversity in the definition of 'family' than would have been the case in the 1960s. To change this definition again to solve one perceived or actual unfairness would likely be to cause another. However, there may be some ways of better accounting for large families that can reduce one unfairness in the system in a way that is affordable and does not result in too many unintended consequences.

Expenditure and 'needs' testing

To speak of 'means testing' in student support is in fact to use a misnomer for the process. In most respects what may be considered a means test is in fact only an income assessment, with very little family expenditure taken into account when determining the entitlement of a student or learner. There are a few minor exceptions to this: standard assessments for the Access to Learning Fund, for example, take into account both income and expenditure, and entitlement to grants for dependents for HE undergraduates will take expenditure into account. Elsewhere certain income disregards can apply, such as pensions contributions, or an allowance for other dependent children – but in broad terms, household expenditure does not ordinarily affect the level of support a student receives.

At one stage only income net of income tax was included in the undergraduate assessment, and there was a long list of items of disregarded income and expenditure which could be offset, ranging from the mundane (child benefit income) to the more unusual ('any bounty received as a reservist with the armed forces') to items which reflect a different sort of society (the cost of 'domestic assistance' for a divorced or widowed parent). Notably, however, housing costs and other standard items of family expenditure were absent. The 'disregards' and 'offsets' available were largely scrapped in the 2004-05 academic year and gross taxable income replaced net income as the

figure used to calculate support. This had the effect of simplifying the definition of income for applications and later allowed a relatively straightforward transfer of income data from HM Revenue and Customs to replace the requirement for paper evidence on the majority of application forms.

Nevertheless, there have been criticisms that this is too simplistic and a high income figure does not necessarily translate to capacity within the family budget to support a student to a given level, especially once mortgage, rent and other housing costs are taken into account. As such it is argued that to make the system more equitable it should allow for certain costs to be accounted for. Clearly, certain disregards and offsets can form part of any such system. The question would be which disregards, and to what level. Housing costs are possibly those most commonly mentioned and indeed likely do form a large part of family expenditure.

But the wide variation in housing costs between different groups makes this extremely difficult to account for in a way that does not create significant distortion. Those from better-off families likely live in larger, more expensive housing and a straightforward disregard would benefit such families more. Those in the south of England generally live in more expensive property than those in the north and a further effect would be to transfer funding to that part of the country. The same discussion could be rehearsed in relation to other costs that might be accounted for – utilities, transport and so on. Different situations mean higher or lower costs and a disregard means shifting money from one group to another.

Whatever the potential disregard considered, the debate ultimately centres on choice. Within limits, households make a range of different choices about their expenditure. The size and cost of a property is one such example, as would be the type and cost of various forms of transport. In some instances, the choice may be fairly restricted for a variety of factors and higher expenditure than would otherwise be necessary may be unavoidable.

The question, then, is whether – and if so, in what form – a mean-test can take these choices into account without adding significantly to the system's complexity and paperwork, diverting funds to those who do not in fact need them, or opening up opportunities for creative accountancy. As with other potential changes, where the intention is to reduce unfairness in one sense, it may create unfairness in another.

Conclusion

We have introduced the concept of 'wicked problems' and explained why we see student financial support through that lens. We have attempted to illustrate, using an in-depth account of the issues involved in means testing, how the problems of this policy area are indeed marked by a gigantic complexity and are deeply embedded and integrated with changing social norms and other areas of public policy. In no way want to suggest a move away from means testing; it remains an imperative when we are operating in an environment with limited resources and – more importantly – significant underlying inequality that justifies unequal levels of support. However, there is surely a case for a root-and-branch review of how means testing operates, what it influences, and how it is related to alternative measures of different peoples' needs. The same case, we believe, can be made for many other aspects of student financial support that we have considered during our work on *Pound in Your Pocket*.

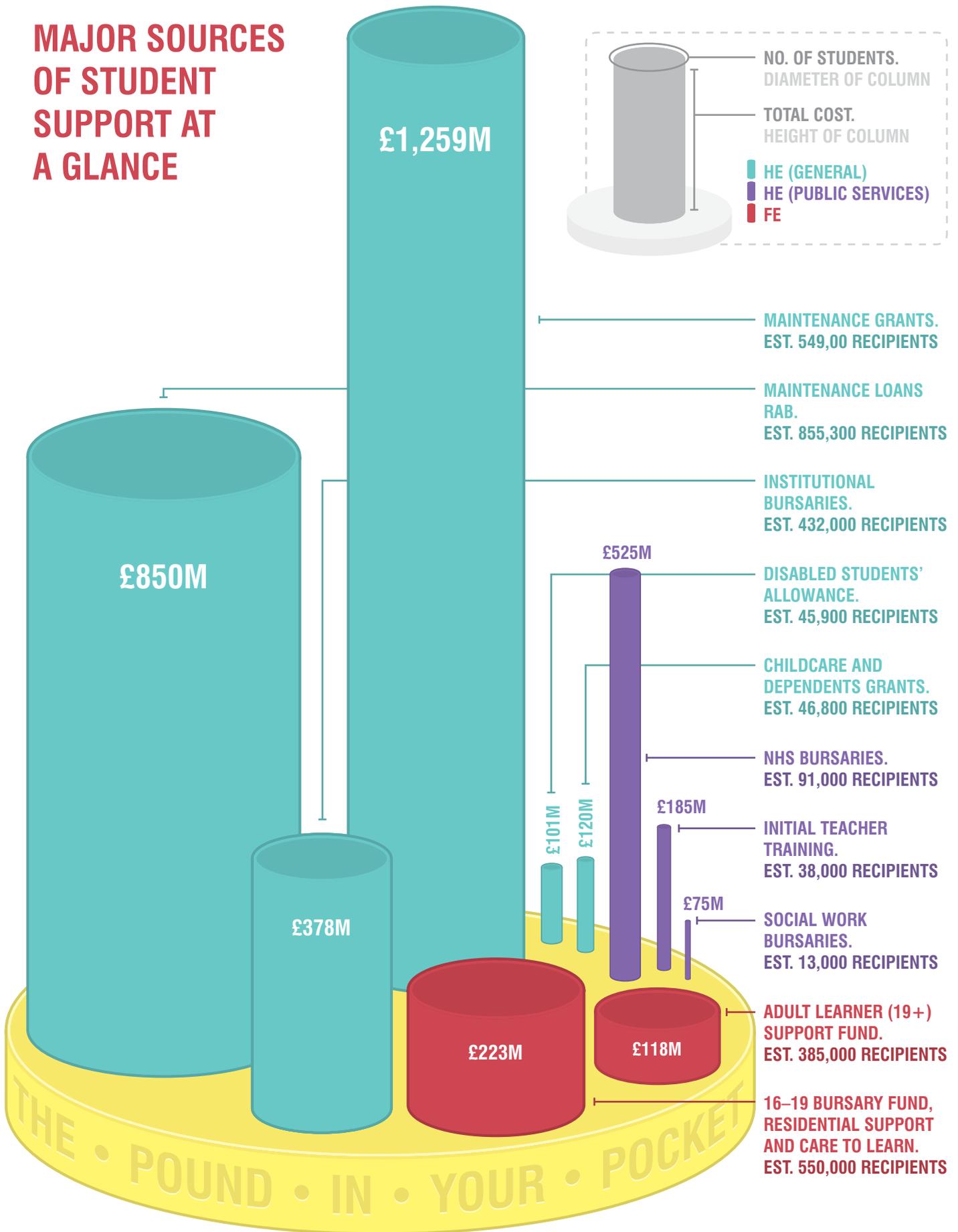
In due course, NUS will make its own proposals for reform. But we are conscious that the risks involved in proposing solutions to a wicked problem are high. We keep foremost in our mind one of the reasons we defined student financial support as a wicked problem in the first place: every policy change impacts both widely and deeply on people – *there is no room for trial and error, because all action have significant consequences*. Responsible policy-making first requires having an appreciation for this hazard and second obliges us to tread carefully in negotiating it. There are real people involved here who have a lot at stake, and to paraphrase a notable British politician, we must be wary of playing politics with people's lives and people's services.

Ultimately, the aim of a successful student financial support regime must be to ensure that when a student embarks on a programme of study in a particular subject, in a particular mode, they can access the resources they need to stay the course and succeed. This support may come from a reasonable balance of government sources (repayable loans, non-repayable grants, or welfare benefits), institutional sources, paid work, and family help. Our research shows in depth how the balance is not working for a large number of students, and is now in need of major reform. The challenge we must try to meet is how to get the balance right for as many people as we can, while avoiding the many traps and pitfalls associated with attempting to solve a long-term 'wicked problem'.

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MAJOR SOURCES OF STUDENT SUPPORT AT A GLANCE



References

Maintenance Grants

<http://www.slc.co.uk/media/140371/slcsfr062011.pdf>

Childcare and Dependents Grants & Disabled

Students' Allowance

As above - includes Childcare Grants, Parents Learning Allowance, Adult Dependents Grant

Maintenance Loans RAB

<http://www.publications.parliament.uk/pa/cm201212/cmhansrd/cm120201/text/120201w0001.htm>

Institutional Bursaries

<http://www.offa.org.uk/press-releases/universities-and-colleges-increase-outreach-spend-finds-offa/>

NHS Bursaries

<http://www.universitiesuk.ac.uk/Publications/Documents/ApictureOfHealthAndEducation.pdf>

Initial Teacher Training

<http://www.official-documents.gov.uk/document/hc1213/hc01/0193/0193.pdf>

Social Work Bursaries

<http://www.dh.gov.uk/health/files/2012/05/Social-Work-Bursary-Consultation-document.pdf>

Adult Learner (19+) Support Fund

<http://readingroom.skillsfundingagency.bis.gov.uk/sfa/sfa-skillsfundingagencyfinal201213allocationmethodologybriefingnote-30mar2012.pdf>

All resources last accessed in November 2012.

Mapping the Evidence

Julia Heynat and Sara Davies

This is an abridged extract from the main Pound in Your Pocket literature review 'Mapping the Evidence', available for download online. For the purposes of this summary report, we have removed citations to the evidence, but the full review cites around 120 separate sources of evidence that were considered.

The systems for funding further education (FE) and higher education (HE) have been subject to substantial change and major review, and the different financial support measures available to students, whether 16 to 18 years old or older, have also undergone or are continuing to undergo significant change and review.

These changes are set within a context of

- the planned raising of the participation age from 16 to 17 in 2013 and thereafter to 18 in 2015;
- highest ever participation rates for 16, 17 and 18 year olds (of 96.1, 76.1 and 48.8 per cent respectively, as of end 2010);
- increasing and widening participation in higher education;
- 1.04 million unemployed 16 to 24 year olds, highest ever youth (16 to 24) unemployment of 22.5 per cent (November 2011 to January 2012) since start of comparable data in 1992;
- the 2011 Review of Vocational Education by Professor Alison Wolf;
- the overall FE and skills resource budget reducing by 25 per cent between the financial years of 2011/12 and 2014/15;
- the Government's stated principle, as set out in its two 2010 strategy documents Skills for Sustainable Growth and Investing in Skills for Sustainable Growth, that those who benefit more should contribute more to the cost of their learning.

- a further shift in responsibility of the cost of higher education from the state to the individual; and
- an increase in the maximum annual tuition fee to £9,000 for students entering HE in 2012/13.

The aim of the review was to map the current available evidence relating to student financial support in further and higher education in England (excluding support for fees) and thereby to contribute to the evidence base NUS are developing in order to make policy recommendations in the area. Having reviewed the scope of evidence we highlight a number of perceived gaps in the literature making a number of suggestions for further research along with other conclusions and implications for policy.

Higher Education

1. Overall, the level and type of financial support available for students can play a significant role in the choices, experience and eventual outcomes for students in higher education. The current system suffers largely from the complexity of the eligibility rules, the inconsistency of bursaries (in terms of number, value and eligibility) between different institutions and the resultant lack of knowledge that students and potential students have about the support available (or not), and thus their ability to make well-informed financial planning decisions relating to their ability to meet their costs of study and living (whilst studying), and the longer term impacts of student debt.
2. However, the evidence to date suggests that, so far (up until 2009 entry) this current system has not actively discouraged students from participating in higher education. What is clear is that concern of incurring debt is one element of a 'cost/benefit' consideration that potential students undertake as part of the decision process for higher education.

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3. One theory suggests that there are two main 'rules' that students approaching higher education apply, which are that the eventual benefits will outweigh the costs, and that the student has the means to pay when the money is needed. The fact that there has been no decrease in applications as tuition fees have increased up until 2009 entry and in that timescale, there has been no reverse, at least, of any gains in widening participation suggests that the system in place has broadly met these criteria.
 1. However, with the further changes in the upcoming 2012/13 academic year, there is no guarantee that this will continue to be the case, and the extent to which the system has been effective for different groups of students equally has not been fully explored.
 2. Therefore there needs to be further quantitative and longitudinal evidence on the extent to which the eventual benefits of attending higher education do outweigh the costs, and whether or not this holds true for some groups of students but not for others.
 3. It is evident that fear of debt and levels of support have some effect on choice, but further qualitative research needs to be conducted to unpick the complicated role that it plays, and where the balance between student support, debt and perceived benefits of HE lies.
 4. We know from the evidence that lower income students are discouraged (or more discouraged) by incurring debt, and can make choices based on this.
 5. Research on graduate debt levels suggests different groups of students leave university with different levels of debt. Different contributions to the evidence show that students studying healthcare subjects, disabled students, those whose parents cannot contribute to their support, students from lower social classes, those who had dependent children, and those who lived in their own home or worked during term-time all had a higher level of debt on graduating.
 6. This review found limited systematic evidence around funds such as the Access to Learning Fund (ALF), hardship funds and other special support awards that focus on their take-up, use, significance for students and impact within higher education.
 7. With regard to evaluating the effectiveness and impact of Hardship Funding and the Access to Learning Fund, there is a need for systematic, rigorous and up-to-date assessments on: awareness and take-up of hardship funding; evidencing the nature and scale of any mismatch between available funding and need; evidence to understand or better understand the circumstances leading to students applying for funding (or not), criteria for assessment, and the extent to which students are turned down or receive less funding than they might otherwise benefit from or use to mitigate higher burdens of debt.
 8. There is a paucity of recent detailed evidence relating to other forms of financial support such as the Disabled Students Allowance (DSA), Parents' Learning Allowance (PLA), Childcare Grant (CCG) and Adult Dependants' Grant (ADG).
 9. There was little research evidence specifically looking at support for postgraduate students, and other work published by BIS and NUS confirms this.
 10. As with postgraduate study, there has been little research conducted specifically into part-time students generally, and even less relating to financial support. The evidence shows that part-time students are heterogeneous, which can make it difficult to draw any conclusions about the group as a whole.
 11. Most of the research into teacher training focuses on factors other than student support, possibly as a result of the previously higher level of student support. There appeared to be no evidence to suggest what effect the changes to teacher training support will bring.
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12. The literature on the impact of the Social Work bursary, concluded that it has helped in increasing the number of students studying a social work qualifying programme and also supported some students whose personal and financial circumstances might otherwise have prevented them. They recommend that further research is needed which examines student financing mechanisms for widening socio-economic participation in professional qualifying education that specifically takes into account variations in income and resources.
13. Amongst the literature concerning higher education the focus has been on the institutional bursaries, and the incurrence of student debt generally, and this has been considered largely from a 'widening participation' point of view.
14. The focus on widening participation in the broadest sense, as a goal of finance support, has also led to a lack of research into the effect financial support, or lack of, is having on traditional and special interest groups, such as postgraduate students, or part-time students. The changes to the funding system will affect both of these groups, for example, and it may be worth examining why and how.
15. While the evidence suggests that middle income and high income families are generally not as debt averse in connection with higher education as lower income households are, the introduction of higher level of fees may transform behaviour with regard to higher education in these groups also.
16. Finally, there appears to be a lack of substantial or recent research to evaluate the differing effects parental contribution, term-time working and drawing on an overdraft have in mitigating or 'closing the gap' between income from bursaries, grants and maintenance loan and the cost of studying plus the cost of living, (whilst studying), and the outcomes for different groups of students.

Further Education

17. Much of the research evidence relating to financial support measures within FE relates to the evaluation of the EMA, ALG, and Care to Learn (C2L) schemes. The body of evidence relating to each of these schemes demonstrates the positive range of impacts that these schemes have had in increasing participation, retention and achievement and meeting their stated policy objectives.
18. C2L has proven to be crucial in allowing young parents to continue their education, and those who then stay in education after their original C2L funded course often progress to higher level learning.
19. In 2010, of those receiving C2L funding in 2007/8, 12 per cent were at university and for the 2006/7 cohort, 20 per cent were at university.
20. The research evidence also demonstrates that C2L has a large and sustained positive impact in reducing the likelihood of young parents being not in education, employment, or training (NEET). This effect being notable both in the short term (in the year after C2L was originally received), and also in the medium term with a reduction in NEET being sustained 40 months after C2L was originally received.
21. The C2L scheme has also demonstrated positive and sustained impacts on progression in learning. Of the 2008/9 cohort who were in learning in 2010 nearly half (48 per cent) were studying a new course, and of those who were in learning leading to a qualification, 60 per cent were undertaking a course at a higher level than the course they originally had received funding for in 2008/9.
22. The research evidence on the assessment of discretionary learner support (dLS) is limited.
23. The Government in its Equality Impact Assessment (EIA) of the EMA Replacement Scheme (2011) also reported that the evidence for discretionary learning support funding has not been as extensive as that for EMA in terms of evaluation.

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24. Given the increasing importance of and structural shift towards discretionary funding in FE, examining issues around awareness, access to and impact of discretionary funding are important areas for further research.
25. For example, evidencing the nature and scale of any mismatch between available funding and need; undertaking more systematic, rigorous and up-to-date assessments on issues around awareness and take-up of discretionary funding; understanding the circumstances leading to students applying for funding (or not); how criteria are set and implemented; the extent to which students are turned down and the reasons for this, and the consequences for students.
26. Research to monitor and evaluate the newly introduced 16 to 19 Bursary Fund and the Adult Learner Support (ALS) fund are crucial to assessing their effectiveness and impact including identifying unintended consequences. The Government has stated a commitment to assessing the impact of the new 16 to 19 bursary scheme including “to learn lessons from the first year of operation”, to monitoring applications and approvals for financial support and as well as evaluating the equality of opportunity between certain groups with characteristics protected by equality law.
27. Research to evaluate the impact of withdrawal of EMA and the ALG, and the effects of shifting from a centrally administered means-tested system to one based on local individual institutions’ discretion of individual applications for funding is another related area for further research and assessment.
28. It is also suggested that given the general lack of systematic and evidenced base evaluation of adult discretionary support that this area of financial support merits further attention.
29. The scale of change in arrangements for providers’ in administering the new 16 to 19 bursary scheme and the Adult Learner Support fund, also suggests the need to develop a well-informed and evidence-based understanding of the impact the new administrative arrangements will have/are having on institutions.
30. For example, including exploring issues of how eligibility criteria are set and assessed, the extent to which providers’ are able to take account of changes to an individual’s circumstances, how well equipped they are in assessing relative hardship and managing the costs of administering the new arrangements, and the potential impacts on or consequences thereof for students.
31. Care to Learn and the two residential support schemes for 16 to 18 year olds continue to be under review (the residential schemes being combined for those aged over 18 from 2012/13), though will continue for 2012/13, and the remit of the Professional and Career Development Loans (PCDL) scheme is also being reviewed within the context of the Government’s proposed introduction of fee loans within FE from 2013/14.
- Further gaps in the research cross-cutting further and higher education**
32. Given the increasing importance of and structural shift towards discretionary funding in FE and the importance of hardship funding for students within HE this would suggest that further evidence on the impact of discretionary funding, generally and for specific groups of students, are important areas for further research.
33. The quality and availability of the management information and administrative data relating to discretionary schemes represent a vital component within any assessment of impact as well as for informing future funding decisions. Accordingly, all those involved in making well-informed decisions about future funding allocations and the provision of financial support for students will need to be aware of the strengths and any limitations of these important data sources.
34. Quantifying and having a grounded understanding of the extent to which students, in either FE or HE, miss out on or fall through the hardship funding or discretionary payment “safety net” might be a critical area for further investigation.
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Understanding the Impact

Lead Analysts: Steph Neave and Chris Brill

This is an abridged extract from the main Pound in Your Pocket survey report review 'Understanding the Impact', available for download online.

Overview

Between December 2011 and February 2012, NUS conducted an online survey of English further and higher education students to better understand students' experience of financial support and the sources of income they use to living expenses, as well as examine the extent financial considerations affect their wellbeing. A secondary objective was to gather information about students' opinions on the current student financial support system and what changes, if any, could be made to improve it. A total of 14,404 of valid responses were received. The report presents statistics from the key areas explored in the online survey. These are:

- **Student wellbeing:** how do financial considerations affect students' lives?
- **The cost of study:** what expenditure do students incur to study?
- **Student support system:** what do students receive from the student funding system? What sources of information, advice and guidance are used to find out about these entitlements?
- **Meeting the costs:** What sources of financial support and/or income do students have beyond those provided by the student support system? To what extent are these sources needed to meet the costs of study?
- **Student debt:** what types of debt do students take on during their studies?

The analysis of this data has been conducted primarily through the lens of student wellbeing. As such, the relationship between financial factors and wellbeing indicators are core to the narrative as we seek to understand what impacts on student wellbeing and the nature of that impact.

Responses from sub-groups of interest have been aggregated and presented for comparison. These include further education and higher education students, postgraduates, part-time and full-time students and 'young' and 'adult' students. Consideration has also been given to gender, disability ethnicity, sexual orientation, and to groups such as student parents, students with adult dependents and students who are NHS funded.

We have given consideration in higher education to the 'peer groups' of the institutions which they attend. For peer institution comparison, the analysis uses the HEFCE TRAC groups A to G (from 2010-11) to ensure a more objective means of comparison between different kinds of HEI based on size and income type. Broadly speaking, institutions in peer groups A and B tend to be pre-1992 universities, those in C-E tend to be post-1992 universities, and those in F and G tend to be smaller and/or subject specialist HEIs. Full lists of groups to which institutions are allocated are available in the full report.

In the survey we collected the postcodes of participants at point of application which has enabled us to make use of POLAR 2 classification. When we look at responses to wellbeing questions by POLAR 2 categories, specifically by the participation of young people in Higher Education and the number of adults with HE qualifications in a neighbourhood, and financial wellbeing, there is consistently a significant relationship between the two. This represents an important proxy for understanding the effect of socio-economic background on student experiences of financial support. When interpreting data shown in

POLAR classifications, Quintile 1 represents students who are or were domiciled in the lowest ranked fifth of local areas for higher education participation when they began their course, while Quintile 5 represents students who are or were domiciled in the highest ranked fifth of local areas for higher education participation when they began their course.

Respondents were also asked to elaborate on what financial support they valued most and what changes, if any, they would make to the student support system. Answers to these questions have been presented throughout the report to provide further context to the statistics.

Methodology

The questionnaire was designed by the NUS research team in consultation with the Student Financial Support Commission, and consisted of multiple-choice questions (with closed and multiple responses), and two open text boxes where respondents were able to elaborate on what they valued about the financial support they received and any changes they would make to the student support system. Where questions asked participants to respond to a statement (such as '*I feel able to concentrate on my studies without worrying about finances*'), responses were given on a five-point Likert scale ranging from Strongly Agree to Strongly Disagree, with a neutral central option.

Quality control

Quality controls were built in to the questionnaire design at a number of stages:

- Respondents who reported themselves as ineligible to take part in the survey, for example because of their nationality, were filtered out at an early stage;
- Routing was built into the survey to minimise errors. For example, only students who indicated that they had dependent children were asked questions about childcare expenses;
- In questions asking students to express an opinion about how the support system works, options were presented to respondents in a randomised order to minimise bias.

Self-completion

Eligible students were invited to complete the questionnaire online. It has been suggested that online surveys provide a good opportunity to ask questions that might require the respondent to check documents. Whilst the questions were designed so that respondents did not have to recall items, the survey format allowed respondents to check any relevant information if necessary. The online method also provided a level of perceived anonymity that we hoped would encourage participation in the survey, which examined some sensitive financial issues.

Informed consent

A detailed consent form, providing information about the aims of the study, the use of the data and the content of the questionnaire, was the first compulsory element of the survey. Individuals, who did not consent, by positively answering four separate questions, were not allowed to progress with the survey. Respondents were offered the chance to be sent a copy of the final report via e-mail.

Sampling

Mixed recruitment methods were used to pursue a large sample. A personalised e-flyer was designed and e-mails sent to verified students through NUS databases. The e-mail targeted students studying in English further or higher education institutions, such as universities, further education colleges, sixth form colleges and apprenticeship providers, and included a mix of part-time and full-time students.

The online survey link was directly promoted to students by students' unions. A briefing was produced for students' unions to support them in promoting the survey. In addition, the online survey link was promoted directly to students by a range of organisations including: AMOSSHE, NUT, NAMSS, NASUWT, Unison, UCU, the Open University and Vitae.

For a full breakdown of the sample profile, please refer to the main report online.



Key Findings from the Report

The full report has many findings, but for the purposes of this summary we have distilled them to just ten that we regard as critical.

1. There are clear associations between financial support policy and practice, student wellbeing, socio-economic background and retention.
2. Financial difficulties are pushing many students to the brink of 'dropping out'.
3. Around a third of students across all groups report negatively on their wellbeing, on key indicators such as '*ability to meet the cost of basic expenses like rent and bills*' and '*ability to concentrate on studies without worrying about finances*'.
4. Even relatively small levels of debt (over £1000) in the form of bank loans, credit cards, or high risk borrowing like 'pay-day lenders' and 'cheque cashers' are strongly associated with poor student wellbeing.
5. Excessive working hours are associated with poor wellbeing and with coming from areas with low higher education participation rates.
6. Access to financial support from the family has a significant association with both wellbeing and progression to further study.
7. Students across all groups want more cash support such as loans, grants and bursaries, with a high frequency of payments, either weekly or monthly depending on the level of study.
8. Course related costs are prevalent, expensive, and often concealed; there is a clear association between high course costs and low wellbeing.
9. High levels of accommodation and transport costs are associated with reduced wellbeing.
10. Adults (19+) in further education, older students (21+) in higher education, NHS supported students, student parents and disabled students appear to be under particular financial strain.

Financial difficulties and the risk of leaving the course

Among FE respondents, adult FE learners were most likely to report having seriously considered leaving their course (44%).

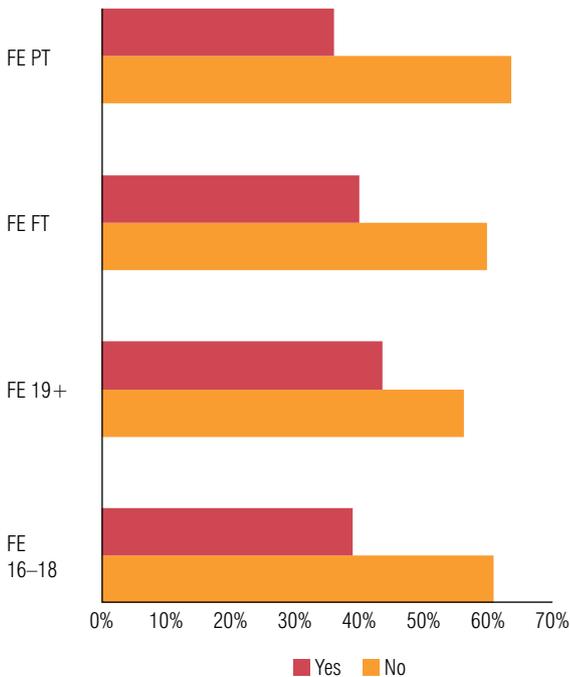
39% of undergraduate respondents indicated that they had seriously considered leaving their course.

About one in three full-time postgraduate students surveyed (35%) and postgraduate respondents aged between 21 to 24 on entry (34%) indicated that they had seriously considered leaving their course.

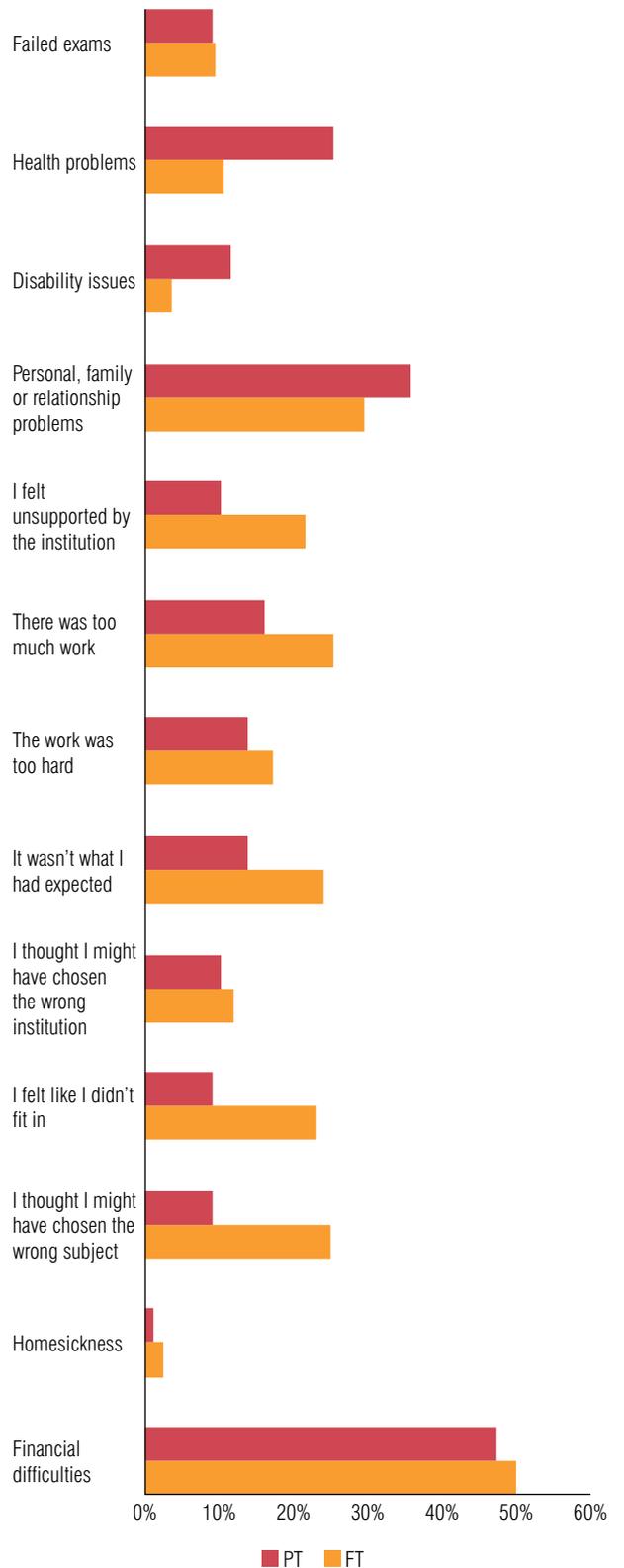
Around two in five part-time postgraduate and postgraduate respondents aged over 25 on entry indicated that they had seriously considered leaving their course (42% and 40%, respectively).

Respondents who indicated that they seriously considered leaving their course were asked for what reason(s), and provided with a list of possible options.

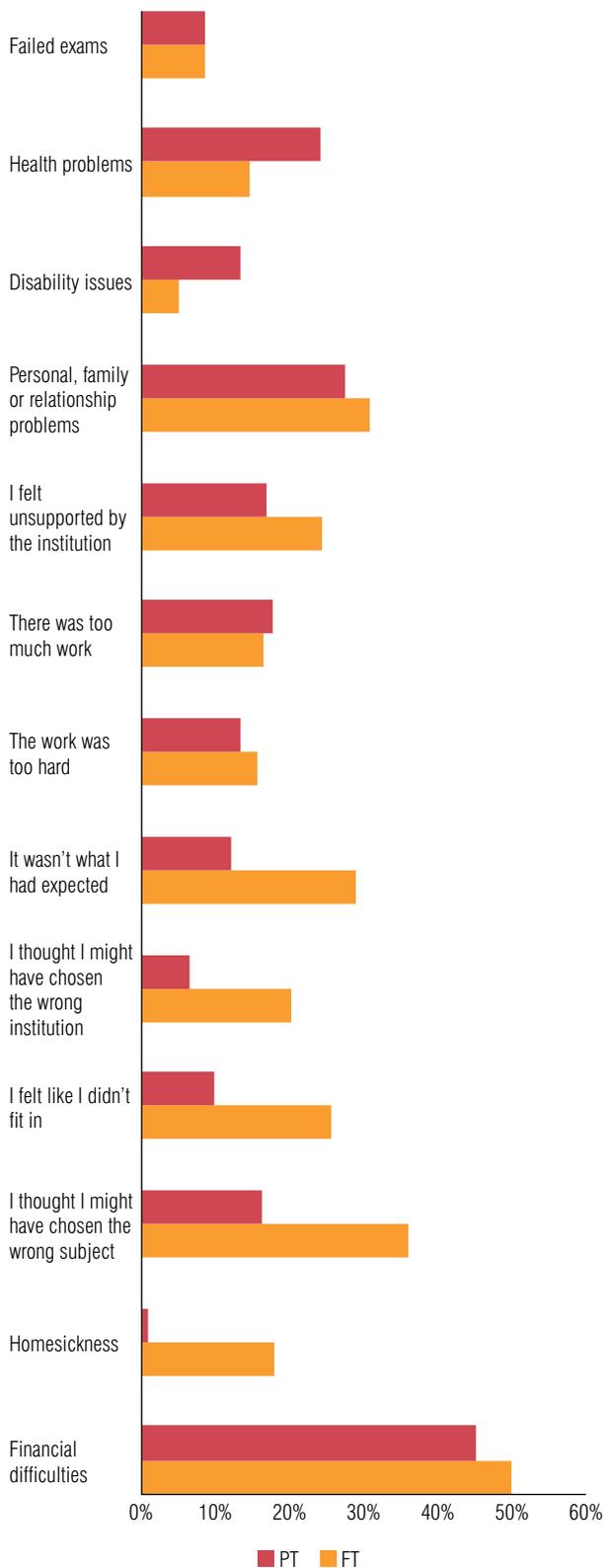
Further Education: Have you ever seriously considered leaving your course?



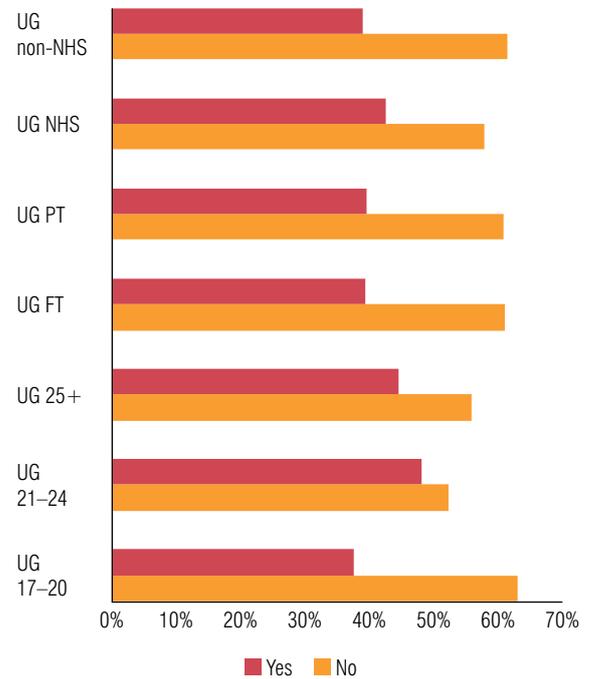
Further Education: Reasons for seriously considering leaving course, by mode of study



Undergraduates: Reasons for seriously considering leaving course, by mode of study



Undergraduates: Have you ever seriously considered leaving your course?



The most commonly cited reason FE full-time and part respondents gave for seriously considering leaving their course was financial difficulties. This was indicated by 48% of part-time FE respondents and one in two (50%) of full-time FE respondents.

The most commonly cited reason undergraduate full-time and part respondents gave for seriously considering leaving their course was financial difficulties. This was indicated by 49% of undergraduate respondents. Age on entry was also significant in the undergraduate categories: 44% of UG 17-20 cited financial difficulties as the reason for seriously considering leaving their course, but this was 70% for UG 21-24 and 62% for UG 25+.

*It [financial support] allows me to stay in college and study, otherwise I would seriously consider reducing the number of subjects I have taken in order to get a job to generate income.
- FT FE, 16-18*

Worries about basic living expenses

“I regularly worry about not having enough money to meet my basic living expenses such as rent and utility bills.”

Overall, 50% of respondents across the sample agreed or strongly agreed with this statement, while one in three respondents (36%) disagreed or strongly disagreed.

Within further education, two in five (41%) respondents aged between 16 and 18 years old on entry agreed or strongly agreed, compared to 69% of respondents aged over 19 on entry. 46% of full-time FE respondents agreed, compared to 56% of part-time respondents.

For undergraduate respondents, 63% of respondents aged over 21 on entry agreed or strongly agreed compared to 48% of respondents aged between 17 and 20 on entry. 66% of NHS funded students agreed or strongly agreed with the statement compared to 50% of non NHS students.

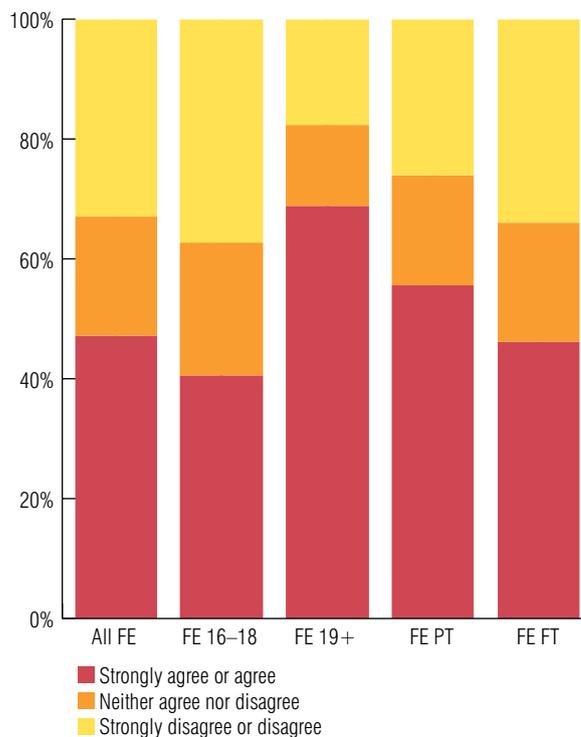
There were similar levels of agreement among respondents in postgraduate sub-groups (between 48%-50%). The highest levels of agreement was reported by postgraduate respondents aged 25+, with 50% agreeing or strongly agreeing that they regularly worried about not having enough money to meet their basic living expenses such as rent and utility bills.

Respondents studying in Peer Group A were the least likely to worry about not having enough money to meet my basic living expenses such as rent and utility bills (47%), while respondents studying at institutions in Peer Group C were most likely (26%). Worries about meeting basic living expenses decline going up the range of POLAR classifications, showing a possible association with socio-economic factors.

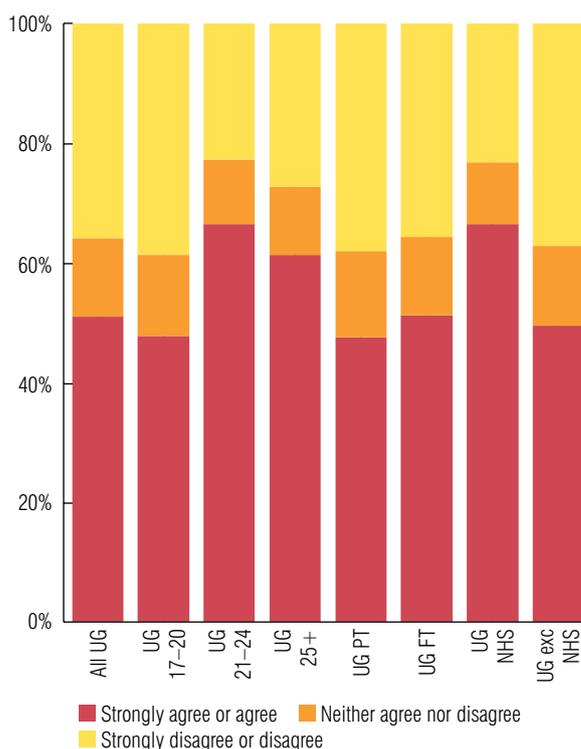
68% of student parents and 59% of disabled respondents agreed or strongly agreed that they worried about not having enough money to meet basic living expenses such as rent and utility bills.

53% of female students indicated that they worried about not having enough money to meet basic living expenses such as rent and utility bills compared to 42% of male students.

Further Education: “I regularly worry about not having enough money to meet my basic living expenses such as rent and utility bills.”



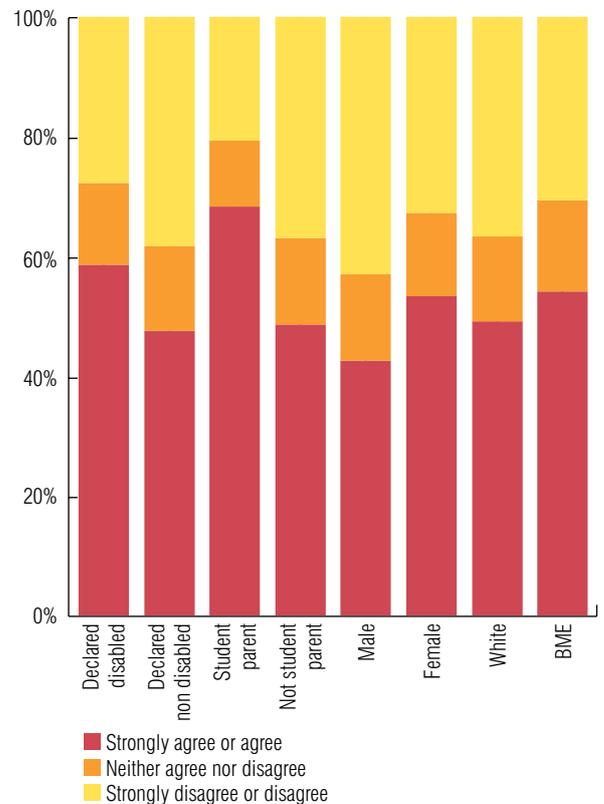
Undergraduates: “I regularly worry about not having enough money to meet my basic living expenses such as rent and utility bills.”



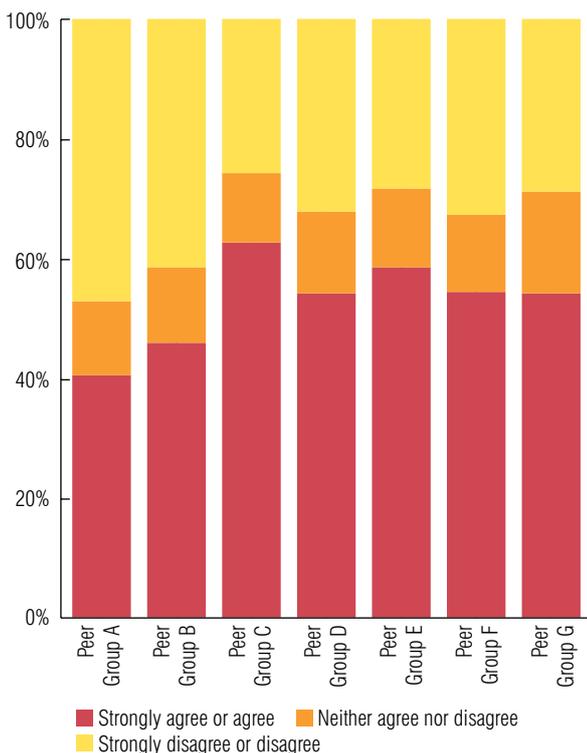
Postgraduates: “I regularly worry about not having enough money to meet my basic living expenses such as rent and utility bills.”



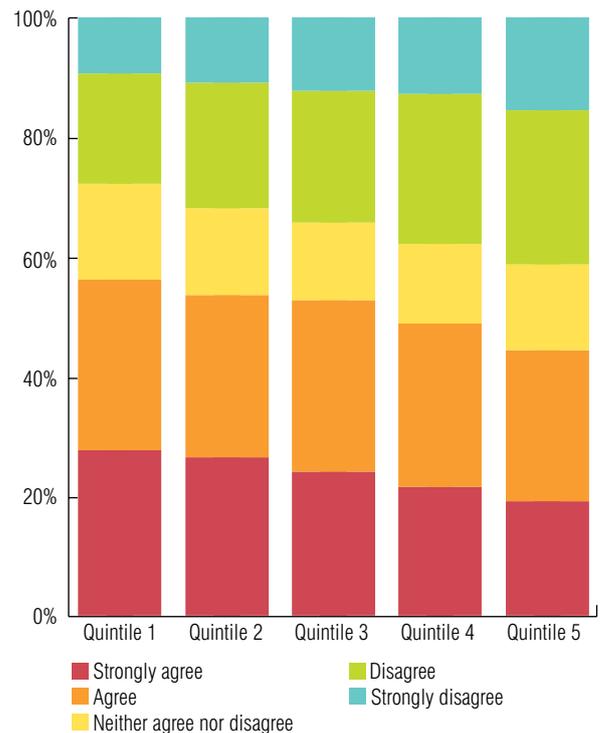
Diversity: “I regularly worry about not having enough money to meet my basic living expenses such as rent and utility bills.”



Peer Groups: “I regularly worry about not having enough money to meet my basic living expenses such as rent and utility bills.”



POLAR: “I regularly worry about not having enough money to meet my basic living expenses such as rent and utility bills.”



Ability to concentrate on studies

“I feel able to concentrate on my studies without worrying about finances.”

Similar levels of full-time and part-time FE students agreed or strongly agreed with this statement (41% and 40%, respectively). Around three in ten (31%) adult FE respondents agreed or strongly agreed.

Only 42% of undergraduate respondents agreed or strongly agreed with the statement, with NHS students being the least likely to agree or strongly agree (31%). Students aged 21 to 24 on entry (29%) and over 25 on entry (31%) were less likely to agree or strongly agree than undergraduates aged between 17 and 20 on entry (46%).

Overall, 42% of postgraduate respondents indicated that they strongly agreed or agreed with the statement. The proportions of respondents agreeing or strongly agreeing with the statement were similar across modes and ages on entry. Postgraduates aged 25+ on entry had a slightly lower rate of agreement (39%).

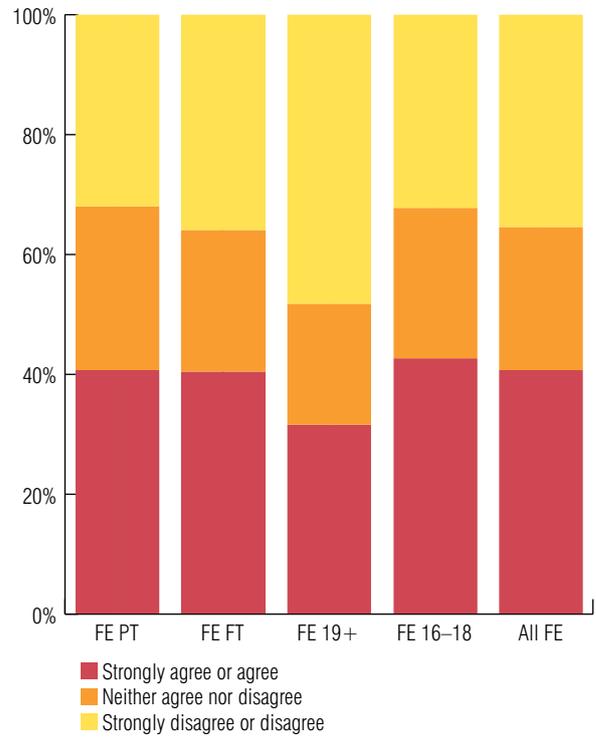
Of the Peer Groups, respondents studying at Peer Group A (52%) and Peer Group B (48%) were the most likely to agree or strongly agree.

Less than one in three student parents (27%) and disabled students (27%) agreed or strongly agreed that they were able to concentrate on their studies without worrying about finances.

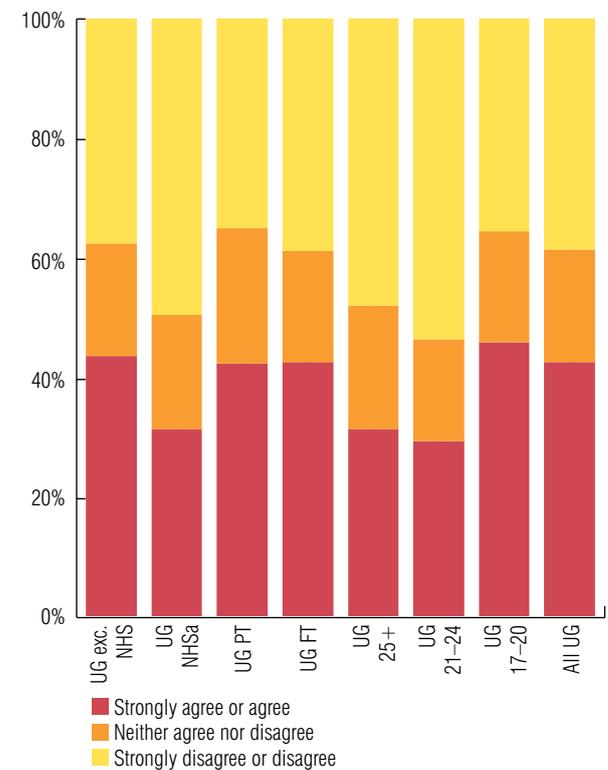
Financial support gives you the freedom to concentrate on your studies without worrying about the debt and how to make ends meet. The course itself and the workload that comes with it together with personal life issues are enough to deal with.
 – PT FE, 19+

[I value] the fact that it allows you to survive during your studies without having to worry about work.... It allows you to focus on what you are paying for, the education and experience of university.
 – FT UG, 17–20

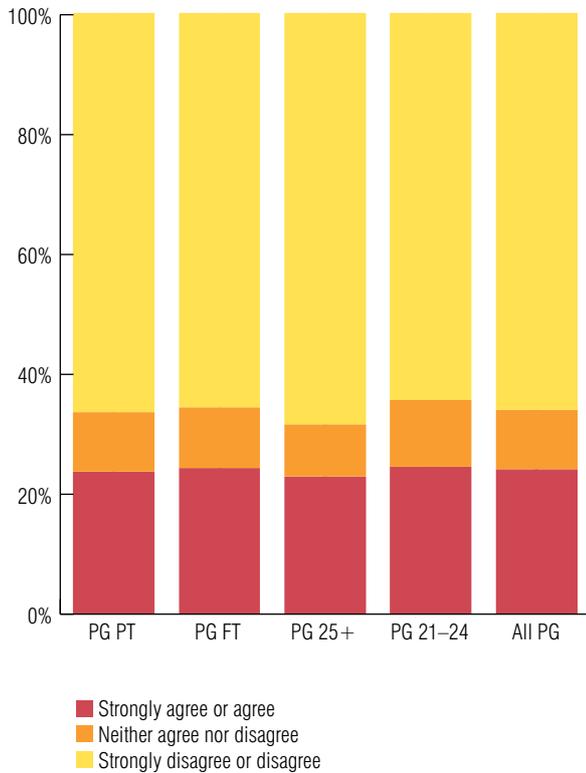
Further Education: “I feel able to concentrate on my studies without worrying about finances.”



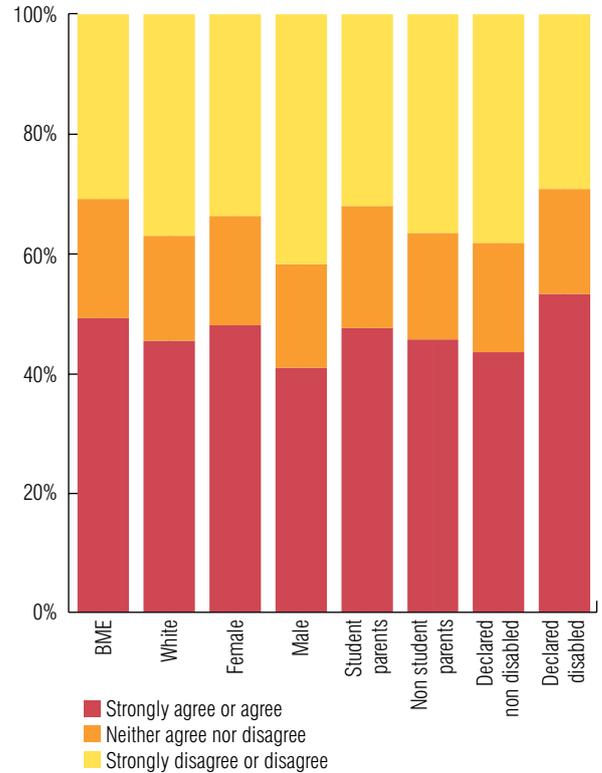
Undergraduates: “I feel able to concentrate on my studies without worrying about finances.”



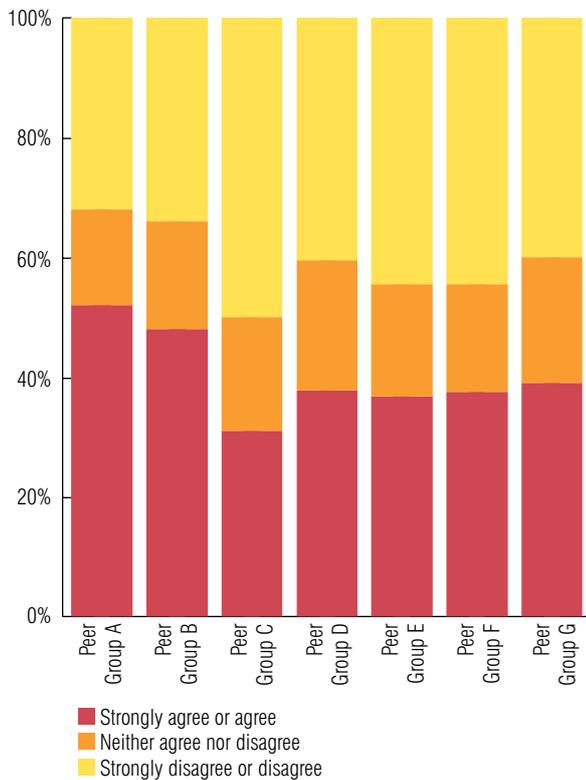
Postgraduates: "I feel able to concentrate on my studies without worrying about finances."



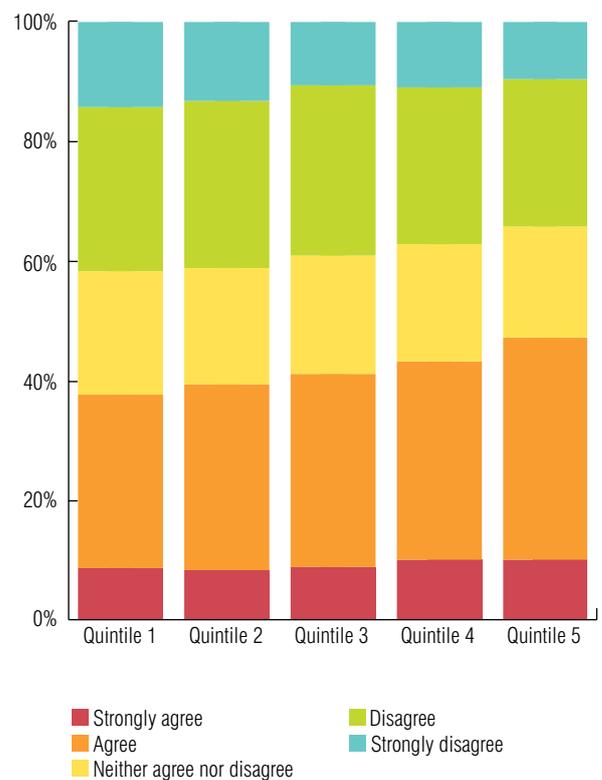
Diversity: "I feel able to concentrate on my studies without worrying about finances."



Peer Groups: "I feel able to concentrate on my studies without worrying about finances."



POLAR: "I feel able to concentrate on my studies without worrying about finances"



Course costs

Across all groups, the majority of students had paid for materials, activities or other costs associated with completing their programme of study (69% of undergraduate respondents, 67% of FE respondents, and 54% of postgraduate respondents). For all levels of study, full-time students were more likely to have had to pay costs than part-time students.

About one in four (24%) FE respondents spent between £25 and £49.99 on materials, activities and other costs associated with completing their study in the last academic term. Around one in four (25%) undergraduate respondents and one in five (21%) postgraduate respondents had paid between £100 and £199.99 in the previous academic term.

Course costs: relative prevalence

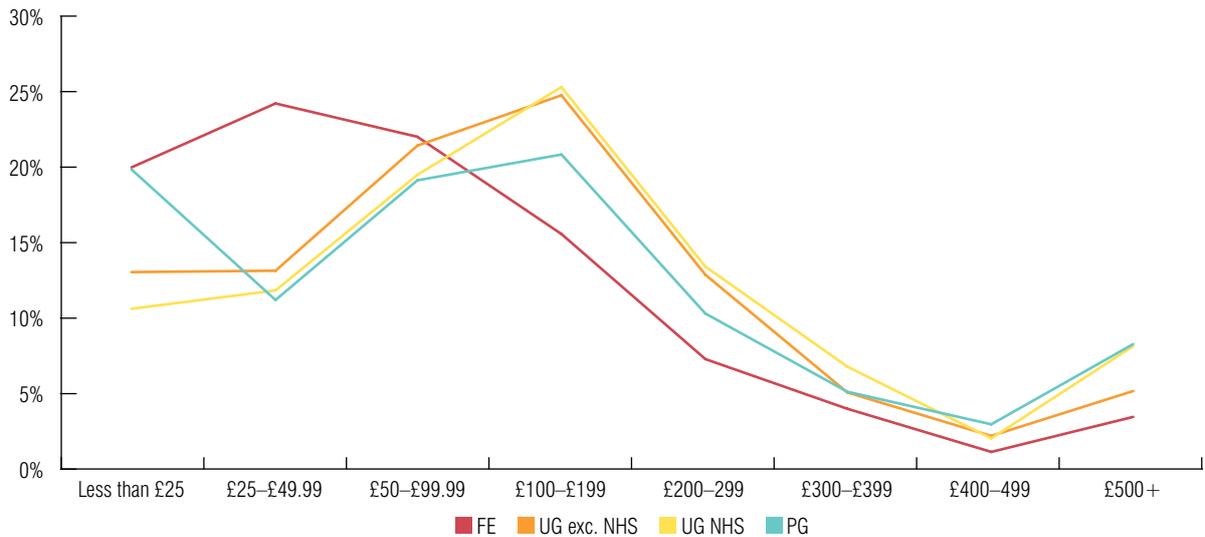
We took a census of what costs students were incurring, so we can see the relative prevalence of different kinds of cost. 20% of the course materials that respondents indicated they had paid for were course books, with other significant costs including printing (16%), stationery(16%), field trips (8%), travel to placements (6%) and uniform costs (5%).

Course costs: wellbeing

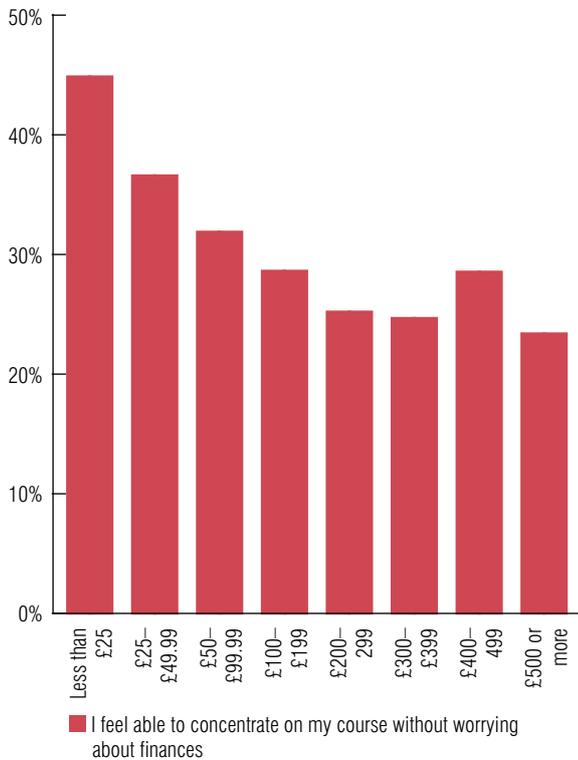
45% of respondents who paid less than £25 in the last academic year on costs associated with their course indicated that they felt able to concentrate on their course without worrying about finances. Respondents who had paid higher costs were considerably less likely to indicate that they felt able to concentrate, with the level falling to 37% where costs were at a level of £25–£49 per term, and down to 25% in the £200–£399 per term range.

Around one in two respondents who paid less than £25 in the previous academic term on course materials indicated that they regularly worried about not having enough money to meet basic living expenses such as rent and utility bills. This figure rose to over 58% where costs were at a level of £25–£49 per term, and up to 73% in the £200–£399 per term range.

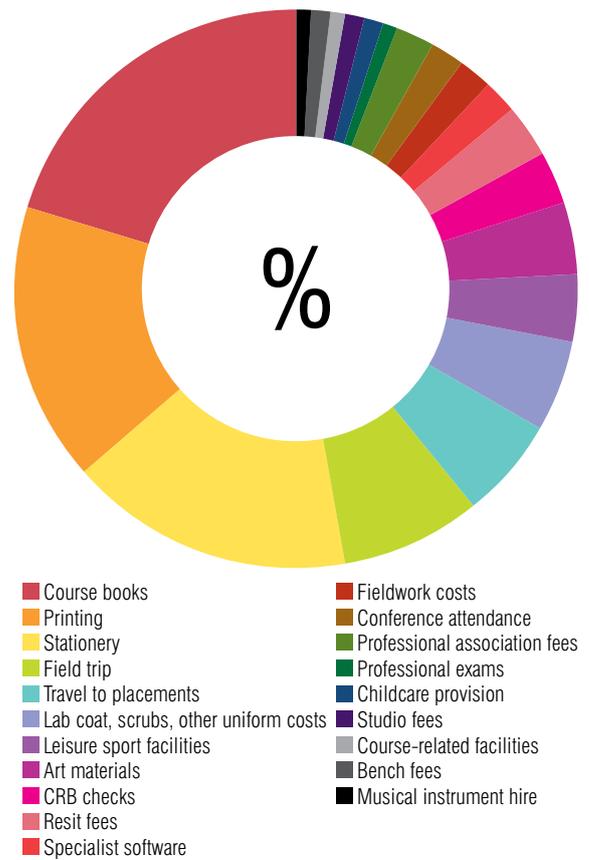
Costs associated with course last academic term, by level of study



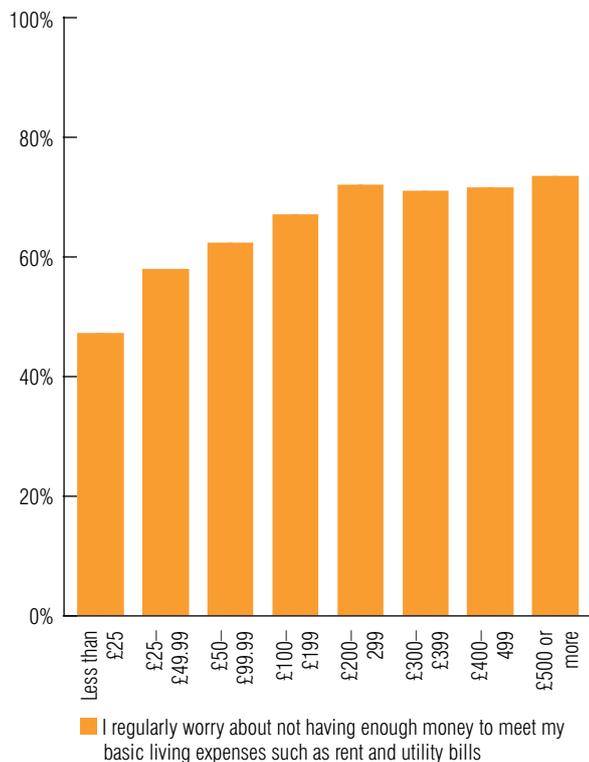
Ability to concentrate on course without worrying about finances, by costs associated with course last academic term



Relative prevalence of different course costs



Worries about meeting basic living expenses, by costs associated with course last academic term



I have a residential trip... that I have to attend to complete my course. If it wasn't for the bursary fund then I could not afford to go.

– FT FE, 16–18

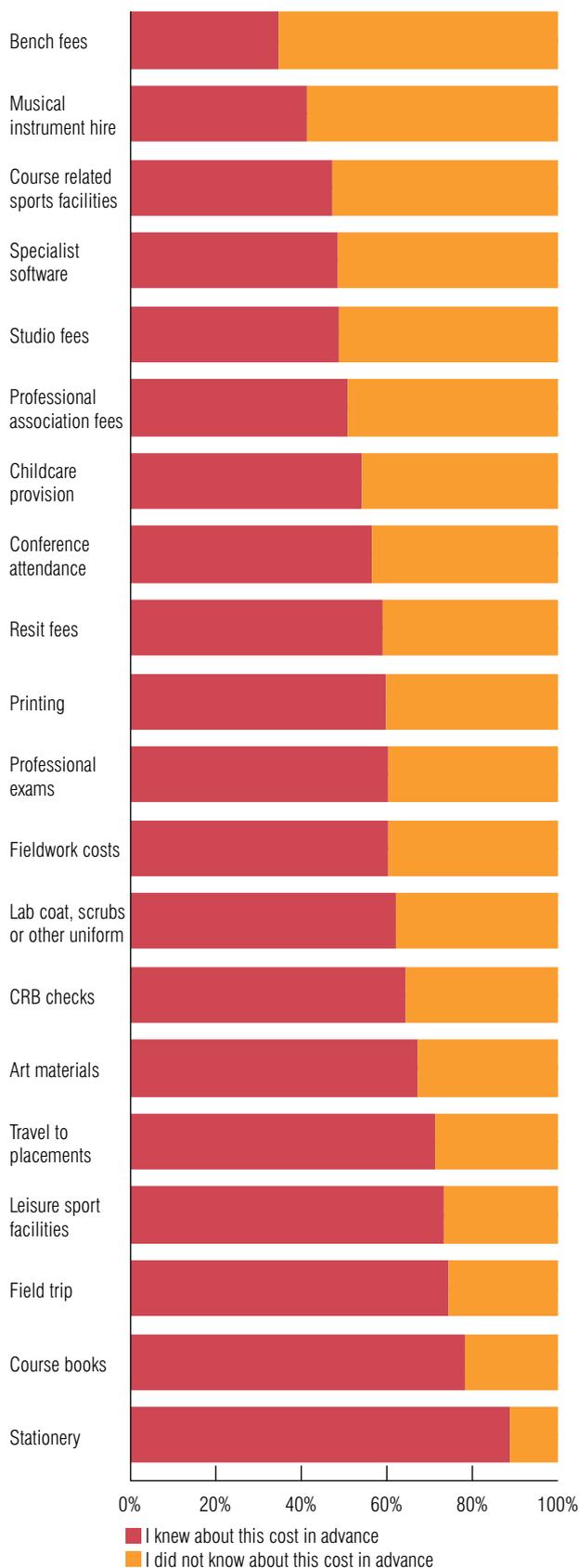
I would raise awareness of other associated costs, such as required textbooks, as these are often underestimated.

– FT UG, 17–20

[Financial support] means that I can meet the additional study costs I accrue due to my disability, and can purchase materials which will lessen the affect my disability has on my study.

– PT disabled PG, 25+

Transparency of course costs



Course costs: transparency

For most costs, more than half of students responded that they had been made aware in advance of the cost. However, the majority of students who paid for bench fees (62%), musical instrument hire (59%), course-related sports facilities (53%), specialist software (51%) and studio fees (51%) reported that they not aware of the cost in advance.

I study Historical Costume and we are forced to continuously pay for fabrics, materials, and chemicals for dying fabrics that we are unable to do the course without, and which we have had no prior warning of. Let students know if there are going to be a lot of costs for things they can't progress without. Most of the people on my course have to choose between eating and class, and normally have to go hungry. Art students who are required to pay for materials need a lot more support than we're getting!
 – Disabled FT UG, 17–20

Accommodation costs

84% of FE respondents aged 16-18 on entry to their course did not pay monthly rent or a mortgage. In contrast, the majority of undergraduate, postgraduate and FE students 19 years and over paid between £200 and £399 per month on monthly rent or mortgage.

A lower proportion of respondents reporting no monthly rent or mortgage fees indicated that they regularly worry about not having enough money to meet my basic living expenses than those who paid monthly rent or mortgage fees. 36% of student respondents who did not contribute towards their monthly rent or mortgage indicated that they regularly worried about not having enough money to meet basic living expenses such as rent and utility bills. In comparison, almost two in three respondents (63%) who paid between £400 and £599 per month indicated that they regularly worried about not having enough money to meet basic living expenses such as rent and utility bills.

I live at a friend's house because that's all I can afford and I know I'm going to have to leave this March and I just don't know how I am going to cope with my finances.

– FT UG, 21–24

Halls are very expensive for what they are... a flat share or renting a house works out cheaper.

– Disabled NHS student, 25+

Students should receive more or less loan in accordance to how expensive accommodation at their institution is.

– FT UG, 17–20

Transport costs

Around eight in ten (83%) FE respondents had costs associated with travel. The majority of these costs were between £10 and £19.99. Full-time FE students were more likely to pay higher costs than part-time FE students, with 69% of FE full-time students paying more than £10 a week compared to 50% of FE part-time students.

The majority (58%) of undergraduate respondents not funded by the NHS had no travel costs. In contrast, 85% of NHS undergraduates paid travel costs, with 18% reporting the cost was more than £40 a week.

Eight in ten (80%) postgraduate respondents paid travel costs. The majority (73%) of postgraduate part-time respondents paid less than £20 per week on transport, as did 61% of full-time postgraduate respondents. A small minority (7%) of postgraduate respondents paid between £50 and £99.99 a week.

Three in five (61%) respondents who reported that they paid no transport costs felt able to balance commitments such as work, study, and family/relationships. In contrast, only around one in three (36%) respondents who paid between £50 and £99.99 per week indicated that they felt able to balance their commitments.

Over one in two (54%) respondents who did not pay transport costs indicated that they felt able to concentrate on their levels of study without worrying about finances. In contrast, less than one in three respondents paying over £10 a week indicated that they felt able to concentrate on their studies without worrying about finances.

It is just the travel costs, I have to travel by train and it is 12 every day totaling 60 a week... if I didn't have to pay this I would be ok!

– FT UG, 25+

The Uni is able to provide us all with a small bursary for travel expenses, but to get to our placements it costs far more. If I did not get help from my family, I'd need a personal loan/credit card to see me through.

– FT NHS UG, 17–20

Government and institutional support

Only 32% of young FE students agreed or strongly agreed that it was easy to understand what financial support they were entitled to and only 22% of young FE students indicated that it was completely clear how much financial support they would receive prior to starting their course. 48% rated it as somewhat clear and 30% not at all clear.

When adult FE students asked whether they agreed that it was easy to understand the financial support they were entitled to, 39% strongly agreed or agreed. Only one in four FE adult respondents felt that it was completely clear how much financial support they would receive prior to starting their course. 35% indicated it was somewhat clear; two in five (40%) reported that it was not at all clear how much financial support they would receive.

Just under half (42%) of undergraduate respondents (excluding NHS students) strongly agreed or agreed that it was easy to understand what financial support they were entitled to. One in three (33%) undergraduate students (excluding NHS respondents) found it completely clear how much financial support they would receive. However, the majority (53%) reported that it was only somewhat clear and a minority (15%) indicated it was not at all clear.

Only 31% of NHS undergraduates surveyed agreed or strongly agreed that it was easy to understand what financial support they were entitled to. The majority (50%) disagreed or strongly disagreed with the statement, and the remaining neither agreed nor disagreed. Less than one in five (18%) of NHS undergraduate students found it completely clear how much financial support they would receive before starting their course. The majority (56%) reported that it had been somewhat clear and 27% indicated that it had been not at all clear how much financial support they would receive before starting their course.

Discretionary support

There were significant differences in the propensity of different groups to seek out discretionary funding from their institutions, ranging between 11% (UG exc. NHS) and 30% (FE 19+). The low overall levels of application for discretionary funding may suggest a lack of awareness that these sources are available, given findings elsewhere about the much higher proportions who struggle to make ends meet.

Support mode and frequency

Clear preferences were expressed for support in the form of cash across all groups, for example: young FE 51%, adult FE 34%, UG (exc. NHS) 64%, UG-NHS 80%. By contrast, no other mode of support delivery (such as fee waivers, travel vouchers, childcare) achieved more than 19% desirability amongst any group.

Groups differed considerably on the question of payment frequency, with young FE students strongly favouring weekly payments (71%), adult FE students evenly divided between weekly and monthly payments (45%/39% respectively), and undergraduates (except where NHS funded) fairly evenly divided between monthly and termly payments (49%/38% respectively). NHS funded undergraduates very strongly favoured monthly payments (66%).

There should be better, definite financial support available to students in hardship. Cutting EMA and youth services has put students in an awful position and many simply can't afford to begin or continue studying, and that just isn't right.

– FT FE, 16–18

Actual cash at the time of studying is vastly more important than afterwards.

– FT UG, 17–20

Monthly instalments would help with such things as paying rent and bills and having the money on the last day of each month would greatly help.

– FT UG, 25+

Family support

Over half of respondents indicated that they received support from their family, such as from their spouse, partner, parents or other relatives. The types of support received by family ranged from financial support, accommodation and living support, childcare, transport and food and groceries. The groups most likely to be in receipt of support from their family were young FE students (66%) and students aged 17-20 on entry (61%).

Part-time students, across all levels of study, were less likely to receive support from their family than full-time students. Only 39% of student parents indicated that they received support from their family compared to 58% of students who were not student parents.

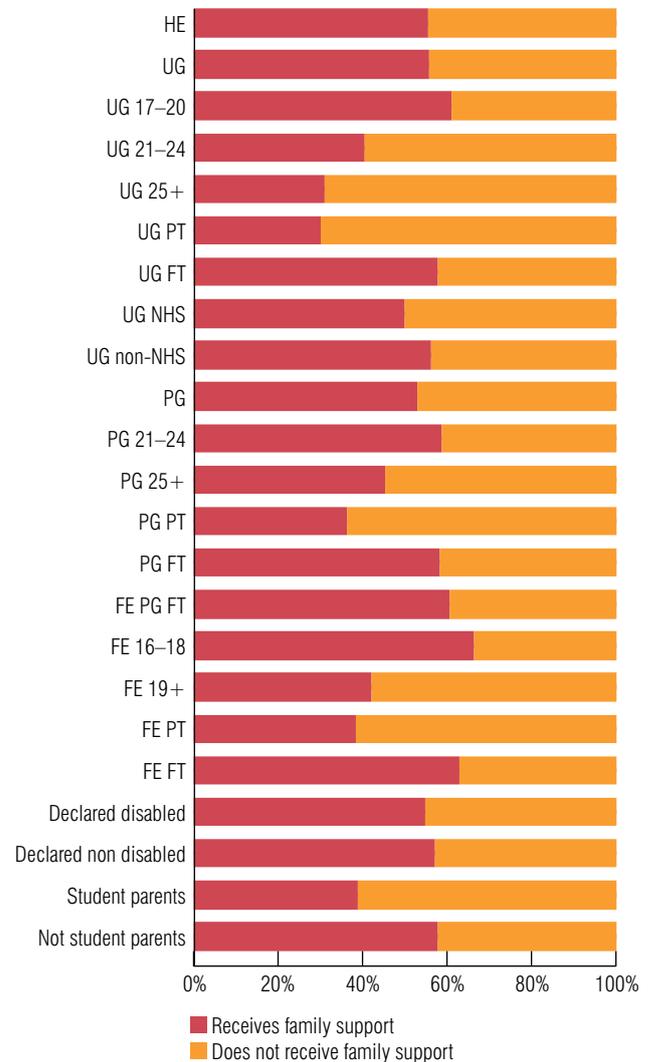
Family support and progression

Ability to draw on family sources of support had a significant bearing on their decision to progress to their current level of study or not. Two out of five (38%) respondents who reported that they were in receipt of no family support – financial or otherwise - indicated that financial considerations affected their decision to progress to their current level of study to a great extent, compared to one in four (26%) of those who were in receipt of family support. More than two-thirds (71%) of respondents not in receipt of family support indicated that financial considerations affected their decision 'somewhat' or 'to a great extent,' compared to 57% of respondents who were in receipt of support from their family.

Family support and wellbeing

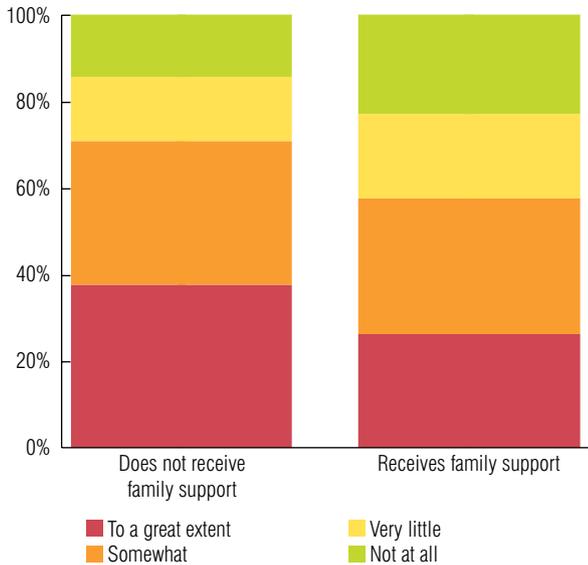
57% of respondents who did not receive family support indicated that they regularly worried about not having enough money to meet basic living expenses such as rent and utility bills. This compares to 44% of students who were in receipt of family support. 44% of respondents who received no family support reported that they did not feel able to concentrate on their studies without worrying about finances. This compares to 34% of respondents who were in receipt of family support.

Proportion of respondents in receipt of financial support from family, by level and mode of study and age on entry

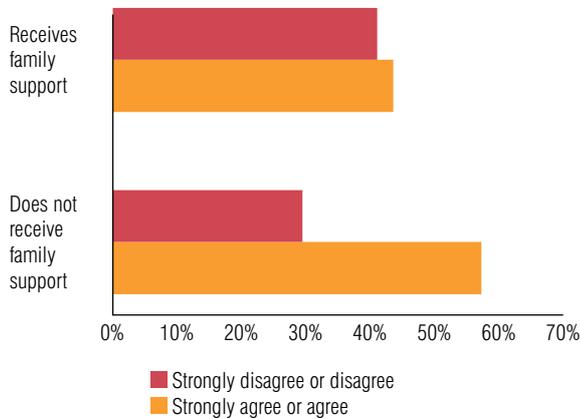


I am so grateful for the financial support from my parents. My maintenance loan is £800 short of my accommodation, which is ridiculous. My parents can barely afford to give me money every week to live, let alone paying extra for accommodation.
 – FT UG, 17-20

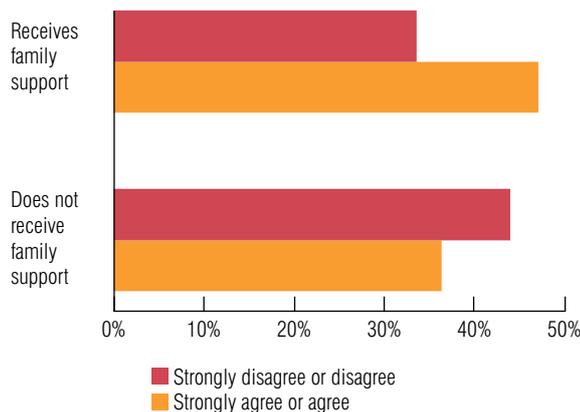
The extent to which finance affected the decision to progress to current level of study, by family support status



“I regularly worry about not having enough money to meet my basic living expenses such as rent and utility bills”



“I feel able to concentrate on studies without worrying about finances”, by family support status



Reliance on employment

Across the survey sample, 35% of FE respondents, 32% of postgraduate respondents and 28% of HE respondents indicated that they worked during term time and holidays. A further 11% of FE students, 9% of undergraduate students and 16% of postgraduate students stated that they worked in term time only.

Working time

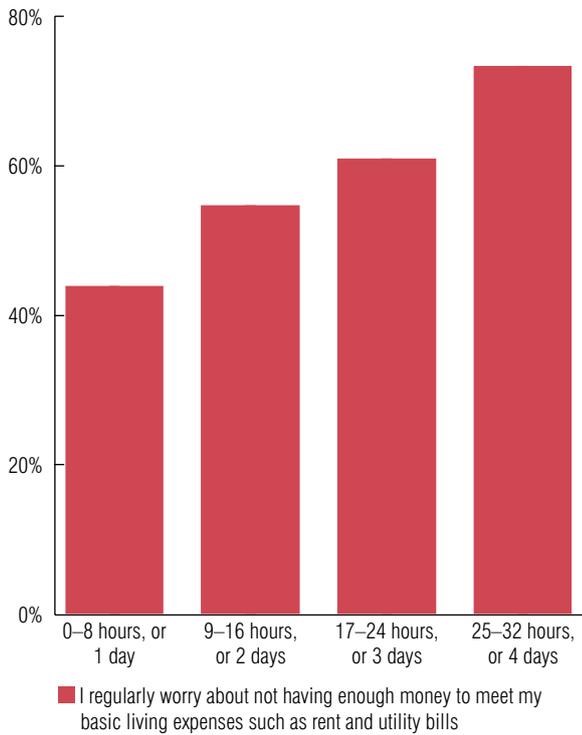
Respondents who indicated that they worked during term time and/or term time and holidays were asked how many hours they worked during term time.

The majority of full-time FE respondents who worked during term time and/or term time and holidays worked 16 hours or less a week: 36% reported working between 0 to 8 hours (or one day a week) and 41% worked between 9 and 16 hours (or two days). A small minority worked 25–32 hours a week (4%) and the same proportion reported working more than 33 hours a week. Of those who were employed during term time and/or term time and holidays, one in three (33%) part-time FE respondents worked between 33 and 40 hours (or 5 days) a week.

A similar pattern was observed for undergraduate respondents. Full-time undergraduates who were employed generally worked between 0 and 8 hours (37%) or 9 to 16 hours (40%), with about 20% of students working longer hours than this. Part-time undergraduates mainly worked between 33 to 40 hours (44%). 44% of full-time postgraduate respondents who worked during term time and/or term time and holidays worked between 0 to 8 hours. One in three (29%) worked between 9 to 16 hours. In contrast, one in two (50%) part-time postgraduate respondents who worked during term time and/or term time and holidays worked 33 hours or above a week.

Now that I have a job... I have less to worry about in terms of getting to and from college as before [when] I was borrowing money all the time. However, it is a lot more tiring working so much [and] then attending college full-time.
 – FT FE, 16–18

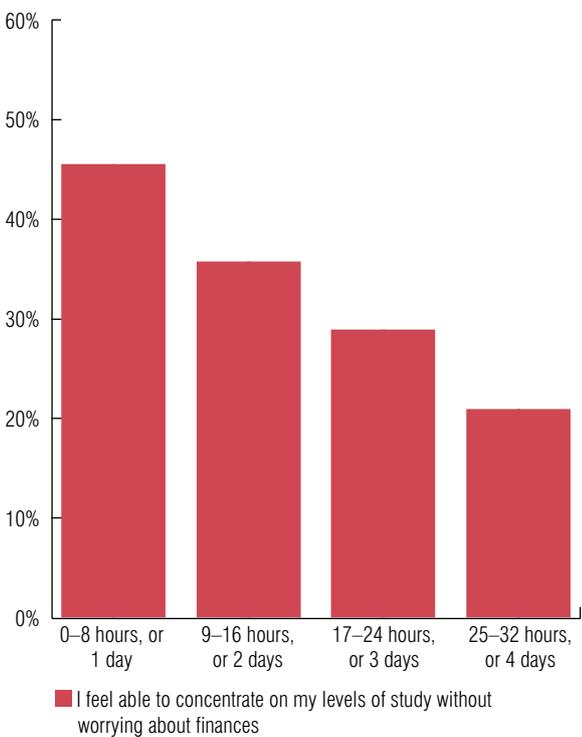
Students who work: worries about meeting basic living expenses, by weekly working hours



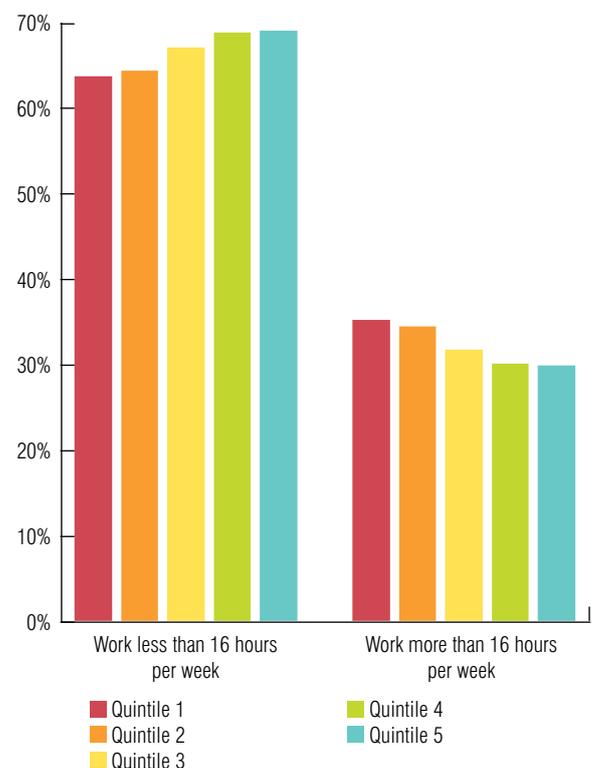
Working time and POLAR classification

There was a significant relationship between the socioeconomic background proxy and number of hours worked in employment during study. Those from higher participation neighbourhoods were more likely (69.8%) to work less than 16 hours a week than those from low participation neighbourhoods (64.4%). Similarly, those from low-participation neighbourhoods were more likely (35.6%) to work over 16 hours per week than their peers from high-participation neighbourhoods (30.2%). For all respondents who work, there was an interaction between ability to concentrate on studies and POLAR classification when measured by both young participation and adult qualifications in HE. People from lower participation neighbourhoods were less likely to agree that they felt able to concentrate on studies, were more likely to consider dropping out found greater difficulty balancing commitments and participation in their programme.

Students who work: ability to concentrate on studies, by weekly working hours



Hours worked whilst studying by POLAR classification



Borrowing from the government

Almost nine in ten (89%) undergraduate respondents (excluding NHS students) indicated that they had a maintenance loan debt of over £1,000. Two in five (40%) undergraduate students (excluding NHS students) indicated that the total amount of their maintenance loan debt was currently between £1,001 and £5,000. Only a small minority (9%) of undergraduate respondents (excluding NHS students) indicated that they did not have a maintenance loan. A higher proportion (55%) of part-time undergraduates surveyed indicated that they had no debt (excluding government student loans and mortgages) than full-time undergraduate student surveyed (38%).

Other forms of borrowing for living costs

We asked respondents to tell us about what they have borrowed in forms other than government loans and mortgages. Overdrafts were the most common type of debt incurred, with the majority of both NHS undergraduates (59%) and undergraduates not funded by the NHS (50%) surveyed reporting that they had taken on this type of debt since beginning their current course of study. Loans from family and friends were

also common. 34% of NHS undergraduates had taken on a loan from their family or friends, as had 23% of undergraduates not funded by the NHS.

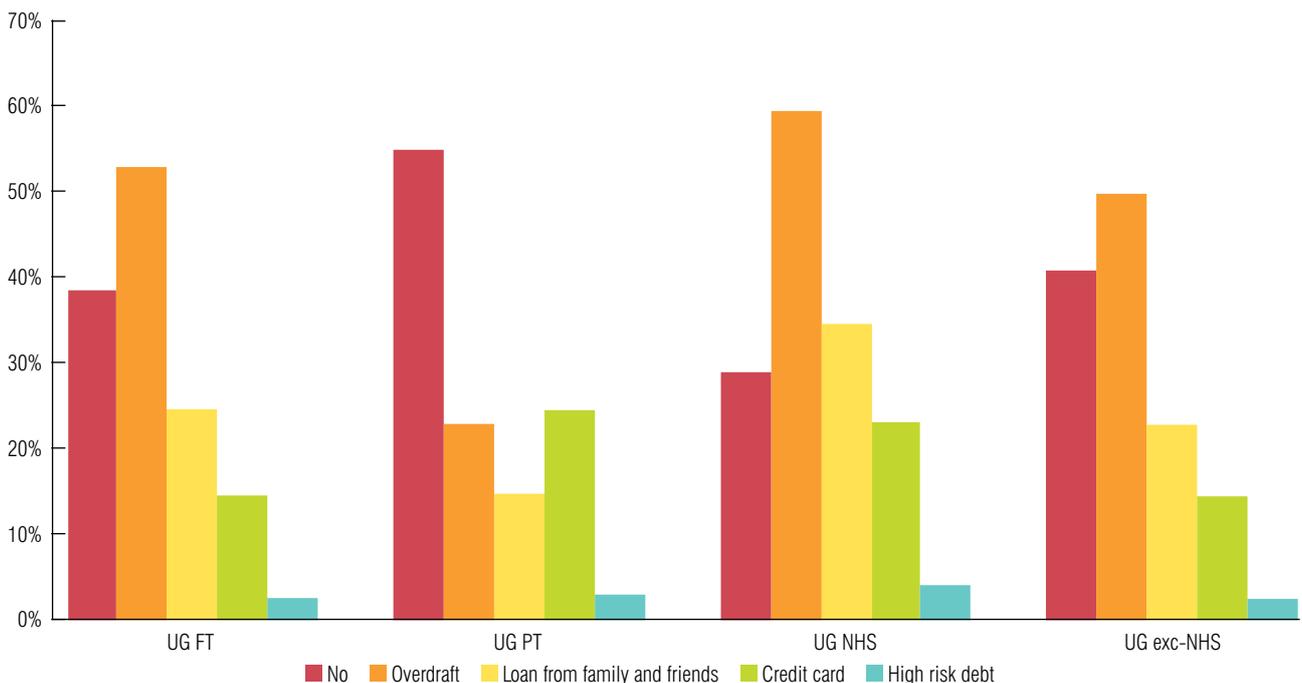
We found that 61% of undergraduate respondents aged 21-24 on entry had taken on an overdraft and 34% had taken on a loan from their friends and family. 29% of undergraduates aged 21-24 on entry and 30% of those aged 35 and over on entry had taken on debt with their credit card, compared to 11% of undergraduates aged 17 to 20.

A higher proportion (55%) of part-time undergraduates surveyed indicated that they had no debt (excluding government student loans and mortgages) than full-time undergraduate student surveyed (38%). Nearly one in three (30%) undergraduates aged 25 and over on entry had a debt of over £5,000 (excluding student loans and mortgages).

The majority of postgraduate respondents had taken on some form of debt since they began their study, though only a small minority of respondents had taken on a form of high risk debt.

42% of full-time postgraduate students surveyed had taken on an overdraft since they began their course

Undergraduates: Types of debt taken on since beginning course of study, by NHS status and mode of study



of study, compared with one in three (33%) part-time postgraduate respondents. One in five (20%) postgraduate respondents aged between 21 and 24 on entry were over £5,000 in debt (excluding student loans and mortgages), as were 32% of postgraduate students aged over 25 on entry.

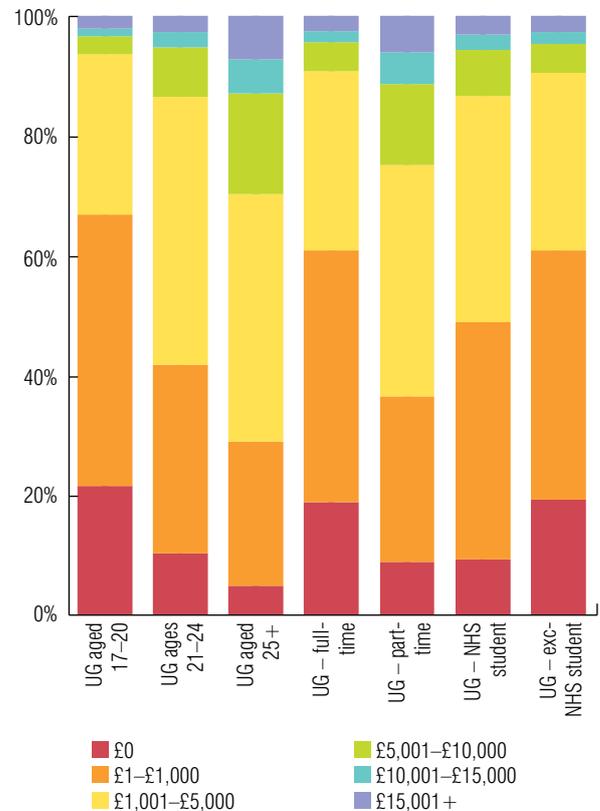
Debt and POLAR classification

It is positive to note that the numbers of people taking up 'high-risk' debt (such as payday loans, doorstep loans and cheque cashers) is quite low overall, but there is a clear relationship between the prevalence of 'high-risk' debt and POLAR classification, where students from POLAR quintile 1 are three times more likely to take on 'high-risk' debt than students from POLAR quintile 5.

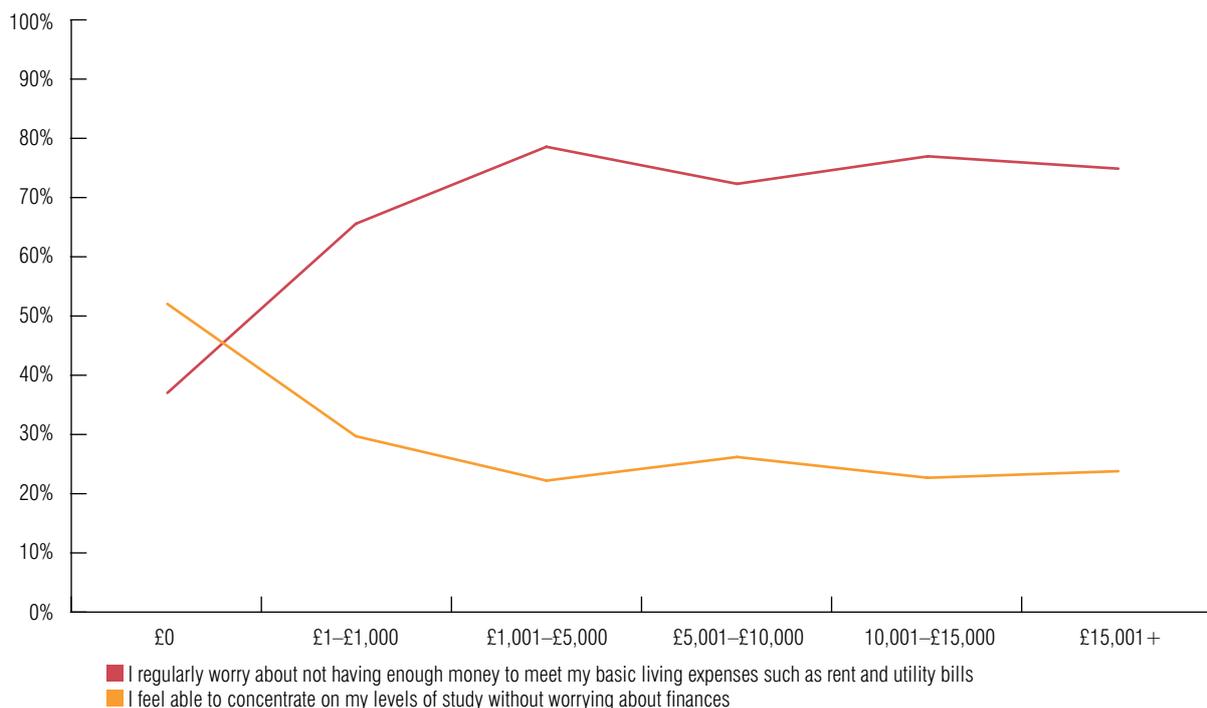
Debt and wellbeing

Respondents with a greater level of debt were more likely to agree or strongly agree that they regularly worried about not having enough money to meet their basic living expenses. Similarly, the greater the level of debt, the less likely a respondent was to agree or strongly agree that they felt able to concentrate on their studies without worrying about finances.

Undergraduates: Total value of current debt, excluding government student loans and mortgages, by NHS status, mode of study and age on entry



Key wellbeing indicators by current level of debt (excluding government loans and mortgage debt)



Negotiating the System

Alan Roberts

This is an abridged extract from the report of qualitative projects looking at specific student groups that we commissioned from students' unions, 'Negotiating the System', available for download online.

Overview

In Spring 2012, NUS commissioned six students' unions to conduct small, focussed pieces of research into the experiences of different student groups and the financial support system. This has been an opportunity to begin to examine the stories behind the large-scale survey explored in the previous section. They afford the opportunity to see how different students are coping with the current system, specifically where pressure and disadvantage result in an unfair settlement.

The studies were:

- A. Placement students at Liverpool John Moores University
- B. Nursing students at Liverpool John Moores University
- C. Nursing and Midwifery students at the University of Central Lancashire & the University of Cumbria
- D. PGCE students at the University of Bristol
- E. Taught Masters students at the University of Bristol
- F. Student Parents at Goldsmiths and the University of Greenwich

The picture which these six studies paint is one of negotiation; both in the sense of groups of students making their way through, often in spite of, the student financial support system as it is intended, and in terms of negotiation *with* the system. These two distinct ways of looking at their stories present specific challenges to policy makers and the services supporting the system:

As students negotiate the system - What are the information, advice and guidance needs of particular groups? In a mixed economy of support providers, funders and administrators at institutional, local authority and national level – to what extent are their coordination and communication methods fit for purpose?

As students negotiate with the system - What is the scale and nature of the compromises which these individuals must make? How do we define what is a fair and reasonable compromise in lifestyle, income, living conditions and immersion in the programme itself? To what extent does policy have a responsibility to rebalance this settlement? What is acceptable for a student to endure, and what is acceptable for a person to endure?

Throughout their stories, it is easier to see where there is opportunity to make minor changes that could in turn result in significant improvements for these students. The efforts and determination of the participants in the various studies to succeed in their endeavours, coupled with the sacrifices and accommodations which they, their families and friends make, are an inspiration. It is clear that they are not asking for everything to be simply given to them, they are driven individuals whose very efforts define their motivations, rather they make pleas for common sense and for policy to enable them to take part and succeed, to be given an equal chance at success as their peers.

Finance

Financial wellbeing and the extent to which students understood and could navigate the various schemes and options was a central theme within the reports. Students were thinking about the financial implications of their course before even starting, indicating that financial considerations were either “an important factor” or “the only factor” when they were choosing both which institution to attend and which location of

institution for their course. This also had an effect on mode of study and in some instances subject.

The experience of part-time students is particularly important here. These participants had elected to study this way in order to find a job and fund their courses, an interesting distinction from what would traditionally be understood as the choice for part-time students whereby they are adapting study around a current job or career. This kind of response perhaps reflects the nature of the current part-time labour market, but may also act as a statement on the affordability or otherwise of further and higher education.

The effects of policy designed to manage supply and demand within labour markets was also noted by participants. In terms of Initial Teacher Training bursaries, for example, we see situations where one PGCE trainee had decided to study Maths rather than their degree because they could get a training bursary as Maths is a shortage subject; and a Modern Foreign Language trainee would have preferred to have done English instead of MFL (her degree), but was drawn by the increased training bursary for MFL trainees.

A concern that was raised in relation to this issue was that students from low incomes might be put off applying for non-shortage subjects since maintenance funding is so low that people might worry they'll have to work to support themselves alongside non-bursary friends, who lived with parents or got help from parents. This kind of reference to difference in entitlement was often linked to a sense of fairness and equity. It was evident that many participants didn't believe that the various policies and schemes always achieved equality within the system.

Participants' perceptions of their wellbeing were most acute when talking about cliff-edges or where policy 'missed' the students. It's certainly true that participants felt little control over their financial situations, leading to problems of retention and indeed health, with PGCE participants for example talking about students taking anti-depressants, compounded by time pressures meaning that they did not benefit from some sources of help open to other students since there was no time for counselling and no provision of extensions. There

was reference to the subculture of PGCE students who are always stressed and school obsessed, which made inclusion in the larger PG student body difficult.

Financial pressure also seems to have an increased impact on students who are mature students or have other responsibilities. This was evident in some of the cases where responsibilities combine to pull an individual in a number of directions at the same time, with no harmony in the way various supports and mechanisms functioned to support these responsibilities – such as childcare benefits during summer break, housing benefits and the student loans system for example.

Parents in particular, who are more likely to be mature students, who form the majority of part-time students, and those that take on postgraduate qualifications have a number of key things to consider in terms of finances. As a university senior manager noted *"When there are children involved, the way the student deals with the financial services is different, because it is not just them - they are looking after their children as well."*

An intriguing question was put: Is it compatible to have a mortgage and attend university? Some students reported that they had moved from their home into a rented accommodation. This is not an option for all though and the consequences are significant as although these students no longer have a wage, they still have to pay mortgage and there is no financial help with housing benefit for those with a mortgage. Parents consider the impact on their children, and the stability of a home could well be a step too far for many.

In terms of financing their study, information seemed to be another key issue, with many participants feeling that the bursaries do not cover the costs they are supposed to. Due to money worries during study and placements, participants frequently refer to extending overdrafts and taking out more credit cards.

Frequent changes in funding arrangements also impact students, who rely on up to date information, advice and guidance to make decisions and ultimately financially prepare for study. A PGCE Religious Education trainee said the government pulled out

funding for her subject during her application stage. The misalignment of funding decisions with application times should be addressed in the future.

Regarding information about government administered student funding, participants expressed that Student Finance England did not have a clear website as the information available was often too simplistic, and badly structured. Also they felt that the Student Loan Company should provide better contact (apart from letters in the post) after a loan has been secured. This reflects a broader desire for accurate, reliable and personal advice.

Coupling these various student support schemes with state welfare benefits further complicates things – not least because of constant change and seeming turmoil across the spectrum of state support. One participant described feeling confused about whether changes to the Tax Credit system announced in April's Budget meant that she and her partner would be eligible for Working Tax Credits under the new rules, if she studied full-time while he works more than 24 hours per week. It is specific cases such as this that become almost impossible to judge, as accurate and reliable information is perceived as rare and constantly subject to change.

There is also an issue for postgraduate students that teach – Working Tax Credits. The main issue for these students is when their contracts pay for the hours in which they have 'contact' with students. Often these contracts stipulate this hourly rate to include preparation, marking etc. These latter hours are not clearly laid out within the contracts, meaning that, should HMRC require proof of their working the minimum 16 hours a week required to claim Working Tax Credits, it would not always be easy for them to produce. This is an issue for student parents in particular for whom childcare costs are often, to quote one participant, 'prohibitively expensive' without the help of the childcare element of Working Tax Credits.

Mitigation for such circumstances is in the form of discretionary funding, and institutions often provide bespoke pots of support, but these sums are limited, leading to cautious promotion. This was reflected by

one student parent participant, who was not aware that their university offered any assistance towards the cost of childcare, or being able to draw on hardship funds for these costs.

For mature students, however, access to discretionary support may be frustrated because their first port of call for financial advice may not be within the university or their funder – such as the NHS - but from more general services such as the Citizen Advice Bureau. One of the best forms of support favoured by mature students was peer advice, or advice from students already on the programme, which is great, but responsibility for assured and quality advice must be addressed to ensure that those that need support and guidance can access it, not by chance, but by design.

There is a need to consider the different information and guidance needed for the range of applicants and current students. Changes in policy need to be clearly mediated, not just with advisers, but with the public. The availability of discretionary funding and support pots is of vital importance to many of the students for whom education and being a student is just one part of a complicated balance of their responsibilities. Clarity and the ability to plan are clear hygiene factors in this relationship.

Negotiating with finances

Students adopt a number of strategies to cope with the financial conditions of higher education. Sometimes this negotiation with the system is planned and purposeful – such as the choice to study part-time in order to take on a job, opting to do long days in placements to reduce travel costs or indeed study for one subject over another in order to benefit from a specific award. There was evidence in the reports that students understood this as a part of the system, these were compromises which they felt empowered to make – although they recognised that often these were not necessarily true choices for many people and saw various scenarios which precluded certain types of student from a given path.

Some students are forced to make more riskier decisions. Many reported taking on library fines as

opposed to the cost of travel to the institution – others because these fines are cheaper than buying core text books. Clearly these are not the intended outcomes of student finance or information resources policy as they affect book stocks and availability for other students and possibly issues with progression and graduation in terms of large debts to the institution.

One participant said that *“It is sometimes cheaper to get the library charges than it is to go all the way to town and back when you’re not in classes- backwards I know! £3.25 fines are cheaper than there and back on the bus!”*

High-risk debt was also a consideration for participants. None interviewed had taken this on beyond additional credit cards and overdrafts. A loan from parents was seen as a good way of avoiding ‘bad’ debt. This ‘bad’ debt was reviled as unmanageable owing to high interest rates. The knock-on effects of these personal loans though are a lack of security, difficulty in evidencing this as income for the purposes of discretionary support funding applications and indeed, as we will discuss, the family itself, who may have a number of responsibilities in addition to this.

Too often though, this negotiation results in mistakes, particularly for students who reported working between two or more funding mechanisms. Childcare support was a particular issue at one institution as 15 hours of ‘free’ childcare for 3-4 year olds is only available for 38 weeks of the year and it has to be claimed over a minimum of three days per week (or 12.5 hours can be claimed over a minimum of two days per week). Problems arise where the maximum cost that can be claimed for each of the ‘free’ hours is less than the institution’s rate, or if the nursery is unable to offer half days. Parents claiming the Nursery Education Grant in these circumstances still face significant childcare costs. Indeed, moving parents towards more frequent visits to the institution than they may need is yet another cost and upheaval.

Similarly with regard to benefits for parents, claiming over the summer vacation is an issue. Jobcentre Plus seems to struggle with the concept of eligibility for this period and quite often they end up re-registered and

receiving their next loan payments before they have managed to work it out, so subsequently it ends up being cancelled.

The other issue with benefits is students continuing to claim once they become students. In some instances they are still entitled to some element of benefit, mostly housing benefit, but through fear of parting with the benefit they shy away from dealing with it. Student Support in the main is classed as income for benefit calculations and so it is imperative that students declare it to prevent overpayments and possible prosecution.

Sometimes internal rules and regulation clash with the system to great disadvantage, such as in the case of one undergraduate participating in our research, who had suffered from ill health and failed to meet her academic requirements, and was enrolled as an ‘examinations-only’ student for her final year: a status that did not allow her to apply for either the Childcare Grant, ALF or Childcare Bursary.

There are two other areas which were brought up within the reports where it was felt that policy and policy objectives seemed fail certain students – notional income and student loan weighting.

A postgraduate student’s application can be declined because the Notional Postgraduate Income (NPI - £161 per week in London) that is added on to applicants’ reported income. The NPI means that household income frequently appears to exceed its expenses, making applicants ineligible for the Access to Learning Fund (ALF). On the other hand it can also be the case for these, and many other students who report receiving financial support from family and friends, that this income cannot be properly verified. The result is that these students then cannot evidence the minimum income threshold to qualify for discretionary support. As one participant explained, she had applied at the start of the year only to be told that she *“had too little money to be eligible for help ... there is a [financial] threshold, and if you’re not over the threshold then you shouldn’t be doing a Masters.”*

The NPI which is added to Standard ALF Award assessments is particularly problematic for it effectively

excludes most postgraduate students from qualifying for the fund. It also overlooks situations in which, for example, both parents in a household are students (often having met at the university where they study) rather than one parent working to support the other's studies.

Final year students have a smaller loan rate as a final instalment. This is despite a number of programmes, such as nursing, healthcare and midwifery finishing their courses in late August. In one case it was reported that the student had to live off £368 a month bursary with rent at £300 a month. The evidence suggests that a loan policy which applies, perhaps with some merit to most programmes, doesn't make sense when also used on students with very different academic calendars, compounded by the fact that the majority of finance that students receive falls at the beginning of the academic year, and the hardest and often most expensive time for them is the final few months of the course.

Travel and Placements

The reports all had something to say about travel and the very closely linked topic of placements. It is worth stating the value which participants placed on the opportunity to take part in sandwich years and placements in industry. These were seen as an opportunity to develop practical skills, to exercise theory and to deepen their knowledge of their subject. In reports that dealt specifically with such placements, participants were keen to talk about the advantages and their motivations for taking part in placements on the whole. Where they had decided not to take part in this kind of activity, it was mainly because of affordability, particularly for those with other responsibilities and those whose parents couldn't afford to support them. The benefit of these placements is such that it is a genuine concern that many students are unable to take part. The accessibility of these opportunities needs to be considered.

Travel was a big part of the narrative around placements as well as the research reports more generally. Travel in and of itself is not necessarily something which an institution is in control of, indeed

the related travel costs could be argued to depend on a student's choice of where to live. It is not always this easy though, and many of the stories which came out of the research projects focussed just on that. With an ever widening base of participants in higher education, comes an even wider array of responsibilities- families, mortgages, jobs, friends – coupled with an acute sense of the risks of taking time out for education. There was a genuine sense that students couldn't afford higher education with its current support structures and a combination of either needing to retain or obtain a job to afford to stay on course. Concern over debt and costs causes people to stay close to their support base, to family and friends, to their normal life, resulting in a whole body of commuter students who essentially work part-time (or more), study full-time and look after a family. These students are very sensitive to change, and education is only one part of their life.

Information therefore plays a key role, and the hidden costs of the placement systems were an issue. Some students felt they were not made aware of placement costs before they started, and many did not know they were able to claim some expenses back. Students seem to feel they have little control over placement location or hours. Although this seems to be the norm, when so clearly there are large numbers of students who have other commitments, this lack of control can become an additional barrier to course completion and add to the feeling of isolation which the students reported.

Some students spend more than £50.00 - £100.00 per month on transportation, or more. Many face a significant travel distance just to get to and from university. This meant in a number of cases that, despite a placement wage, some students got into more debt going on to placement as there were higher costs and no opportunity to save money.

The barrier which is created for students living in rural areas where placements may be a significant distance from where the students live was also something which came out of the research. One student reported that she had to buy a new car because the amount she was traveling to placement, whereas several others brought

up the wear and tear on their vehicles as a key cost. In the financial context of these students a vehicle break down could have a significant impact on their capacity to maintain their studies.

On top of these issues were problems of the system designed to support placements. They were unhappy about the complicated way of reimbursing travel costs, causing significant cash-flow problems. The high cost of petrol was raised in this context. Although many students said they would like to use public transport this was not always possible due bus timetable and location of placement:

"We are allocated placements wherever there is one. I have had to travel 80 miles 5 days a week which is extremely expensive for me. I am entitled to claim this money back however it takes around 30 days to process this request in this case I struggle to keep up to date with payments and leisure activities during these long periods of travel."

There are local issues related with transport too. Student bus passes may not always be usable, as often night buses do not accept these passes. Also, despite seven-day bus passes being cheaper, some universities will often only reimburse five days' worth of travel pro rata; students are only able to fully claim back five individual day passes despite this being more expensive and time-consuming. This adds to existing concerns that were expressed about having placements during anti-social hours, as this could impact on working arrangements, childcare and again transport. Those with children found that childcare costs were higher due to such unsociable hours.

In general, the process of claiming back transport money was found to be unsatisfactory. The systems which are operated locally do not take into account the delicate cash-flow problems of students in terms of both timing and process; they are better suited to salaried staff who can arguably better absorb costs. The impact of mistakes in the process was also noted in terms of process. There is much which should be done to address this system which in many cases is still reported as paper-based and bureaucratic.

One student commented that her wages were delayed for six weeks at the beginning of her contract, so she had to borrow money to live off, and then spent the remaining duration of placement catching up from what she had borrowed at the beginning. Another shared:

"I have recently been chasing £130 worth of travel expenses for eight weeks. That's quite a low one; sometimes they can be for as much as £200, especially with community placements."

Common problems with reimbursing travel included students not being reimbursed if university is further than their placement destination in miles, which doesn't recognise the reality of how students budget, plan and organise their travel – not least because they may not travel to campus five days a week. The other was problems with rectifying mistakes or omissions such as mistakes with expenses forms being posted back instead of a phone call being made, with participants reporting that they are sometimes posted two to three times with different mistakes highlighted, as well as the correspondence being with the home address instead of study address. These are obviously local issues, but were commonly reported as the kind of thing where a small intervention could really make a difference.

Some participants spoke about unpaid placements. When weighing up the pros and cons of this, a common factor with all of the students who completed an unpaid placement was parental input. All had some kind of input, whether it be living at home rent-free for the duration of the placement, parents covering living expenses, or extra support when facing financial difficulty. This suggests that for those whose parents are not in a position to have some kind of financial input would be unable to take an unpaid opportunity.

One student stated that they required hand-outs from their parents regularly, but their parents could not realistically afford to do this. An unpaid placement may well be an excellent opportunity but it has detrimental effects on both the student and in some cases their parents. Most had to take on a second job to pay for it, and were far less likely to have children or dependants.

As we look to enhance the student experience, such as with sandwich degrees and placements, it is clear that for groups like parents and mature students, financial concerns and issues are clearly having a direct effect on their ability to perform and excel during their sandwich placements.

Support from family and friends

One of the interesting themes that come out of this research is the extent to which policy assumptions around parental support work in practice. There is a joint narrative between participants that were students that are parents, and students' parents, friends and families. Both groups rely heavily on the support of friends and family, for both groups they rely on so much more than what is provided. One participant made it clear that he felt financially comfortable over the course of his placement only because he had support from his family. Another student, in the cash-flow study by Liverpool Students' Union, was reported as coming the closest to running out of money completely, having access to less than £20 before the next bursary instalment.

Many noted that they rely on their parents for financial help, which they believe is not fair as this puts unfair pressure on their parents:

“Older sister is also doing nursing degree, we are both having to work – parents still need to pay for their own mortgage and for my younger sister, they shouldn't have to worry about mine and my sister's financial situation. They are put under more stress because we don't get a bursary.”

Some have mentioned they have been forced back into living with parents, as they are unable to afford rent and bills if they live independently. There is a general correlation between those within the lower salary brackets with household family incomes up to £15k, staying with parents/family, and those earning over £15k generally staying in rented accommodation.

There are reports of parents taking on extra hours or additional jobs to afford to send their children to university. In these circumstances however, where the household income is increased to meet these actual

needs, do we see the perverse situation whereby the means assessment is changed and takes away available bursaries?

Employment

The headline message for employment in these research reports is that working part time is expected, in fact it is needed. When asked why they undertake employment a significant number replied *“to cover mine or my household basic living costs.”* It seems clear that the socialising aspect of the university is seen as an extra which can be difficult to afford. Indeed, going back to the finance discussion earlier, availability of part-time work, or ability to keep up a job was seen as part of the decision about whether and where to study in the first place. There is a pressure to do paid work for these students, but even students who do not work are aware of this pressure and adversely affected by this situation.

The majority of the students who participated in the research projects have jobs, with a considerable amount having two or more. They feel they need the jobs in order to fund living as they do not get nearly enough from their loans. For others, a part-time job was necessary to mitigate problems with the financial support system such as late bursaries, travel reimbursement and hidden costs. This presented particular challenges to Masters students for example, who are often new to a city and don't necessarily have the knowledge of the university or city needed to get a suitable job within such a short yet crucial timeframe.

A few mentioned that they spend any spare time they do have working instead of concentrating on assignments and exams which led to stress, fatigue and poor performance. One student singled out the impact of part-time work: *“Just in terms of the sheer workload, my grades did suffer. I put that down to not being able to focus completely and just having too much to do”*. The issue isn't just with institutions. Students have to be lucky enough to have an understanding and supportive employer, which is probably why jobs on campus are seen as more popular.

Do you want to know more?



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