



Image copyright: Queen's University Belfast

Assessing the health of student demand

HELOA Conference, Newcastle. 10th January 2024

Laura Scanga, lauras@datahe.uk

Our perspective is of data and analysis.

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Image copyright: University of Manchester.

About dataHE:

We started in 2017 to do one thing: help universities use data better. Our products run in a powerful code-based environment, purpose built for higher education and created in-house by our data scientists. Read about our team below. You can get in touch with us [here](#).

Data-led

Our starting point is data. Our work is to find out what it says.

Code-based

We write code so our analysis for you is exactly as it needs to be.

Expert

We're expert in understanding how HE works through data.

Partners

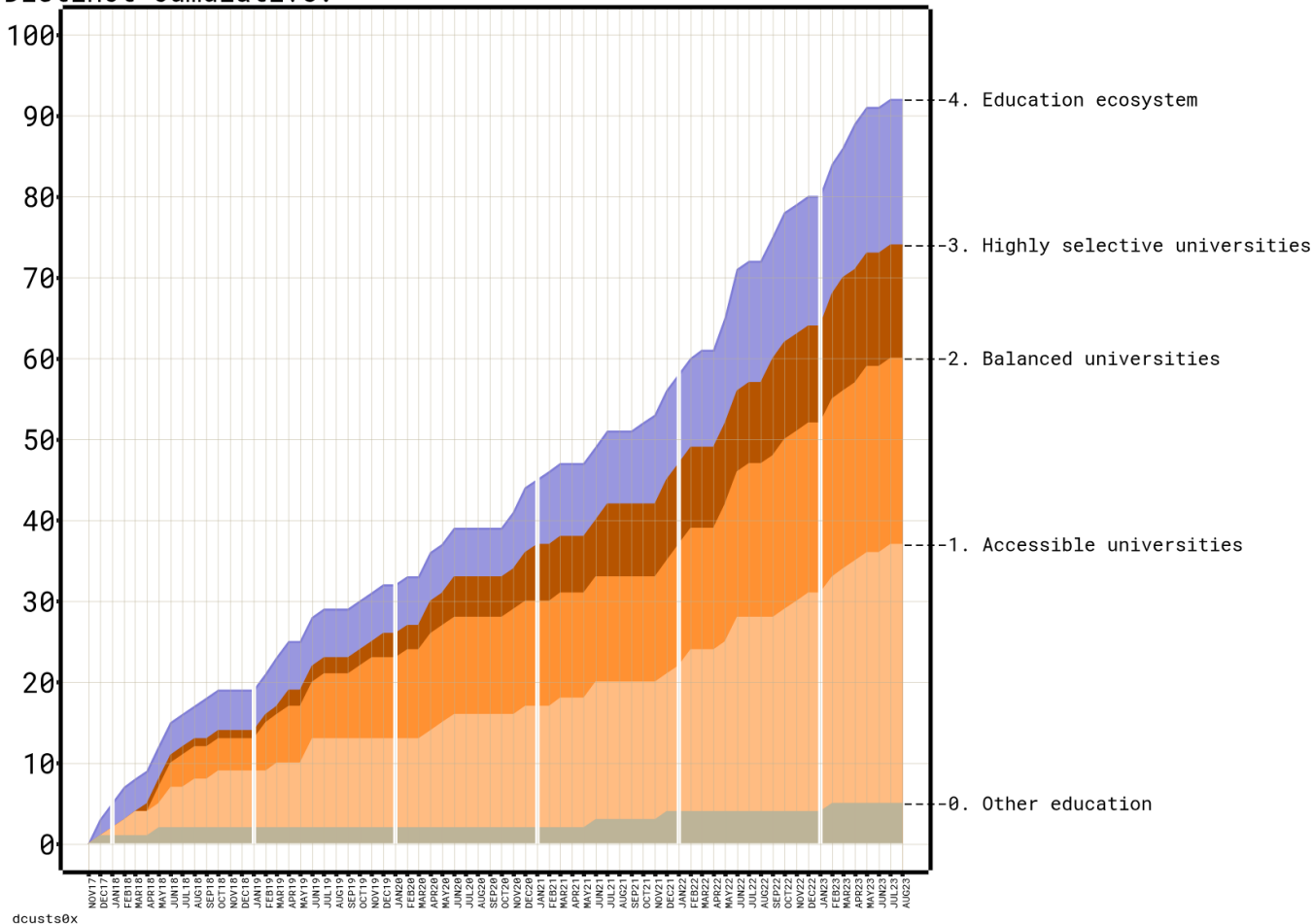
We want what you want: successful students in an efficient sector.

We look to find 'data truths', how things really are.

To help both universities and the sector.

Not formed in a vacuum.

DataHE customer base through time.
Distinct cumulative.

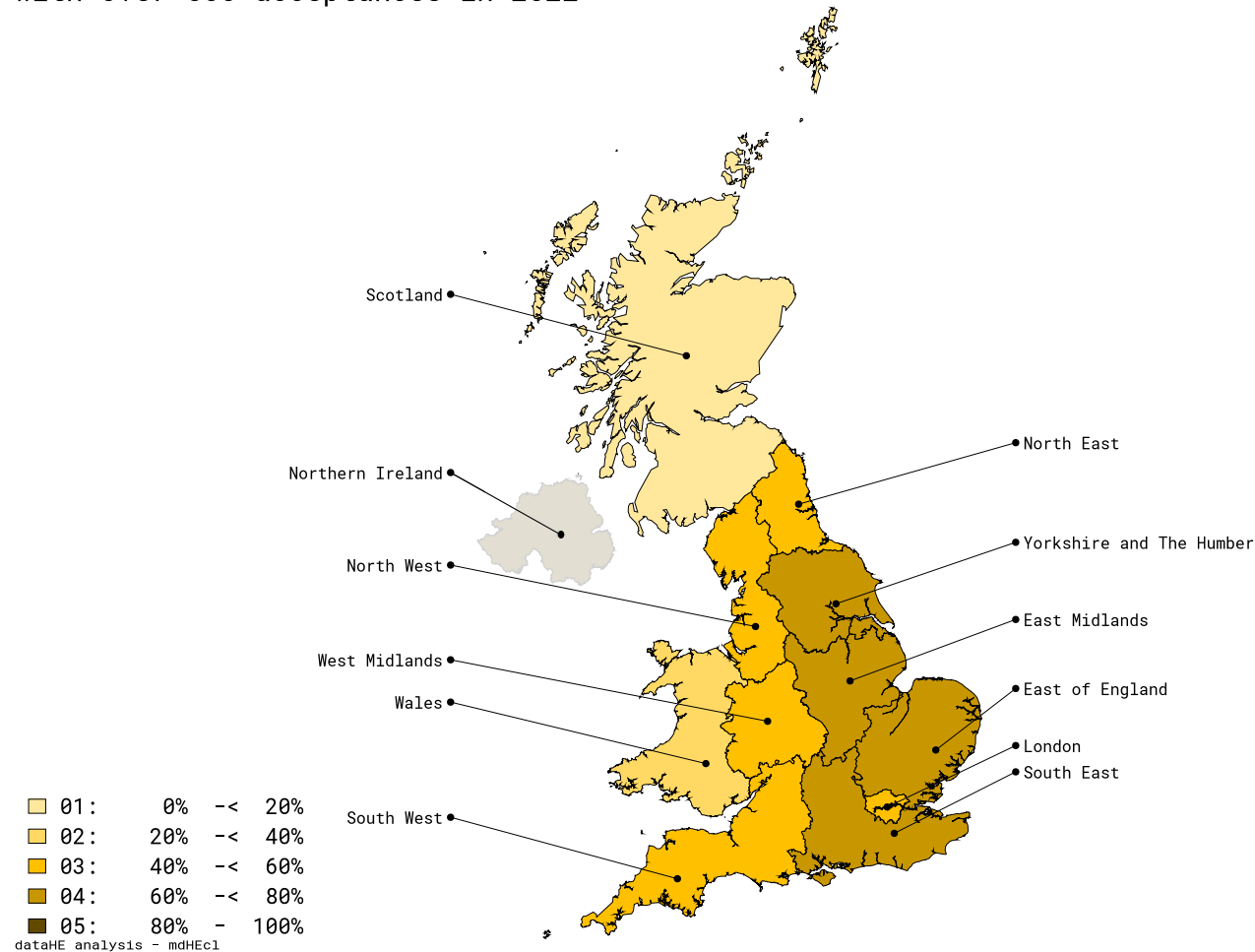


Objective, but
not detached.

We've worked
with all types
of universities
and the sector
ecosystem.

Experience across all regions.

Proportion of providers that have worked with dataHE by region with over 500 acceptances in 2022



We've worked with 70+ UK universities over the past five years.

Roots in data and HE go back further.

Negative press about university funding.



Negative press about value of a degree.



The 'Mickey Mouse' degrees that could damage your career prospects

Graduates in these fields face narrow job prospects and reduced earnings potential

[Tom Haynes](#) 25 September 2023 • 8:21am

Negative press on international students.



Rishi Sunak ✓

@RishiSunak



From today, the majority of foreign university students cannot bring family members to the UK.

In 2024, we're already delivering for the British people.



Home Office ✓ @ukhomeoffice · 1d

We are fully committed to seeing a decisive cut in migration.

Ultimately, we are all feeling the pain.



Phil Baty • 1st

Chief Global Affairs Officer, THE (Times Higher Education)

1w •

Make no mistake: this is crisis point. UK ministers are being urged to ready a response to major English university going bust.

There are serious financial concerns at a handful of English universities over potential breaches of banking covenants.

"Nobody expects anybody to be bailed out. But there will have to be a [government] response because I think it would be really politically challenging to leave 20,000 students in limbo with nobody able to sort them out," says John Rushforth.

Read more here:



Ministers urged to ready response to major university going bust

timeshighereducation.com • 4 min read



Daniel Smith • 1st

Founder @ Student Housing Consultancy & Good Management Group. I ...

2w • Edited •

First major casualties of the UK University funding crisis revealed...

Yesterday evening both [Coventry University](#) and [Sheffield Hallam University](#) asked ALL staff to apply for voluntary severance citing "financial difficulties."

The shortfall is down to lower than expected student intake figures in Autumn 2023 and both are bracing for a worse January and September 2024 intake.

The universities blame:



Increasing costs



Inadequate tuition fees



Pension fees



Lower student numbers than forecast

Do we believe a degree is worth having?

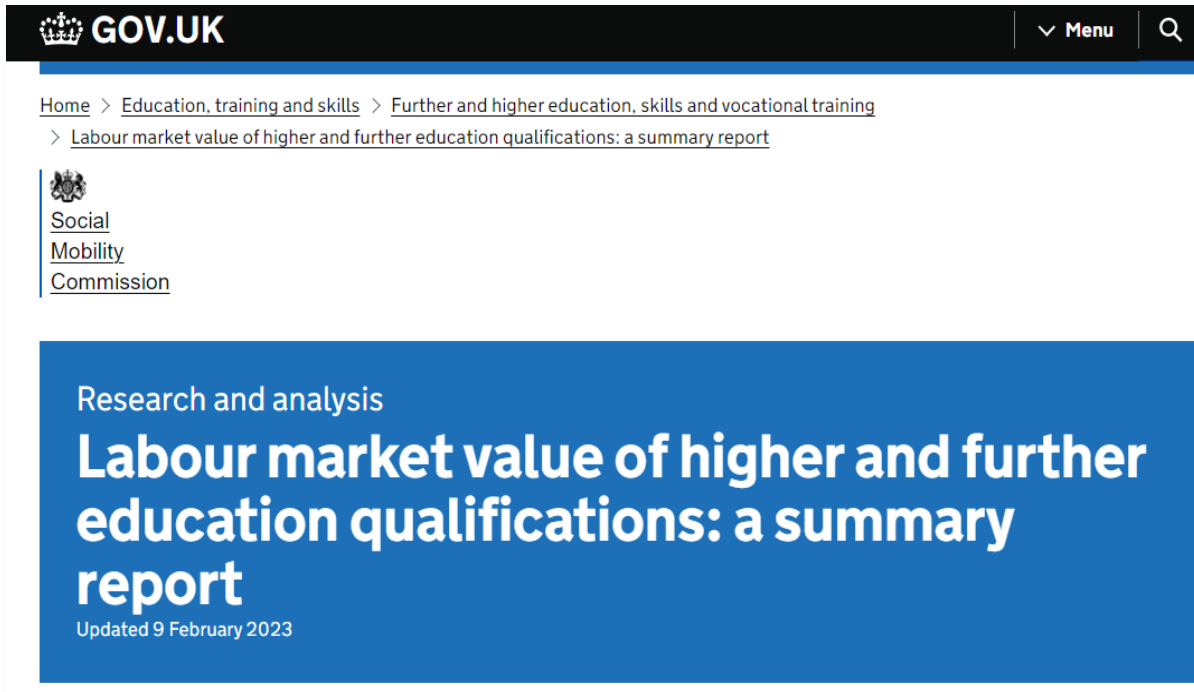
Social mobility.

Positive economic impact.

Positive societal implications for women and their children.

It is not just about money but health and wellbeing of the person.

Yes. UK government thinks so.



“On average, those who study HE earn more compared to those who do not.

After controlling for personal characteristics, there is still a positive value-add in earnings associated with studying for qualifications in HE.”

American counterparts think so too.

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The College Backlash Is Going Too Far

Getting a four-year degree is still a good investment.

By David Deming

OCTOBER 3, 2023

AMERICANS ARE LOSING THEIR FAITH in higher education. In a recent *Wall Street Journal* [poll](#), more than half of respondents said that a bachelor's degree isn't worth the cost. Young people were the most skeptical. As a recent *New York Times Magazine* cover story [put it](#), "For most people, the new economics of higher ed make going to college a risky bet." The article drew heavily on research from the Federal Reserve Bank of St. Louis, which [found](#) that rising student-loan burdens have lowered the value proposition of a four-year degree.

American higher education certainly has its problems. But the bad vibes around college threaten to obscure an important economic reality: Most young people are still far better off with a four-year college degree than without one.

"Getting a degree is still a good investment."

The earnings advantage for college graduates increases steadily with work experience, until eventually they are earning nearly twice as much as workers with only a high-school diploma."

Assess the health of student demand.

Who wants to go? Demographics. Entry rates.

Who gets in? Grades. Polar. Sex. Ethnicity.

Are expectations met? Movement. Beds. Support.

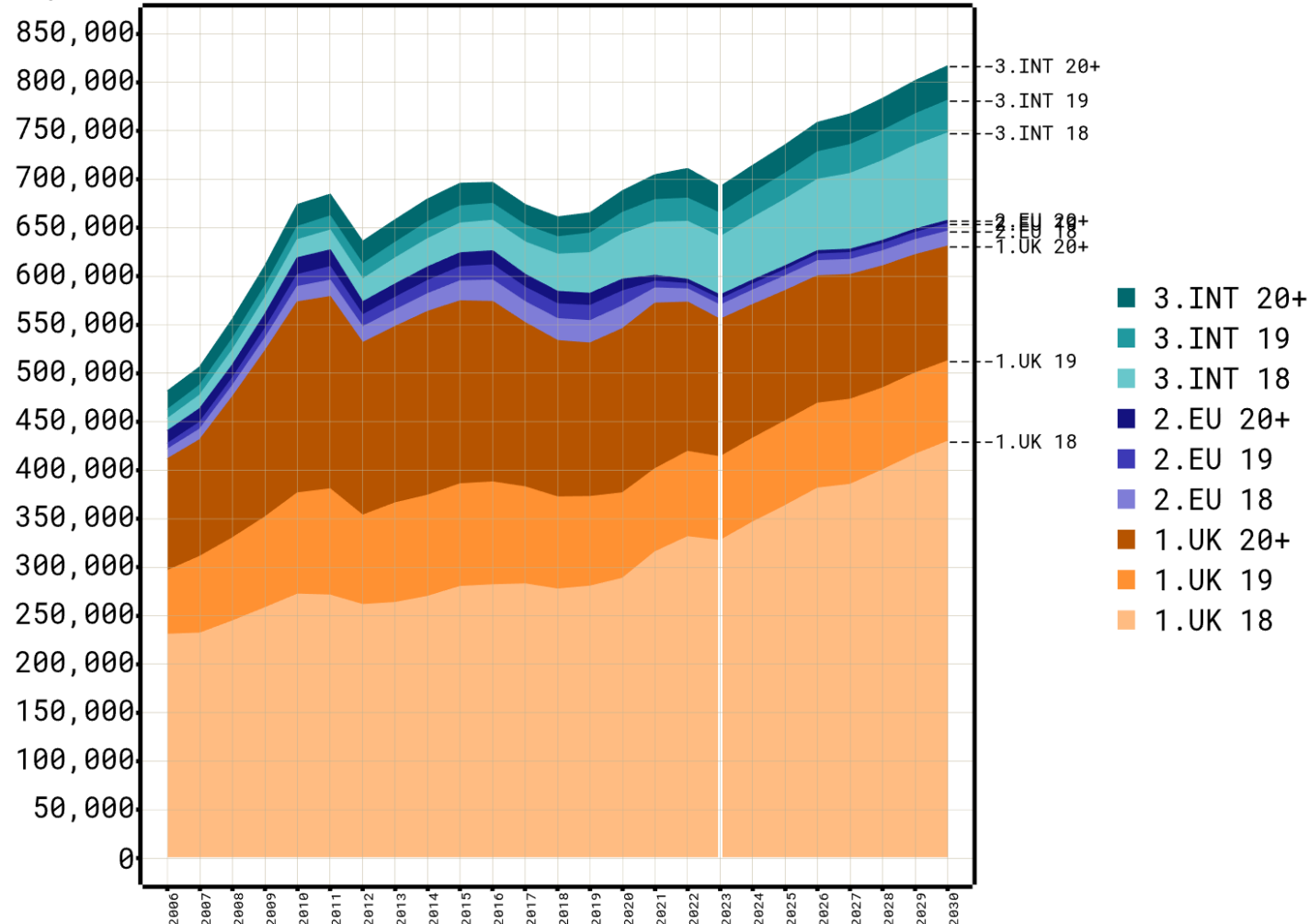


Who wants to go?

Image: Copyright and by kind permission QUB

Who's interested in a degree? Demand?

Numbers: Applicants, MLX, global forecast model GLOBAL GLA
tsp, cumulative



Analysis by www.datahe.uk * Student data from ucas.com, populations from ONS.gov.uk / un.org * GLA1crC1

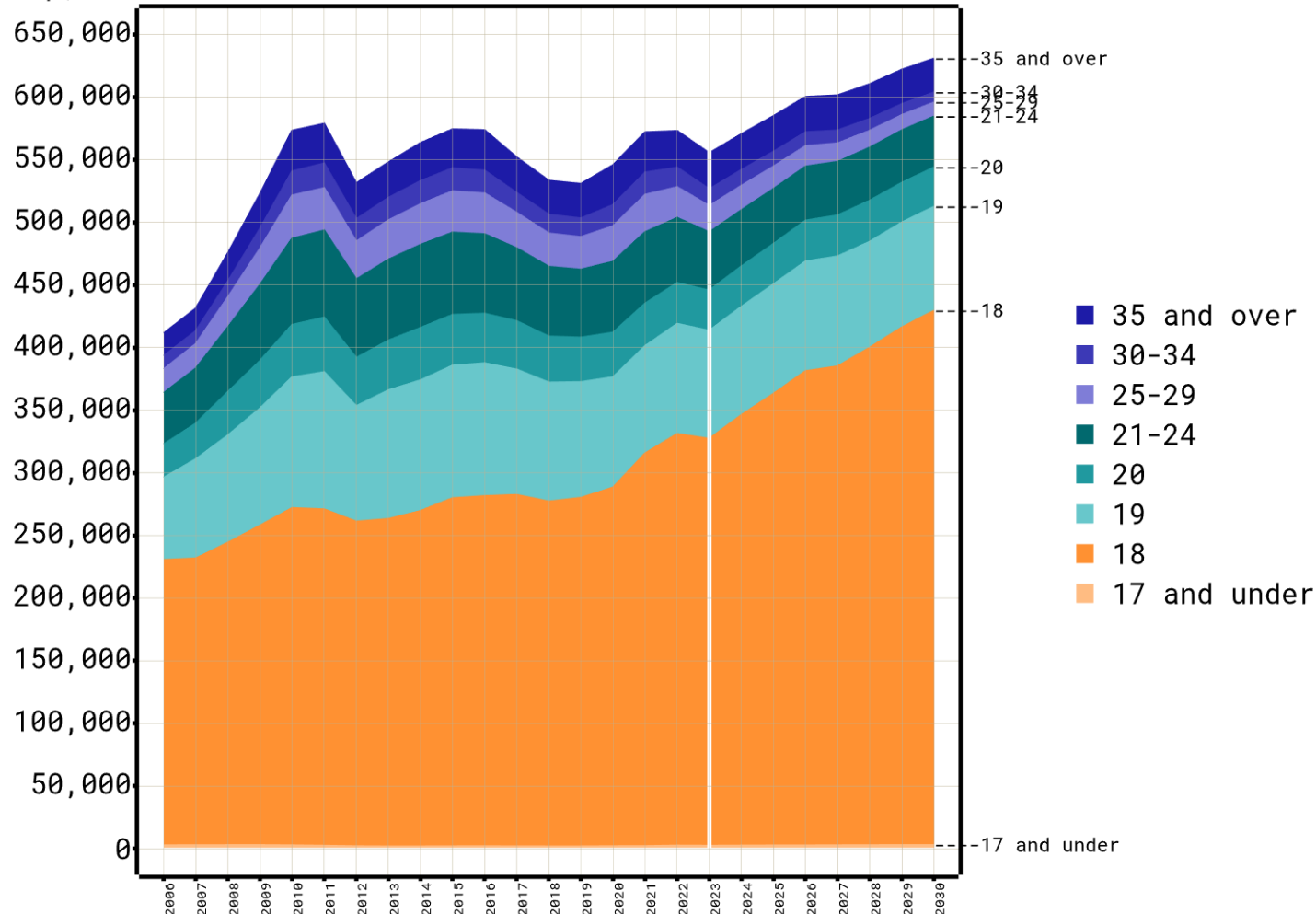
Mostly UK

Mostly young

And demand
set to increase

But less than expected – of 18yo!

Numbers: Applicants, MLX, UK-summed forecast model UK UKA
tsp, cumulative



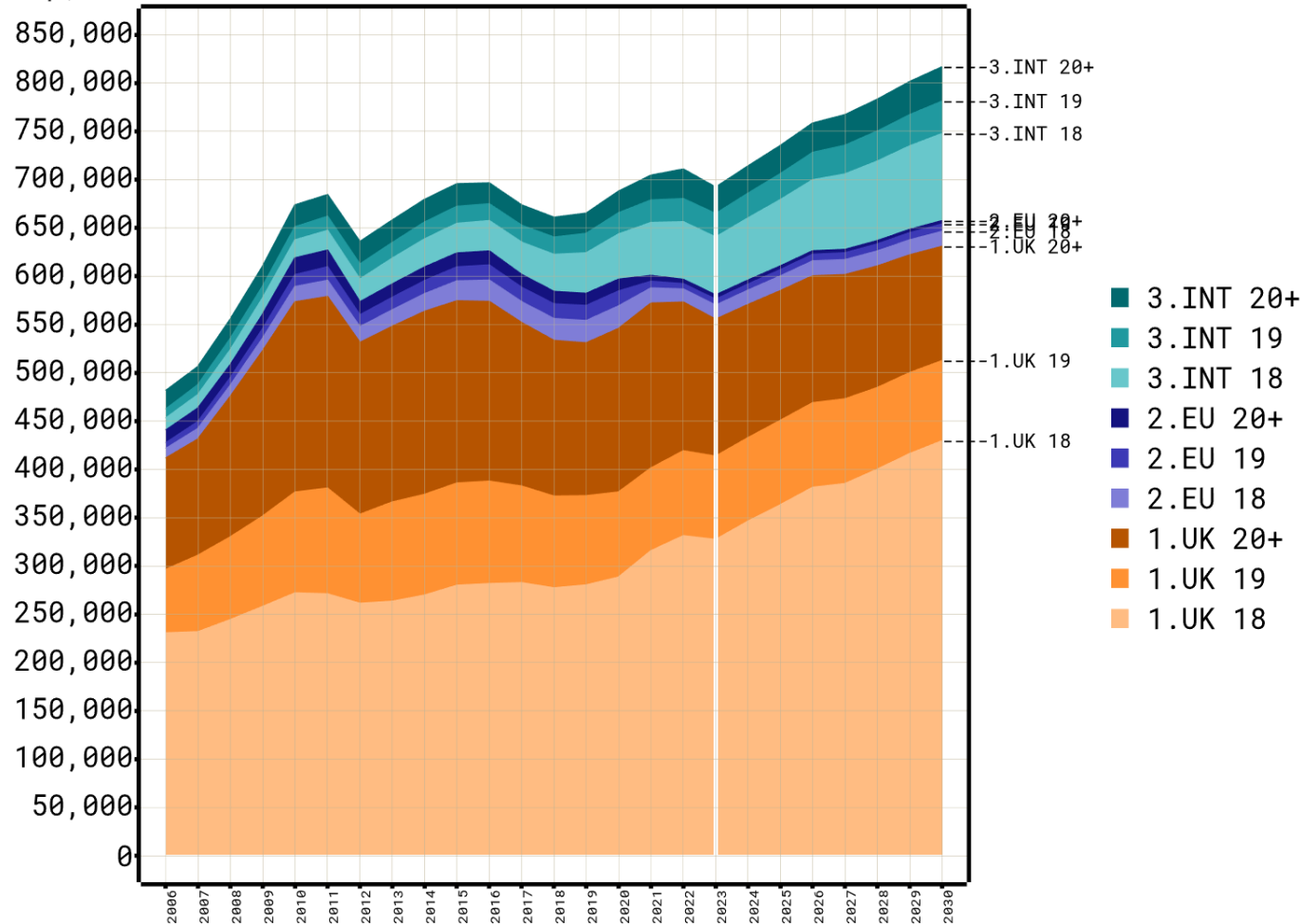
Analysis by www.datahe.uk * Student data from ucas.com, populations from [ONS](http://ons.gov.uk) / un.org * UKA1crC1

Future UK applicant demand for 2030 is cut by around 40,000 compared with the 2022-based model.

Most of the reduction is in 18 year olds.

Int'l potential though risky and smaller scale.

Numbers: Applicants, MLX, global forecast model GLOBAL GLA
tsp, cumulative

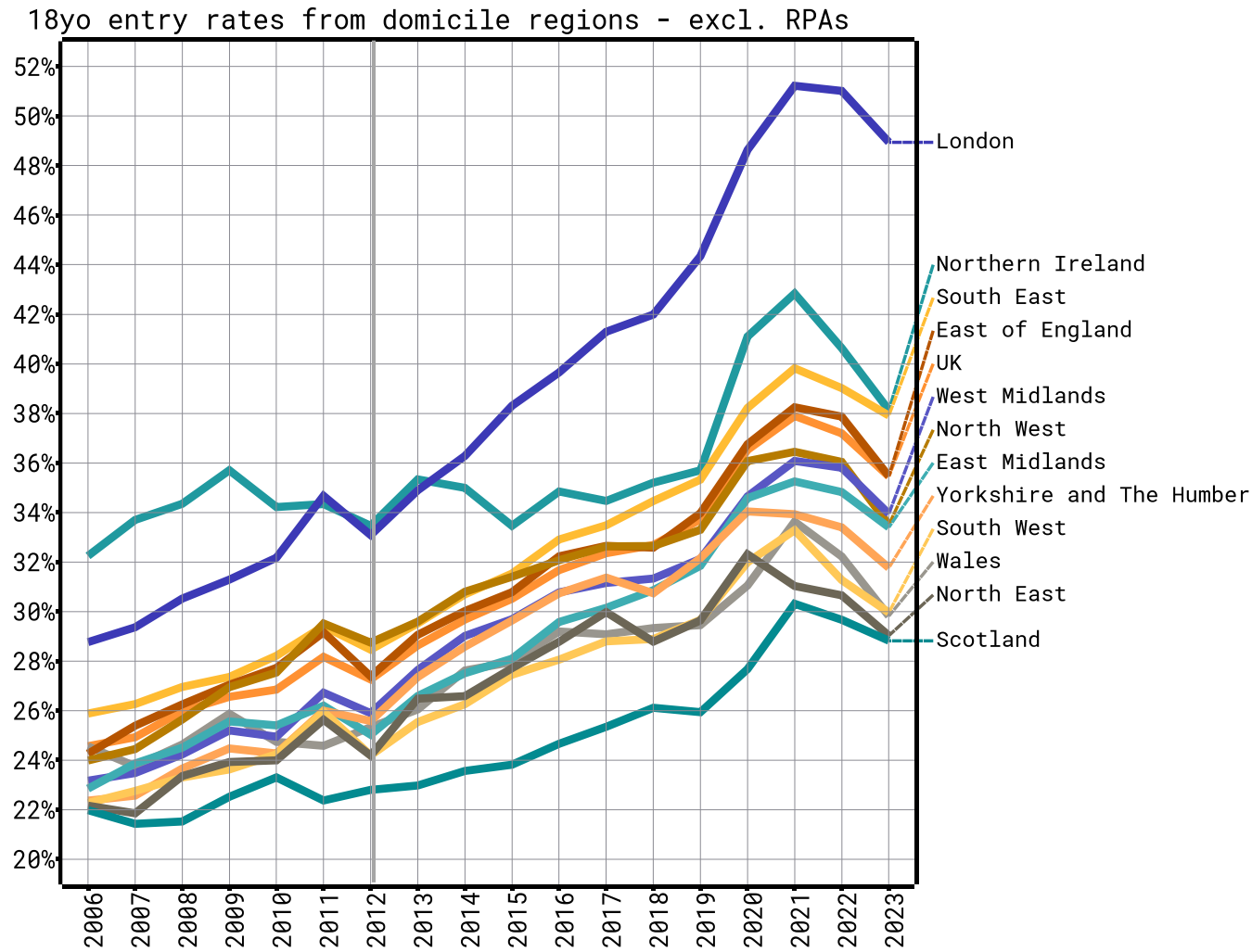


Analysis by www.datahe.uk * Student data from ucas.com, populations from ONS/ un.org * GLA1crC1

UK is key in scale.

International forecast has much more potential for shocks.

Desire for HE seen steady rise in demand.

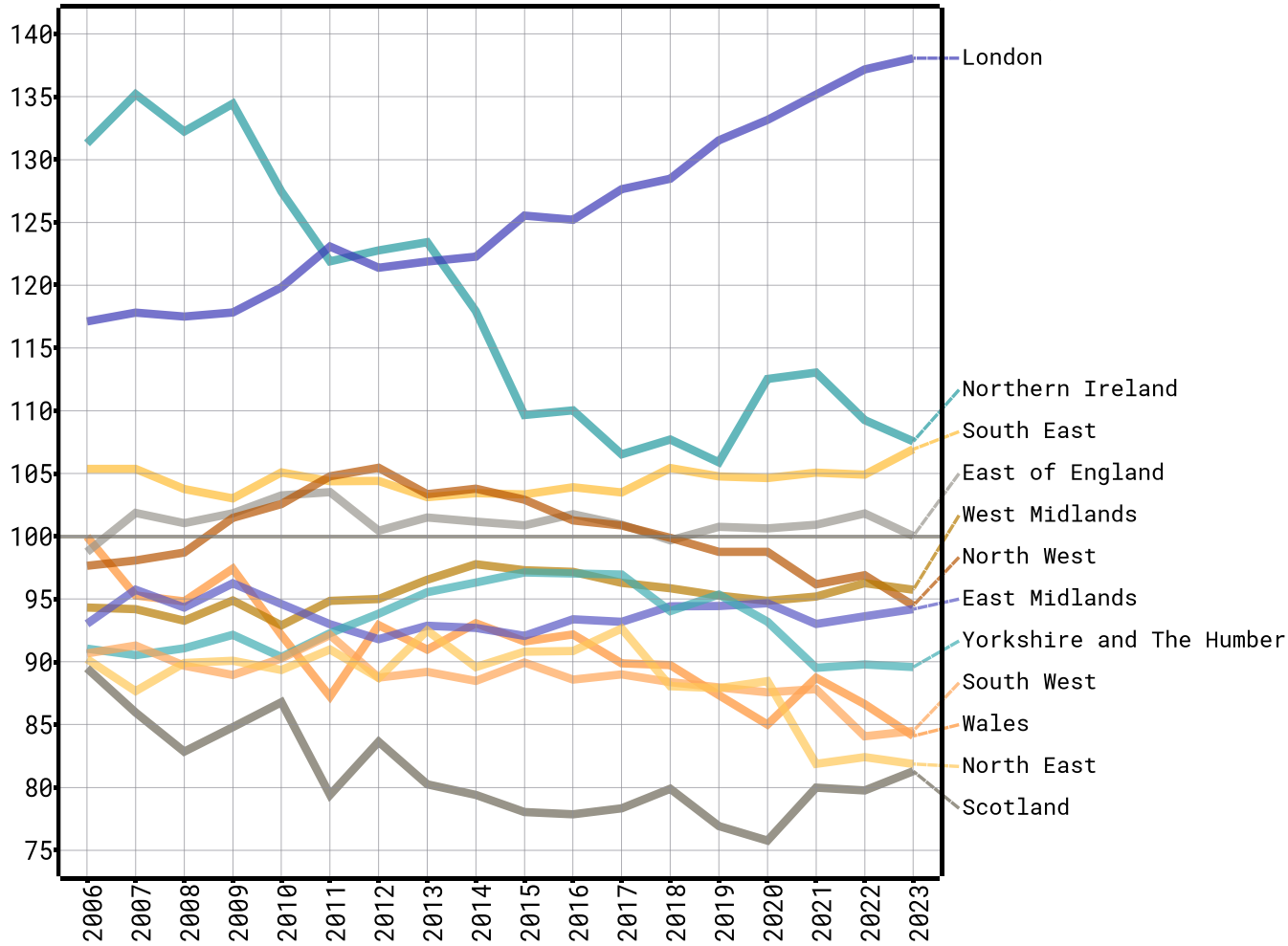


Introduction of fees caused a blip.

Overall, offering places has seen a steady rise in demand.

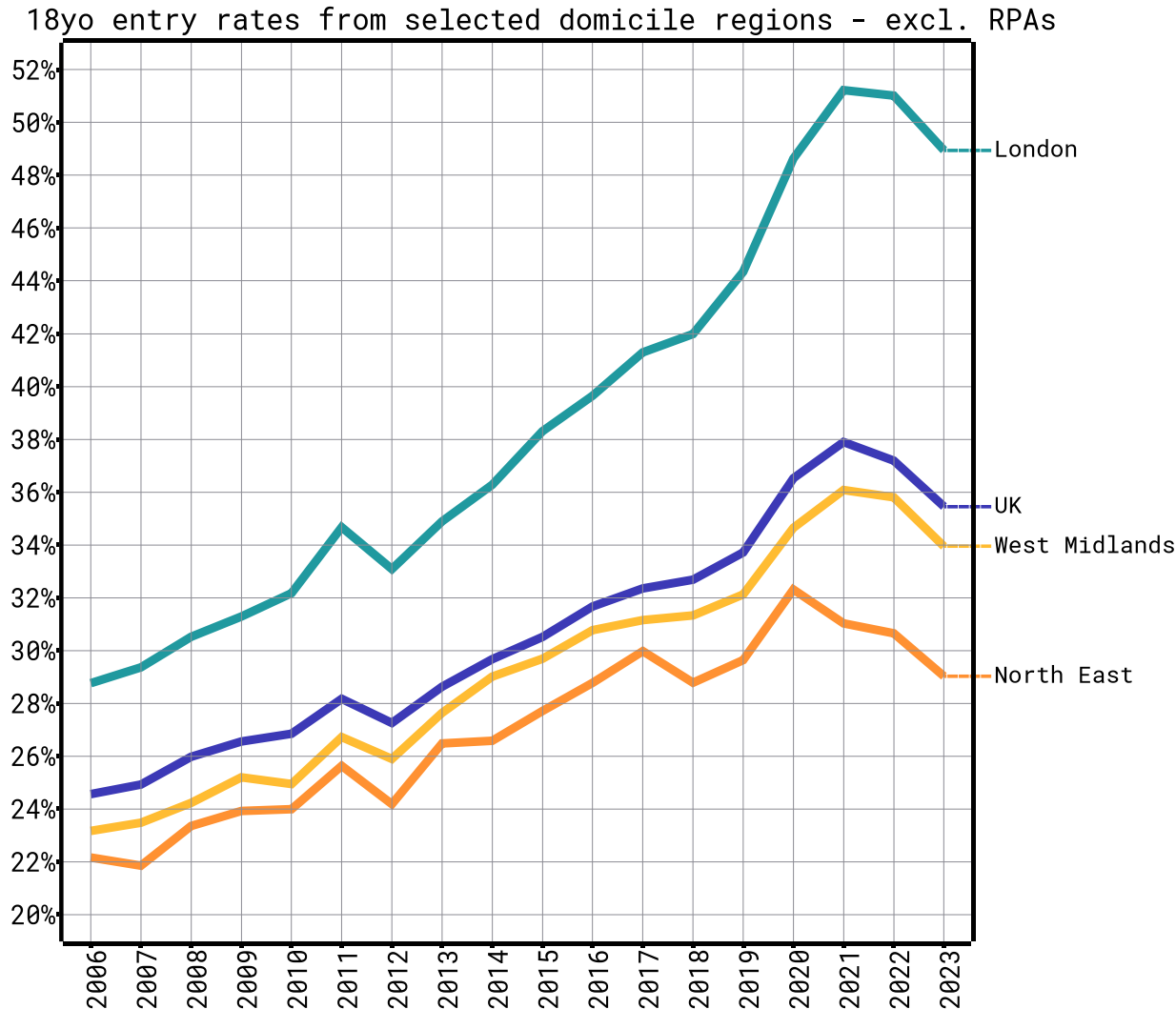
Regional demand linked to A level grades.

18yo entry rates from selected domicile regions - excl. RPAs (indexed, UK = 100)



Areas with A-level grade improvements see even more increase in demand.

Location matters. Propensity not equal.



Smaller population coupled with less propensity not good.

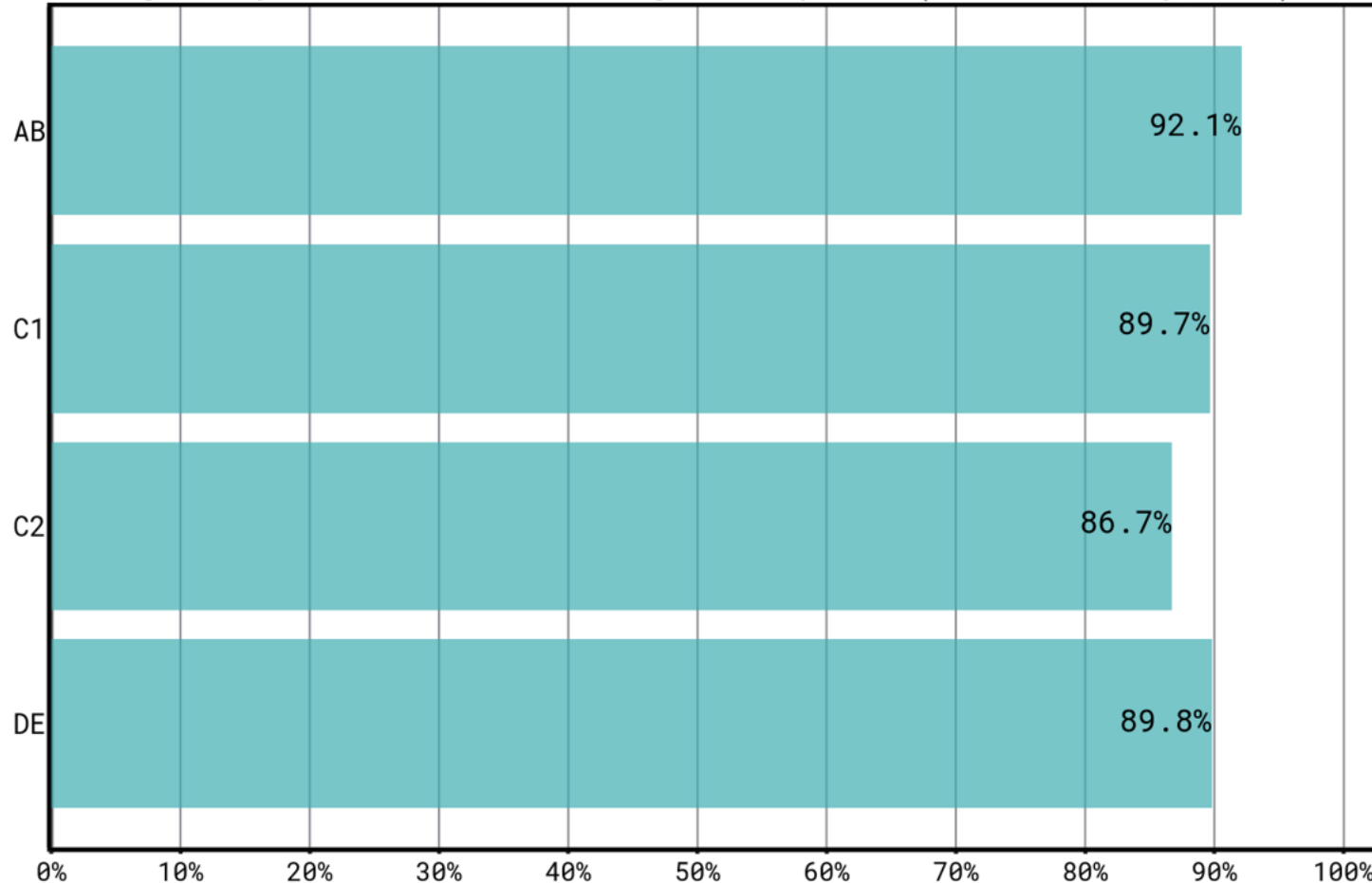
Student environment more difficult to change.

Level up?

Wildly supportive across all strata.

A degree from a University is an impressive achievement

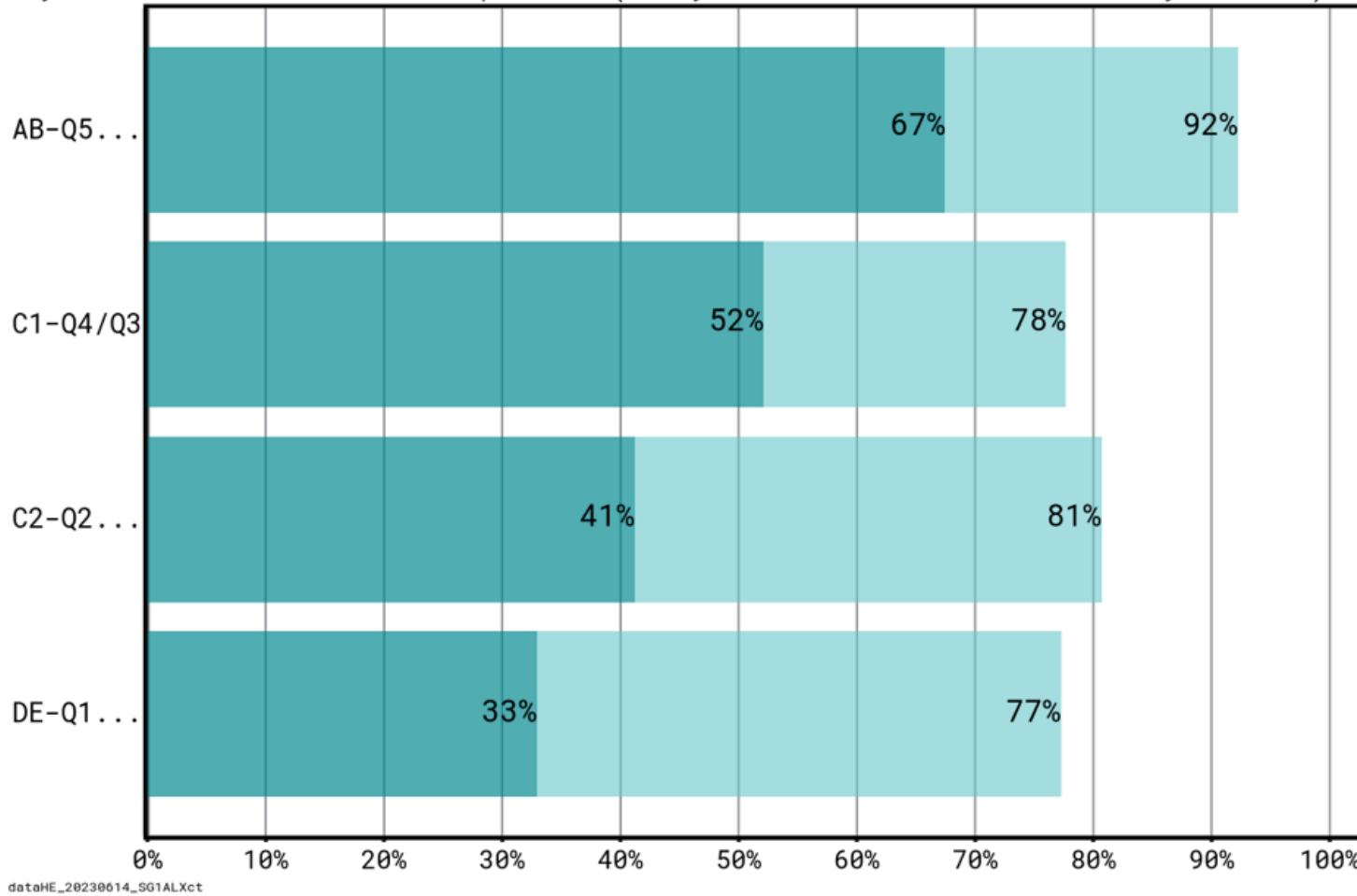
Total Agree, by Social Grade, excluding N/A responses (UPP/HEPI survey, 2022)



dataHE_20230614_uppSG37a

People still want to go. More than currently do.

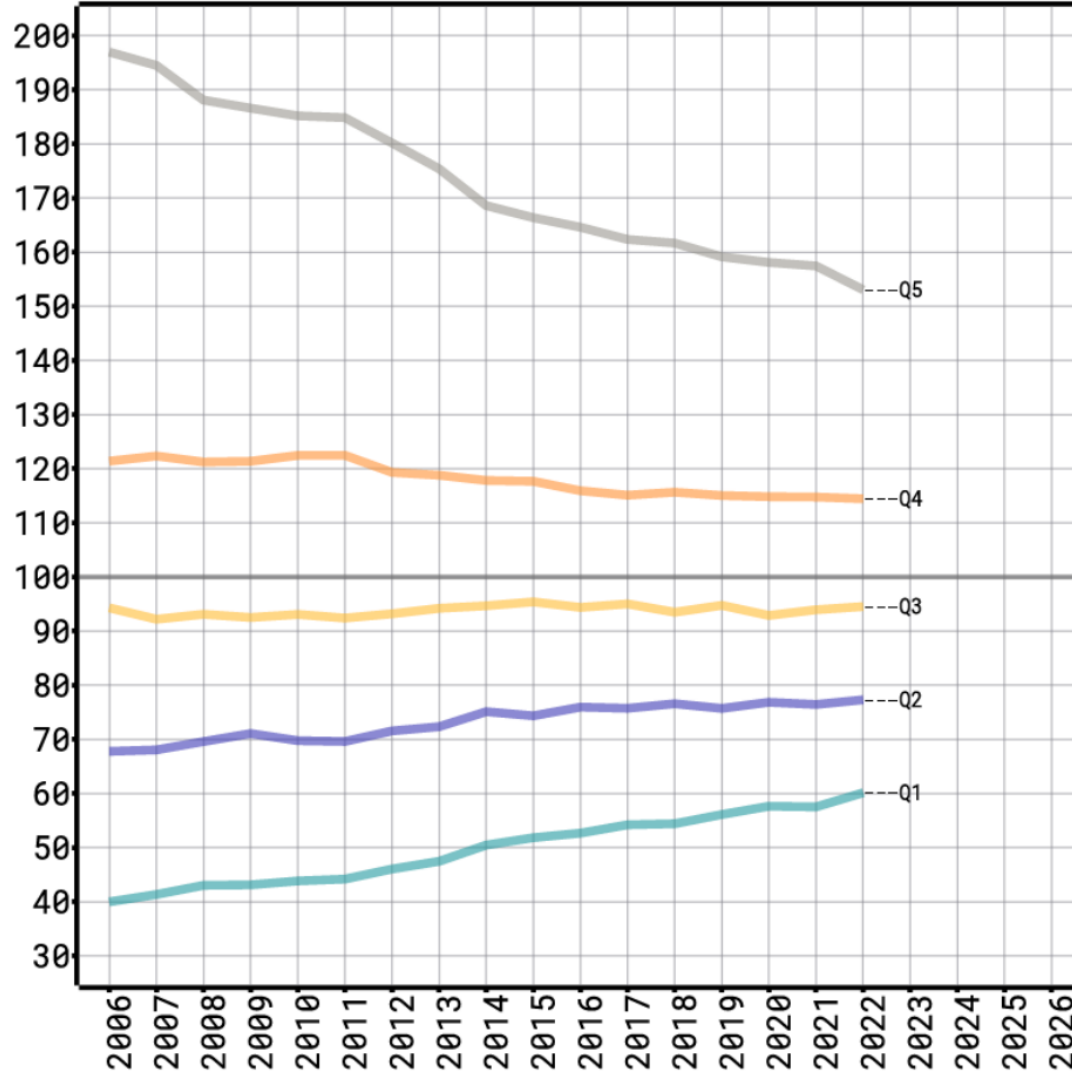
Parents who want their children to go to University (UPP/HEPI survey, 2022)
By Social Grade excl. N/A responses (entry rates of 2020-2022 UK 18-20yo cohort)



Especially
for under-
represente
d groups.

Seem to drive equal outcomes?

2006-2022 ER isolated dimension indexed: POLAR4

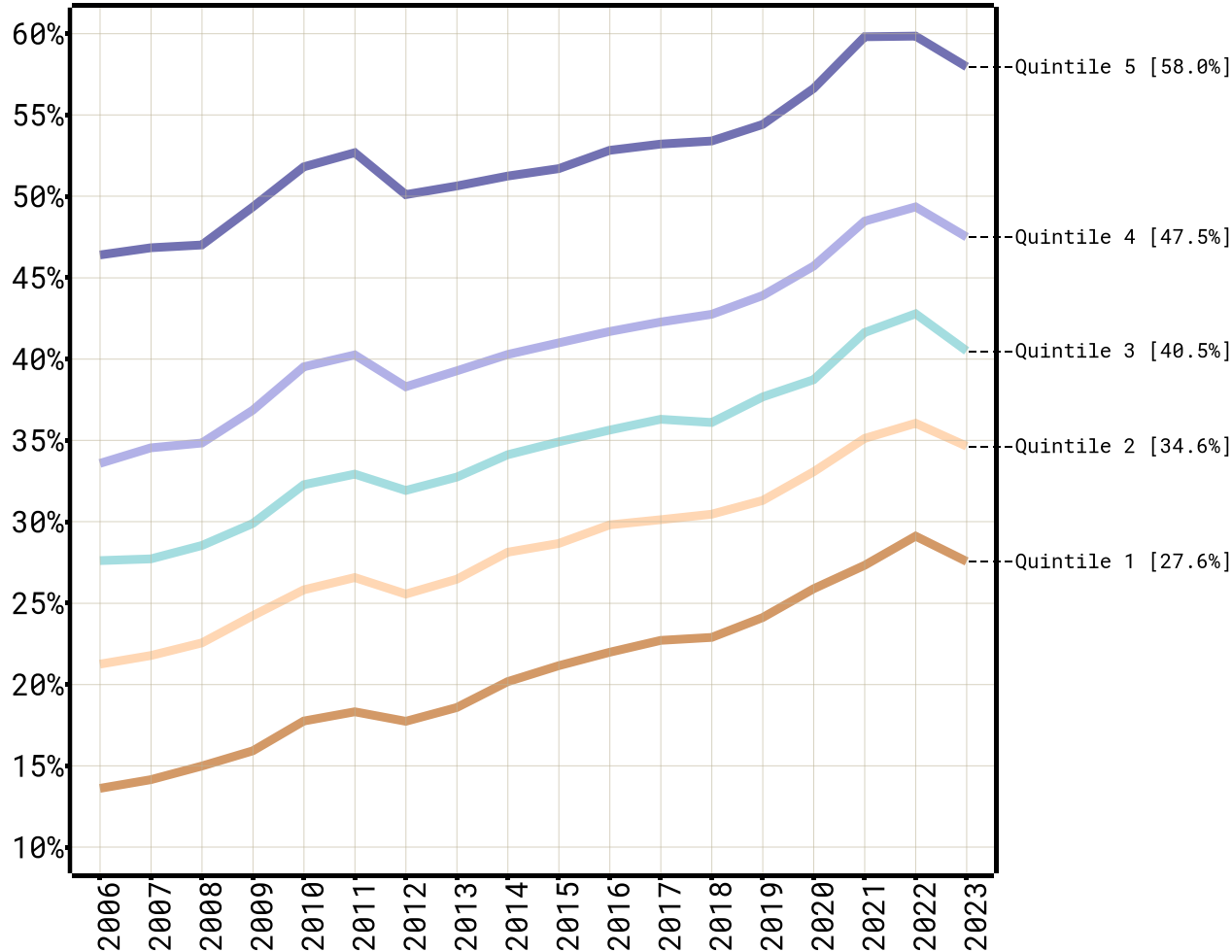


dataHE - Confidential for the Sutton Trust (20221118) ert2

But declines where most needed.

18 year old UCAS application rates

MLX, 2023 estimated from January deadline UK domiciled, POLAR4



dataHE analysis ofucas.com and ONS.gov.uk data : jds03uk

Decline
across all
groups but
steepest
where it is
most
needed.

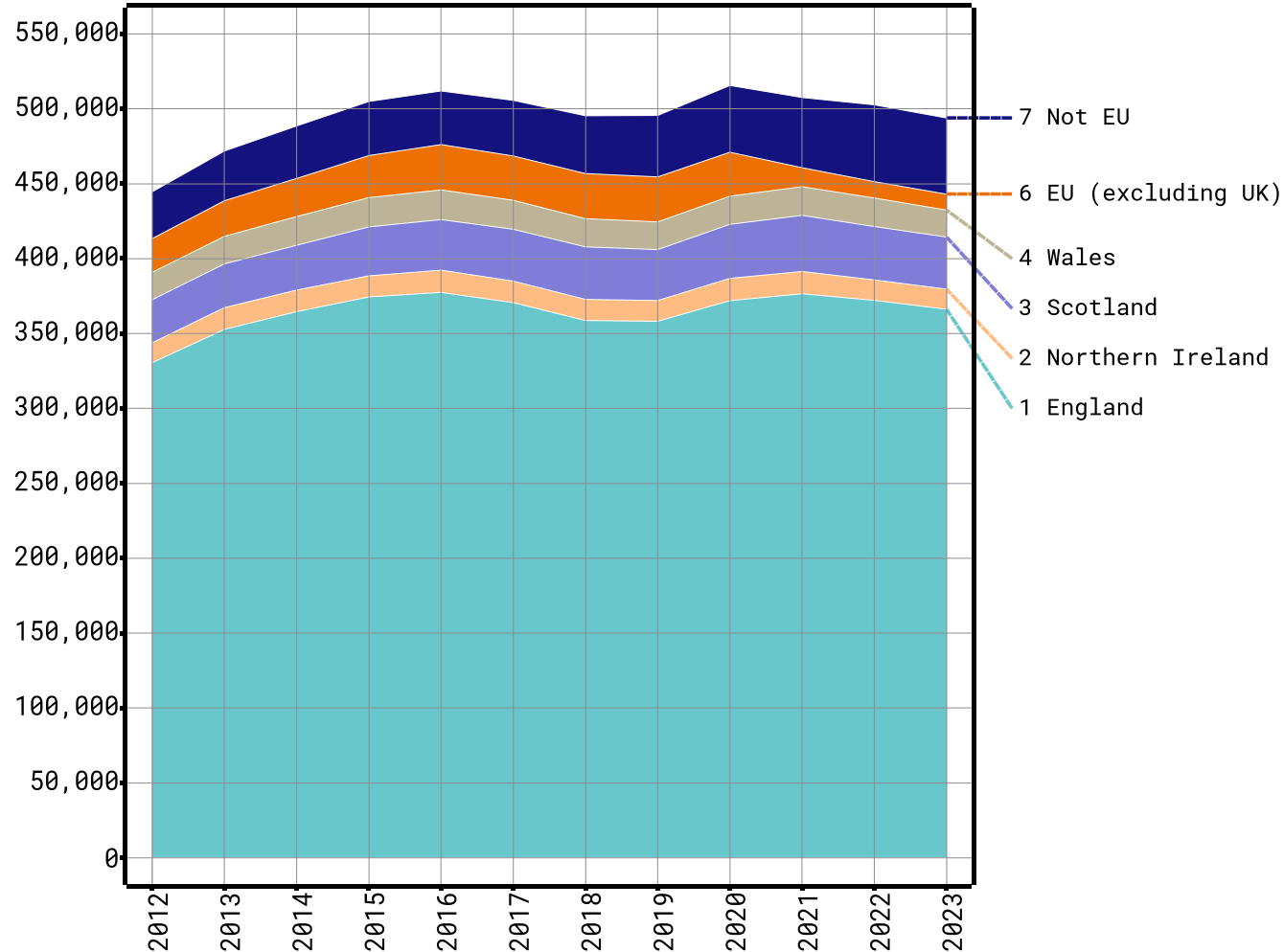


Who gets in?

Image: Copyright and by kind permission QUB

And so? c.430,000 UK students.

All ages placed (by ARD+28)



CONFIDENTIAL dataHE UCAS DCA analysis (Sector: 14/09/23) domna

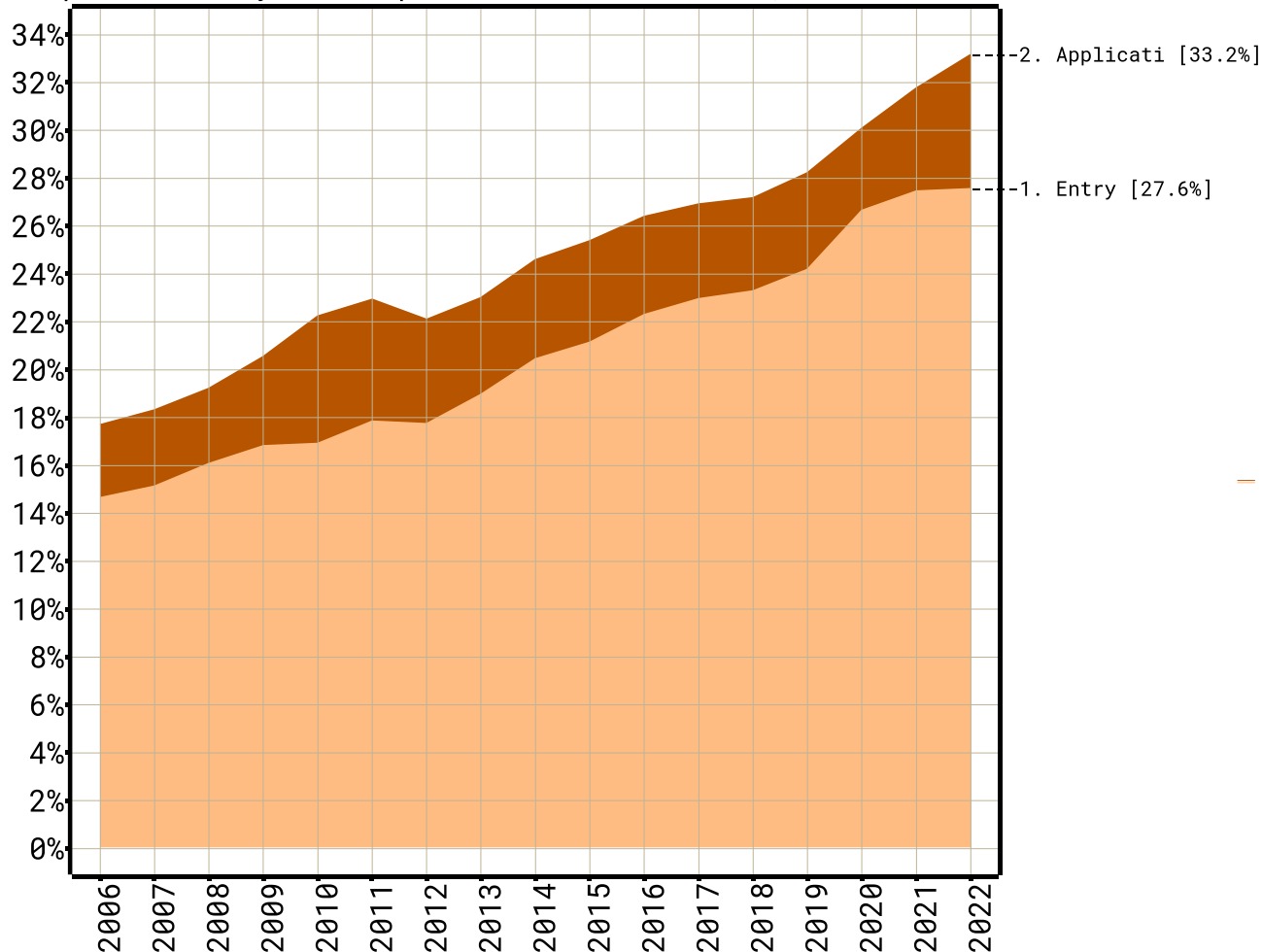
Home is too important.

Don't take for granted.

Don't be complacent.

Under-represented 'progress' eroded.

Under-represented POLAR groups, population referenced rates
Composite entry and unplaced rates for Q1+2, MLX



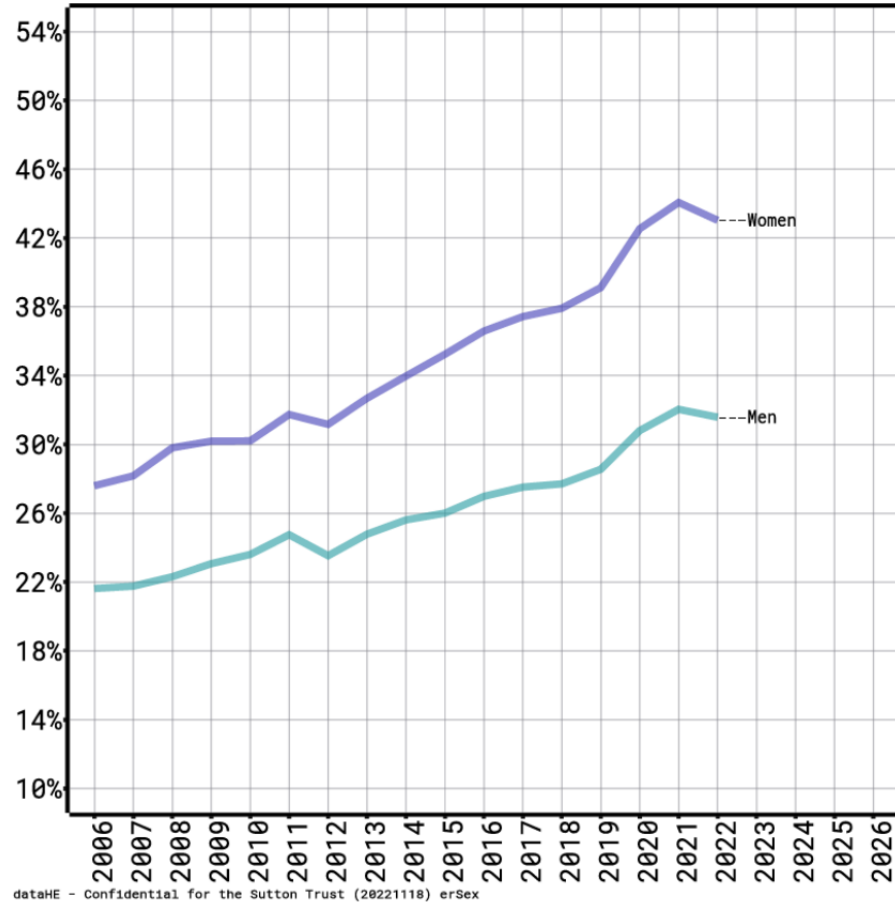
dataHE analysis of ucas.com and ONS.gov.uk data : cs07q12

Ambition is
not eroded.

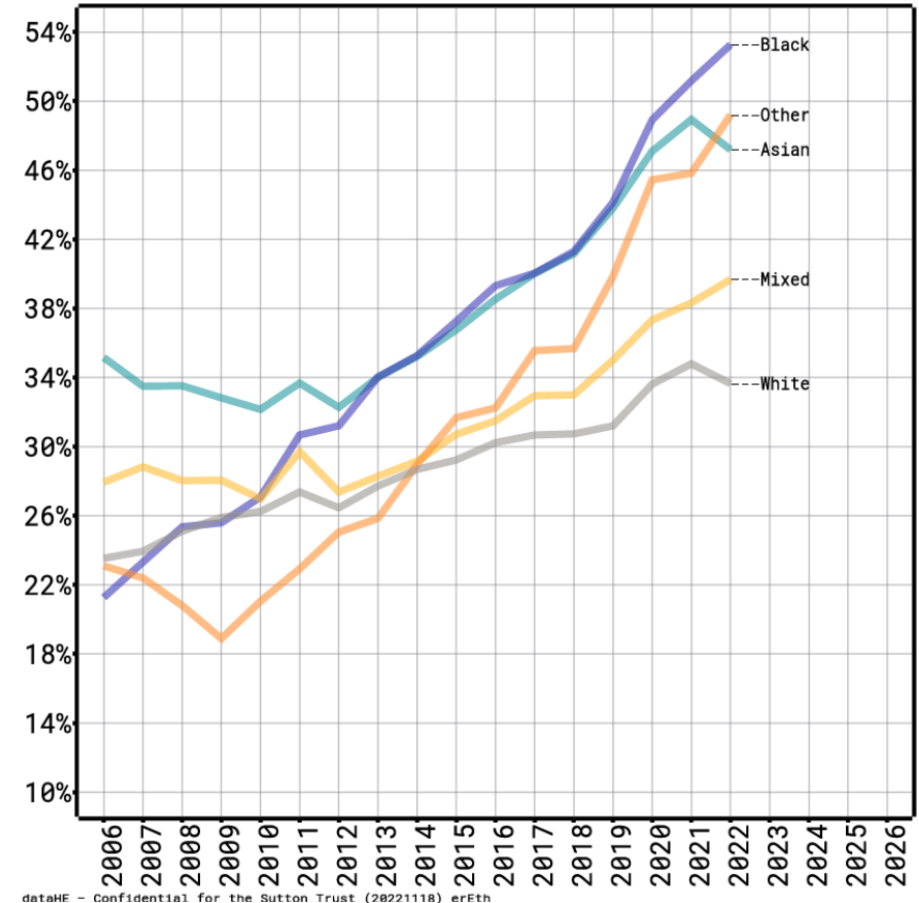
But access is
constrained.

Not much equality for sex or ethnicity either.

2006-2022 ER by Sex

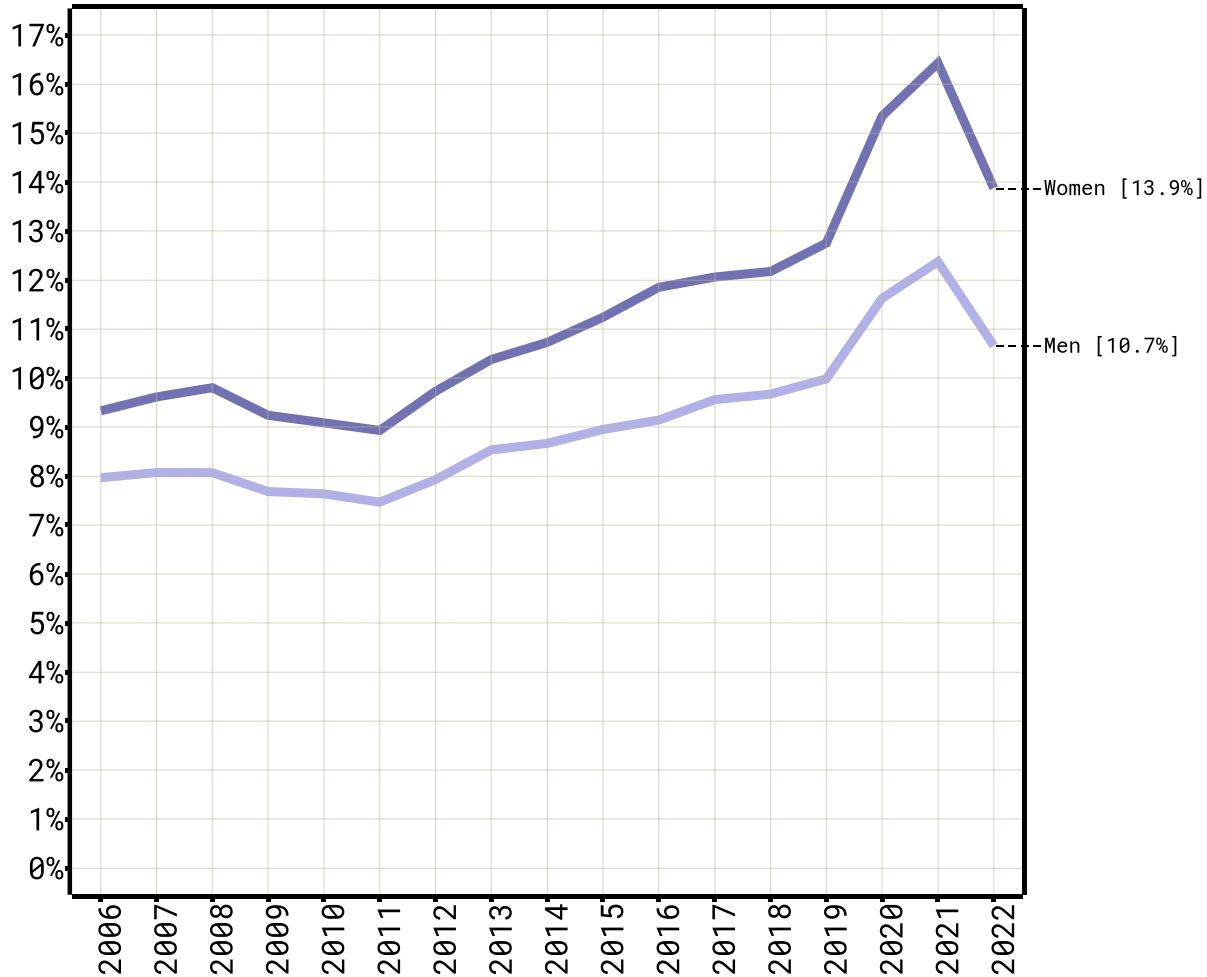


2006-2022 ER by Ethnicity



Fewer men at high tariff uni.

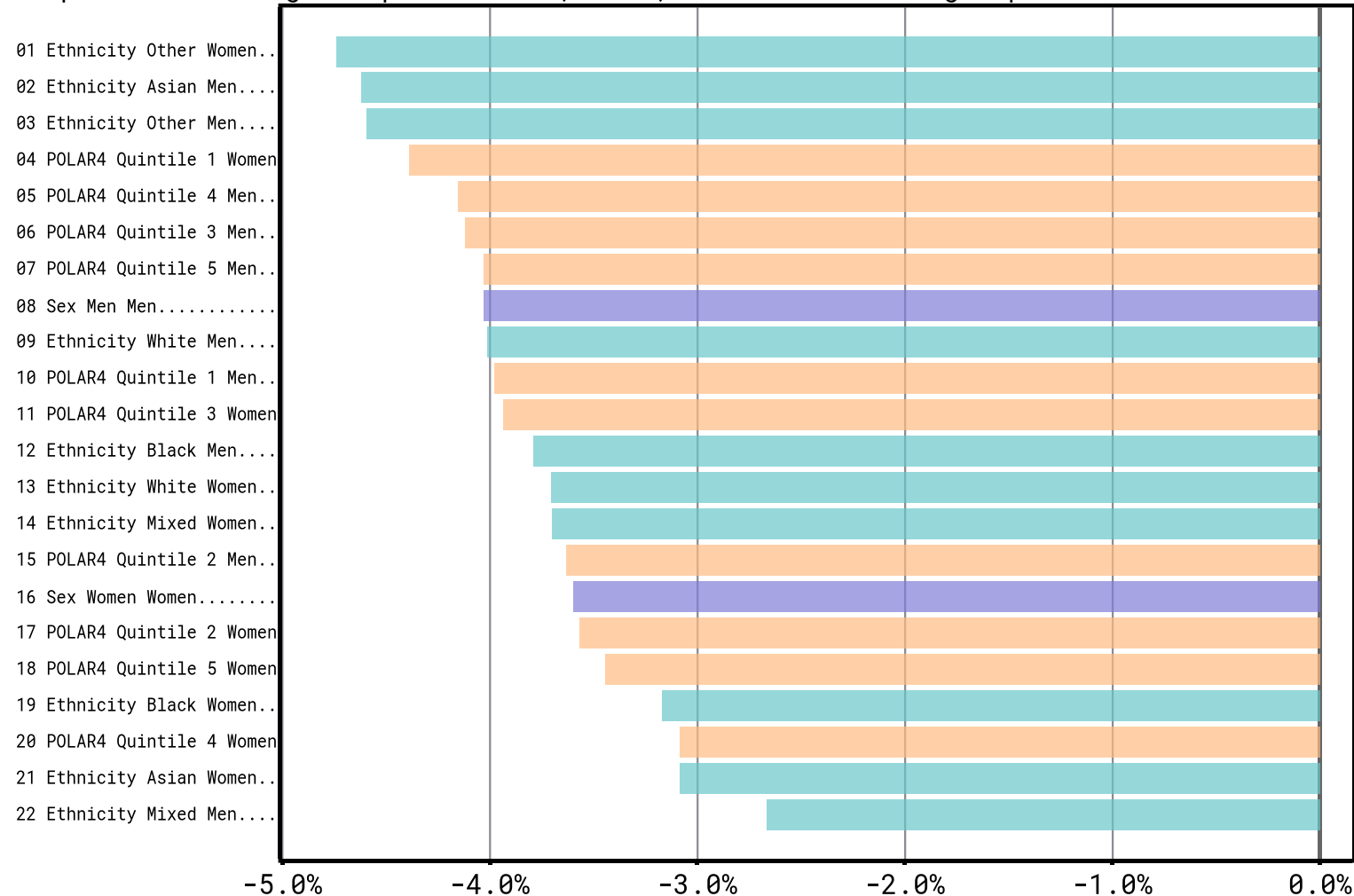
English 18 higher tariff entry rates by sex
All, ex-RPA [ALX]



dataHE analysis ofucas.com and ONS.gov.uk data : e18htsx1

Men hit disproportionately more.

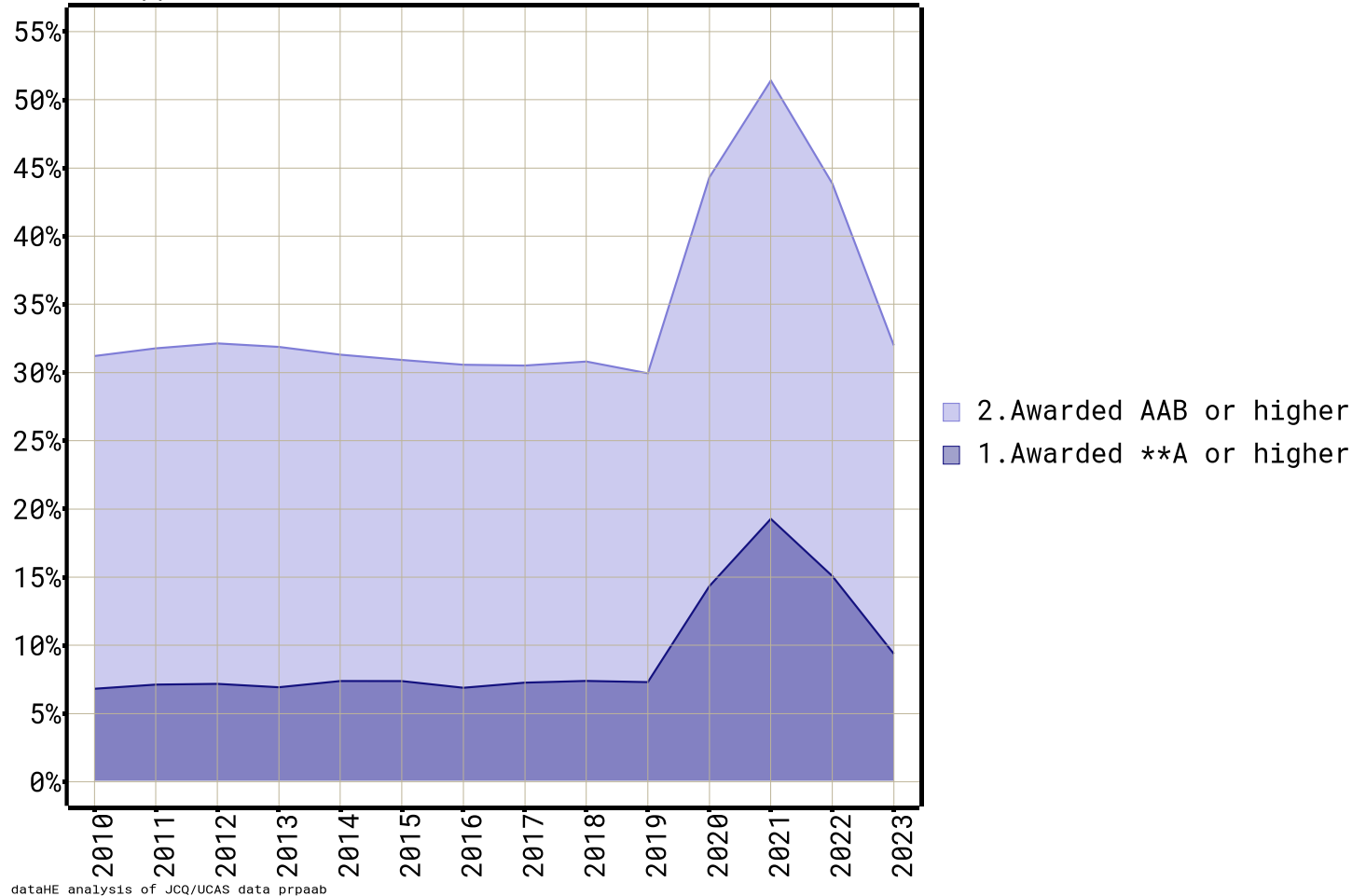
Proportional change in placed rate, 2022, selected UK 18 groups



dataHE analysis of ucas.com and ONS.gov.uk data : prc_001

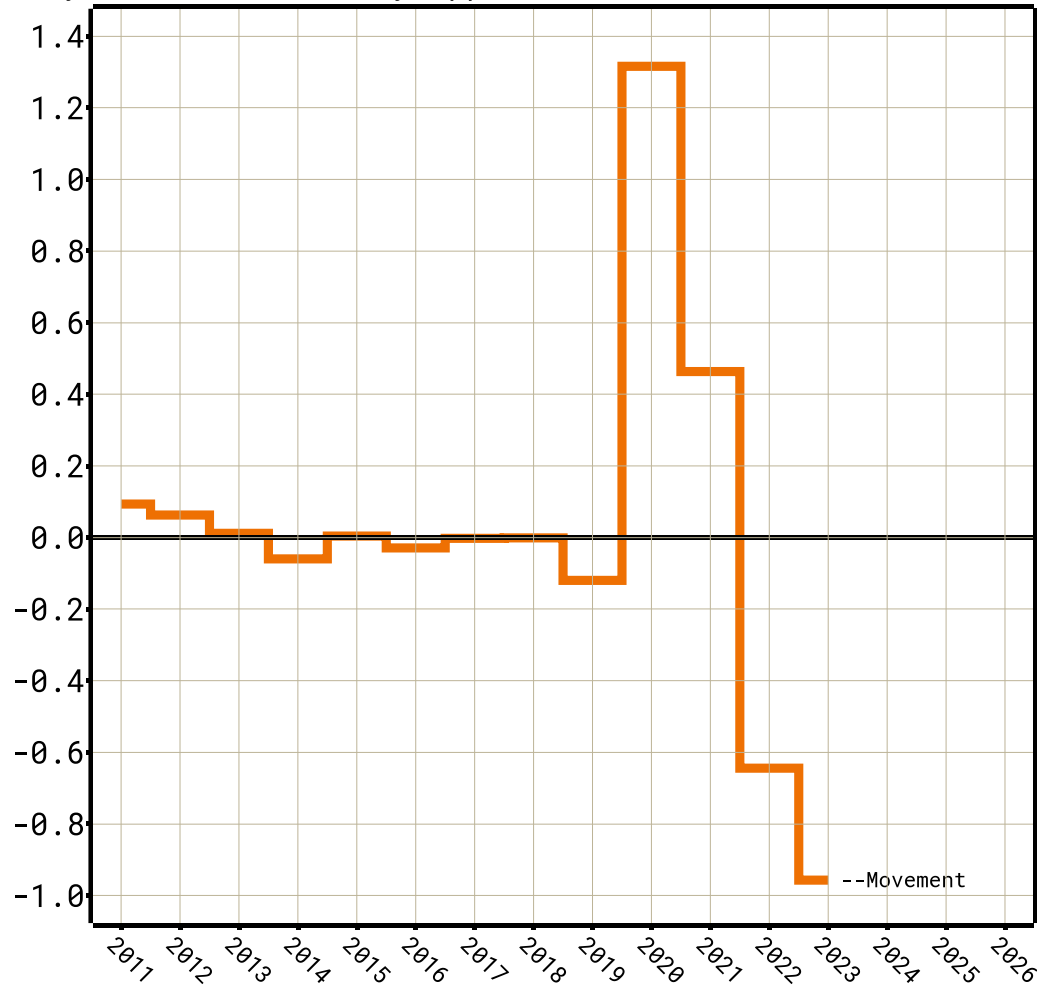
What about grades? How do students feel?

University applicants awarded certain grades or better
UK 18 applicants with 3+ A levels, 2023 estimated from JCQ/UCAS data



Grade shock may stick?

Annual move in average best three A level grades (1=single grade)
18 year old university applicants with A levels, 2023 estimated via grade shifts

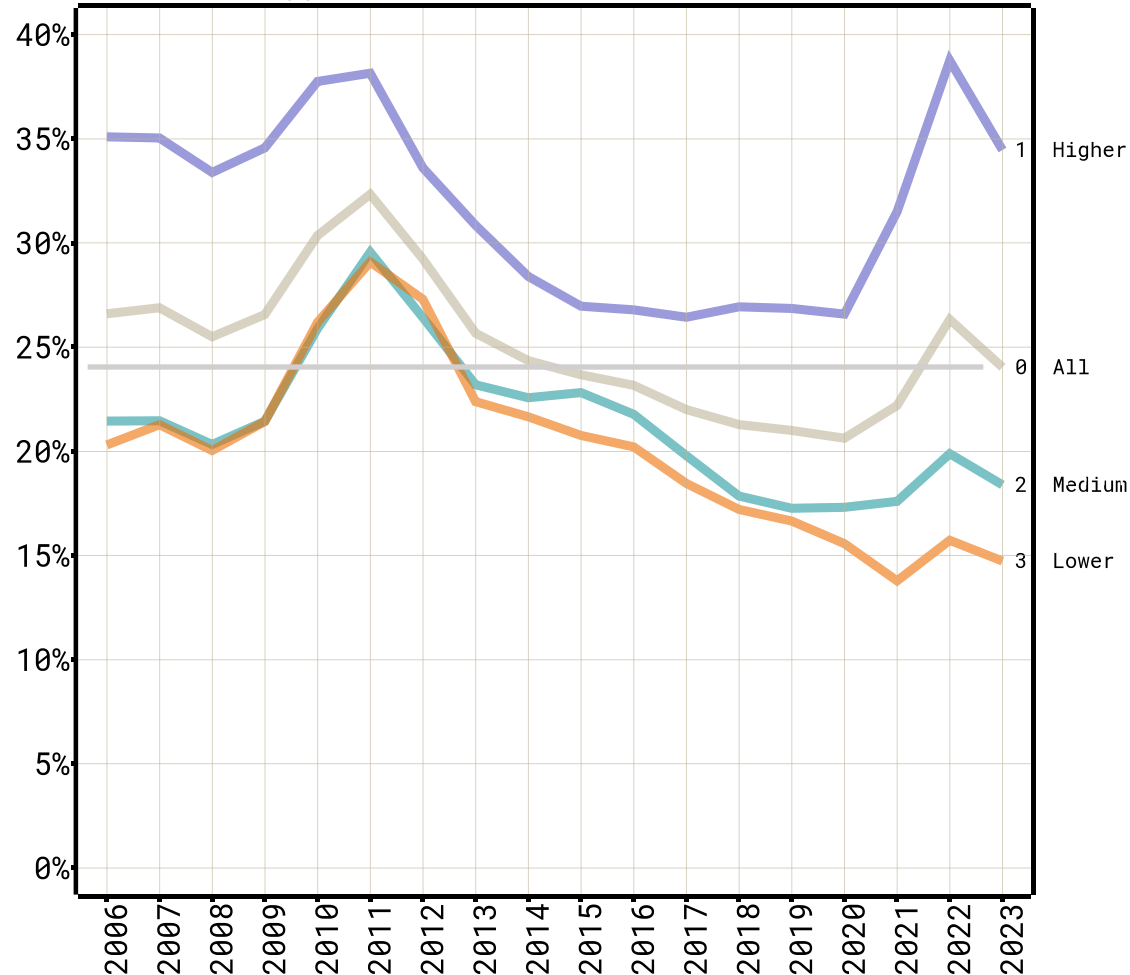


dataHE analysis of JCQ/UCAS data uamove

Structural shock may have longer lasting implications on demand.

Will post pandemic rejection stabilise?

Reject rates to UK 18 year olds by provider tariff group
June deadline applications at June deadline [with time series adjustments]

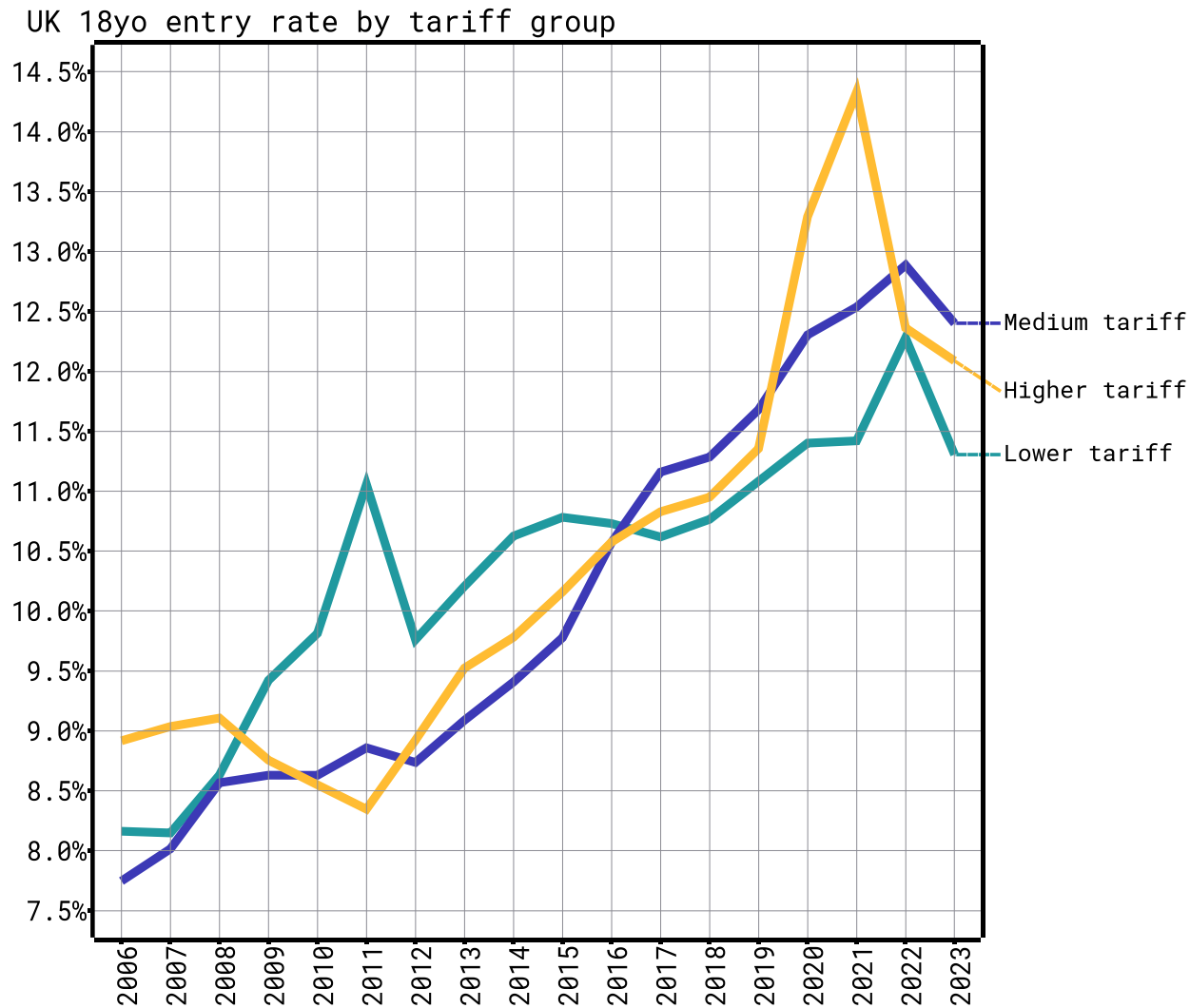


Data from www.ucas.com, analysis by dataHE.uk id_tgoff02

Still not
getting in as
before.

Back to 2015.

Is aspiration for HE curbed?



dataHE analysis of UCAS.com - tfu8er1

Want to come.

Grades hit.

Can't get in.

Feels like an
attack on
some?



Are expectations met?

Image: Copyright and by kind permission QUB

Students move around. Experience?

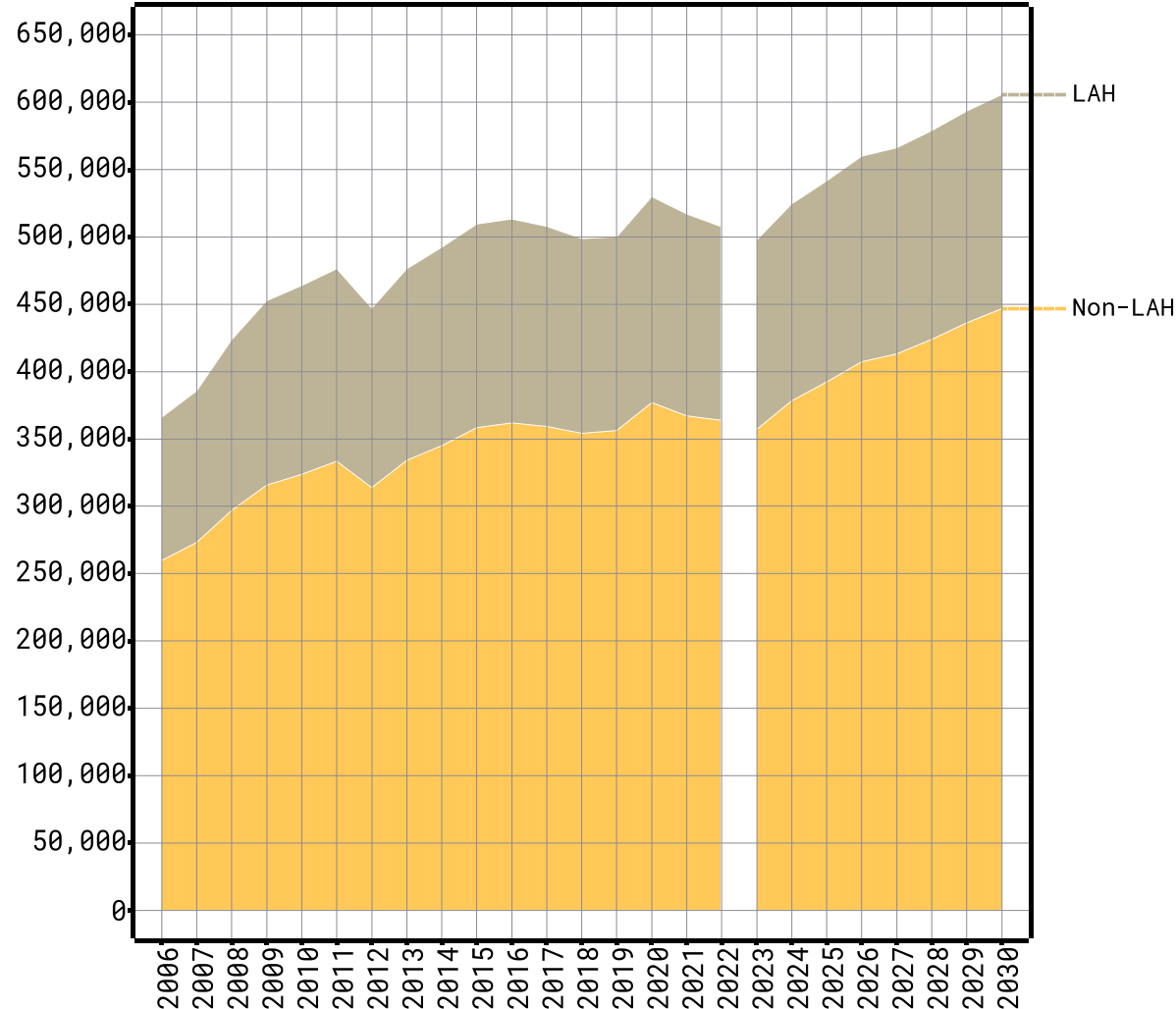
Volume of each domicile by region - 2022 (18yo)

Domicile-NE.	4,930	870	1,445	20	1,555
Domicile-NW.	1,520	17,100	4,010	65	7,035
Domicile-Y&H	2,150	3,030	10,290	25	5,205
Domicile-NI.	265	985	125	6,525	1,390
Domicile-Oth	4,500	12,805	11,465	305	179,720
	HEP-NE	HEP-NW	HEP-Y&H	HEP-NI	HEP-Oth

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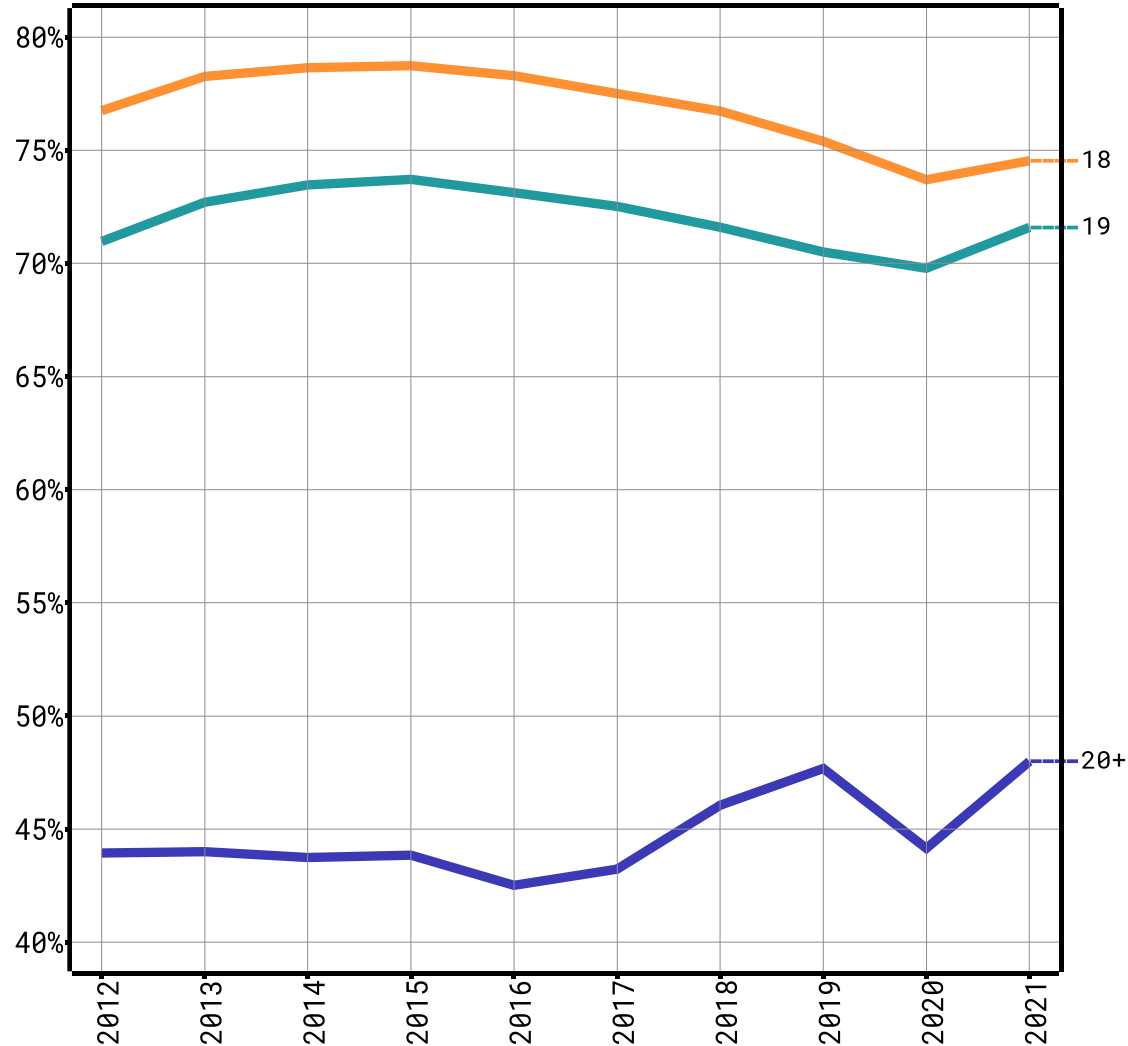
Student expectations to live away.

UG index of entrants by LAH status (n-LAH % fixed at 2019)



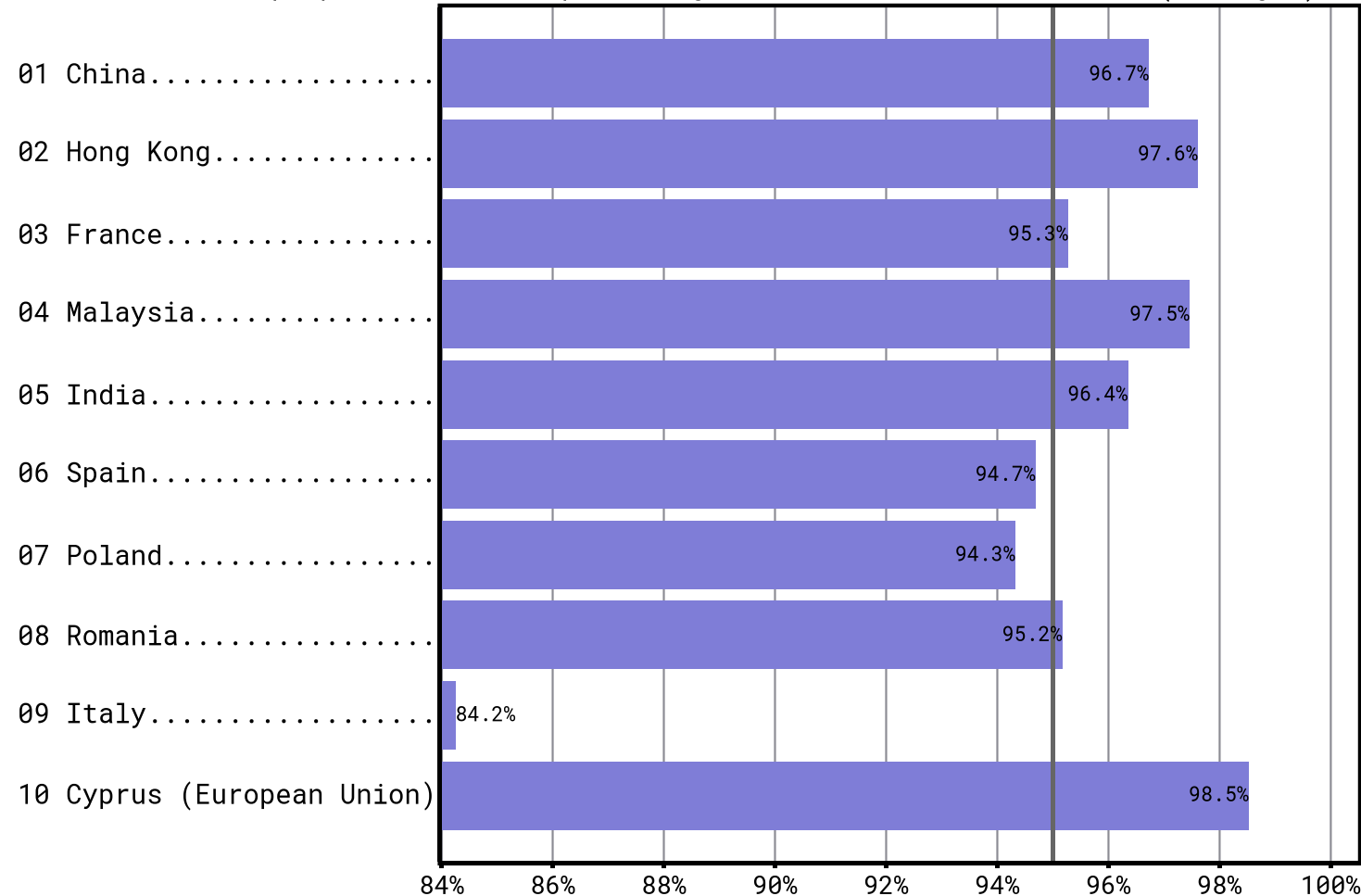
Live away. Especially 18yo.

Live-away-from-home proportion of UK entrants by age group



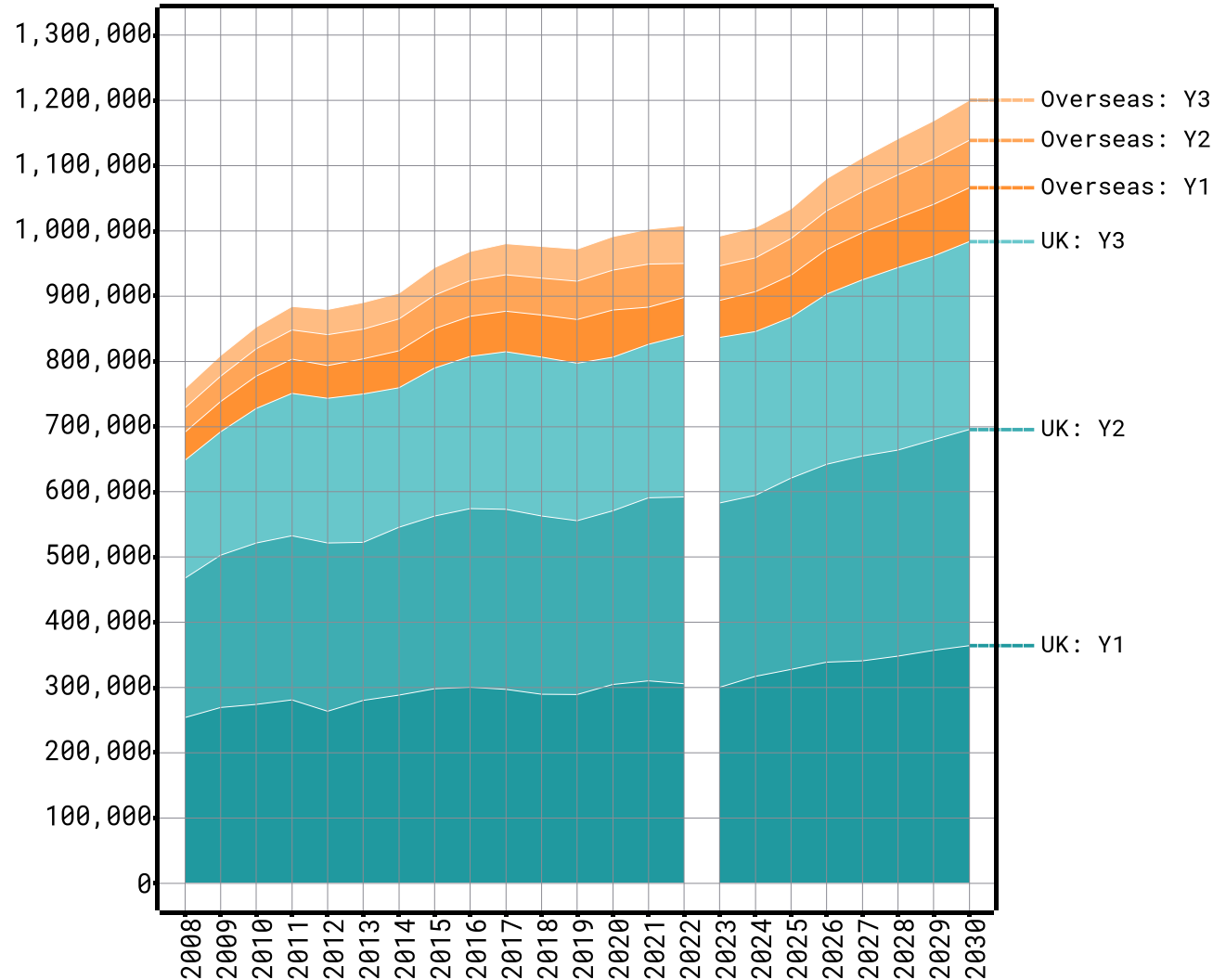
Int'l student attitudes to live away too.

2019 UG non-LAH proportions for top 10 largest international countries (all ages)



Bed requirement totals for all years.

UG accommodation demand index (n-LAH % fixed at 2019)

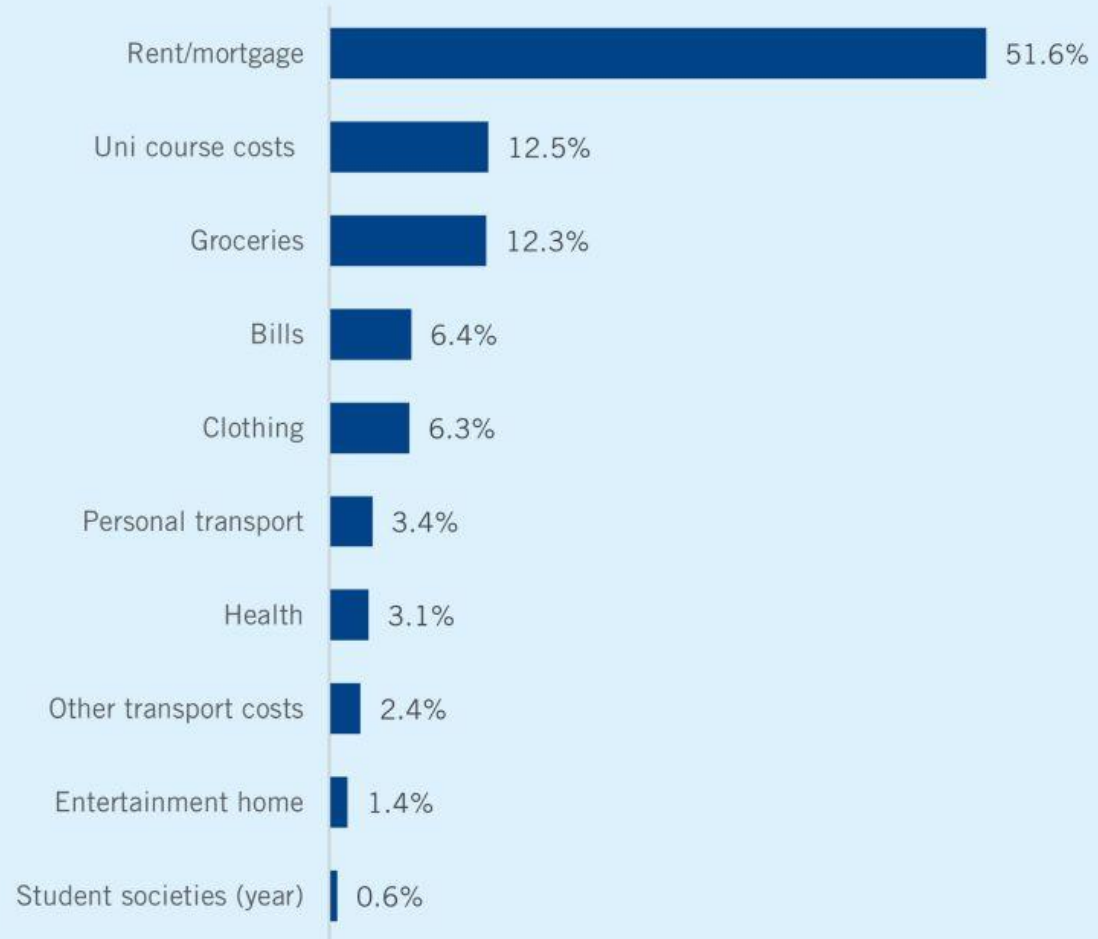


Expectations
for the
young to go
to uni and
live away
from home.

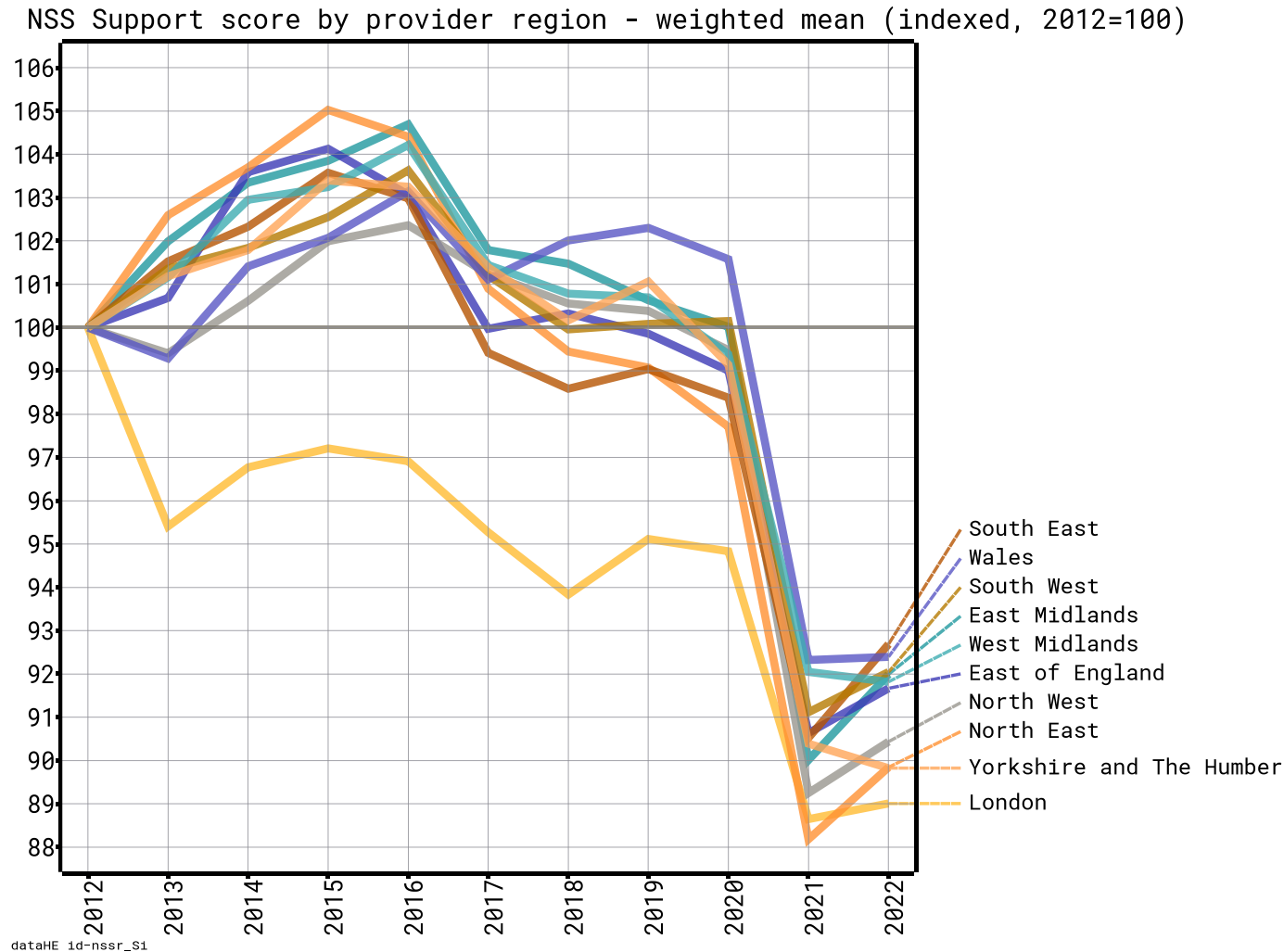
Experience?

Cost of living is important. Not tuition.

Breakdown of essential spending for a student (outside of London)



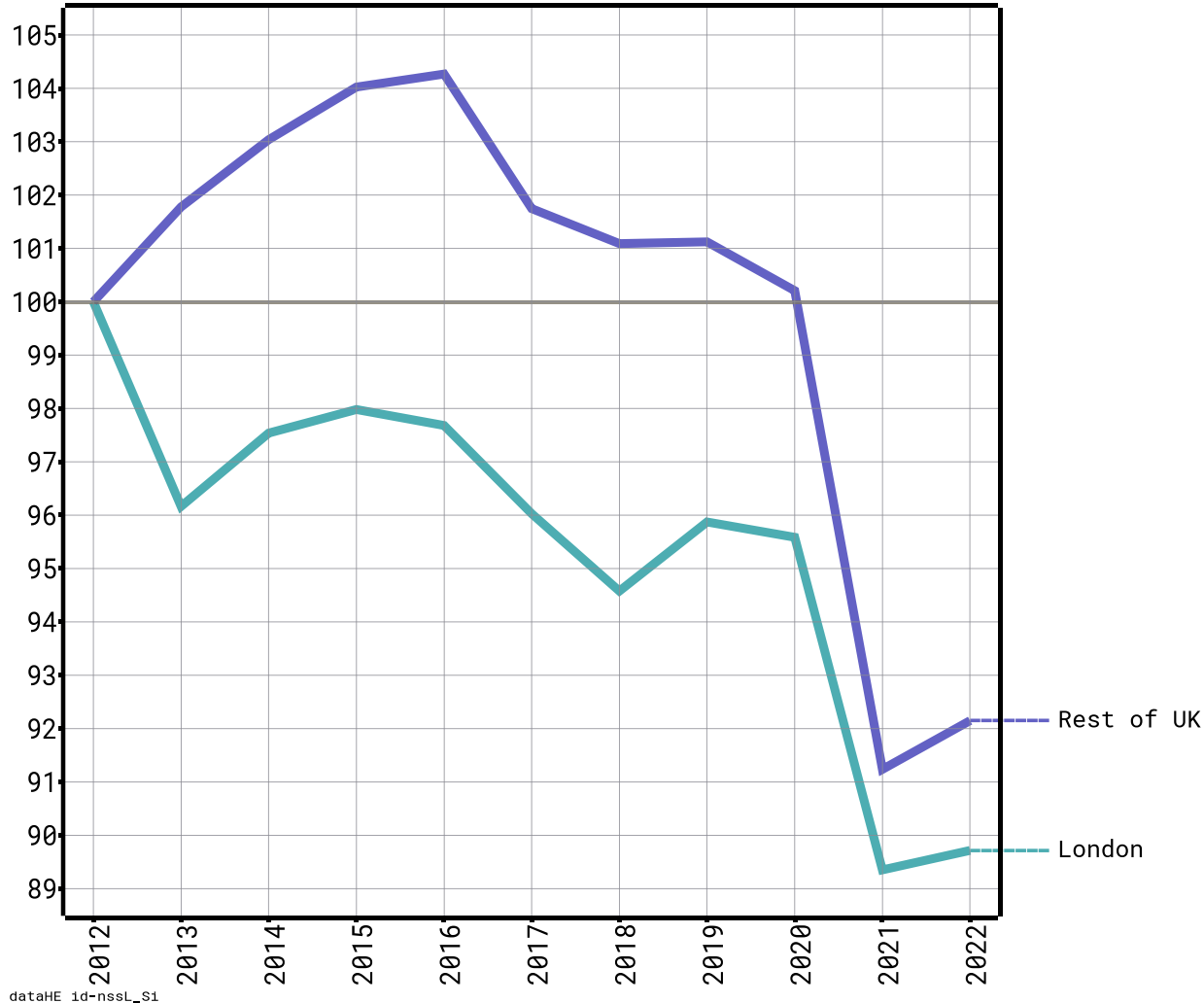
Support in decline. Hard climb back.



Pandemic
loss of trust?

London under-serving its students

NSS Support score by provider London - weighted mean (indexed, 2012=100)

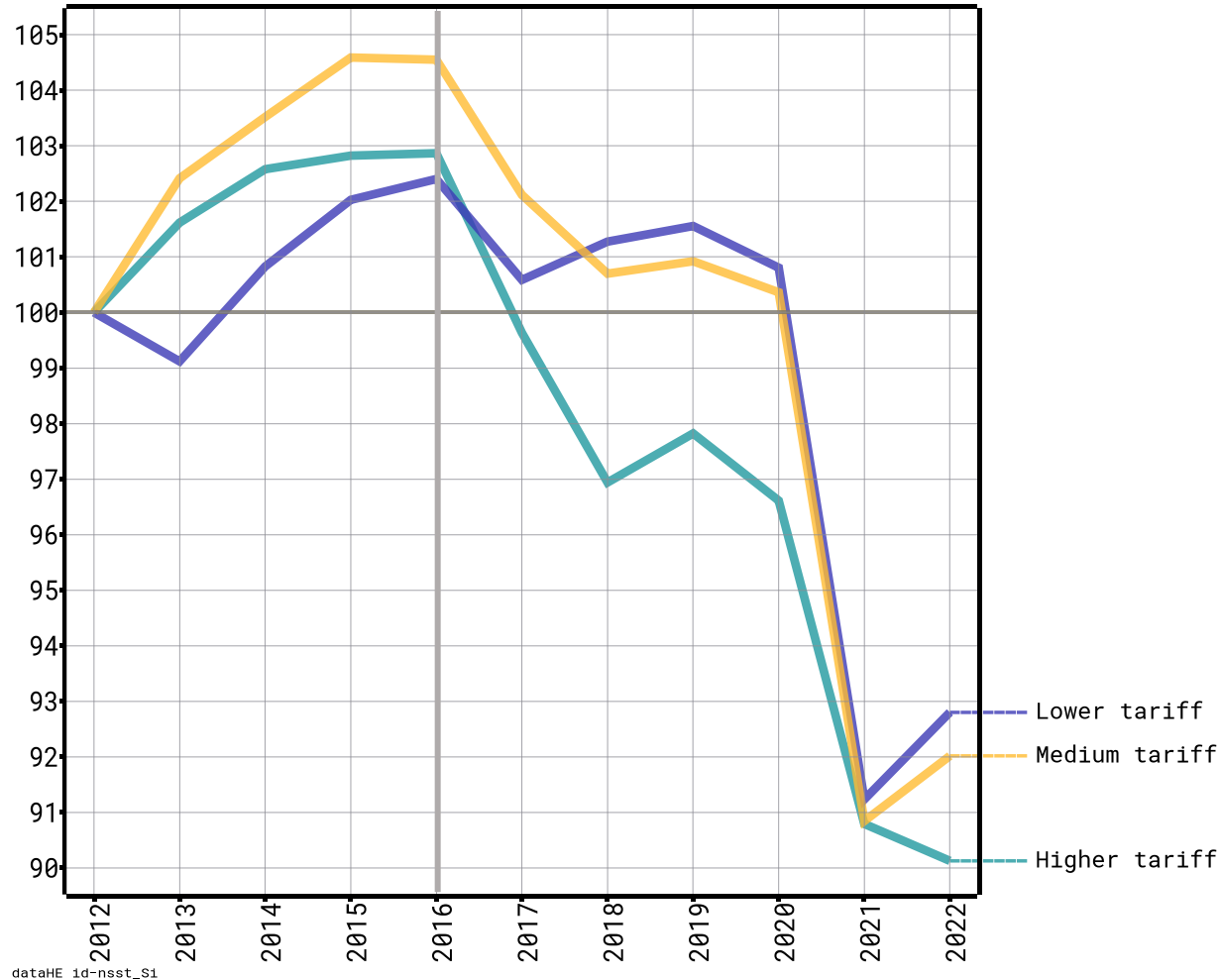


London HEPs
consistently
underperforming.

dataHE 1d-nssl_S1

Fall of support since 2016. Expectations met?

NSS Support score by provider tariff - weighted mean (indexed, 2012=100)

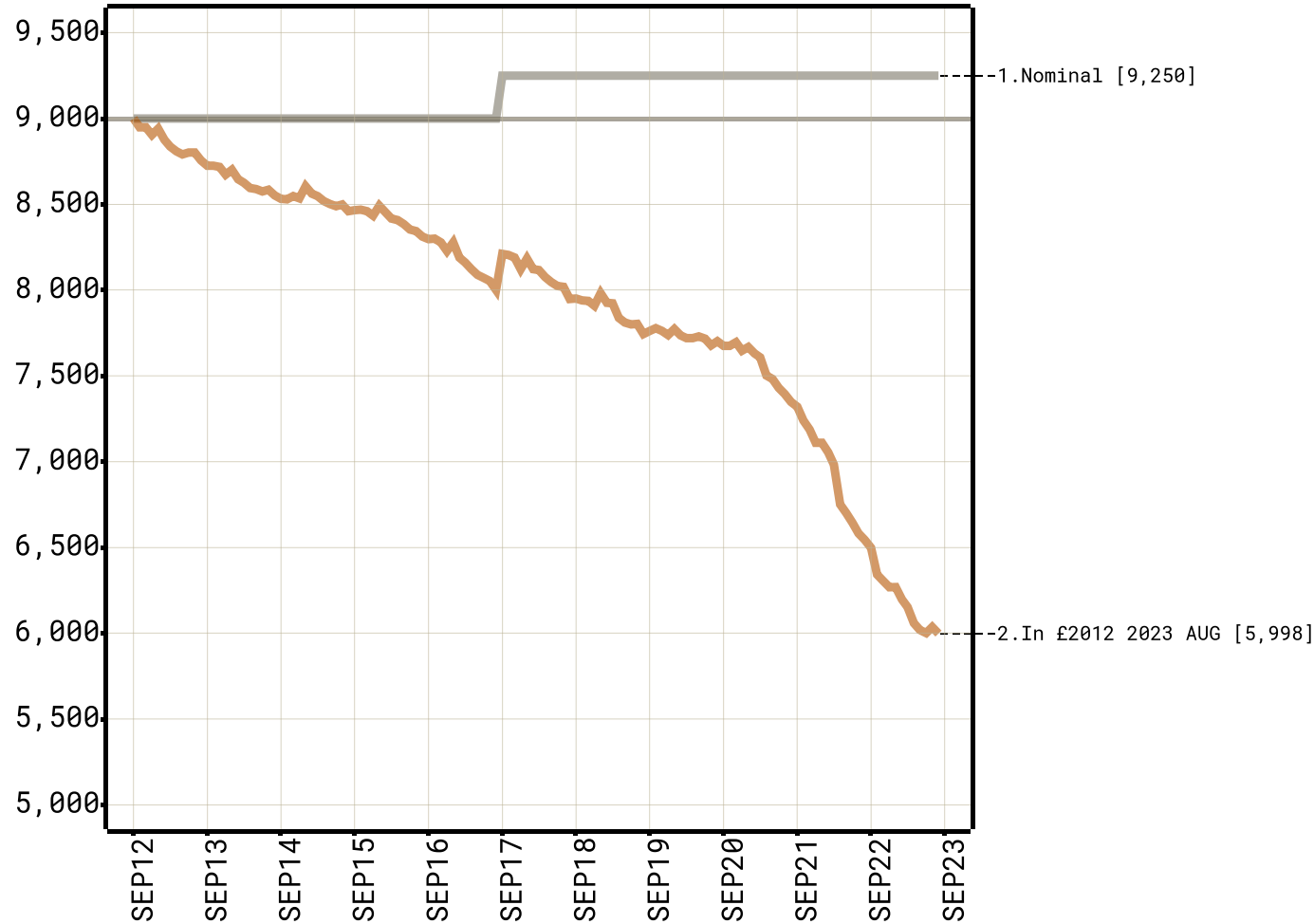


Pandemic accelerated decline of student response.

But it started in 2016.

Value of fee is not what it was.

English FT UG tuition fee cap, actual and inflation adjusted
RPI, from SEP12 reference

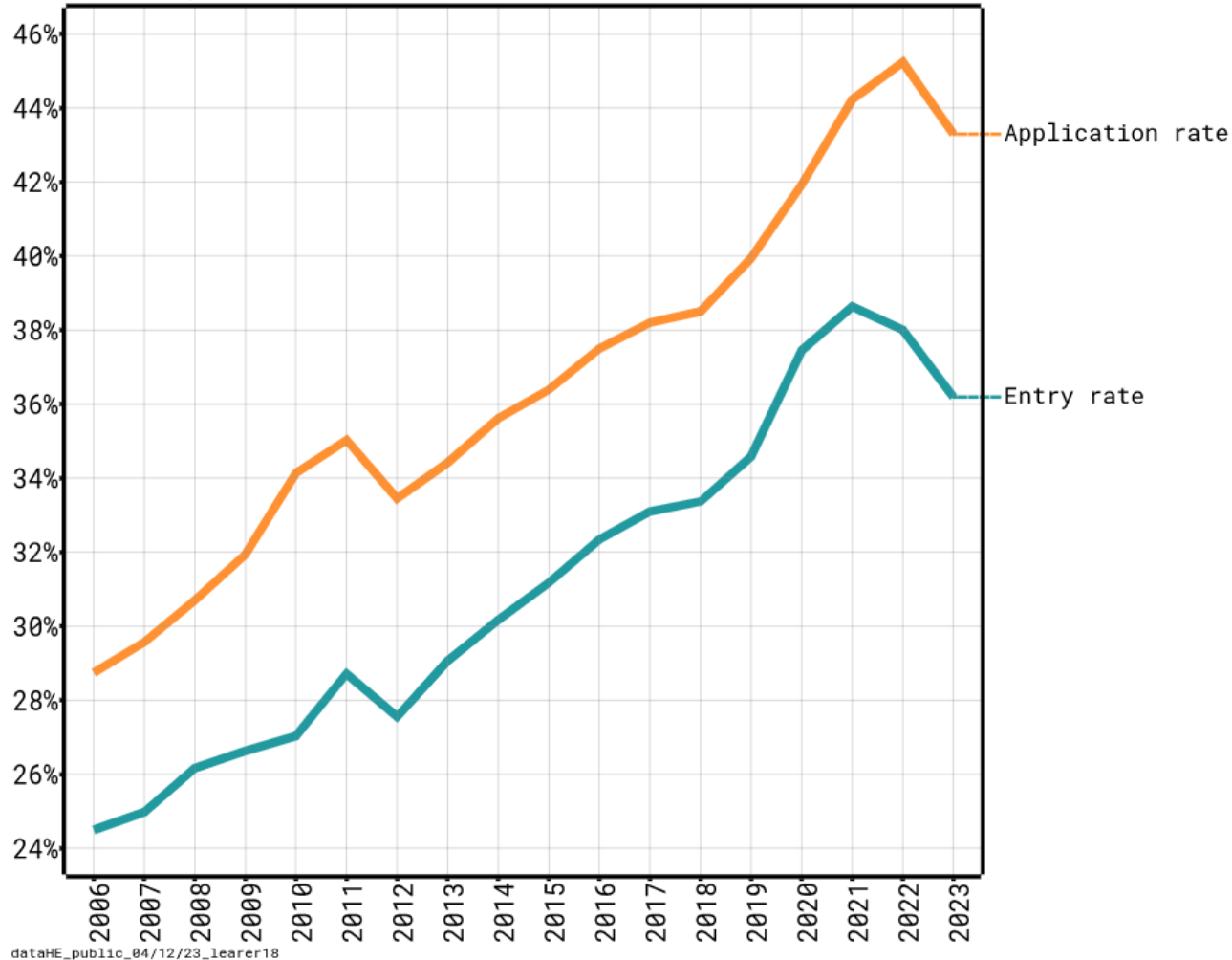


dataHE analysis of ONS data *finf01

Having to
cut services?

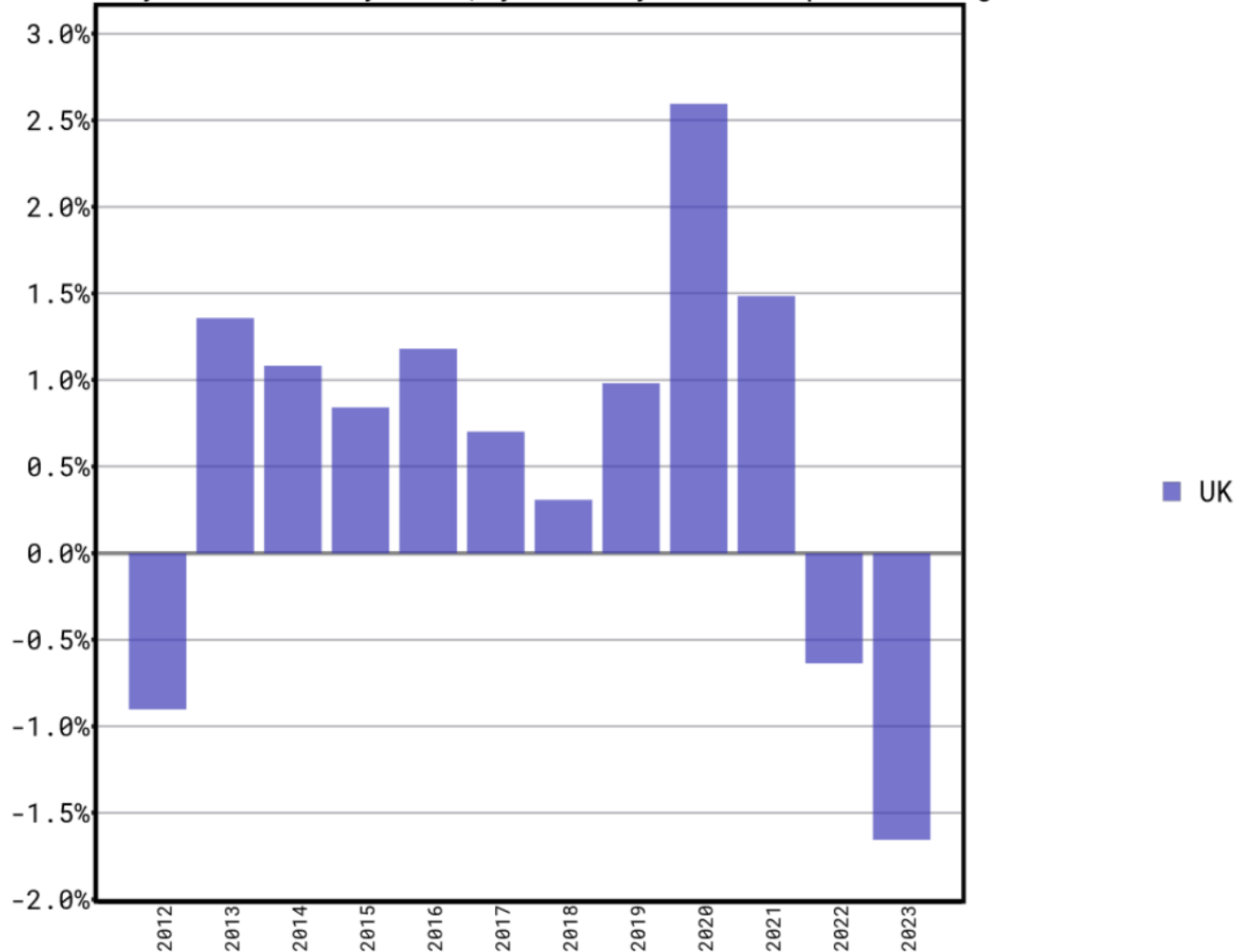
Application rates dropped for first time.

English 18 yo application and entry rate
All ex-RPA, 2023 modelled



Entry rates dropped a second time.

UCAS 18 year old entry rate, year-on-year rate point change

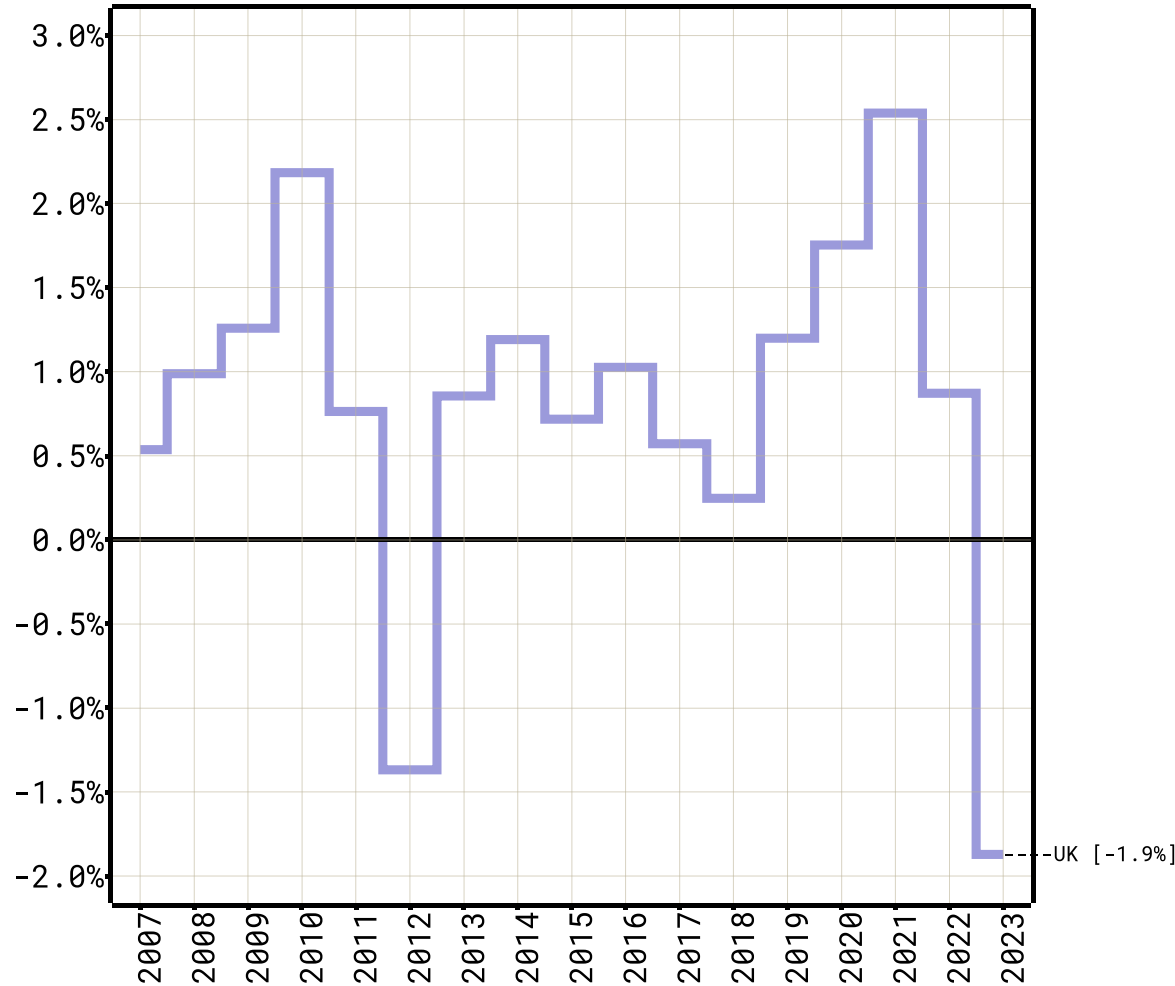


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2023: UK 18 largest ever fall in demand.

UK 18 UCAS application rate

End of Cycle (MLX), 2023 estimated, UK domiciled



dataHE analysis of ucas.com and ONS.gov.uk data : jdsp01MK

EoC most important yet.

Watch whether demand continues to be weak.

Health of student demand?

Degree is still valued and still worth the investment. **Don't be complacent.**

Demand increase and decrease driven by 18yo from UK mostly in England.

Ambition is there for most under-represented but access is squeezed.

Student experience may become even more important.

Don't take UK students for granted. EoC data this year will be the most important yet. Recent structural shocks may stick and reduce demand further.

It's an impressive achievement!



Thank you

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datahe.uk