

Annexe 3: Findings from the Student Funding Panel survey of students and student focus groups

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Executive Summary

As part of its evidence gathering, the Student Funding Panel requested that information be collected from the student perspective, to supplement information received from the initial call for evidence and the National Union of Students' (NUS) evidence session with the panel.

Additional evidence was gathered through an online survey and a series of face-to-face focus groups with students studying at panel member institutions.

Online student survey

In January 2015, Universities UK asked its members to circulate a survey to their current cohort of UK-domiciled undergraduate students, asking them about their views and experiences of the current student fees and loans system in England.

Key findings from the survey include:

- Over 40% of respondents said they did not consider any alternative options when applying to university.
- There are high levels of satisfaction with universities' facilities for teaching and learning, as well as for various other resources and services.
- One in three respondents said they would accept small annual increases in tuition fees if their university was faced with a reduction in available resources to sustain its activities.
- There was no overall consensus on whether the university experience represents value for money, but perceptions differ between students in different subject areas.
- Living costs are a concern for the vast majority of students; respondents were more likely to be concerned about meeting their costs of living than tuition fees.
- Around two-thirds say they are at least 'quite concerned' about their ability to repay their loan.
- 80% are aware that their loan repayments will only commence once their earnings exceed £21,000, although there is generally a lack of understanding about the finer details, such as interest rates on loans.

Student focus group discussions

In January and February 2015 Universities UK officers conducted focus group sessions at six panel member institutions. A standard set of questions covering decisions to enter higher education, thoughts on value for money and understanding of the student finance system were used across all groups.

Key findings from the focus group on the decision to enter higher education include:

- For the majority of students, the level of tuition fee was not a significant factor in their decision to enter higher education. These students noted that the income contingent nature of repayment was an important factor in fees not being a significant issue.
- Across all groups, students noted that the level of tuition fee had little or no influence in their decision of where and what to study.
- For the majority of students, considering how they would meet the costs of living – particularly for universities in and around London – played an important role in their decision to enter.

Key findings from the focus group on value for money:

- Across all groups, students were very conscious of variation in 'value for money' across courses, departments and campuses within their institution. This was often linked to differences in contact hours, class sizes and access to academic staff, quality of teaching facilities and quality of accommodation.
- Some students noted that it was not possible to determine 'value for money' without knowing the impact it will have on their employability. These students felt that gaining a good job after graduation would be an indicator of good value for money.
- It was widely felt that more information was needed as to how income from fees contributed to university finances and how income was being spent on teaching.

Key findings from the focus group on the student finance system:

- Across all groups, students felt that the current student funding system did not provide the necessary levels of support to meet their costs of living, with the majority of concerns related to accommodation costs.
- The majority of students across groups – particularly those who had researched the repayment system in detail – were not overly concerned about the prospect of repaying loans. These students felt that the more immediate concern after graduation was repaying debt that they had accumulated during their time at university (for example, in the form of overdrafts or credit card debt).
- A smaller number of students felt concerned that they did not adequately understand how the repayment system would work and the impact it may have on their earnings, including their ability to borrow money in the future (such as a mortgage).

Introduction

In January 2015, Universities UK asked its members to circulate a survey to their current cohort of UK-domiciled undergraduate students, asking them questions about their views and experiences of the current student fees and loans system in England.

Those responding to the survey had started their course following the reforms to the student funding system in England in 2012–13. A total of 3,240 valid responses were received.

- As part of the survey, students were asked why they decided to enter higher education, and whether any alternatives were considered, such as employment or study abroad
- how satisfied they are with various aspects of their university experience
- whether they feel their university experience represents value for money
- how able they are to meet their costs of living while studying
- how concerned they are about their ability to repay their student loan
- a series of questions about their understanding of the student loan system

Key findings

Key findings from the survey were as follows:

- Over 40% of respondents said they did not consider any alternative options when applying to university.
- There are high levels of satisfaction with universities' facilities for teaching and learning, as well as for various other resources and services.
- One in three respondents said they would accept small annual increases in tuition fees if their university was faced with a reduction in available resources to sustain its activities
- There is no overall consensus on whether the university experience represents value for money, but perceptions differ between students in different subject areas
- Living costs are a concern for the vast majority of students; respondents were more likely to be concerned about meeting their costs of living than tuition fees
- Around two-thirds say they are at least 'quite concerned' about their ability to repay their loan
- 80% are aware that their loan repayments will only commence once their earnings exceed £21,000, although there is generally a lack of understanding about the finer details, such as interest rates on loans

Profile of respondents

There were 3,240 valid responses to the survey, from students currently enrolled across 40 different higher education providers.

The profile of respondents is set out below, focussing on students' age, year of study, subject area, living arrangements, and their home country within the UK.

Figure 1 shows the age profile of respondents: 63% were under 21, and 37% were mature students (21 or over). This compares to a respective 55% and 45% within the applicable student population in 2013–14.¹

Figure 1: Age profile of survey respondents

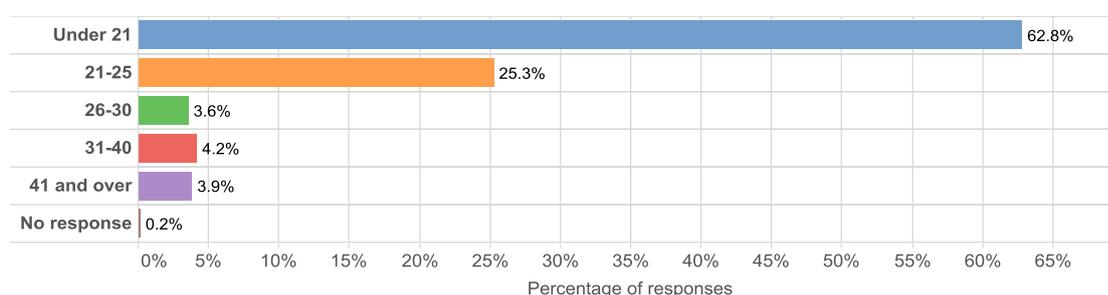


Figure 2 shows that there was an even split among respondents between those in their first and second years of study. Fewer (25.8%) were in their third year.

Figure 2: Respondents by year of study

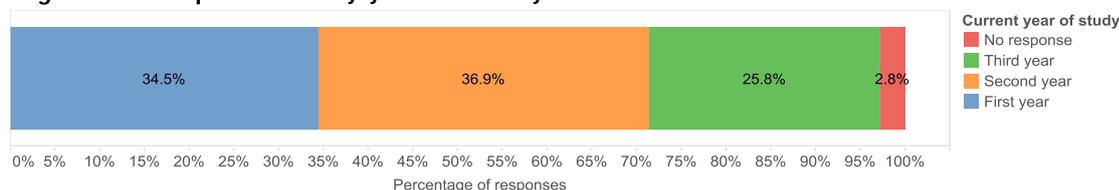


Figure 3 shows respondents by their main subject area. Students studying in STEM fields represented 42% of respondents, whilst 52% were enrolled in other subjects. This compares to a respective 46% studying STEM within the applicable student population, and 52% in other subjects.²

Figure 3: Respondents by subject area

Social studies	12.5%	Law	4.1%
Biological Sciences	8.9%	Computer sciences	3.5%
Physical sciences	7.5%	Veterinary Sciences, Agriculture	3.3%
Creative Arts and Design	7.2%	Engineering	3.1%
Subjects allied to medicine	7.0%	Languages	2.7%
Business and Administrative studies	7.0%	Mathematics	2.5%
Historical and Philosophical studies	6.7%	Mass Communications and Documentation	1.8%
Education	5.6%	Architecture, Building and Planning	1.0%
Medicine and dentistry	4.8%	Technologies	0.7%
Linguistics, Classics	4.3%	No response	5.6%

Figure 4 shows that the vast majority of students completing the survey were enrolled full-time.

¹ HESA Student Record, 2013–14. These percentages refer to UK domiciled first degree students enrolled at higher education providers in England.

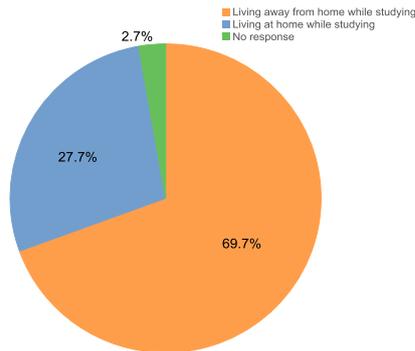
² A further 2% of students were studying 'Combined' subjects, in 2013–14.

Figure 4: Respondents by intensity of study



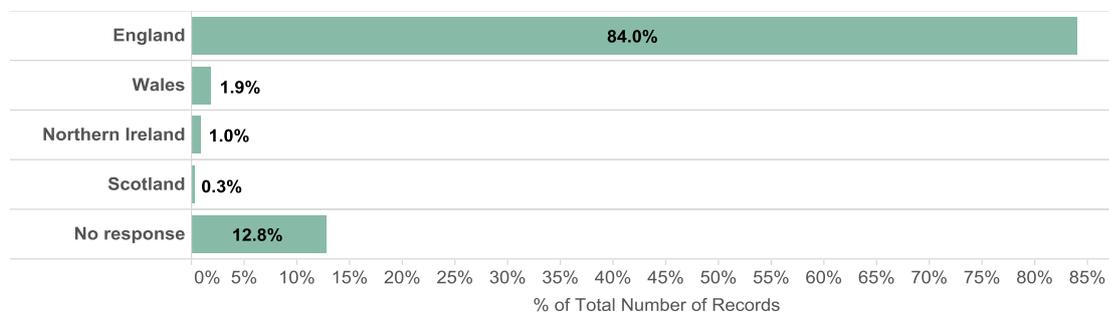
More than two-thirds of respondents were living away from home when studying for their degree, as shown in Figure 5.

Figure 5: Respondents' living arrangements



Finally, Figure 6 shows that around 3% of all respondents were from Wales, Northern Ireland or Scotland.

Figure 6: Respondents by country of home address



Survey findings

The substantive section to follow will draw out the key findings from the survey, focussing on three broad areas:

1. The decision to enter higher education.
2. The experience of university to date.
3. Value for money and student finance.

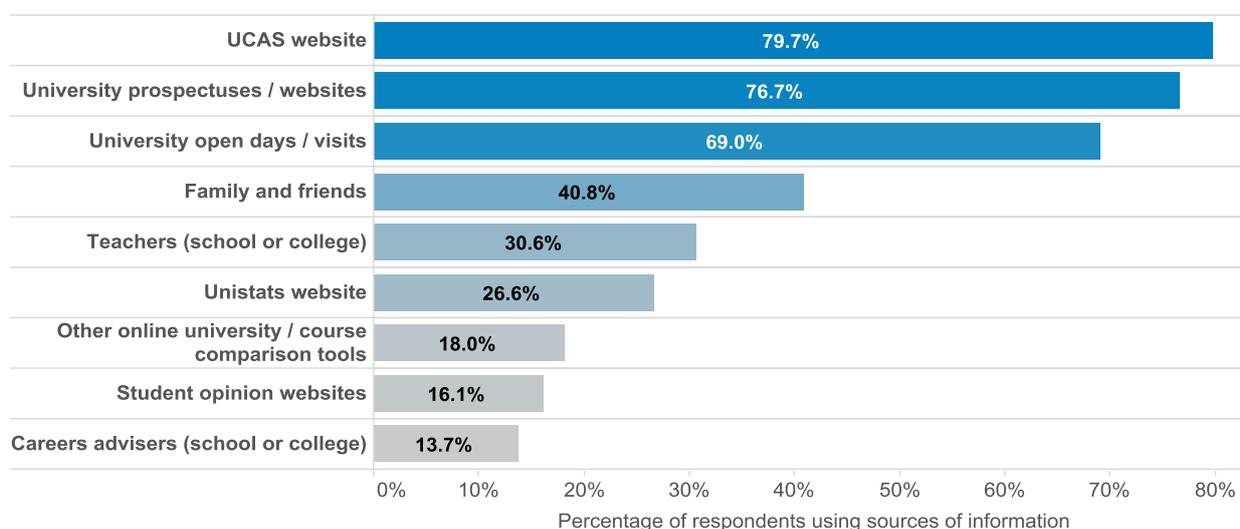
The decision to enter higher education

The students were firstly asked: what informed their decision to go to university; whether they considered any alternatives to higher education; and why they ultimately chose to go to university instead of pursuing other options.

Q: Please indicate which sources of information you used when making your decision to apply to university (please select all that apply)

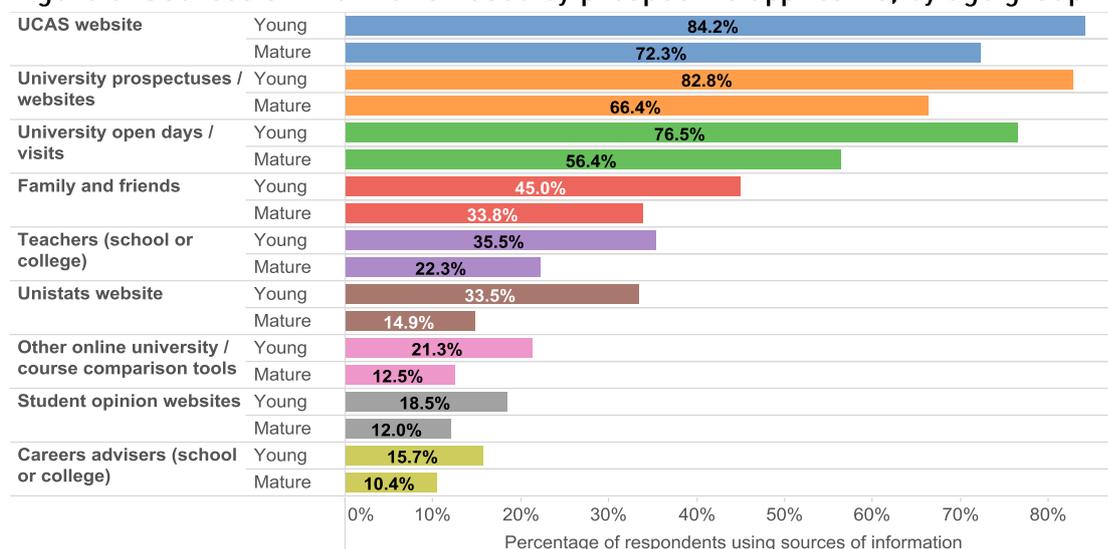
Figure 7 shows that around 4 out of 5 respondents had referred to UCAS' website to inform their decision to apply to university. This was closely followed by universities' own websites and prospectuses, which 77% of respondents used.

Figure 7: Sources of information used by prospective applicants



Splitting the respondents by age group (young being under 21, and mature being 21 and over), the results – as seen in Figure 8 – show that mature applicants were less likely overall to cite any particular source of information as being used to inform their decision compared to young students. On average, mature students cited 3.2 different sources of information as being used to inform their decision, and young students 4.3.

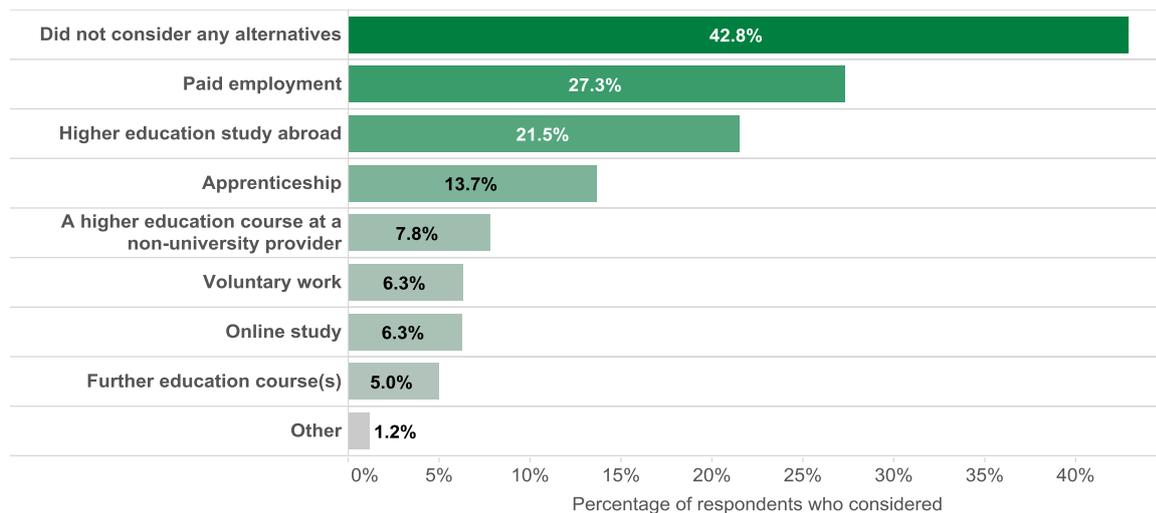
Figure 8: Sources of information used by prospective applicants, by age group



Q: When making your decision on whether to apply to university, did you consider any of the following alternatives? (please select all that apply)

More than 4 in 10 respondents stated that they did not consider any alternative options to entering university. However, around one-quarter of respondents said they had considered paid employment as a possible alternative, and 1 in 5 had thought about studying overseas.

Figure 9: Alternatives to university considered



Q: What is the main reason for your decision to attend university rather than the alternatives you identified?

The survey contained one open-ended question: asking students the ultimate reason behind their decision to apply for university. The word cloud depicted in Figure 10 shows the words most commonly appearing in students' responses.

Figure 10: Words most commonly used by respondents when describing their main reason for choosing to go to university



Overall, the most popular reasons given were:

- 'To make me more employable/improve my career prospects'.

- 'A university degree is a requirement within my chosen field of work'.
- 'To continue with my education/because of my interest in the subject'.
- 'For the student experience'.
- 'To better myself'.

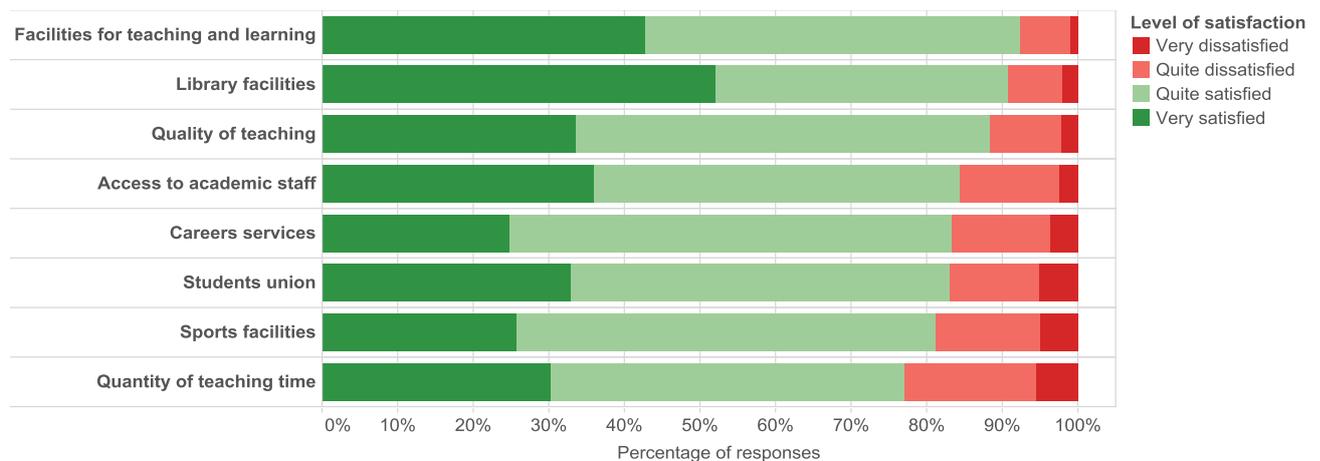
The experience of university to-date

The second section of the survey asked students to reflect on their university experience to-date. Specifically, how satisfied they are with teaching and various services and facilities provided by their institution, and whether they feel that their course has equipped them with the skills necessary to obtain their future job of choice.

Q: How satisfied are you with the following areas of your university experience?

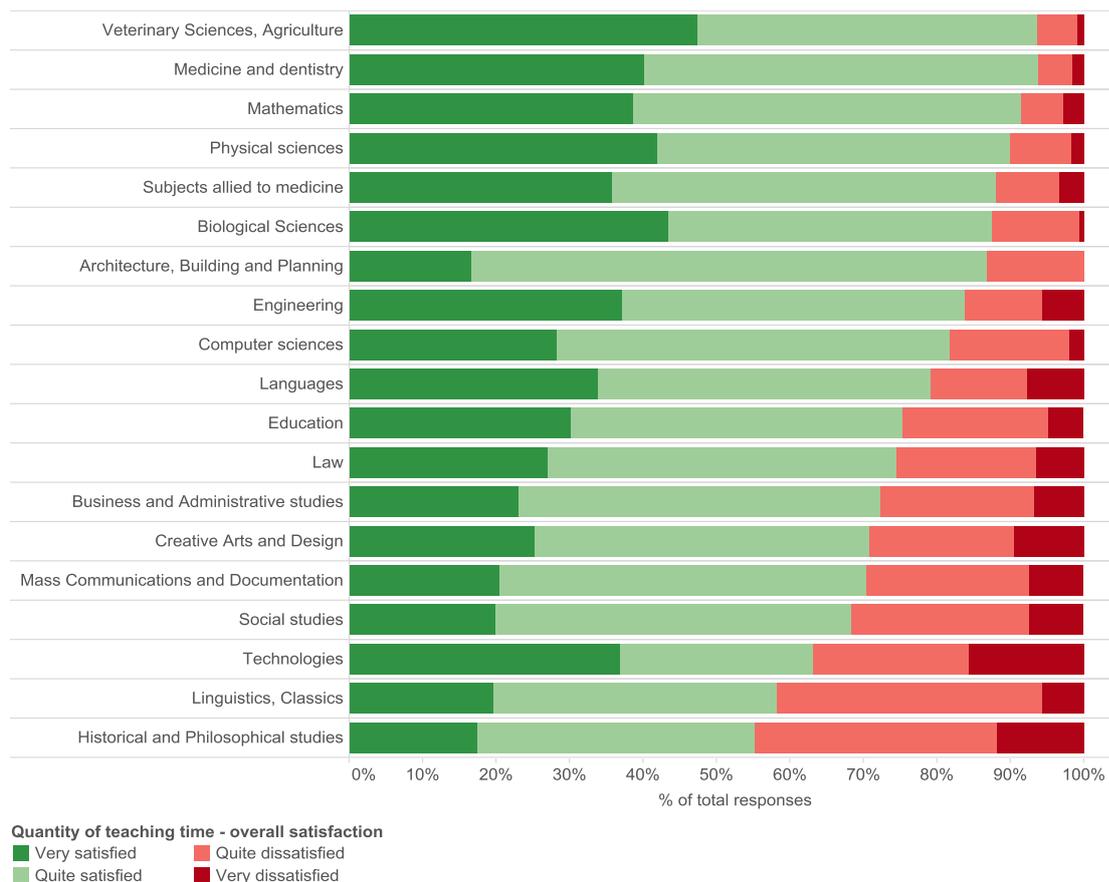
Overall, high levels of satisfaction were reported by students across all areas, particularly for 'facilities for teaching and learning' and 'library facilities', both of which more than 90% of respondents said they quite or very satisfied with. As shown in Figure 11, the area where students felt least satisfied overall was 'quantity of teaching time', with 77% saying they were either quite or very satisfied.

Figure 11: Levels of satisfaction with various aspects of the university experience



Within these totals, there were some differences between students in different subject areas, most notably regarding contact hours. Students enrolled onto STEM courses generally expressed higher levels of satisfaction with their quantity of teaching time than those on other courses. As shown in Figure 12, among the most satisfied were those studying veterinary science and agriculture, or medicine and dentistry, with more than 90% of students saying they are 'very' or 'quite' satisfied. At the other end of the scale, the percentage among those enrolled in historical/philosophical studies was less than 60%.

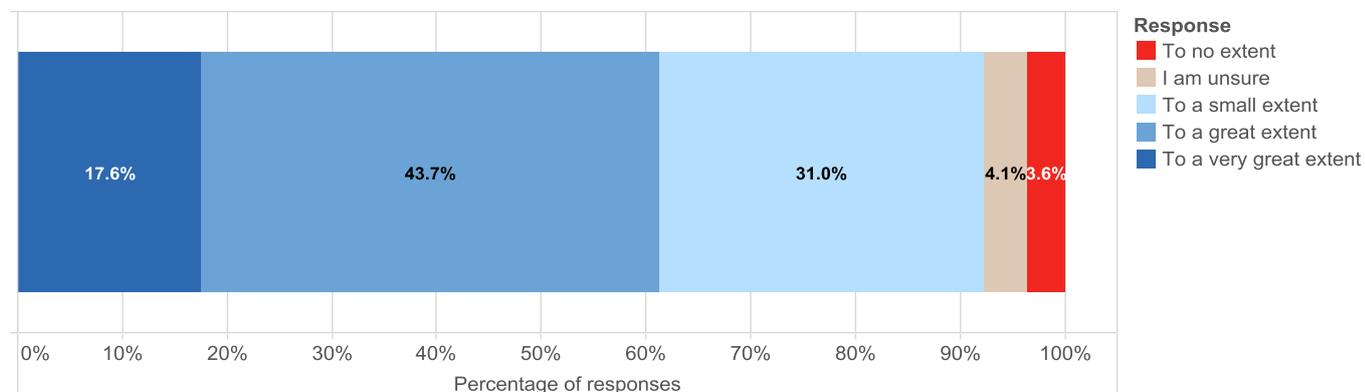
Figure 12: Levels of satisfaction with quantity of teaching time, by subject area



Q: Thinking about your experiences at university to date, to what extent do you feel you have developed skills useful for future employment?

Responding students were most likely to state that their university experience has prepared them with the skills they require 'to a great extent'. As shown in Figure 13, just fewer than 4% of respondents believe that their course has not prepared them in this way at all.

Figure 13: The extent to which university has so far developed students' skills useful for future employment



Value for money and student finance

The final section of the survey focussed specifically on funding. Students were asked where a university's investment in activities should be reduced, should they be faced with an increasingly challenging financial climate. They were also asked whether their course

represented 'value for money', about their costs of living, and their level of concern about repaying their student loans.

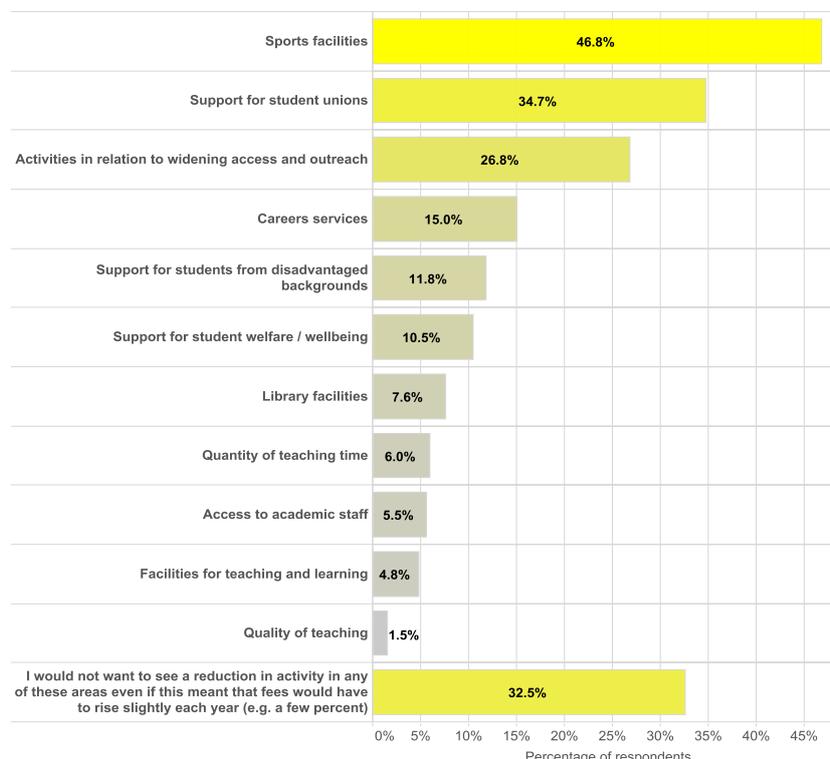
Finally, respondents were asked a series of questions about how the current loan repayment system works.

Q: Imagine a future scenario where universities have reduced resources available, due to a reduction in fees or fees staying constant in cash terms while inflation reduces their spending power. In which of the following areas, that are supported by income from fees, would you be willing to see reduced activity (please select all that apply)?

One in three students said that, should universities be faced with reduced resources, they would be prepared to see tuition fees rise slightly each year in order to protect the institution's current levels of activity.

However, most of the respondents stated that there are activities which could be reduced in such a scenario. As shown in Figure 14, just under half of students said that they would be willing to see investment and spending on sports facilities decrease, whereas one in three would accept a lower level of support for student unions.

Figure 14: Areas where activity could be scaled down, should universities have reduced resources available

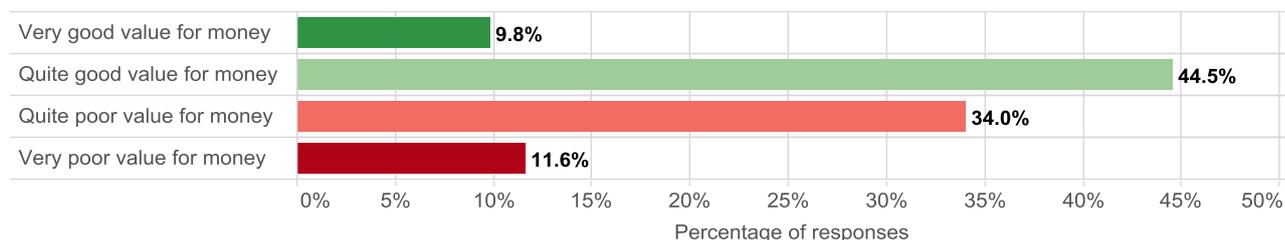


Q: Considering your financial investment and your responses to the previous questions, how would you rate the value for money offered by your university experience to date?

Overall, responses were split when students were asked whether their university experience represents value for money, with 54% saying that their financial investment in university has so far been 'very' or 'quite good' value for money, and 46% saying it has been 'very' or 'quite'

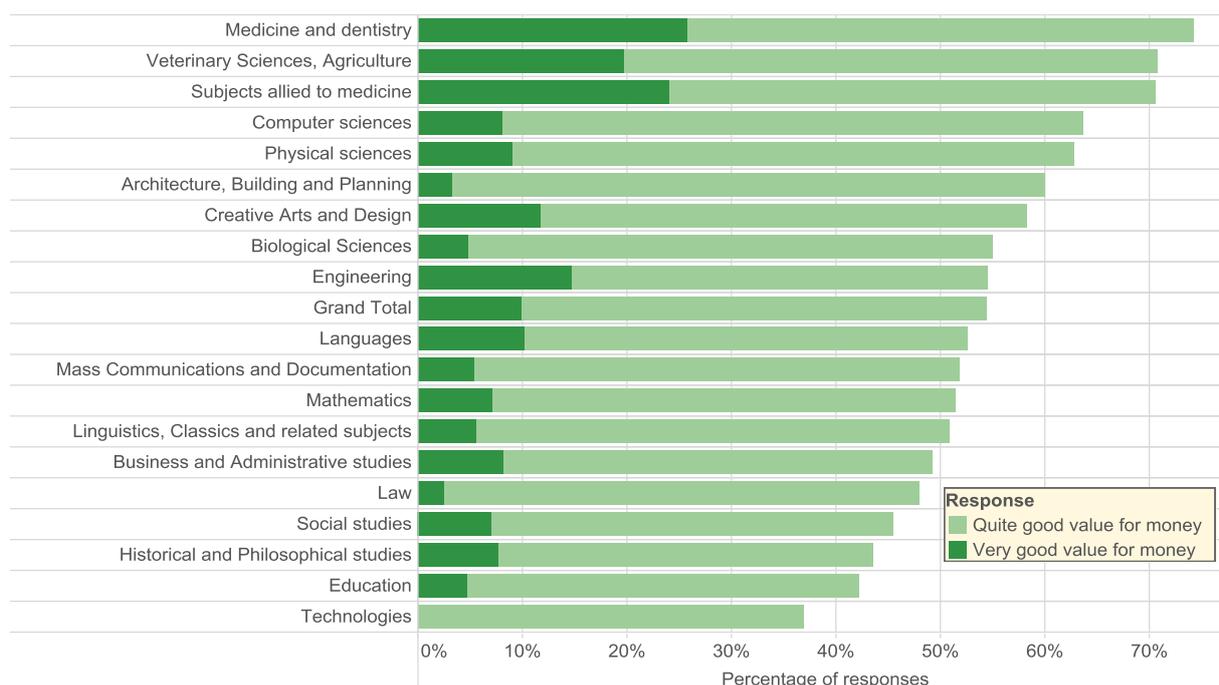
poor. As shown in Figure 15, students were most likely to state that their university experience represents 'quite good value for money'.

Figure 15: The extent to which university represents value for money



Whilst 54% of all respondents said that their university experience offered value for money (either 'very good' or 'quite good'), there were differences between students in different subject areas. For medicine and dentistry students, the total was 74%, closely followed by those studying subjects allied to medicine and veterinary science/agriculture (both 71%). Non-STEM students were less likely to rate their experience as representing good value for money, as shown in Figure 16.

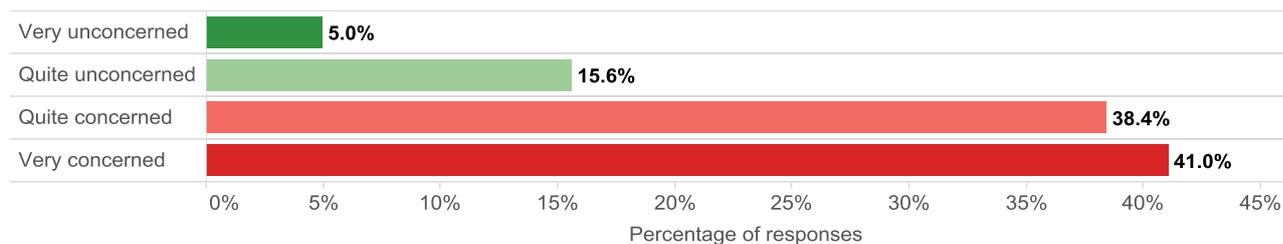
Figure 16: Respondents' stating that university represents value for money, by subject area



Q: How concerned are you about meeting the costs of living during your course?

A substantial proportion of the responding students are concerned about meeting their current costs of living. Figure 17 shows that around 4 in 5 (79%) said they are at least 'quite concerned' about meeting the costs while studying.

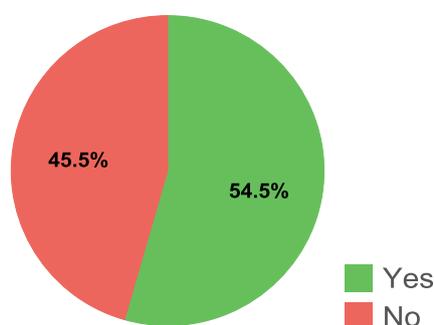
Figure 17: Levels of concern about meeting living costs



Q: Do you meet some of the costs of living by working alongside your studies?

Following on from the previous question, 55% said that they are in some kind of paid employment whilst studying in order to help meet their cost of living, as shown in Figure 18.

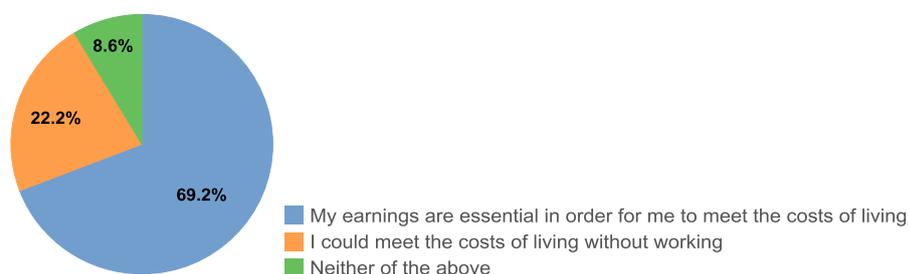
Figure 18: Percentage of respondents working whilst studying



Q: Earnings and living costs: which of the following statements is closest to your own experience?

Just fewer than 70% of respondents said that their earnings are essential in order for them to be able to meet their living costs. As shown in Figure 19, a minority said that they do not need to work in order to do so.

Figure 19: How essential students' earnings are in order to meet living costs



Q: Which of the following concerns you the most? (Select one of the following)

Figure 20 shows that students responding to this survey are – in fact – more likely to be concerned with living costs than the level of tuition fees, with 58% stating that living costs are of greater concern, compared to 42% for fees.

Figure 20: What the greater concern is, according to respondents: living costs or tuition fees

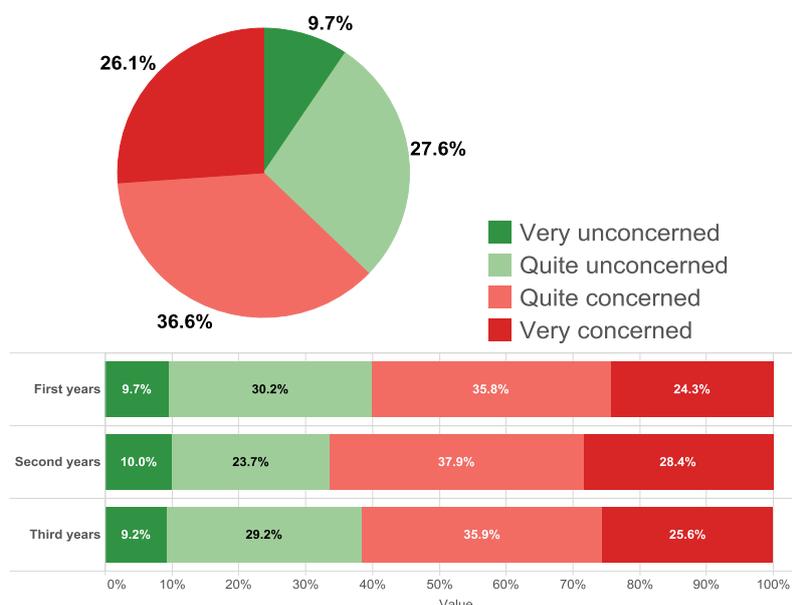


Q: How concerned are you about your ability to repay your student loan after your course?

Students responding were more likely to say that repaying their loan was a concern to some extent, with just under two-thirds (63%) stating that they are 'very' or 'quite' concerned about their ability to repay, as shown in Figure 21.

Also shown are the same responses split by students' year of study. We could assume that levels of concern might increase as students come closer to completing their course, although the responses to this survey do not suggest that this is necessarily the case.

Figure 21: Levels of concern about repaying student loans

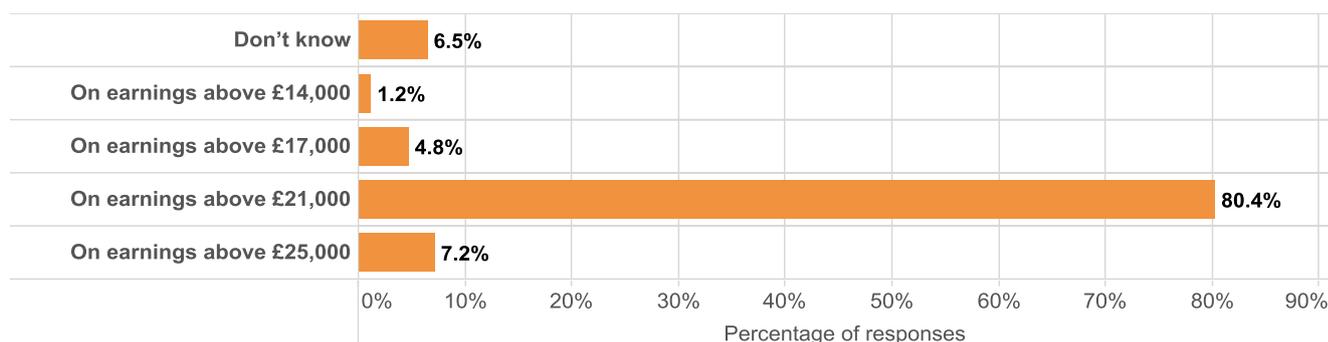


There was also no real difference in the results if only analysing the responses of students from England.

Q: At what level of earnings do student loan repayments begin?

When asked about when they must start paying back their loan, the vast majority of students (80%) understood that they must be earning above £21,000 before repayments commence. As shown in Figure 22, around 13% guessed incorrectly, while the remainder did not know.

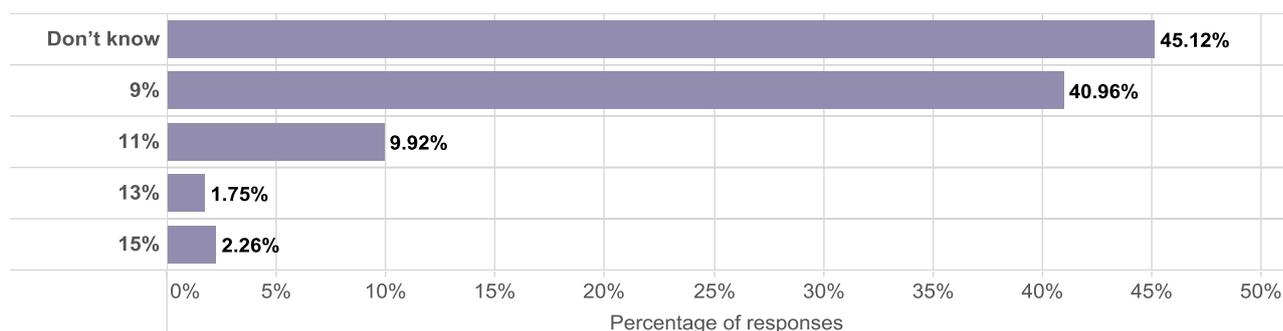
Figure 22: Respondents' understanding of the salary threshold in relation to repaying student loans



Q: What percentage is repaid above this level of earnings?

Figure 23 shows that 45% of respondents said that they 'don't know' what percentage of their salary above £21,000 will be repaid. A slightly lower proportion (41%) answered correctly that 9% of earnings above £21,000 are to be repaid. Among those who answered the previous question correctly, a total of 56% either did not know the answer to this question, or guessed incorrectly.

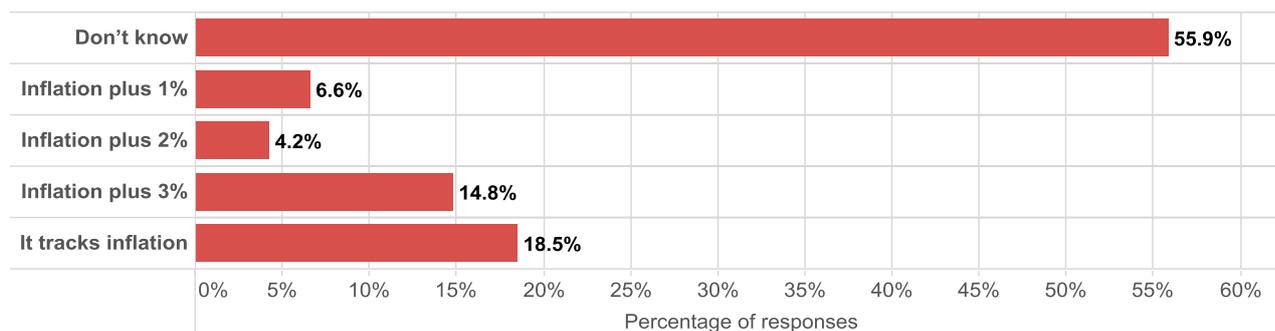
Figure 23: Respondents' understanding of the percentage of earnings repaid above the salary threshold



Q: What is the maximum interest rate that is currently charged on a student loan?

Only a small proportion knew that the maximum level of interest charged on a loan is currently set at Retail Price Index (RPI) plus 3%. As shown in Figure 24, more than half (56%) said they do not know.

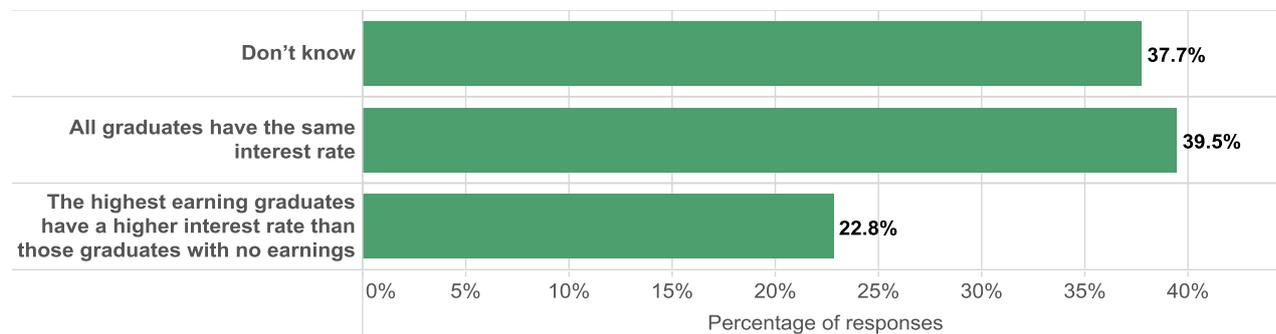
Figure 24: Respondents' understanding of interest levels on their loan



Q: Which of the following statements about interest rates on student loans is correct?

Finally, fewer than one in four students responding knew that the interest rate on their loan will be affected by their level of income, (from April 2016 onwards), as shown in Figure 25.

Figure 25: Respondents' understanding of how salary will affect loan interest rates



Findings from the student focus group discussions

Background

In addition to the online survey, further evidence was sought from the student perspective. In January and February 2015, the Student Funding Panel secretariat, consisting of UUK officers, gathered additional evidence through a series of face-to-face focus groups with students studying at panel member institutions under the post-2012 funding system.

Method

In total, six focus groups were arranged at six panel member institutions, with student representatives at each institution asked to recruit UK and EU domiciled undergraduates who entered university from 2012–13 onwards, from a range of subjects and modes of study. Overall, 26 students took part in face-to-face focus group sessions across the six institutions identified in Table 1.

Table 1: Location and date of focus group sessions

Institution	Date of visit
University of Roehampton	16 January 2015
Birkbeck, University of London	21 January 2015
University of Reading	27 January 2015
Oxford Brookes University	28 January 2015
University of Surrey	3 February 2015
University of Bath	5 February 2015

For each group, sessions lasted approximately one hour, and were attended by UUK officers who facilitated the discussion. A standard set of questions covering decisions to enter higher education, thoughts on value for money and understanding of the student finance system were used across all groups (see Box 1).

Box 1: Focus group questions

Decision to enter higher education

To start off with, we would like to ask you about your decision to enter higher education.

1. Thinking back, what were the main factors that influenced your decision to enter higher education?
2. Did you consider any alternatives to entering university? *[If needed, prompt on whether they considered entering employment, applying for an apprenticeship, studying abroad, non-university providers of higher education]*
 - a. *[For those who did consider alternatives]* Why did you end up choosing university?
3. To what extent did financial considerations, such as tuition fees or meeting the costs of living, influence your decision to enter higher education?
4. Once you had decided on going to university, what were the main factors that influenced your choice university and course?

Value for money

In considering the design of the student fees and loans system in England, one of the key aspects that the panel is interested in is the system's ability to deliver value for money for students, especially in the context of lack of transparency of costs to government and not all institutions seeing a significant increase in funding despite the increase in fees.

5. Thinking about your reasons for attending higher education, your financial investment and your current experience, what are your initial thoughts regarding the term 'value for money' and what this means for you? *[For example do you feel this is related to your university experience, the impact on your employability after graduation or something else?]*
6. Thinking about your current university experience, are there any areas that you feel have offered particularly good / poor value for money? *[If needed, prompt with particular examples from survey]*
 - Facilities for teaching and learning
 - Quality of teaching
 - Quantity of teaching time
 - Access to academic staff
 - Library facilities
 - Support for student unions
 - Sports facilities
 - Support for student welfare / wellbeing
 - Support for students from disadvantaged backgrounds
 - Activities in relation to widening access and outreach
 - Careers services
7. What changes do you feel would be needed to improve the value for money you receive for your financial investment?

Student finance system

And finally we would like to ask about your thoughts on the student finance system.

8. As a student, how do you feel about meeting your costs of living? Do you feel that the current system provides appropriate support to help with these costs?
9. Looking forward, how concerned are you about the prospect of repaying your student loan? *[Probe on concerns and feelings related to current repayment system, repayment threshold, repayment rate, interest rate, length of repayment]*
10. And finally, given the current economic and financial climate for both government and universities, do you have any thoughts as to how the student funding system could be improved?

Participating students were informed that the panel was interested in their own experiences of and thoughts on the student funding system, that the main themes from each discussion would be fed back to the panel, and that no comments would be attributed to individuals.

Results

This section provides a summary of the main themes and observations across the various groups, with results grouped according to each overarching set of questions covering: decisions to enter higher education; thoughts on value for money; and understanding of the student finance system.

Decisions to enter higher education

Main factors influencing decision to enter higher education and choice of university / course

Across all groups, common factors identified by students as influencing their decisions to enter higher education, following the increase in fees, included:

- **Parental influence.** Across all groups, students noted that there was an expectation that they would enter higher education, as everyone in their family had done so. Others with families where no-one had participated in higher education were also encouraged to do so. Within both of these student groupings, it was noted that family and friends felt that studying for a degree was considered more 'aspirational' than other non-higher education options.
- **School influence.** Some students noted that there was an expectation that pupils at their school/college would progress to higher education and that this was often the 'easiest' option when deciding what to do after A-levels.
- **Qualification needed for choice of career.** A number of students, particularly mature students deciding on a change of career, noted that degree-level qualifications were a requirement for progression in their chosen professions (e.g. teaching, psychology, architecture). This included the opportunity to gain professional accreditation.
- **Employability.** Many students felt that a degree was now the minimum requirement for obtaining a good job.
- **Passion/interest in subject.** Many students noted that they had entered higher education due to a passion and desire to study a particular subject in an academic setting. In most cases where this was mentioned, it was also felt that having an academic qualification would: improve employability in relevant industries; fast-track career progression, and provide more options in development of a career.

Other factors cited less commonly included a desire for the 'student experience'; the opportunity to mix with different social groups, and a desire to move away from home. Some students felt that spending time at university offered them a chance to reflect on the career they wanted to move into once they graduated

Once students had decided to enter higher education, the most commonly cited factors in choice of university and course were as follows:

- **Course characteristics.** Across groups, students noted that specific course characteristics such as availability of integrated postgraduate qualifications, delivery of a course in evenings, a good balance of practical and theory, and the provision of placements influenced their choice of university and course. Some students found that there were only a limited number of options available for the courses they were interested in and they would have preferred a wider range to choose from.
- **Location of institution.** Some students had a preference for certain locations either due to the need to be close to major centres of activity in their chosen subject (for example, proximity to London for arts courses) or to be close to home for support for living costs.
- **Reputation of institution.** In a number of groups, the reputation of an institution – often in the subject of interest – influenced student decisions on where to study. Sources used included: position in league tables; recommendations by friends, other students and teachers in school/college; and an institution's standing amongst employers. Some students felt that an institution's reputation was important as it would impact on their employability following graduation.

In one group, the 'campus-feel' of the institution played an important role in influencing many of the students in choosing to study there. Other factors identified by students included: the state of facilities (such as halls of residence), and flexibility in entry criteria. Mature students also noted that they were generally more attracted to institutions with higher proportions of mature students, and those which provided institutional support for living costs.

Across all groups, students noted that the level of tuition fee played little or no influence in their decision of where and what to study, due to a lack of variation in fees.

Alternatives to university

Across all groups, the majority of students did not consider alternatives to pursuing higher education at a university in the UK. Of those students that did consider alternatives, the most commonly cited were the following:

- **Study abroad.** A number of students considered studying overseas, with a number of destinations mentioned (such as the USA, Australia, UAE). Reasons as to why they did

not pursue these options further were: high fees or costs of living; lack of support or advice on the application process; language barriers; lack of required professional accreditation; and differences in practises or conventions in subject of study in other countries.

- **Non-higher education routes to employment.** A number of students, particularly mature students, considered alternatives including: internships; placements, and continuing employment. These students, however, felt that entering higher education would improve career progression in the long run.
- **Apprenticeships.** Some students felt that the idea of an apprenticeship was attractive, but the level of pay was either deemed to be too low or adequate opportunities were not available in their area of interest (architecture).
- **Non-degree-level higher education qualifications.** Those students that considered non-degree-level higher education qualifications, such as foundation degrees felt that they did not offer the same level of immersion as a bachelor's degree, or they preferred a greater theoretical understanding of their discipline.

Influence of financial considerations prior to entry

For the majority of students, the level of tuition fee did not play a significant part in their decision to enter higher education. Students noted that, under the current system, higher education was free at the point of entry. They understood that the repayment of loans was on an income-contingent basis, and many students noted the £21,000 threshold above which payments begin. This was felt to be an important factor in fees not being a significant issue in the decision to enter higher education.

Although the majority of students felt generally unhappy that fees had increased so significantly, they noted that this had not deterred them from pursuing higher education as they recognised the important part that gaining a degree had in improving their employability.

For the majority of students, considering how they would meet the costs of living – particularly for universities in and around London – played a more important role in their decision to enter higher education. A number of students noted difficulty in finding comparable information on the availability of institutional support for the costs of living, and felt that there was a lack of clarity before they applied about how much support they may receive from the government.

For one EU-domiciled student, the fact that university in the UK was free at the point of entry was given as a positive reason for choosing to study here, as other parts of EU require upfront payment, and the quality of the student experience was felt to be poor in comparison to the UK.

Value for money

Students were asked to consider what the term 'value for money' – with respect to their financial investment in higher education – meant to them.

In all groups, students were very conscious of variation in 'value for money' across courses, departments and campuses within their institution. This was often linked to differences in contact hours, class sizes, and access to academic staff, quality of teaching facilities, and quality of accommodation. A common comparison was between subjects of study, with many students on classroom-based courses like maths or those with fewer contact hours (such as arts) questioning why they were paying the same level of fees as those on laboratory-based degrees which require expensive materials, facilities and offer a lot more contact hours.

Some students felt that they were receiving poor value for money in comparison to those paying lower fees on the previous funding system. One group of students was conscious that their institution had invested in improvements using income from fees, but that they were unlikely to benefit from these as they would graduate before it was finished.

A number of students noted that it was not possible to determine the value for money of their financial investment without knowing the impact it will have on their employability. These students felt that gaining a good job after graduation or employment in a desired industry or profession would be a good indicator of value for money.

Other observations in relation to 'value for money' included the following:

- **Increased expectations.** A number of groups commented on increased expectations and the increasingly 'customer-orientated environment' in relation to services the university provided. Examples included: students questioning why a field trip had been cancelled, and dissatisfaction with responses to queries related to facilities (IT, libraries). There was an expectation that, with higher fees, students should receive better service from both academic and non-academic aspects of their time at university.
- **Income-contingent nature of repayment.** One student noted that, due to the income-contingent basis of repayments, and the difficulty in determining how much they will actually pay, it was difficult to decide if the system represented value for money.
- **Institutional reputation.** A student group at one university were conscious of investments their university had made using income from tuition fees and the positive impact this had on the prestige and perception of the university in both academic and non-academic areas. It was felt that this increased the value for money they received for their financial investment. One student commented that: *'As long as it is visible that*

money is being invested in the university, and it retains its prestige amongst employers and high position in league tables, I feel that I am receiving good value for money'.

- **Comparison to other countries.** An EU-domiciled student noted that, in comparison to the quality of education and facilities available in their home country – where lecture halls were overcrowded and access to staff was poor – value for money received in England was much better, despite higher fees.
- **Transparency in university expenditure.** Across most groups, there was a mixed understanding of the impact of increased fees on the funding that was available to institutions. A common response by a number of students was to question why such a significant increase in fees had not resulted in greater investment in teaching. However, some students did note that the increase in fees had not resulted in a significant increase in income for institutions. It was widely felt that more information was needed about how income from fees contributed to university finances and how income was being spent on teaching.

Students were asked to consider areas of their university experience which they felt had delivered good value for money. Common responses were as follows:

- **Contact hours and access to staff.** The most commonly cited area identified in relation to good value for money was where a high level of contact hours or good access to staff was provided.
- **Feedback.** Across a number of groups, students felt that the ability to provide feedback – which is then acted upon by the university – also contributed to their perception of good value for money. Examples include: unit evaluations at the end of modules (the results of which are published and staff are held accountable to), and the ability to request new units. However, some students noted that feedback not being acted upon led to a perception of poor value for money.
- **Careers advice and support.** Students at one institution noted that they had access to their careers service up to three years after graduation which they felt delivered very good value for money.
- **Facilities.** Students across a number of groups noted that they received good value for money due to the high standard of academic and non-academic (for instance sports and arts) facilities available at their institution.

Students were also asked to consider areas of their university experience which they felt delivered 'poor value for money'. Common responses included:

- **Facilities and use of space.** Across a number of groups, students felt that poor use of space and state of facilities led to a perception of poor value for money. Examples included: use of rented rooms for lectures outside the university campus, and accommodation far from the main university campus. In both instances, it was noted that this detracted from the student's sense of identity as a member of the university.
- **Additional costs.** Students who experienced additional course costs (for example for course materials, printing, and field trips) felt they were receiving poor value for money, particularly where these were unavoidable due to course requirements.

In the context of their observations of value for money, students were asked what changes they felt would be needed to improve the value for money they receive for their financial investment. Common responses were as follows:

- **Engagement with staff.** Students within a number of groups felt that their perception of value for money could be improved with greater engagement and increased opportunities for discussion between students and academic staff.
- **Facilities.** Some students felt that improvements to the quality of facilities and buildings – including how space is used – and avoiding excessive use of off-campus spaces for teaching and accommodation would improve their perception of value for money.
- **Increased provision of internships and placements.** Students often noted that this varied across departments and courses, and identified other departments where internships and placements were more common when describing why they felt they were not receiving adequate value for money. A similar point was raised in relation to career fairs which, for some subjects, attracted a higher calibre of employer than for others.
- **Accommodation.** Student groups from institutions in or around London felt that greater institutional investment in affordable student accommodation was one way of improving value for money.

Student finance system

Costs of living and the ability of student funding system to provide appropriate support

Students were asked to comment on how they felt about meeting their costs of living, and whether they felt that the current student funding system provided appropriate support (both from government and institutional sources) to help with these costs.

Across all groups, students felt that the current system did not provide the necessary levels of support to meet their living costs, with the majority of concerns related to accommodation costs which, for most students, accounted for the bulk of their expenditure. A number of students noted that annual increases in loans and grants each year were substantially below increases in accommodation costs. These students noted that they would like to see a greater variety of options for accommodation, particularly in relation to price ranges. It was felt that there was a lack of competition amongst providers for student accommodation.

A common observation by student groups at particular institutions was that there was no weighting provided for loans to students studying outside London, despite accommodation costs being relatively similar, particularly for cities within commuting distance of London. These students felt that it was unfair that only one rate for maintenance loans was provided to students studying outside London, as there were large variations in costs of living, particularly for accommodation, across the country.

A number of students felt that there was a lack of transparency and comparable information – particularly prior to application – on the costs of living and the level of support that they would have access to across all sources (government and institutional). Some students noted that they would have considered studying somewhere else if they were aware of the high costs where they currently were. It was widely felt that information, advice and guidance in this area should be improved.

In a number of groups, students noted that they were aware of examples where other students received enough support so that they didn't need to work. They questioned whether this was fair and whether more needed to be done to evaluate how support was allocated and used, particularly for government maintenance grants and institutional bursaries. Some students questioned eligibility criteria used for institutional bursaries (such as place of residence or parental income) and suggested that more support should be available to those whose financial circumstances change quickly due to issues outside their control (for example, changes in parental financial circumstances).

One student group felt that entitlement to support seemed to be very high up to a certain threshold and dropped off quite quickly above this. They questioned why eligibility for loans and grants was based solely on parental income, and that this measure did not always correlate with student needs or the support that a student may receive from parents (for example, for those families with a number of children in higher education, disposable income was suggested as a better reflection of support that may be available).

A common observation across all student groups was that the maintenance payments received by students, which are provided on a termly basis, did not align with the monthly or weekly costs that students faced. Students in a number of groups also noted that the student support system was too bureaucratic and unnecessarily confusing. This was particularly the case for students whose parents were self-employed.

At one institution, students noted that definitions used in determining full-time and part-time status, for the purpose of eligibility for student support, resulted in part-time students studying one lecture a week less than a full time student receiving access to far less support despite facing similar costs. The lack of support for those students studying for a qualification at a higher or equivalent level to one they already held was also highlighted. Students in this particular group felt that eligibility for support should be based on need rather than mode of study or other characteristics related to course of study.

Concerns regarding repayment of loans

Looking forward, students were asked how concerned they were about the prospect of repaying their student loans after graduation.

The majority of students across groups, particularly those who had researched the repayment system in detail, felt that they were not overly concerned about the prospect of repaying loans as they understood the income-contingent nature of the system. One student commented that: *'The repayment schedule, amount to be paid each month and threshold at which repayments began seemed reasonable and predictable'*. Generally, these students noted that they felt reassured by the automatic nature of repayment, with payments being taken from earnings through the PAYE system, and not having to worry about budgeting repayments. These students also felt that the more immediate concern after graduation was repaying debt that they had accumulated during their time at university in the form of overdrafts.

Students in two groups noted that they viewed the current system as a graduate tax rather than a normal loan. Students at another institution felt that the interest rate was very good, much lower than a bank would charge, and would consider similar loans for postgraduate study if they were available.

A smaller number of students felt concerned that they did not adequately understand how the repayment system would work and the impact it may have on their earnings, including their ability to borrow money in the future (for example, for a mortgage). These students suggested that clearer information should be made available on the level of repayment that they should expect when they graduate.

Suggestions for improvements to the student funding system

Finally, students were asked to provide thoughts about how the student funding system could be improved, given the current economic and financial climate for both government and universities.

Suggestions for improvements to the current system included:

- **Changes to maintenance support provided by government.** Some students felt that maintenance support provided by government should more closely reflect variation in living costs experienced by students across England. A common observation was that, outside London, only one rate of maintenance loan was available despite large variations in costs of living across the country, particularly in relation to accommodation.

Another common suggestion was that the payment schedule for maintenance loans should align more closely with the costs that students face. Across most student groups, it was felt that it would be more helpful to receive payments on a monthly rather than termly basis. Some students also felt that the criteria by which eligibility for various levels of loans is decided, should take into account a wider range of factors than household income (e.g. household disposable income)

Students in one group suggested that the majority of maintenance grants should be abolished, with remaining grant funding allocated to the neediest students using tougher eligibility criteria in the form of hardship funds, and only if a lack of financial assistance impacts on a student's ability to participate in higher education. It was felt that more evaluation of how grant funding for maintenance is being used needed to take place.

- **Greater information on student funding system.** Students in a number of groups felt that more information should be provided on how the student repayment system works. It was suggested that this could include courses or modules on student finance at schools/colleges. These students also felt that clearer and comparable information on the availability of student support from government and institutions (including scholarships) should be available to students when applying.
- **Employer funding.** One group suggested that employers should provide more funding, with tax breaks provided to those companies that are able to fund a certain quota of students at university, and provide employment for these students at graduation.
- **Alternatives to higher education.** Some students felt that greater information on alternatives to higher education should be provided, particularly to school leavers.