

Audit of higher education in Scottish Universities

Scottish Government and Scottish Funding Council response to the recommendation that both parties undertake and publish research on trends in applications, offers and acceptances to Scottish universities.

April 2019

Introduction

1. In 2016, Audit Scotland carried out an audit of higher education in Scottish universities. The report,¹ published in 2016, made a number of recommendations for the Scottish Government and Scottish Funding Council (SFC), as well as for the wider sector.

2. The report recommended that the Scottish Government and SFC:

‘undertake and publish research on trends in applications, offer rates and acceptances for Scottish university places to assess what impact the limits on funded places are having on access to the university system for Scottish and EU students. They should consider the implications of this research for existing policy ambitions and funding approaches’²

3. This paper primarily uses data collected by the Universities and Colleges Admissions Service (UCAS) on the numbers of Scottish and EU individuals applying to study at Scottish Higher Education Institutions (HEIs), subsequent offers and acceptances. Comprehensive data on applications, offers and acceptances to Scottish HEIs are collected and held by UCAS. However, UCAS does not make all of this statistical information publicly available.

4. The data from UCAS utilised in this response have been obtained from their publicly available reports. These UCAS data are accompanied by statistical information on, and analysis of, other measures such as the 16-20 Higher Education Initial Participation Rate (HEIPR), to provide a wider picture of the variety of tertiary education and training options available to individuals within Scotland.

5. The inclusion of this additional information is reflective of the complexity of Scotland’s higher education system. Students attending university are not the only group enrolled in higher education in Scotland. Alongside students at Scottish universities, a considerable number of full-time higher education students in Scotland study at one of its colleges. Scotland’s 16-20 HEIPR of 48.8% in 2016-17 is an indication of the likelihood that a Scottish-domiciled individual will enter higher education, for the first time, between the ages of 16 and 20. (The HEIPR is flexible in that it can be tailored to any age range within the 16-30 bracket if required. For the purposes of this report the HEIPR is being considered for 16-20 year-olds.) This rate has increased year-on-year since 2012-13.

¹ Audit of Higher Education in Scottish Universities, July 2016. Available at http://audit-scotland.gov.uk/uploads/docs/report/2016/nr_160707_higher_education.pdf.

² The period reviewed varied between topics contained within the report. This recommendation falls under Part 4, ‘Being a Student in Scotland’, which primarily considers data from 2014-15.

What we know

6. The Scottish Government provides funding to Scottish universities through the SFC. Through the Outcome Agreement process, the SFC allocates this funding to each individual institution for the academic year, which determines the number of places each university can provide. Universities are able to enrol more students than the number of funded places. In 2017-18 the sector enrolled 9% above the level of funded places.³
7. SFC allocates costs to degrees by price group⁴ and, beyond controlled subject areas,⁵ the division of funds to courses within these groups is a matter for each institution to decide.
8. The Scottish Government, through the SFC, invests significant funds in higher education. In 2017-18, this investment totalled over £1 billion for higher education at Scottish universities alone, with further funding provided through the Scottish college budget and for student support. This funding allows the Scottish Government to fulfil its commitment to provide free higher education to eligible students and ensure that access to higher education for eligible Scottish- and EU-domiciled residents remains free and based on the individual's ability to learn, not their ability to pay. The sector also benefits from additional funding from other parts of Government.
9. Thanks to this investment, the number of Scottish-domiciled full-time first degree university entrants has increased. Around 900 additional funded places were available to Scottish- and EU-domiciled students in 2017-18, compared to 2016-17. Around 700 further funded places were available in 2018-19. This includes additional places for students supported by on-going widening access initiatives. Over the last two years, the number of Scottish-domiciled applicants applying to Scottish Universities, via UCAS, has decreased, though applicant numbers are still higher than in 2015. In 2018, the offer rate made to 18 year-old Scottish-domiciled applicants by UK universities increased. As a result we continue to see an increase in Scottish-domiciled students being accepted through UCAS.
10. However, as noted above, higher education in Scotland is not delivered through universities alone and the SFC also provides funding to Scotland's colleges. The number of full-time higher education students studying for recognised qualifications at colleges has grown by 24.0% between 2008-09 and 2017-18. In 2017-18, more Scottish students were enrolled to study higher education at Scottish colleges than accepted places, through UCAS, to study at Scottish universities. 2017-18 also saw over 24,000 full-time higher education students successfully completing recognised qualifications at college.

³ http://www.sfc.ac.uk/web/FILES/statisticalpublications_sfcst032018/SFCST032018_Students_Eligible_for_Funding_17-18.pdf

⁴ The subject price groups for 2018-19 can be found on page 8 of SFC's 'Outcome agreement funding for universities – final allocations for 2018-19', available at http://www.sfc.ac.uk/web/FILES/announcements_sfcst102018/Outcome_agreement_funding_for_universities_-_final_allocations_for_2018-19.pdf.

⁵ Medicine, Nursing and Midwifery, Dentistry and Initial Teacher Education. The number of places to be filled on these courses per year is calculated according to national workforce planning requirements.

11. While some students may choose to study further education or higher education at college in lieu of receiving an offer from a university, others opt to study at college as an alternative route to a degree, or to take advantage of a different approach to learning. SFC is working with Scottish colleges and universities to increase the numbers of students who proceed to Scottish universities through articulation. Students following articulation routes complete a higher education qualification at college and then progress to university with credit given for their prior qualifications.⁶ Many students from the most challenging backgrounds begin their post-16 education journey in college.
12. As indicated by the growth in Scotland's 16-20 HEIPR, the investment provided by the Scottish Government, through the SFC, has allowed increasing amounts of Scotland's young people to enter into higher education. In 2015-16, the 16-20 year-old HEIPR in Scotland indicated that 47.1% of young people in Scotland are likely to enter higher education for the first time between ages 16 and 20. The rate for English students was lower, at 42.5%. When extended out, the 2015-16 HEIPR estimated that 55.9% of Scottish-domiciled individuals are likely to enter higher education by age 30, compared with 49.3% of English-domiciled individuals. This estimate is supported by higher education enrolment figures. In 2016-17, higher education enrolments at university and college were at a record high level of over 290,000.
13. Comprehensive statistical information about those who were not offered a place, or who choose not to accept an offered place, at a Scottish university is not available. However, given the data available on School Leaver Destinations⁷ the Scottish Government is confident that many of these individuals will have gone on to further training, study at college, university elsewhere, or to work. Consideration of other measures provides a more comprehensive picture of the paths taken by young people in Scotland, and further information on this is provided in the attached annex.

Conclusion

14. Key points of note are:
 - a. The number of Scottish-domiciled applicants through UCAS has increased by over 200 since 2015;
 - b. The number of EU-domiciled applicants through UCAS has fallen by slightly under 500 since 2015;
 - c. The number of Scottish-domiciled applicants being accepted to Scottish HEIs has increased each year from 2015, with a record 35,515 students accepted in 2018;
 - d. The number of EU-domiciled applicants being accepted to Scottish HEIs has fallen by a little over 100 since 2015;
 - e. The number of applicants being offered a place at UK HEIs (offer rate) has increased since 2015 for 18 year-olds;

⁶ These students are likely to enter their degree course in year 2 or 3 and would not count in the UCAS figures.

⁷ See 'Supplementary Data 4. Other Measures'.

- f. The number of young people participating in higher education in Scotland (16-20 year-olds) has increased year-on-year and in 2016-17 was 48.8% compared with 42.4% in 2006-07.
15. The Scottish Government's review of the 15-24 learner journey, published May 2018, considered the efficiency and effectiveness of the current education system and identified 17 recommendations for enhancing learners' experience. A number of these recommendations focus on the delivery of higher education, including:
- Consideration of how the system makes best use of the four-year degree's multiple entry points, to minimise duplication for the learner;
 - Improving articulation between colleges and university; and
 - Supporting leadership across the system to deliver a shared vision for post-15 education.
16. These recommendations are being taken forward with stakeholders across the education system as the learner journey programme commences implementation.
17. In addition, the Scottish Government will continue to work with the SFC, Scotland's universities, and other partners in higher education, to identify further policy initiatives and improvements which can be implemented within the sector. In doing so, we hope to ensure that all students who choose to study in Scotland will receive a world-class education.

Supplementary Data

1. UCAS Applications, Acceptances and Offer Rates⁸

Applicants

Applicants for all courses at Scottish HEIs

Domicile	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Scotland	34,810	42,140	42,460	41,720	42,200	43,170	47,710	48,640	48,120	47,980
EU (excluding UK)	12,190	15,750	17,050	18,130	18,870	18,730	19,290	19,820	19,090	18,810

Source: UCAS, June deadline 2018

18. The latest June deadline UCAS data, published in June 2018, show a decrease (140 applicants) from the number of Scottish-domiciled applicants in 2017.⁹ The number of non-UK EU-domiciled applicants has decreased by 1.5%. This may be a result of the uncertainty over the future immigration status of EU students in the UK, as the number of EU applicants has decreased since the EU Exit referendum in June 2016.

Offer Rates

Offer rate for 18 year old main scheme applications by Country of Applicant to UK HEIs

Domicile	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Scotland	75.8%	64.1%	57.0%	59.9%	60.3%	62.9%	61.2%	59.7%	61.9%	63.1%
England	73.4%	70.2%	68.8%	71.9%	75.8%	77.0%	77.8%	78.5%	79.6%	80.3%
Northern Ireland	78.6%	74.5%	70.1%	73.4%	76.4%	78.5%	78.4%	78.4%	78.7%	79.3%
Wales	73.4%	70.9%	69.0%	72.4%	75.4%	76.9%	78.1%	78.9%	80.1%	80.9%

Source: UCAS, End of Cycle 2018

19. The overall offer rate to 18 year-old Scottish-domiciled applicants from UK HEIs fluctuates year-on-year, but increased 1.2 percentage points since 2017 to 63.1%. This means that the offer rate has increased by 6.1 percentage points since 2011.¹⁰

20. Despite the increase in the offer rate to 18 year-old Scottish applicants, this rate is still lower than the offer rate to English and Northern Irish applicants.¹¹ This is due to not all higher education in Scotland being recorded by UCAS.

⁸ The data from UCAS utilised in this response have been obtained from their publicly available reports. In general they relate to those who apply to study full-time first degree and postgraduate teacher training courses at HEIs, and do not include those applying to study part-time, or other postgraduate study.

⁹ In 2015 teacher training course applications were received through the UCAS undergraduate scheme for the first time. This resulted in an increase in applications, which skews attempts to measure like-for-like change prior to 2015.

¹⁰ The UCAS End of Cycle 2018 report does not include data on offers made to EU-domiciled applicants, nor the number of offers made by Scottish providers.

¹¹ Very few Welsh-domiciled applicants apply to Scottish HEIs, and thus these figures are not provided by UCAS.

Acceptances

Number of Acceptances at Scottish HEIs by domicile

Domicile	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
UK	35,150	35,045	33,485	34,385	35,070	34,470	38,790	39,870	40,985	41,135
- England	4,705	3,500	3,245	4,005	4,100	4,675	4,560	4,810	4,945	4,530
- Northern Ireland	1,070	1,075	1,075	905	1,015	970	1,075	1,105	1,080	955
- Scotland	29,245	30,380	29,075	29,360	29,850	28,710	33,030	33,825	34,830	35,515
- Wales	130	90	95	115	105	115	120	135	130	140
EU (excluding UK)	4,500	4,015	4,270	4,400	4,105	4,350	4,245	4,650	4,175	4,120
Not EU	3,405	3,255	3,405	3,155	3,380	3,180	3,355	3,375	3,520	3,630
Total	43,055	42,315	41,165	41,945	42,555	42,000	46,390	47,890	48,685	48,885

Source: UCAS, End of Cycle 2018

Number of acceptances to Scottish providers by domicile

21. 2018 UCAS statistics show a record number of Scottish applicants (35,515) were accepted to study at a Scottish university in 2018 (an increase of 2%).
22. The number of EU (non-UK) applicants accepted to study at Scottish HEIs decreased by 1% in 2018; this follows a 10% decrease in the previous year. Despite these decreases, the number of EU applicant acceptances to Scottish providers has remained relatively constant over the last ten years.

2. College Enrolments

23. In Scotland, UCAS deals with between a third and a half of undergraduate entrants to Scottish institutions, as a number of degree courses do not go through UCAS. In addition, students who follow articulation routes from colleges or study higher education courses at Scottish colleges are not counted in these figures.

First year enrolments to study HE at Scottish Colleges by Location Prior to Study

Location	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Scotland	36,516	37,385	38,246	36,281	35,447	36,660	36,065	37,027	37,665	36,672
EU	227	129	53	57	71	108	73	93	93	53
Other	1373	1068	1194	681	908	700	645	838	739	571
Total	38,116	38,582	39,493	37,019	36,426	37,468	36,783	37,958	38,497	37,296

Source: SFC Infact database

24. The number of Scottish students studying higher education at Scottish colleges is considerable. In 2017-18, more Scottish students were enrolled to study higher education at Scottish colleges than accepted places, through UCAS, to study at Scottish universities. Few EU-domiciled students enrol to study higher education at Scottish colleges, with fewer than 100 students starting a course each year since 2014-15.
25. While the number of students enrolled at Scottish colleges to study higher education is considerable, it remains markedly less than those studying further education. In 2017-18, 86.7% of Scottish-domiciled students, and 90.2% of EU-domiciled, starting their first year of study at college were enrolled in further education courses.

First year enrolments at Scottish Colleges by Location Prior to Study

Location	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Scotland	444,816	399,454	348,793	290,002	269,543	272,943	269,108	255,009	265,747	276,683
EU	2,422	2,160	927	747	659	546	457	479	497	541
Other	4,896	5,473	4,138	2,560	2,784	2,562	2,863	2,982	2,536	2,490
Total	452,134	407,087	353,858	293,309	272,986	276,051	272,428	258,475	268,815	279,735

Source: SFC Infact database

3. Apprenticeships and Employability

26. The Scottish Government understands that it must always be alert and responsive to the needs of a changing Scottish economy to ensure its skills investment continues to maximise the talent and potential of the future workforce. Further education and higher education are not the only paths to employment, and how we recruit and train the workforce of today and tomorrow has a critical role in paving the way to the kind of economy we want Scotland to have in the future.

Developing the Young Workforce

27. Developing the Young Workforce (DYW) is Scotland's youth employment strategy and through DYW, the Scottish Government and its delivery partners aim to reduce youth unemployment levels by 40% by 2021. The strategy aims to create an excellent, work-relevant education offer to young people in Scotland, giving them the skills for the current and anticipated jobs market. In October 2017 the achievement of the headline target for DYW – a 40% reduction in youth unemployment – was announced four years ahead of schedule. The Scottish Government continues to meet this target for the period of 2017-18.

28. The creation and development of DYW Regional Groups will ensure that all of Scotland's young people are fully and fairly supported into employment. The Scottish Government has committed up to £3m per year, for a 3-year period, and completed the establishment of 21 regional groups in 2017.

29. This approach considers how to make the transition from education to employment much smoother by ensuring every young person has access to the right careers information, advice and guidance they require. To ensure young people have the opportunity to put their careers planning into action, DYW have committed to ensuring that every 16-19 year-old is offered a place in learning and training, in an area that suits their needs and aspirations.

Apprenticeships

30. The Scottish Government has a family of Apprenticeships – including modern (MA), graduate (GA) and foundation apprenticeships (FA) – which are well established and critical to its Youth Employment and Economic strategies. Apprenticeships deliver against the dual aims of supporting economic growth and addressing youth unemployment.

31. Progression against the target to deliver 30,000 MA starts by 2020 is on track; there were 27,145 MA starts in 2017-18 – exceeding the annual target of 27,000. The target for 2018-19 is 28,000 starts, which, for the first time, will include Graduate Apprenticeships in this target.
32. The role of Graduate Apprenticeships is expanding, following a successful trial period. There were 278 Graduate Apprenticeship starts in 2017-18. And this will increase to almost 900 Graduate Apprenticeship opportunities, across Engineering; IT; Civil Engineering; Construction; and Business. As a product of the Developing the Young Workforce programme, Scottish Government funding also provides support for Foundation Apprenticeships, which combine the benefits of school, college and work-based education for senior phase pupils.
33. Despite the relatively recent introduction of Foundation Apprenticeships in 2016, in a short period of time we have rapidly grown the number of opportunities from a standing start, to deliver an increase of over 600% in the numbers between 2016 and 2018.
34. The Scottish Government is committed to ambitious targets of 5000 FA opportunities being available by 2019, and the further embedding of FAs in the curriculum of schools across the country. FAs are already available in schools in each of the 32 local authority areas.¹²
35. The recruitment of Apprentices is supported by an Apprenticeship Equality Action Plan (EAP), aiming to increase the number of disabled people, ethnic minority groups and care leavers entering apprenticeships. It also aims to tackle apprenticeship areas where there are gender imbalances, such as STEM opportunities. Skills Development Scotland published its most recent Annual Report on the EAP in August 2018.¹³

4. Other Measures

School Leaver Destinations¹⁴

36. Initial destinations of school leavers, approximately three months after leaving school, are measured as part of the Opportunities for All shared dataset.¹⁵ This measures school leavers who are engaged in higher education, further education, training, voluntary work, employment or activity agreements (positive destinations), as well as school leavers who are unemployed not seeking employment or training, unemployed seeking employment or training, and individuals where their initial destination is not known.

¹² The recently published FA report is available here:

<https://www.skillsdevelopmentscotland.co.uk/media/45251/fa-progress-report.pdf>.

¹³ <https://www.skillsdevelopmentscotland.co.uk/media/44830/apprenticeship-equality-action-plan.pdf>

¹⁴ <http://www.gov.scot/Resource/0053/00531988.pdf>

¹⁵ <https://www.skillsdevelopmentscotland.co.uk/what-we-do/partnerships/16plus-data-hub>

Percentage of school leavers in initial destination by year

Destination	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Any positive destination	90.1	91.7	92.5	93.0	93.3	93.7
Higher Education	37.8	37.1	39.1	38.8	40.3	40.7
Further Education	26.7	27.6	26.3	27.6	26.6	26.8
Employed	19.8	20.4	21.7	21.4	22.3	22.0
Training	4.5	4.8	4.0	3.8	2.6	2.4
Activity Agreement	0.9	1.3	1.0	0.9	1.0	1.2
Voluntary Work	0.4	0.5	0.4	0.4	0.5	0.6
Other destination	9.9	8.3	7.5	7.0	6.7	6.3
Unemployed Seeking	8.2	6.9	6.1	5.4	5.1	4.5
Unemployed Not Seeking	1.3	1.1	1.1	1.1	1.3	1.4
Not known	0.4	0.3	0.3	0.5	0.2	0.4
Total number of leavers	49,744	51,632	51,335	52,433	52,249	51,258

Source: Scottish Government, Initial Destinations of Senior Phase School Leavers February 2018

37. There has been a slight increase in the percentage of senior phase school leavers in positive initial destinations over the last six years, with 93.7% measured as such in October 2017.
38. The percentage of leavers choosing to continue their education, in further or higher education, has also increased from 64.5% of 2011-12 school leavers, to 67.5% of 2016-17 leavers.
39. The percentage of leavers in other initial destinations has decreased by 3.6 percentage points over the last six years, to 6.3% in October 2017.

Higher Education Initial Participation Rate

40. The Higher Education Initial Participation Rate (HEIPR) provides an estimate of the likelihood that a 16 year-old will participate in higher education by the age of 30. The measure does not show the proportion currently participating in higher education, the proportion continuing beyond the first six months, or those who successfully complete a course. This is more inclusive and more adequately recognises the importance of different learner journeys.¹⁶
41. While the Scottish HEIPR rate of growth has been slow over the last ten years, it has consistently been higher than the rate of participation in England over the same period.¹⁷ For the purposes of this paper, the 16-20 HEIPR rate is included below.

¹⁶ <https://www.gov.scot/publications/15-24-learner-journey-review-9781788518741/>

¹⁷ <https://www.gov.uk/government/statistics/participation-rates-in-higher-education-2006-to-2016>

Higher Education Initial Participation Rate in Scotland, aged 16-20, 2006-07 to 2016-17

Academic Year	Initial Participation rate
2006/07	42.4%
2007/08	41.7%
2008/09	43.5%
2009/10	45.4%
2010/11	45.0%
2011/12	46.2%
2012/13	45.3%
2013/14	45.8%
2014/15	46.5%
2015/16	47.1%
2016/17	48.8%

Source: SFC, Higher Education Students and Qualifiers at Scottish Institutions 2016-17, March 2018 (updated March 2019)

42. 2015-16 HEIPR figures for England were provisionally published in September 2017 and finalised in September 2018. 2016-17 data were published in September 2018 but have not yet been finalised.

Not in Education, Employment or Training

43. The measure of young people aged 16-19 who are not in education, employment or training (NEET) in Scotland is taken from the Annual Participation Measure.¹⁸ Skills Development Scotland (SDS) and the Scottish Government have developed the measure to allow us to identify the status of the wider 16-19 cohort – not just those who have left school. The measure is drawn from SDS customer service records, which are updated and maintained by SDS and by partners (local authorities/schools, colleges, Student Awards Agency for Scotland (SAAS), Department for Work and Pensions etc). It allows all partners to better understand the impact of interventions and the outcomes they deliver at every transition point for 16-19 year-olds.
44. This wider measurement for 2017 shows that the majority of young people aged 16-19 in Scotland (91.8%) are in some form of education, employment or training. This number has increased over the last three years, from 87.6% in 2015. The measure also shows that 3.4% are not participating, with 4.7% of 16-19 year-olds unconfirmed.

¹⁸ https://www.skillsdevelopmentscotland.co.uk/media/44876/2018_annual-participation-measure-report.pdf



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