

Update to data analysis of unconditional offers

Relationship with transition to higher education and continuation of studies into the second year

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Annexes A-F are published alongside the main report at <u>www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/</u>.

Summary

- 1. Students often apply for courses at higher education providers through UCAS, making their applications and receiving offers before their examination results are known. Unconditional offers are when, during this process, a provider guarantees students a place in higher education before their exam results are known. The proportion of students receiving unconditional offers when they apply ahead of gaining their A-level and other Level 3 qualifications has grown rapidly since 2013. In 2013, only one in every 100 18-year-olds¹ in England received an offer with an unconditional component; by 2019, 40 in every 100 held at least one offer with an unconditional component.
- 2. The latest Office for Students (OfS) analysis shows that A-level students placed into higher education through unconditional offers are consistently less likely to continue into the second year of their studies than A-level students who entered through conditional offers. However, for BTEC students, we find that those placed through an unconditional offer have higher continuation rates in the most recent year available.

Definitions of offers in this report²

- Offer with an unconditional component any offer that falls within one of the following categories:
 - 'Conditional unconditional' offer offers which are conditional at the point of offer and adjusted by the provider from conditional to unconditional when selected as an applicant's Firm choice. These are identified in the admissions system through free text fields that providers can use to communicate any additional information to applicants. The offer conditions are analysed at the point the applicant replies to the offer or, if this is not available, 30 June.
 - 'Direct unconditional' offer offers which are unconditional at the first point of offer.
 - 'Other unconditional' offer offers which are conditional at the point of offer and become unconditional before 30 June – the final date on which main scheme applications can be submitted, but which are not identified as 'conditional unconditional' from offer conditions.
- 3. UCAS has regularly reported trends in unconditional offer-making. The most recent UCAS 'End of cycle report 2019'³ shows that applicants with A-levels and an unconditional offer in the 2019 cycle were, on average, 11.5 percentage points more likely to miss their predicted grades by

¹ Applying to OfS registered providers.

² UCAS recently updated its definitions of the different types of unconditional offers. For more information, see 'End of cycle report 2019: Annex A: Redefining Unconditional Offers', available at https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-reports/2019-end-cycle-reports.

³ See UCAS, 'End of cycle report 2019: Unconditional Offers – The Applicant Experience', available at <u>https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-reports/2019-end-cycle-report</u>.

three or more grades (than if they had received a conditional offer). UCAS also reported the number and type of unconditional offers made by each higher education provider.⁴ In November 2018, UCAS published a range of good practice resources to promote the responsible and appropriate use of unconditional offers.⁵

- 4. Following initial analysis of unconditional offer-making and an accompanying insight brief⁶ in January 2019, the OfS published an updated analysis⁷ in October 2019 of the effect of unconditional offers on continuation in higher education. This updated analysis showed that 2015-16 and 2016-17 entrants to higher education who were placed through unconditional offers were less likely to continue into a second year of study. This relationship remained statistically significant (at the 5 per cent significance level⁸) after controlling for other relevant factors, such as predicted entry grades, level of study, higher education provider, subject, and student characteristics.
- 5. This report uses new data from UCAS, to examine trends in unconditional offer-making across higher education providers in England, adding data from the 2019 application cycle to the previously reported 2013 to 2018 data. For years when the higher education administrative data is available, which now includes the 2018-19 academic year, we have tracked individual applicants into higher education, looked at their likelihood to enrol, and to continue into the second year of study. The report extends the analysis reported in October to pick up higher education activity in the 2018-19 academic year, with analysis of continuation rates now also considering entrants to higher education in 2017-18.
- 6. This report has improved upon the analysis of continuation rates in the following ways:
 - a. We consider entrants in each year separately instead of combining cohorts. This allows us to look at a time series that can be updated annually.
 - b. We estimate the association between unconditional offers and continuation rates separately for entrants with different types of entry qualifications (A-level, BTEC and other).
 - c. We now include the continuation rates of entrants who applied to the main scheme in UCAS but were not placed to their Firm (first) or Insurance (reserve) choice. Instead they were placed through what we refer to as 'other UCAS routes'. These routes include Clearing, Adjustment, Extra and a small proportion of entrants who had not replied to offers by 30 June. The majority of entrants (87 per cent) in this category enter higher education through Clearing. Our previous report did not analyse the continuation rates of these students.

⁴ Available at <u>https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-data-resources-2019/provider-level-end-cycle-data-resources-and-unconditional-offer-reports.</u>

⁵ Available at <u>https://www.ucas.com/providers/good-practice/unconditional-offers</u>.

⁶ See <u>www.officeforstudents.org.uk/publications/unconditional-offers-serving-the-interests-of-students/</u>.

⁷ Available at <u>www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/</u>.

⁸ This means that if there were no relationship between unconditional offers and continuation, the likelihood of seeing this result purely by chance is less than 5 per cent. We have not shown that this is due to the unconditional offer itself. There could be an unmeasured factor that is also associated with those holding unconditional offer that is behind this effect.

- 7. Annex F⁹ contains full details of changes to the methodology in this report since our previous release.
- 8. Our analysis finds that for 18-year-olds in England applying to higher education providers registered with the OfS:
 - a. The number of unconditional offers being made has continued to grow. In 2019, four in 10 applicants had at least one offer with an unconditional component and over a quarter received at least one 'conditional unconditional' offer. Meanwhile, the proportion of students receiving at least one 'direct unconditional' offer rose modestly (0.5 percentage points since 2018) and the proportion receiving 'other unconditional' offers fell slightly (0.2 percentage points since 2018).
 - b. As previously reported, there is little evidence that applicants placed through an unconditional offer are either more or less likely to enrol the following autumn. Regardless of whether they hold an unconditional offer, around three per cent of applicants placed through UCAS are not identified as starting higher education in the same year, or at the intended higher education provider. Applicants that have come through 'other UCAS routes' are roughly equally likely to be identified as starting higher education as those placed through conditional or unconditional offers.
 - c. For entrants in 2015-16, 2016-17, and now 2017-18, a lower proportion (more than 1 percentage point) of those entering with unconditional offers continued with their studies after the first year, compared with those who enter with conditional offers.
 - d. Statistical modelling indicates that, after controlling for predicted entry qualifications, provider, subject of study and a number of student characteristics, there was a small (but statistically significant¹⁰) negative difference¹¹ in continuation from being placed through an unconditional offer compared to a conditional offer for A-level entrants in each of these years.
 - e. The model estimates that the continuation rate of 2017-18 entrants with A-levels who were placed through unconditional offers (95.5 per cent) was between 0.4 and 1.1 percentage points lower than it would have been if they had been placed through a conditional offer instead. This is after controlling for other factors outlined above, but there could be an unobserved factor correlated with both entry route and continuation that is behind this difference, and all model-estimated differences we report. This difference translates to between 70 and 175 of the 15,725¹² A-level entrants placed through unconditional offers in

⁹ Annexes to this analysis are available at <u>www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/</u>.

¹⁰ At the 5 per cent significance level, which is used throughout this report when reporting statistical significance.

¹¹ Throughout this report, we avoid use of the term 'effect' to describe the association between unconditional offers and continuation outcomes, after controlling for the factors listed. This is because we cannot be certain the relationship we have identified is purely causal, even after having controlled for other factors. It is possible that there remains some unobserved factor, correlated with both an entrant's route into higher education and their likelihood of continuation, which is driving the negative relationship between unconditional offers and continuation rates.

¹² Restricted to those in the modelling population, details of which can be found in Annex E.

that year, who would have continued with their studies if they had instead been placed through a conditional offer.

- f. By contrast, the model estimates that 2017-18 BTEC entrants with unconditional offers were between 0.3 and 2.6 percentage points more likely to continue with their studies, relative to being placed through a conditional offer. The model estimates that between 15 and 135 additional BTEC entrants in that year continued with their studies having been placed through an unconditional offer, instead of a conditional offer. This is out of 5,115 BTEC entrants placed through unconditional offers in our 2017-18 modelling population.
- g. To put these findings into context, the model also estimates that the continuation rate of A-level entrants in 2017-18 who were placed through 'other UCAS routes' (95.4 per cent) was between 0.6 and 1.2 percentage points lower than it would have been, if they were placed through conditional offers instead. This amounts to between 120 and 230 A-level entrants, out of the 19,340 placed through 'other UCAS routes' that year, who would have continued with their studies if they had been placed through a conditional offer instead.
- h. In addition, when looking at the different types of unconditional offer, A-level entrants in 2017-18 who were placed through 'conditional unconditional' or 'direct unconditional' offers are shown to be less likely to continue with their studies, relative to those placed through a conditional offer, after controlling for the same factors as above. 'Direct unconditional' offers are found to have the largest negative relationship with continuation rates (between -0.9 and -2.4 percentage points), compared to 'conditional unconditional' offers (between -0.1 and -1.0 percentage points). We find no statistically significant difference between the continuation rates of A-level entrants placed through 'other unconditional' offers and those placed through conditional offers.
- i. In our modelling of continuation rates, we control for predicted entry qualifications, instead of achieved qualifications, so that the model estimates include the impact of unconditional offers on Level 3 attainment reported by UCAS. Annex D contains results from an alternative model which controls for achieved entry qualifications instead (see Model II). This model finds no statistically significant association between unconditional offers and continuation for A-level entrants in all entrant years available. This would be consistent with what would be found if poorer performance at A-level, relative to predicted grades for those placed through unconditional offers, were driving the lower continuation rates of these entrants.

Introduction

- 9. When 18-year-olds in England apply to higher education through the UCAS undergraduate scheme they are usually studying for Level 3 qualifications, such as A-levels and BTECs. Higher education providers usually make offers to these applicants that are conditional on the results achieved later that academic year. In some cases, providers make offers without academic conditions. These are known as unconditional offers.
- 10. Since 2014, UCAS has been reporting an increase in the number of offers made with an unconditional component, some of which are conditional on the applicant selecting the offer as their Firm (or first) choice ('conditional unconditional' offers). The UCAS 'End of cycle report 2019'¹³ showed that the number of applicants with unconditional offers ('conditional unconditional' offers in particular) continues to increase year-on-year. It also showed that applicants with A-levels and an unconditional offer in the 2019 cycle were, on average, 11.5 percentage points more likely to miss their predicted grades by three or more grades (than if they had received a conditional offer). The 2019 analysis also showed that the impact of 'conditional unconditional' offers on applicant decision-making appeared to be decreasing, with applicants becoming less likely to select their 'conditional unconditional' offer as their first choice than in previous years. UCAS has previously published a range of good practice resources to promote the responsible and appropriate use of unconditional offers.¹⁴
- 11. At the OfS we want every student, whatever their background, to have a fulfilling experience of higher education that enriches their lives and careers. We want to understand whether this change to offer-making, and the associated reduction in A-level attainment, has had an impact on students.
- 12. This report expands on analysis we published in January 2019¹⁵ and October 2019¹⁶ to include higher education data from the 2018-19 academic year and new application data provided by UCAS. The data includes applications from English 18-year-olds¹⁷ applying for full-time undergraduate courses at English higher education providers through the UCAS undergraduate scheme, for the 2012 to 2019 application cycles. We then track individuals from the UCAS data into the Higher Education Statistics Agency (HESA) and Individual Learner Record (ILR) student records. This report includes:
 - A data summary of the changes in offer-making since 2013, including the 2019 UCAS application cycle

¹³ See UCAS, 'End of cycle report 2019: Unconditional Offers – The Applicant Experience' and 'Chapter 5: Unconditional offer-making', available at <u>https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-reports/2019-end-cycle-report</u>.

¹⁴ Available at <u>https://www.ucas.com/providers/good-practice/unconditional-offers</u>.

¹⁵ See <u>https://www.officeforstudents.org.uk/media/dbae94df-12dc-4e90-b73d-fd464963d591/data-analysis-unconditional-offer-making.pdf</u> [PDF] published alongside an insight brief at www.officeforstudents.org.uk/publications/unconditional-offers-serving-the-interests-of-students/.

¹⁶ Available at <u>www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/</u>.

¹⁷ Defined as anyone who turned 18 in the academic year in question.

- An updated assessment of whether applicants placed through an unconditional offer are more or less likely to enter higher education as planned, including students placed for immediate entry in the 2018 UCAS application cycle
- An updated analysis of whether applicants placed through an unconditional offer are more or less likely to continue with their studies after the first year, now including entrants in the 2017-18 academic year.
- 13. In their 2019 End of cycle report, UCAS updated their definitions of the different types of unconditional offer.¹⁸ This report uses these updated definitions, which are shown in Table 1.

Table 1: Offers with an unconditional component and how they relate to each other

Offer with an unconditional component	'Conditional unconditional' offer	Offers which are conditional at the point of offer and adjusted by the provider from conditional to unconditional when selected as an applicant's Firm choice. These are identified in the admissions system through free text fields that providers can use to communicate any additional information to applicants. The offer conditions are analysed at the point the applicant replies to the offer, or if this is not available, 30 June.
	'Direct unconditional' offer	Offers which are unconditional at the first point of offer.
	'Other unconditional' offer	Offers which are conditional at the point of offer and become unconditional before 30 June – the final date on which main scheme applications can be submitted, but which are not identified as 'conditional unconditional' from offer conditions.

¹⁸ See UCAS, 'End of cycle report 2019: Annex A: Redefining Unconditional Offers', available at <u>https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-reports/2019-end-cycle-report</u>.

- 14. While the UCAS reports on unconditional offers focus on applications from England, Northern Ireland and Wales applying to higher education providers across the UK, this report only considers English-domiciled applicants applying to OfS registered providers.¹⁹ We consider English-domiciled applicants only, as the majority of their applications will be made to OfS registered providers. More detail on the various populations used throughout this report are available in Annex E.²⁰ There may be other slight differences between how unconditional offers have been reported here and by UCAS.
- 15. In addition to the change in definition of unconditional offers, other improvements have been made in methodology and data quality since the October 2019 report (see Annex F). The most significant changes to the analysis of continuation rates are listed below.
 - a. We consider entrants in each year separately instead of combining cohorts. This allows us to look at a time series that can be updated annually.
 - b. We estimate the association between unconditional offers and continuation rates separately for entrants with different types of entry qualifications (A-level, BTEC and other).
 - c. We now include the continuation rates of entrants who applied to the main scheme in UCAS but were not placed to their Firm (first) or Insurance (reserve) choice. Instead they were placed through what we refer to as 'other UCAS routes'. These routes, defined below, include Clearing, Adjustment, Extra and a small proportion of entrants who had not replied to offers by 30 June. The majority of entrants (87 per cent) in this category enter higher education through Clearing. Our previous report did not analyse the continuation rates of these students.

In this report, we analyse continuation in higher education for entrants placed through 'other UCAS routes', which includes the following categories, in addition to a small proportion of entrants who had not replied to offers by 30 June. The following definitions are available at: <u>https://www.ucas.com/ucas-terms-explained</u>.

- Adjustment in a UCAS Undergraduate application, one of the services you can use to look for alternative courses. This one's in case you've met and exceeded your conditions and you'd like to see if you can get on a course with higher entry requirements – all while still holding your original confirmed place.
- **Clearing** in a UCAS Undergraduate application, Clearing is another service you can use to look for alternative courses. If you didn't get a place on a course whether you didn't receive offers, declined your offers, or didn't get the grades you needed Clearing allows you to apply for courses that still have vacancies.
- **Extra** in a UCAS Undergraduate application, Extra is a service you can use to apply for alternative places if you do not hold an offer from your first five choices.

¹⁹ Providers registered with the OfS as of 23 June 2020.

²⁰ Annexes to this analysis are available at <u>www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/</u>.

Unconditional offer-making

Proportion of English 18-year-olds receiving offers

16. English 18-year-olds are highly likely to receive offers to their applications. Table 2 shows the number of applicants each year and the proportion who received at least one offer, which has risen steadily, from 94.6 per cent in 2013 to 97.7 percent in 2019.

Table 2: Number and proportion of English 18-year-old applicants with at least one offer

Year	Number of applicants	Number of applicants with at least one offer as of 30 June	Proportion of applicants with at least one offer
2013	217,240	205,615	94.6%
2014	223,275	213,085	95.4%
2015	232,050	222,800	96.0%
2016	234,150	225,450	96.3%
2017	235,810	228,885	97.1%
2018	231,975	226,210	97.5%
2019	235,880	230,565	97.7%

The figures apply to English 18-year-old applicants making main scheme applications to OfS registered providers. Offers recorded as of 30 June; applicants who only received offers after this date will not be identified as having received any offers. Totals are rounded to the nearest five and percentages are calculated using unrounded totals.

English 18-year-olds receiving unconditional offers

- 17. Each applicant can make up to five applications, which means the chance of an applicant receiving at least one offer with an unconditional component is much higher than the chance of a single application attracting such an offer. Around 85 per cent of 18-year-old applicants in UCAS' main scheme make five choices.
- 18. Table 3 shows the number and proportion of English 18-year-old applicants with at least one offer, where at least one of these offers contained an unconditional component. It also includes detail on the different types of unconditional offers being made.
- 19. The proportion of 18-year-olds holding at least one offer with an unconditional component has increased rapidly since 2013. In 2013, just 1.0 per cent of applicants with at least one offer on 30 June held at least one offer with an unconditional component. By 2019, this was 39.5 per cent of applicants holding offers, an increase of 3.4 percentage points from 36.1 per cent in 2018.
- 20. The most common type of offers with an unconditional component were 'conditional unconditional' offers, with over a quarter (26.8 per cent) of applicants holding at least one of

these offers. Further to this, UCAS analysis²¹ suggests that up to 59 per cent of 'other unconditional' offers may be 'conditional unconditional' offers that could not be reliably identified as such, with providers only indicating outside of the UCAS system that the offer would be made unconditional if the applicant selected it as their first choice. Given that these offers were observed to be conditional at the point of offer, but unconditional by 30 June, and had no formal indication of being 'conditional unconditional' offers, they were instead recorded as 'other unconditional' offers.

21. In 2019, the proportion of applicants with 'direct unconditional' offers (11.5 per cent) was only slightly higher than in 2018 (11.0 per cent), and the proportion of applicants with 'other unconditional' offers reduced slightly to 8.0 per cent, compared with 8.2 per cent in 2018.

²¹ See page 8, 'End of cycle report 2019: Unconditional Offers – The Applicant Experience', available at <u>https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-reports/2019-end-cycle-report</u>.

Table 3: Number and proportion of English 18-year-old applicants with at least one offer, where at least one of these offers contained an unconditional component

Year	Year Number of applicants with at least one offer as of 30 June	At least one offer with an unconditional component		At least one 'conditional unconditional' offer		At least one 'direct unconditional' offer		At least one 'other unconditional' offer	
		Applicants	%	Applicants	%	Applicants	%	Applicants	%
2013	205,615	2,010	1.0%	0	0.0%	1,420	0.7%	630	0.3%
2014	213,085	14,900	7.0%	7,290	3.4%	5,445	2.6%	2,680	1.3%
2015	222,800	29,255	13.1%	14,590	6.5%	8,170	3.7%	8,435	3.8%
2016	225,450	44,030	19.5%	21,925	9.7%	15,950	7.1%	9,795	4.3%
2017	228,885	62,725	27.4%	36,665	16.0%	19,560	8.5%	13,095	5.7%
2018	226,210	81,675	36.1%	50,270	22.2%	24,840	11.0%	18,570	8.2%
2019	230,565	91,035	39.5%	61,860	26.8%	26,580	11.5%	18,440	8.0%

The figures apply to English 18-year-old applicants making main scheme applications to OfS registered providers who received at least one offer as of 30 June. Totals are rounded to the nearest five and percentages are calculated using unrounded totals.

Students entering higher education with unconditional offers

Definitions of entry routes to higher education in this report

Separate from the different types of offer received by applicants, we have classified entrants to higher education by the route that they were placed through UCAS. Applicants who applied outside of the UCAS main scheme, either by applying directly in Clearing without having applied earlier in the cycle, or Records of Prior Acceptance (RPA) recorded as being accepted by the provider without applying in the UCAS scheme, are not included in the analysis.²² Applicants who were accepted for deferred entry are also not included. For full details on the various populations used throughout this report, see Annex E.²³

All applicants who applied through the main scheme of UCAS and were placed are assigned to one of three acceptance routes in this analysis:

- **Placed through conditional offer**: these were placed through the UCAS Firm or Insurance route (first or back-up choice) and to a choice that was not identified as unconditional. Approximately 87 per cent of these are Firm (first) choice. This includes those who received 'conditional unconditional' offers that they selected as an Insurance choice, since these offers remained conditional, usually on the applicant's Level 3 attainment.
- **Placed through an unconditional offer**: these were placed though the UCAS Firm (first choice) or Insurance (back-up choice) route and to a choice that was identified as unconditional. Approximately 94 per cent of these are Firm (first) choice.
- 'Other UCAS route': These are applicants who applied in the main scheme and were then placed through a different route, including Clearing (87 per cent), Adjustment (3 per cent), Extra (7 per cent) and other main scheme routes (usually where a provider decision has not been made or the applicant has not replied to an offer by 30 June) – 3 per cent.
- 22. We can see whether the route of entry to higher education for UCAS applicants has an impact on the chances of their entering higher education as planned by tracking individual applicants in the higher education administrative data. The HESA student record and ILR data for academic years up to 2018-19 were available at the time of analysis. We have used them to track UCAS applicants up to the 2018 application cycle to see whether they entered higher education.
- 23. Annex A contains the numbers and proportions of students who entered higher education from different application routes between 2013 and 2018. Just under 97 per cent of 18-year-old applicants placed through a conditional or unconditional offer entered higher education in the

²² This amounts to 1,685 Direct Clearing applicants and 1,810 RPA applicants in the 2018 cycle.

²³ Annexes to this analysis are available at <u>www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/</u>.

academic year that begins in the autumn of these years, at the provider where they were placed. If placed through 'other UCAS routes', around three percentage points fewer students entered in the autumn at the provider where they were placed.

- 24. There are other categories that might also indicate the student enrolled as expected; if they were found at a different provider in the same year, for example. Figure 1 shows that, for each entry route, a similar proportion of applicants enrol either at the same provider, or in the same year, or both the same provider and the same year, in which they were placed.
- 25. Most applicants not identified as entering higher education will indeed be doing something different. However, a small proportion will be in higher education but not identified, either because they are studying outside the UK or because the data that identifies them in the two data sources is not similar enough to be confident that they are the same person.

Figure 1: Proportion of UCAS-placed applicants not identified as starting higher education either at the same provider or in the same entry year



Note: This figure shows English 18-year-old applicants placed at OfS registered higher education providers through the UCAS main scheme, excluding deferrals.

Continuation rates of students entering higher education with unconditional offers

- 26. One of the early signs of success in higher education is whether a student continues studying into a second year following their entry year. This is measured by continuation rates. To measure continuation rates we need data for both the year of entry and the next year. This means that the most recent entrant cohort for whom we can measure continuation is the 2017-18 entrant cohort, continuing studies in 2018-19.
- 27. Students are counted as continuing in higher education whether they remain at the same course at the same provider or transfer to a different course or provider. Transferring to another higher education course at a lower level of study is also counted as a positive continuation outcome in this report.
- 28. The analysis of continuation rates reported here corresponds to entrants in the 2015-16, 2016-17 and 2017-18 academic years. Some of the charts only show data for 2017-18 entrants, but data on all years can be found under Table B1 in the datafile associated with this release.²⁴
- 29. Figure 2 shows the continuation rates of entrants placed through conditional offers, unconditional offers and 'other UCAS routes'. The continuation rate of entrants placed through conditional offers is consistently higher (roughly 1 percentage point in 2017-18) compared to those placed through unconditional offers or 'other UCAS routes'. This observed difference in continuation rates does not account for underlying differences between the entrants placed through each of these routes. For example, they may have different types and levels of prior qualifications, and be studying a different mix of subjects at a different range of providers.

²⁴ Available at <u>www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/</u>.



Figure 2: Continuation rates of entrants placed through different UCAS routes over time

Note: This figure shows English 18-year-old entrants studying full-time courses, identified as entering in the same year and at the same OfS registered provider where they were placed through UCAS.

- 30. Continuation rates are known to vary by level and type of entry qualification.²⁵ In particular, students who enter higher education with BTEC qualifications tend to have lower continuation rates than those who enter with A-level qualifications. The level of attainment is also important. If unconditional offers lead to lower attainment at A-level or BTEC this could, in turn, result in lower continuation rates.
- 31. UCAS reports²⁶ that applicants with A-levels and an unconditional offer in the 2019 cycle were, on average, 11.5 percentage points more likely to miss their predicted grades by three or more grades (than if they had received a conditional offer). The model used by UCAS controlled for other factors known to be associated with the difference between predicted and attained A-level grades, including: achieved prior GCSE attainment, applicant background (including the type of school or college they attended) and the higher education provider and subject where the Firm offer was held.
- 32. If holding a Firm unconditional offer is associated with lower A-level attainment, relative to predicted grades, as this research suggests, this could then have a negative impact on the

²⁵ For more information see <u>www.officeforstudents.org.uk/data-and-analysis/continuation-and-transfer-rates/</u>.

²⁶ See page 7, 'End of cycle report 2019: Unconditional Offers – The Applicant Experience', available at <u>https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-reports/2019-end-cycle-report</u>.

continuation rates of entrants placed through unconditional offers, which are shown to be lower in Figure 2.

- 33. Before examining how continuation rates vary across the different types and levels of entry qualifications, it is important to understand the size of these groups. Figure 3 shows the number of students entering higher education in 2017-18 by predicted entry qualification types and levels for different routes into higher education. It shows that a large majority of students enter higher education through the conditional offer route. There are also far more entrants with A-levels than BTECs or other qualifications.
- 34. As previously shown in Table 3, 27.4 per cent of applicants received at least one offer with an unconditional component in the 2017 cycle. Despite this, the number of entrants into higher education who were placed by unconditional offers that year was lower (14.2 per cent²⁷), since not all applicants take up these offers, and not all offers with an unconditional component become unconditional (such as 'conditional unconditional' offers selected as Insurance choices).
- 35. While the conditional offer route is the most common for all types and levels of qualification, the proportion entering through unconditional offers is substantially higher for applicants with BTEC qualifications. 23 per cent of those predicted to attain BTEC grades of two distinctions and a merit (DDM) or above enter higher education through an unconditional offer, compared with 13 per cent of those predicted to attain A-level grades between BBB and A*A*A*. The absolute number of entrants with BTEC qualifications equivalent in size to three A-levels is much lower than entrants predicted three A-levels.

²⁷ Using the same population reported in Table B1 of Annex B, available at www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/.





Note: This figure shows English 18-year-old entrants in 2017-18, studying full-time courses, identified as entering in the same year and at the same OfS registered provider where they were placed through UCAS.

- 36. Having understood the size of these different groups of entrants, we now consider how continuation rates vary across types and levels of entry qualifications. Figure 4 shows that, for 2017-18 entrants with A-levels, continuation rates were consistently lower for those placed through unconditional offers, relative to those placed through conditional offers.
- 37. In contrast to A-level entrants, the continuation rates of BTEC entrants in 2017-18 placed through unconditional offers were usually higher than amongst those placed through conditional offers. The differences between continuation rates of BTEC entrants from different routes are generally larger and more variable than for A-level entrants.
- 38. There is also variation in continuation rates between the different types of predicted qualifications; continuation rates were higher for entrants holding A-levels than for those holding BTEC qualifications.
- 39. Continuation rates of entrants from 'other UCAS routes' tend to be lower compared to entrants placed through conditional or unconditional offers, but this is not always the case.



Figure 4: Continuation rates for different qualification types and predicted levels by route into higher education (2017-18 entrants)

Note: This figure shows English 18-year-old entrants in 2017-18, studying full-time courses, identified as entering in the same year and at the same OfS registered provider where they were placed through UCAS. The continuation rate axis starts at 80 per cent; Figure B1 in Annex B shows the same chart, with the continuation rate axis starting at zero.

40. Annex B shows the same chart as in Figure 4, with the continuation rate axis starting at zero to illustrate that these differences are very small relative to the high proportion of students that continue with their studies. Also in Annex B, we present the number of entrants and their continuation rates by entry route (conditional offer, unconditional offer, 'other UCAS route'), and by their predicted entry qualification type and level. This is for entrants in the 2017-18 academic year, the most recent year with continuation data. Data for 2015-16 entrants and 2016-17 entrants can be found in the datafile associated with this report.²⁸

²⁸ Available at www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/.

Statistical modelling of the relationship between unconditional offers and continuation rates

- 41. Other factors influence the chance of continuing with study, such as the provider where the student is registered and the subject of study, and some student characteristics. To evaluate how important unconditional offers are among all these factors, we have modelled the likelihood of entrants continuing in higher education, for each year from 2015-16 to 2017-18.
- 42. Our results show that being placed through an unconditional offer is associated with a small, but statistically significant, negative difference in continuation rates (relative to being placed through a conditional offer) for entrants with A-level qualifications, after controlling for a range of other factors. It should be noted that there could be some unobserved factor correlated with both entry route and continuation that is behind this difference, and all model-estimated differences we report. This difference is consistent across the three years with available data.

In our modelling of continuation rates, we control for predicted entry qualifications, instead of achieved qualifications, so that the model estimates include the impact of unconditional offers on Level 3 attainment reported by UCAS. Annex D contains results from an alternative model which controls for achieved entry qualifications instead (see Model II). This model finds no statistically significant association between unconditional offers and continuation for A-level entrants in all entrant years available. This would be consistent with what would be found if poorer performance at A-level relative to predicted grades, for those placed through unconditional offers, were driving the lower continuation rates of these entrants.

- 43. For entrants in 2017-18 with BTEC qualifications, being placed through an unconditional offer is positively associated with continuation rates, relative to those placed through conditional offers. We found no statistically significant difference in continuation for BTEC entrants placed through unconditional offers in 2015-16 or 2016-17.
- 44. Figure 5 shows the model-estimated difference in continuation rates by being placed through unconditional offers and 'other UCAS routes', relative to being placed through a conditional offer. 95 per cent confidence intervals are indicated by the error bars.²⁹
- 45. For A-level entrants, unconditional offers are consistently associated with lower continuation rates after controlling for other factors. The model estimates that the continuation rate of 2017-18 entrants with A-levels who were placed through unconditional offers (95.5 per cent) was between 0.4 and 1.1 percentage points lower than it would have been if they had been placed through a conditional offer instead. This translates to between 70 and 175 of the 15,725³⁰ A-level entrants placed through unconditional offers in that year, who would have continued with their studies if they had instead been placed through a conditional offer.
- 46. On average, continuation rates are much lower (by up to 10 percentage points) for BTEC entrants than those holding A-levels, and the association with unconditional offers for BTEC

²⁹ There is no adjustment for multiple comparisons in the calculation of confidence intervals throughout this report.

³⁰ Restricted to those in the modelling population, details of which can be found in Annex E.

entrants is less consistent through time. The only year in which there is a statistically significant difference between conditional and unconditional offers is 2017-18, where the model estimates that BTEC entrants with unconditional offers were between 0.3 and 2.6 percentage points more likely to continue with their studies, relative to being placed through a conditional offer. This difference amounts to between 15 and 135 additional BTEC entrants in that year who continued with their studies having been placed through an unconditional offer, instead of a conditional offer. This is out of 5,115 BTEC entrants placed through unconditional offers in the 2017-18 modelling population.

- 47. To put these findings into context, the model also estimates that being placed through 'other UCAS routes' regardless of entry qualification type, is associated with a lower continuation rate than being placed through conditional offers and unconditional offers, although the difference in continuation for 2017-18 A-level entrants placed through 'other UCAS routes' is similar to the difference observed for those placed through unconditional offers.
- 48. For A-level entrants in 2017-18, the model estimates that the continuation rate of those placed through 'other UCAS routes' (95.4 per cent) was between 0.6 and 1.2 percentage points lower than it would have been if they were placed through conditional offers instead. This difference translates to between 120 and 230 A-level entrants, out of the 19,340 placed through 'other UCAS routes' that year, who would have continued with their studies if they had been placed through a conditional offer instead.



Figure 5: Model-estimated differences in continuation rates from being placed through unconditional offers and 'other UCAS routes', relative to conditional offers

Note: This figure shows English 18-year-old entrants, studying full-time courses, identified as entering in the same year at the same OfS registered provider where they were placed through UCAS. Providers with fewer than 10 students in a given year have been excluded, as have a small number students with missing data (see Annex E). Error bars indicate 95 per cent confidence intervals.

- 49. Many other factors associated with continuation rates are included in the model. These were included in the model so that we can assess the difference between unconditional and conditional offers after all these factors have been considered. There may be other relevant factors for which there was no data readily available for this population.
- 50. The OfS's wider regulatory interests in differences in continuation rates extends to all students, and gaps between different student groups are regulated through access and participation plans, with the data that supports this available in the Access and participation dashboard.³¹ Also we have published experimental statistics, 'Associations between characteristics of

³¹ Available at <u>www.officeforstudents.org.uk/data-and-analysis/access-and-participation-data-dashboard/</u>.

students', ³² that present an experimental measure of classifying groups of students across a range of characteristics associated with differences in continuation.

- 51. For our population, we can compare the model-estimated differences for other student characteristics included in our model with the difference estimated for conditional offers relative to unconditional offers (between -0.4 and -1.1 percentage points in 2017-18 for A-level entrants). For example, in 2017-18, the estimated difference in continuation rates, between entrants reporting a mental health condition and those reporting no disability is between -1.4 and -2.6 percentage points; a difference of roughly the same size (between -1.5 and -2.4 percentage points) is estimated for entrants from the Index of Multiple Deprivation (IMD) quintile 1 areas compared to IMD quintile 5 areas; and the estimated difference between men and women is between -1.0 and -1.5 percentage points.
- 52. The full model results for 2017-18 can be found in Annex D, while the results for all years can be found in the datafile associated with this release.

Association between different types of unconditional offer and continuation rates for A-level entrants

- 53. We also investigated whether the size of the model-estimated differences in continuation rates, relative to those placed through conditional offers, varied for the different types of unconditional offer route ('conditional unconditional', 'direct unconditional', and 'other unconditional'). We looked at A-level entrants only, partly because we have already shown there to be a persistent negative relationship between unconditional offers and continuation for A-level entrants, and also because A-levels are the most common entry qualification type in our population, so there were sufficiently large groups of students to analyse.
- 54. Figure 6 shows how continuation rates vary for A-level entrants placed through different types of unconditional offer routes. Continuation rates of A-level entrants placed through 'direct unconditional' offers are consistently lower than those of entrants placed through any other route. By contrast, the continuation rates of entrants placed through 'conditional unconditional' offers are very similar to that of entrants placed through conditional offers. Some of the groups of entrants in Figure 6, particularly those who were placed through unconditional offers in the 2015 cycle, are quite small and therefore subject to more variability.
- 55. Table B4 in Annex B shows the number of A-level entrants and providers with A-level entrants placed through different types of unconditional offers between 2015-16 and 2017-18.

³² Available at <u>www.officeforstudents.org.uk/data-and-analysis/associations-between-characteristics-of-</u><u>students/</u>.



Figure 6: Continuation rates of A-level entrants placed through different offer routes

Note: This figure shows English 18-year-olds with A-level qualifications on entry to higher education, studying full-time courses, identified as entering in the same year and at the same OfS registered provider where they were placed through UCAS.

- 56. To see whether these patterns persist after controlling for other factors, we used a model as in the previous section. However, instead of modelling the relationship between continuation and the broad route of entry into higher education (conditional offer, unconditional offer or 'other UCAS route') we considered the different types of offer: conditional offer, 'conditional unconditional' offer, 'direct unconditional' offer, 'other unconditional' offer or 'other UCAS routes'.
- 57. Figure 7 shows the model-estimated difference in continuation rate by different offer types, relative to being placed through a conditional offer. 95 per cent confidence intervals are indicated by the error bars. Although the model used to estimate these differences included entrants with all types of predicted qualifications, this analysis only presents results for entrants with A-levels, for the reasons outlined at the start of this section.
- 58. In each year, 'direct unconditional' offers have the largest estimated negative difference in continuation rates of all the different types of unconditional offer. They are the only group where this estimated difference is increasing year-on-year. In 2017-18, the model suggests that the observed rate of 94.1 per cent was between 0.9 and 2.4 percentage points lower than it would have been if those placed through unconditional offers had instead been placed through conditional offers.

- 59. 'Conditional unconditional' offers are also shown to be statistically significantly associated with lower continuation rates for A-level entrants in 2017-18 (between -0.1 and -1.0 percentage points), although this has fallen compared to 2016-17 (-0.7 to -1.6 percentage points).
- 60. No statistically significant difference is detected for A-level entrants placed through 'other unconditional' offers. This group are interesting because UCAS analysis³³ suggests that up to 59 per cent of 'other unconditional' offers appeared to be 'conditional unconditional' offers that could not be reliably identified.
- 61. Full details of this model and its results can be found in Annex D under Model III.

Figure 7: Model-estimated differences in continuation rates for different types of offer, relative to being placed through a conditional offer (A-level entrants only)



Estimated percentage point (pp) difference in continuation rate

Note: This figure shows English 18-year-olds with A-level qualifications on entry to higher education, studying full-time courses, identified as entering in the same year at the same OfS registered provider where they were placed through UCAS. Providers with fewer than 10 students in a given year have been excluded, as have a small number students with missing data (see Annex E). Error bars indicate 95 per cent confidence intervals and differences which are not statistically significant are shaded in grey.

³³ See page 8, 'End of cycle report 2019: Unconditional Offers – The Applicant Experience', available at <u>https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-reports/2019-end-cycle-report</u>.

Modelling notes

We used a multi-level logistic regression model based on entrants who applied through the UCAS main scheme, either with a conditional offer, an unconditional offer or 'other UCAS route', to assess whether the chance of continuing into the second year of study varies if the student enters through an unconditional offer.

When choosing the factors included in the model, we considered all those that are used in the benchmarking of continuation rates³⁴ or in the associations between characteristics experimental statistics³⁵ where we have shown they have a relationship with continuation.

In the model, the entry route variable (conditional offer, unconditional offer, 'other UCAS route') is interacted with a variable for predicted qualification type (A-levels, BTECs, Other) in order to estimate the association between unconditional offers and continuation separately for A-level and BTEC entrants. This was done because unconditional offers are associated differently with continuation for A-level and BTEC entrants. As such, combining the groups would have masked this.

In our modelling of continuation rates, we control for predicted entry qualifications, instead of achieved qualifications, so that the model estimates include the impact of unconditional offers on Level 3 attainment reported by UCAS. Annex D contains results from an alternative model which controls for achieved entry qualifications instead (see Model II). This model finds no statistically significant association between unconditional offers and continuation for A-level entrants in all entrant years available. This would be consistent with what would be found if poorer performance at A-level, relative to predicted grades for those placed through unconditional offers, were driving the lower continuation rates of these entrants.

To ensure model stability, the model population used throughout was limited to entrants at providers with at least 10 UCAS entrants in the entrant year being modelled. Full details on the populations used throughout this report can be found in Annex E.

The model included a random intercept for providers, meaning that the multi-level element of the model was entrants nested within providers. Other factors included as fixed effects in the model were type of offer, subject studied, level of study, predicted entry qualifications, ethnicity, sex, disability, whether the student was a local or distance learner or not, POLAR4 and Index of Multiple Deprivation (IMD). The details of the factors used are shown in Annex C and the details of the model are shown in Annex D³⁶.

While we have controlled for all these factors, it cannot be guaranteed that the relationship we have identified is causal. It is possible that there remains some unobserved factor, correlated both with an applicant's route into higher education and the likelihood of continuation, which is driving the negative relationship between continuation rates and unconditional offers. As such, we have avoided referring to any 'effect' throughout this report.

³⁴ See <u>www.officeforstudents.org.uk/data-and-analysis/continuation-and-transfer-rates/</u>.

³⁵ See <u>www.officeforstudents.org.uk/data-and-analysis/associations-between-characteristics-of-students/</u>

³⁶ Annexes to this analysis are available at <u>www.officeforstudents.org.uk/publications/data-analysis-of-unconditional-offers-update/</u>.



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