

1 Introduction

1.1 What is participation in higher education?

Participation means taking part. A higher education (HE) participation rate is the proportion of a group of people who take part in HE. The number of people participating in HE at any one time will depend on factors such as course length, mode of study (full-time or part-time) and non-completion, as well as the numbers of those entering HE. In educational statistics, particularly those concerned with participation inequalities, it is usual to remove these complications and focus on the proportion of a group of people who have experienced or entered higher education within a particular interval. There are several ways of defining entrant-based participation rates. The measure used in this report is the proportion of a cohort of young people that enter higher education, referred to as ‘young participation’.

1.2 Why measure participation?

Higher education is generally regarded as being advantageous for those who participate in it. For example, graduates have higher salaries than non-graduates. The activity of providing HE receives substantial public subsidy: for the academic year of 2003-04 the Higher Education Funding Council for England allocated £3.8 billion to higher education institutions (HEIs) and further education institutions (FEIs) in England for teaching higher education². This combination of personal advantage and public subsidy leads to a particular interest in differences in the participation rate between groups, especially groups that can be broadly described as advantaged or disadvantaged.

Changes in HE participation rates through time are also of interest. This is particularly true for the period covered by this report (1994-2000), which has seen changing financial costs for entering HE, and government initiatives to increase the level and equality of young participation. The major changes to the cost of entering HE over this period are described in Annex G. There is interest in whether any of these changes may have affected young participation both overall and for different groups. This report uses measurements of participation rates for area groups through time to quantify any participation trends coincident with these changes.

1.3 Measuring participation

Participation rates have at their heart a count of entrants that is divided by a matched estimate of population. There are many ways of combining these two components. Methods that involve the aggregation of entrant counts and population estimates from different age groups (such as the DfES Age Participation Index, API), or the summing of age-specific rates from different cohorts (DfES HE Initial Participation Rate, HEIPR) are vulnerable to generating apparent trends in participation that are artefacts of the participation statistic. Additionally we have found that the detailed temporal pattern of entry to higher education, especially for the young, is governed by the scholastic calendar. Therefore, using inappropriate or mismatching age reference dates for the entrants and population can distort trends.

To avoid both these problems, the participation rates used in this report are calculated from the experiences of real cohorts defined relative to the school year.

Using the school year means that the ages of both the entrants to HE and the cohort are relative to the reference points that determine which school year a child is in. This reflects the detailed age pattern of entrants, and allows greater resolution in detecting any effects on participation that typically relate to school year cohorts, such as examination improvements or changes to the financial support for HE students.

The 'real cohort' means taking a group of young people of the same school year age (a school cohort), counting how many enter at age 18, waiting a year, and then counting how many enter at age 19. By this method the participation rate reflects the experience of a real school year cohort who have participated through time (in contrast to a synthetic cohort created from a single year of entrants from different school year cohorts). It avoids introducing artefacts into the time series caused by annual changes in the size of the school year cohort, or by changes in the balance of entrants at age 18 and 19. One drawback of this method is that it requires more than a single year of HE student records, so that there is a delay in calculating the participation rate. Annex E contains more details on the participation measure.

1.4 Counting entrants

The nature of a participation rate is primarily determined by how the entrants are defined. The dominant consideration is the range of entry ages that are included.

Why young entrants?

This report measures participation rates for young people who enter higher education aged 18 or 19. There are several reasons for this choice of age range.

Many of the practical problems in calculating participation rates – for example, determining those who are truly 'new' to HE and obtaining the matched cohort estimates for small areas – can be addressed for young entrants. For older age groups these problems are much more difficult to tackle.

In terms of characteristics such as entry qualifications or non-completion, those who are 18 or 19 when they enter HE form a distinctly different group from other entrants. These young entrants are an important component of HE in the UK. For example, of all those who gained a first degree from a UK HEI in 2000-01, around three-quarters started their courses as young entrants.

The young participation rates calculated for small areas have a straightforward interpretation and are valid in that they describe the chances of going into higher education for children growing up in that small area.

The arguments for choosing this set of entrants are developed further in Annex D. The focus on young entrants in this report does not mean that mature students are not important, but rather reflects that young participation can be meaningfully measured and will have the dominant effect on any inequalities in HE participation for different groups.

Obtaining an accurate count

One persistent problem in counting entrants for participation rates is to avoid double counting of individuals. Student entry and progression pathways are complex, which increases the difficulty of defining and capturing consistent student data across a large number of institutions. This can mean that simple fields on student records, intended to identify students starting their course, can give misleading results. Typically this could result in a student being counted more than once if they transfer between institutions or return to HE after leaving an earlier course. Such errors generally inflate participation rates, and any differences in the number of these cases through time or between groups can distort trend analysis.

To avoid these types of errors, this report uses linked individual longitudinal records to determine entrants. The individual records are drawn from all the main HE student data sets and matched together using reference keys and personal details to give longitudinal study histories for individuals, from which the count of entrants is obtained. The advantage of this method is that, for example, an individual who does the first year of an HND in an FEI and then moves to a degree course in an HEI is correctly tracked and only counted once as an HE entrant. This gives an accurate picture of the true level of participation, and ensures that analysis by different groups will not be biased by counting particular types of entrants more than once.

The HE student records are also linked to applicant records held by the Universities and Colleges Admissions Service (UCAS). This, together with the linking between record types, enhances the data coverage of key student details such as postcode. The definitions used for counting entrants are described in Annex C.

1.5 Estimating the population

Studies of HE participation often focus on the counts and characteristics of entrants at the expense of the companion population estimates. This is misguided: obtaining the matched cohort estimate for the entrants is generally the most challenging aspect of measuring participation. The root of this difficulty is that while the individualised HE entrant data is readily available in national data sets, there is no comparable data source for the cohort. This becomes a problem because apparently minor differences in definition between the entrants and the cohort estimate (for example, the age reference date or the treatment of resident students) can easily lead to seriously erroneous conclusions from the resulting participation figures. These problems are amplified when trying to detect changes in participation rates through time. The likely annual changes in participation rates over the period of this report will be small, so the resulting changes in the number of entrants will also be small – and comparable in magnitude to those that might result from annual changes in the size of the cohort.

To address these problems we have developed our own method for estimating small area cohorts, which is described in detail in Annex A. The method uses an evidence-led combination of the 1991 Census and contemporary annual child benefit records to give single school year cohort estimates for small areas, for the

cohorts reaching 18 between 1994 and 2000. Special measures are taken to minimise any temporal bias in the estimates; and a small number of areas which are judged to have changed in nature are removed from particular kinds of trend analysis.

1.6 Grouping by areas

Individuals can only enter or not enter HE, they can therefore only have participation rates of 100 per cent or 0 per cent respectively. Participation rates are only useful when calculated for groups. If the group is homogeneous, they can then be interpreted as the probability that each member will enter HE. For these reasons it is more useful to talk about people being members of an under-represented group rather than under-represented individuals. This report assesses inequality in young participation rates by grouping individuals according to the geographical area in which they live. The reasons for choosing to group by areas are set out below.

Ability to calculate participation rates

The already difficult task of counting entrants and the cohort is further complicated when assessing trends in inequalities of HE participation, as this requires matched entrant and cohort estimates for each group. The most important reason for using small areas is that it is the only grouping system for which the cohort for each group can be estimated in a sufficiently reliable way to detect the likely magnitude of any year on year changes in participation inequality³. This is because the postcode – a precise geographical locator – is on both individualised administrative records in education and certain key data sets for benefit payments. Area referencing through the postcode is precise and unambiguous, with a postcode typically identifying around 10-20 households. The efforts put into developing the UK postcode look-ups⁴ offers a wide choice of geographies for analysis, and enables area linking to demographic and social data from the Census. Building on this data infrastructure it is possible to construct matching entrant and cohort counts for small areas that are sufficiently accurate and consistent to reveal small changes in participation rates through time. There are no data sources to permit the calculation of similar matched annual counts for, say, income bands or occupation groups.

Interpretation and practical use of area groups

Where you live is important. This is reflected in academic research on the effect of location on life chances, the use of area statistics in targeting poverty, and in the everyday experience of the differences between neighbourhoods. Where you live determines the environment you experience and the people you are in daily contact with, and can determine your access to a range of resources, including schools. Small areas in the UK are strongly differentiated by housing type, tenure and, for private housing, house price; they show marked differences across a range of social, economic and educational statistics. It is reasonable to suppose that the young HE participation rate will differ between areas in a significant way, and that these differences will reflect the combination of different kinds of advantage and disadvantage experienced by children growing up in these areas. By analysing

participation rates by small areas we can determine the degree of inequality between children living in the most advantaged and disadvantaged parts of the country, and monitor any changes through time.

Forming groups by areas and mapping the resulting geography of young participation can also be useful to those working to address educational inequality. Drawing on early results from this research, HEFCE provided an internet service (POLAR, described in Annex H) to provide people working on widening participation in HE with maps of high and low participation areas. Feedback from this project has suggested that knowing the geography of participation was helpful both in allocating resources at a strategic level and in prioritising and planning activities directly targeting the small areas that have low young participation rates.

Suitability of small areas for measuring participation

Some of the advantages of using areas would be much diminished if the geographical units used typically contained distinct sub-communities with very different participation rates. Concerns about this problem are often expressed in terms of area measures being too 'crude' to properly capture the detailed local pattern of participation and therefore missing 'pockets of deprivation'⁵. This problem also applies to other groupings such as social class or household income bands, where there is an implied assumption of uniform participation rates within the group. One of the advantages of using areas to form groups is that with sufficiently detailed entrant and cohort estimates it is possible to investigate the magnitude of any differences in participation rates within the geographical unit used.

This report shows that it is certainly the case that large geographical units, such as regions or local education authorities, usually contain both high and low participation sub-areas. Thus, in these cases, the average participation rate for the unit does not well describe the chances of participation for all the people within it. However, when using a geographical unit nearer in size to that of 'real' participation neighbourhoods (which, for young participation, it transpires that wards work well), we find that seriously mixed areas are very rare and that, in general, almost all the children living in low participation micro-areas are correctly captured by the kind of area groupings used in this report. Annex F looks at these issues in more detail.

1.7 How the results are reported

The main results are reported in three sections.

The first describes the trends in young participation rates by country and region and the distribution of young participation rates over smaller geographies. National patterns of participation by entry age, sex, institutional sector and season are also examined.

The second section looks at the level and trends of inequalities in young participation by aggregating small areas into equal quintiles of the whole cohort. A range of participation measures, geographies and ways to form the quintiles are used to give a broad set of results.

The third section looks at how high and low participation areas, and the entrants from them, differ. The nature of high and low participation areas is investigated by looking at area statistics from the Census and other sources. The differing characteristics and HE experiences of entrants from high and low participation areas are examined. This allows us to estimate 'effective participation' rates (that is the proportion that enter HE and get a qualification), and elements of participation in postgraduate study.

A summary section draws on this set of results to give a commentary on young participation over the study period. A series of annexes follows providing more technical material covering the method used and factors that might affect the results.

5 Summary and conclusions

This section revisits the reasons for looking at young participation and the methods used in the light of the results found. The national results are reviewed and the question is investigated of whether the introduction of tuition fees and the replacement of grants by loans affected participation. The broad patterns of the quintile analyses are summarised, with a discussion of the differences between grouping methods and the patterns observed. Finally the different characteristics of the area groups and their entrants are summarised.

5.1 Why look at young participation in HE for areas?

Entry to full-time higher education at age 18 or 19 is important in terms of total HE activity, forming over 70 per cent of all entrants aged up to 30. It is also important to the individual as the benefits offered by being a graduate are more valuable in terms of affecting life chances the earlier they are gained in adulthood. When young entrants are defined relative to their school years, 18 and 19 year-olds form a natural group both because of their dominance and their differing characteristics (for example, they are more likely than other groups to qualify once in HE and are more likely to offer high A-level points as entry qualifications).

The two core questions of participation analysis are how great is the inequality between advantaged and disadvantaged groups, and how this inequality may be changing with time. The only feasible method to address these two questions is to measure young participation by areas, because of the availability of suitable raw data sources, the close relationship of this age group to their area of origin, and the ability to define truly new entrants.

Set against these advantages are concerns that areas are too mixed in the nature of their residents to be a useful grouping. Our work has indicated that the relevance of these concerns depends on the choice of area for analysis. Areas the size of wards appear to offer a workable balance between geographical precision in targeting advantage and disadvantage, and avoiding spurious participation rates resulting from very small cohorts. In particular, in as far as the data can reveal, the overwhelming majority of low participation micro-areas are in low participation wards. Although cases of serious mixing of high and low participation micro-areas to give misleadingly average participation areas do occur, they are rare and only act to reduce the discrimination of the resulting groupings.

5.2 Success of participation measure

Educational attainment at GCSE, itself a result of over a decade of compulsory education, is key in determining entry to HE. Given this, any changes in the relative participation of different groups are likely to be gradual, with only very small annual changes. To reliably detect these changes very accurate participation measurements are required. Measures such as the frequently used API by social class have limitations that render them entirely inadequate for this purpose.

This report uses a specially developed method that estimates the cohort size (the denominator for the participation statistic) using a combination of small area 1991 Census data, realigned to school year ages, and individualised extracts from the

Inland Revenue child benefit records. For later cohorts a denominator based on the child benefit records alone is used, and we have made arrangements for annual updates to our estimates using this source. The cohort estimates are controlled at a national level to match realigned (to school years) 1991 Census aged cohorts. Very similar estimates are obtained by controlling to mid-year estimates (revised to use the 2001 Census) or, where possible, school roll totals and child benefit counts.

The count of young entrants is taken from cross-linked and longitudinally-linked individualised administrative student records covering HE in both HEIs and FEIs. The linking between individual records has been verified by its use in the Performance Indicators⁴¹. It enables the proportion of the cohort entering HE at age 18 or 19 to be determined with no double counting and with strengthened data coverage on key items such as postcode. The definition of entrants is restricted to those on full-time courses studying for a range of well defined undergraduate qualifications which, with some other restrictions, helps ensure compatibility across the different data sources. Sensitivity testing indicates that the numbers excluded by this measure are small (amounting in total to around 2-3 percentage points of young participation) and would not significantly change the participation trends reported if they were included.

The participation measure itself is constructed so that it measures the actual proportion of a single year of age school-aligned cohort that enters higher education at age 18 or 19. By following the progress of an actual cohort it avoids spurious participation trends resulting from changing cohort sizes that can afflict synthetic cohort measures such as the API. By using school-aligned cohorts, changes that affect particular school years of children, such as tuition fees or improvements in examination results, can be compared against young participation.

The young participation measures used in this report give lower participation rates than those recorded by the HEIPR. The principal reason for this is that the HEIPR measure considers entrants up to the age of 30 whereas the measures in this report focus on young – entry at age 18 or 19 – entrants only. This reflects the differing aims of these statistics: the HEIPR is a broad national level summary statistic, whereas the YPR gives detailed participation rates for small areas and so must use an age group where the cohort estimates are possible and the area results interpretable.

5.3 Young participation around 30 per cent in England, higher in Scotland

The 2000 cohort numbered 576,000 in England of whom 172,000 entered higher education, giving a participation rate in *all* types of institution of 30 per cent. The overwhelming majority, 19 out of 20, of these entrants studied in an HEI.

In Scotland there were 61,000 young people in the 2000 cohort of whom 24,000 entered higher education; a participation rate in *all* types of institution of 38 per cent. The profile of participation in Scotland is different, with around one in three young entrants studying a higher education course in an FEI. This route accounts for 12 percentage points of young participation in Scotland.

The participation rate for higher education courses in HEIs *only* is 29 per cent for the UK 2000 cohort. This is similar for the constituent countries of the UK: England (29 per cent), Wales (30 per cent), Scotland (27 per cent) and Northern Ireland (32 per cent).

5.4 National participation rates little changed over the 1994 to 2000 cohorts

The measure of participation in HE courses in HEIs only is useful for looking at participation trends since it covers more cohorts than the measure for participation in all institutions. The period for which the two measures overlap indicates that the statistic for only entrants to HEIs faithfully represents changes in the trends for all young participation.

Young participation for the UK has increased slightly from 27 per cent for the 1994 cohort to 29 per cent for the 2000 cohort. This is in contrast with the doubling of young participation over the preceding seven cohorts. Similar trends are seen for the constituent countries of the UK.

A notable feature of the time series is the exceptionally large increase in the size of the cohort for 1997, caused by a surge in births in the late 1970s. This caused the number of 18 year-olds in 1997 to rise by nearly 60,000 (9 per cent) compared to the previous year. There was a near matching increase of 14,000 (8 per cent) in the number of HE entrants from this cohort, so that there was only a modest decline in young participation.

Further analysis suggests that the small changes in participation in England are explicable in terms of annual changes in the size of the cohort and the pace of improvement in GCSE results. There is no evidence of a decline in overall young participation that might have been prompted by the introduction of tuition fees and the replacement of student grants with loans.

5.5 No evidence of entrants changing their behaviour to avoid tuition fees

Of the young entrants from England, one in three enter higher education at age 19 rather than age 18. This proportion has remained steady across the 1994 to 2000 cohorts. In particular there is no evidence of the changes in this proportion that would result from significant numbers of entrants bringing forward their intended entry point by a year, to avoid the introduction of the tuition fee and the replacement of grants with loans.

Changes to the tuition fee system in Scotland that differentiate it from England are mostly too late to affect the period covered in this report. However, for one particular entry year (2000-01) there was a strong financial incentive for the small proportion of Scottish students who enter English institutions to instead remain in Scotland and thereby avoid paying a tuition fee. No significant change in the proportion choosing to study in England was observed.

5.6 Growing inequality in young participation seen between men and women

For the 1994 English cohort, young women were 6 per cent more likely to enter higher education than young men. Strong growth in participation by women and stagnation in male participation have combined to steadily increase this inequality, so that for the 2000 cohort young English women are 18 per cent more likely to enter HE than their male peers. This increasing inequality is caused by diverging participation rates for entry at age 18 (rather than age 19).

The participation disadvantage of young men can vary across groups. For example, it is greater in other UK countries. It is substantially larger, and growing faster, in disadvantaged areas, where young women from the 2000 cohort are nearly 30 per cent more likely to enter HE than young men.

5.7 Month of birth has strong influence on chance of entering HE

Once the seasonal pattern of births has been allowed for, a strong seasonality in young participation for entry at age 18 is revealed, that is not redressed by entry at 19. This seasonality is aligned to the country-specific dates that determine entry to the school year. In England those who are born in September, and are thus the eldest in their school cohort, are over 20 per cent more likely to enter higher education at age 18 than those born in August.

The reasons for this seasonality are unclear, though there is evidence that the effect is already established by the time children progress to A-levels and no additional seasonal effects on, for example, progression rates for university entrants are observed. If all English children had the same chance of going to university as those born in September then there would typically be around 12,000 extra young entrants per cohort, increasing young participation by 2 percentage points.

5.8 Regional differences in young participation marked and growing

There are substantial regional differences in young participation, with children in some regions being 50 per cent more likely to be young entrants than their peers in other regions. The majority of these regional inequalities result from differences in participation at age 19 rather than age 18. The growth of young participation in London has been particularly high, taking it to a participation rate of 36 per cent for the 2000 cohort, over 6 percentage points higher than in 1994. In contrast, low participation regions such as the North East (24 per cent for the 2000 cohort) have seen little growth in participation. As a result they have fallen further behind and regional inequality in participation has increased.

The participation pattern of the evenly populated parliamentary constituencies reveals a Britain with a more polarised and complex geography than the regional map would suggest. In some parliamentary constituencies fewer than 1 in 10 young people enter higher education, whereas in others the majority of young people go to

university. This polarisation has persisted throughout the period, even where constituencies with opposite extremes of participation are neighbours.

Although there are more low participation constituencies in the north of England and more high participation constituencies in the south of England, the geography is resistant to a simple categorisation. Constituencies with high participation can be found in low participation regions and some of the constituencies with the lowest participation rates are in the south of England. Disadvantaged constituencies in Scotland have low participation rates but these are nearly twice the very low rates found in similarly disadvantaged areas in England. The relatively high participation rates for these areas appears to be a reflection of the greater importance in Scotland, especially for poorer areas, of HND and HNC qualifications and HE courses in FEIs.

5.9 Local participation rates reveal severe polarisation between neighbourhoods

The true extent of participation inequalities between areas is only revealed at the local scale of neighbourhoods. Geographies such as census wards are effective at capturing this local variation. They are large enough that their participation rates are not swamped by the random noise introduced by small cohort counts. They are also small enough to reflect the neighbourhood pattern of young participation, with analysis indicating that they are rarely internally mixed in terms of young participation rates.

Local geographies such as wards show broad and deep divisions of participation chances: the 20 per cent of young people living in the most advantaged areas are five to six times more likely to enter higher education than the 20 per cent of young people living in the least advantaged areas. Maps of local participation rates reveal that many cities and towns are highly polarised, containing both neighbourhoods where almost no one goes to university and neighbourhoods where two out of three or more will enter HE.

The maps of neighbourhood participation rates are complex as they reflect the distinctive geography and nature of each area, but some general patterns do emerge. For instance, the existence of large swathes of uniform low or high participation areas, the juxtaposition of neighbourhoods with extremes of participation, and the spatial association of school GCSE results with young participation are seen in most places.

5.10 No major changes in local participation inequality for the 1994 to 2000 cohorts

When using several cohorts combined, wards are suitable for mapping neighbourhood participation. However with a typical annual cohort size of 50, individual wards are too small to reliably detect annual changes in participation of advantaged and disadvantaged groups that might occur if, for example, the replacement of grants with loans had deterred those from disadvantaged areas. To overcome this problem, small areas such as wards are aggregated to form quintile

groups of the young cohort that are large enough to detect small changes in participation between advantaged and disadvantaged areas.

An array of geographies and measures of disadvantage are used to investigate the degree of local participation inequalities and how they are changing across the 1994 to 2000 young cohorts. The consistent finding confirms the patterns suggested by the maps: there is a high degree of inequality in the chance of young people entering higher education depending on the neighbourhood in which they live. Further, this level of inequality is persistent over the period. There are no substantial changes to divisions between neighbourhoods in the chance of entering higher education. In particular, there is no decline in the participation rates of the most disadvantaged areas either overall or coincident with the introduction of tuition fees and replacement of grants with loans.

5.11 Mixed messages from the minor changes in inequality found

The methods used are powerful enough to detect small changes and these give a mixed picture. The more disadvantaged areas have shown the higher proportional growth in participation over this period, particularly for women and in London. The participation growth of the more advantaged areas stalled in the middle of the period, but despite this these areas generally recorded the largest absolute percentage point increase in participation over the period.

This means that, although the extra entrants resulting from the higher participation over the period are slightly more equitably distributed than before, the majority of these new places in HE have been taken by entrants from already advantaged areas. On this measure the degree of absolute inequality between areas has increased slightly over the period. However the steady proportional rise in the participation of the most disadvantaged areas, and an apparent checking of the growth of participation from the high participation areas in the middle of the period, have resulted in a slight reduction in the degree of relative inequality between high and low participating areas over this period.

These changes are very small, so it is possible that they result from equally small residual biases in either the entrant counts or cohort counts. However, it is unlikely that this could account for all the changes observed. Of a number of possible explanations for the changes, a plausible one is a slight reduction in degree of disadvantage, particularly at school, experienced by children living in the most disadvantaged areas, together with a marginal reduction in the attractiveness of UK HE for young people living in the most advantaged areas.

5.12 Low participation neighbourhoods face many other disadvantages

High and low participation neighbourhoods are very different environments, and their residents have very different characteristics. Some of these differences can be quantified by using census area statistics, indices of deprivation and geodemographic groups. Together these show a consistent picture – of the areas

with the lowest young participation rates being disadvantaged in many other ways, and conversely the areas with the highest participation rates enjoying many other advantages.

Children in low participation areas are likely to be living in local authority rented homes in some of England's most deprived wards with, for example, less space and fewer household goods than their peers in high participation areas. The neighbourhood maps of participation show that often their nearest secondary school will have only a small proportion of its pupils gaining five GCSE A-C grades. In contrast, children in high participation areas are frequently near schools, often fee-paying, where very nearly all the pupils gain these grades. Adults in low participation areas are likely to work in a manual occupation, have a low income, to receive means-tested benefits and not have, for example, a car or an overseas holiday. They are much less likely to have any experience of higher education than those in high participation areas, and the two groups differ sharply across a wide range of measures of political, cultural and consumption behaviour.

5.13 Young entrants differ according to area background

The selecting nature of entry to higher education would be expected to reduce the differences between entrants relative to the differences between the areas themselves. Nevertheless, entrants from high and low participation backgrounds do show a number of clear differences. Entrants from high participation areas are more likely to have had a planned gap year before entry to HE, pay all of the tuition fee and to have studied at an independent school. They also differ in their choice of course and institution, being more likely to study subjects such as medicine and languages and to be at those institutions formerly funded by the UFC.

Entrants from low participation areas have lower entry qualifications, are more likely to have parents in manual occupations, and are less likely to be paying all their tuition fee than those from high participation areas. They are also more likely than entrants from high participation areas to be studying for an HND or subjects such as education and nursing. Entrants from low participation areas are more likely to go to an HEI that is near where they live, but more work is required to determine if this is a genuine difference in choice or simply reflects, for example, the relative distribution of population and HE places between groups.

However, entrants from the most advantaged half of areas dominate the student population. This means that the majority of entrants with almost any characteristic – even those usually associated with disadvantaged areas such as weaker entry qualifications – are those from advantaged areas.

5.14 Qualification rates increase participation inequalities

Tracking young entrants to first degree courses through their time in higher education shows that 87 per cent qualify within six years, with the remainder mostly leaving without a qualification. This leads to an estimate of an *effective*

young participation rate (that is, participation which leads to a qualification) of around 25 per cent for England.

Non-qualification rates are around two-thirds higher for young male entrants than for young female entrants. This means that the inequality between the sexes in *effective* participation is higher than the already substantial inequality in young participation: the participation advantage of women increases from 18 per cent to 27 per cent once qualification rates are considered.

A similar exacerbation of participation inequality by qualification rates is seen for the area groupings. Entrants from the most disadvantaged areas have non-qualification rates two-thirds higher than entrants from the most advantaged areas. However, entrants from these areas differ in nature across factors such as entry qualifications that are known to be very important in qualification rates. It is not yet clear if coming from a disadvantaged area has an additional negative effect on qualification once other factors are taken into account. Evidence from the proportions who do not continue with HE after their first year of study suggest that the patterns of non-qualification by area background have not significantly changed over the period.

5.15 Around a fifth of degree graduates progress to postgraduate study, little variation by area background

By tracking individual entrants or using the HESA survey of the first destinations of graduates it is possible to estimate how many add postgraduate level study to their undergraduate participation. Both methods give the same result: for those young entrants who do qualify with a first degree around a fifth will also study at postgraduate level either through an enhanced undergraduate qualification (6 per cent of qualifiers) or by immediate progression to a postgraduate course (13 per cent of qualifiers). These figures translate into an estimated young postgraduate participation rate for England of just under 4 per cent.

For first degree *qualifiers* the proportion with this type of postgraduate experience varies little by the area background of the entrant for most types of postgraduate study. The exception is with the award of postgraduate teaching qualifications or progressing to postgraduate teaching courses, which is done by 9 per cent of qualifiers from disadvantaged areas, nearly twice the proportion of qualifiers from advantaged backgrounds. This difference results in qualifiers from disadvantaged areas having a slightly higher propensity to experience postgraduate study.

However since the degree qualifiers are dominated by those from advantaged areas the majority of those experiencing postgraduate study – even the teaching related qualifications – are from these areas. This is reflected in the young postgraduate participation rates for area groups. These are estimated to be around 1.4 per cent for disadvantaged areas and 6.6 per cent for advantaged areas. This is similar to the degree of inequality for young undergraduate participation suggesting that, on this measure, the effects of area background, so strong in determining earlier educational outcomes, have negligible additional effects at this stage.