

Briefing Paper No.4: Funding of STEM PGT Study

Postgraduate Experience Project



Understanding Today to Create Tomorrow

About PEP

The Postgraduate Experience Project was one of 20 projects funded through HEFCE's £25m Phase 1 Postgraduate Support Scheme that was designed to test ways of supporting progression into taught postgraduate education in England. A description of PEP can be found in Briefing Paper 1. This briefing paper reports the headline findings of the 'expected' and 'actual' funding methods for PGT study by students. Funding issues were explored in the Entry to Study Survey (Sept 2014), the Focus Groups (Mar 2015) and the Finance survey (Jun 2015). The final report containing the detailed findings will be published late October 2015.

Funding of PGT study- expectation on entry

The funding of PGT study can be influenced by student characteristics so it is important to consider these when examining survey responses. Of the 1,235 Master's respondents (aggregate sample) from across 11 UK universities who completed the Entry to Study Survey on commencement of their studies, 40% (506) were coming straight from university and 60% (725) were coming from work, time out or other. Of the sample, 52.3% stated that no parent/guardian had previously gone to university thus making them 1st generation students and 47.7% reported that they were 2nd generation students as at least one parent had attended university. Where both parents of a respondent had attended university, the socio-economic group (henceforth 'social class') they belonged to was higher than those where only one parent or neither had engaged in higher education. Of the PEP scholarship respondents (UK domiciled only- see Briefing Paper 2), 65% classified themselves as 1st generation.

Expectation on entry

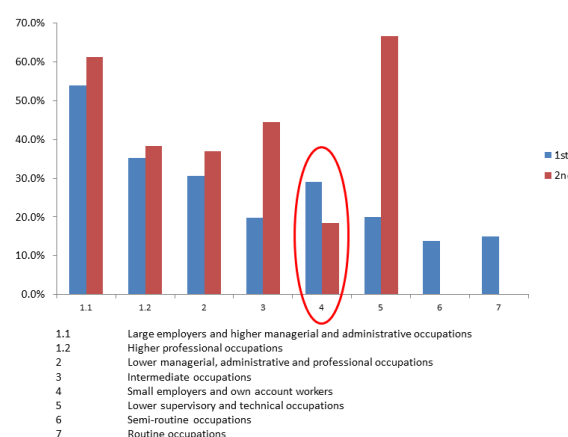
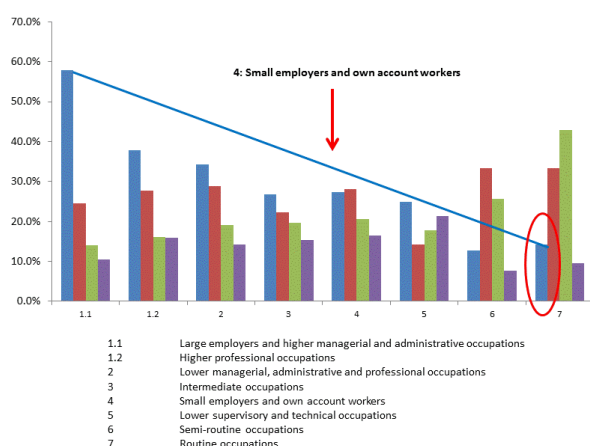
The aggregate sample reported that their expected primary method of funding their STEM PGT study would be through parental/guardian support (33.1%) followed by savings (26.6%) then salary or personal income (18.3%) then a loan (14%). When the PEP scholarship status was examined, only 15% of recipients stated that parental/guardian funding was their main source of funding compared to 38.8% of non-scholarship respondents. Unsurprisingly, the main source of funding for 55.4% of PEP scholarship recipients was their fee scholarship. When examined by domiciled status, 57.7% of EU and 53.6% of OS respondents reported that their main source of funding were parents/guardians compared to only 24.5% of those with UK non-scholarship status. In terms of age, those in the age groups up to 25 and 26-30 were significantly more likely to be primarily funded by their parents/guardians. Generational and socio-economic statuses were also important variables in accessing parental/guardian support. Figure 1 shows that the higher the social class of the parent/guardian, the more likely they were to be the respondent's main source of funding. Figure 2 shows that when parental experience of higher education is explored within each social class group (at least one parent attending), 2nd generation respondents were more represented in the top 3 social classes and more likely to expect to rely on parental/guardian funding than those who were 1st generation.

Figure 1

Figure 2

Social class and main sources of funding

Parental funding by social class and generational status



Impact of funding method on study behaviour

Respondents were asked in the Entry to Study Survey whether their main 'expected' funding method had impacted on their decision of how and where to study. For 79.3% of the Entry to Study aggregate sample, their anticipated method of funding PGT study had impacted on their decision of 'how' to study. The impacts cited were: 58.7% decided to study full-time; 25.9% which institution to attend; 15.9% decided to study part-time; 13.6% to study locally and live with my family; 8.7% affected my decision on what course to do. UK respondents were proportionally more affected than EU/OS respondents. Part-time mode and type of institution to attend were mostly cited by UK domiciled respondents. Respondents who were 1st generation and those coming straight from work into PGT study cited studying part-time more than 2nd generation respondents and those coming straight from university. Students in receipt of a PEP scholarship were significantly more likely to study part-time and choose their previous undergraduate university compared to non-scholarship recipients. Respondents under the age of 25 years of age were more likely to undertake full-time than part-time study.

Actual funding of PGT study

Nine months after enrolment, the Finance Survey asked what the main funding source for PGT study had actually been for students. Although the non-scholarship sample may have contained different respondents from those who completed the Entry Study Survey (potentially explaining the variation in responses), the PEP Scholarship group contained the same. Table 1 shows the changes in 'expected' and 'actual' funding sources. For all respondents, parental/guardian support was noticeably lower as was the expectation that savings and salary/personal income would be used, although the ranking of the 'actual' funding method was similar to the 'expected' funding method on entry. It appears reliance on one primary method decreased with respondents using a number of funding methods. When examined by domiciled status, 40.8% EU and 41.4% of OS respondents were funded by parents/guardians compared to 21.1% of those who were UK non-scholarship. For PEP Scholarship recipients, this figure was 7.2%. When examined by social class (with the data available), there was a tendency for respondents in social classes 1-3 to rely on parents/guardians and savings whereas those in social classes 5-7 relied on savings. For generational status, 1st generation respondents relied more heavily on salary and savings compared to 2nd generation where reliance was on parents and savings. As in the Entry to Study Survey, parents/guardians were the main source of funding for students in the age groups up to 25 (33%) and 26-30 years of age. Although, parental support was found in the age groups 31-35 and 36-40, it was very small and it was not a source of funding for anyone above 41 years of age.

Table 1 Main source of funding in rank order * = Entry Survey figures

Non Scholarship (n=655) All domiciled groups	N and % within group	Scholarship (n=277)	N and % within group
Funded by parents/guardians	30.8% (202) * ES=38.8%	PEP scholarship	65.3% (181) * ES=55.4%
Savings	20.6% (135) * ES=27.5%	Savings	9% (25) * ES=23.8%
General bank loan (37)/CDL (34)	10.8% (71) * ES=14.7%	Funded by parents/guardians	7.2% (20) * ES=15%
Employer sponsorship	10.2% (67) * ES=7.6%	General bank loan (3)/CDL (14)	6.2% (17) * ES=12.4%
Salary/personal income	10.1% (66) * ES=17.9%	Salary/personal income	3.6% (10) * ES=20.2%
UK/EU/OS government sponsorship	7.3% (48) * ES=7.6%	Overdraft	2.9% (8) * ES=2.6%
Overdraft	1.5% (10) * ES=2.4%		

Many PEP scholarship respondents reported that as their studies progressed their scholarship became a more important funding method. Reasons provided in the Focus Groups included: being able to concentrate on their studies without distraction and underestimating study costs at the start of their studies and not wanting to rely on parental support.

If I didn't have the scholarship I would have had to work more, so less concentration for my studies. So now I am like concentrating more on studies because I don't need to work for money as much.

I do feel the scholarship has helped in a lot of the ways, because if I hadn't got the scholarship I would have probably had to do more hours [of work] which would have been more strenuous on myself (...). I would have been more tired than I do feel now, sometimes, so, it helped a great deal and I have appreciated it more as I have progressed.....

I have underestimated the total cost of living, travel and other costs associated with the course. Even with the help of the scholarship, which has been a godsend, and working full-time I have struggled with money throughout the course.

I get money from my parents every single month, and they support me fully. They pay for my rent, they pay me for everything and on top of that I have a job. They would have paid for my tuition fees, but I didn't really want to take money from them. I am 20, I am an adult, and I want... I would have found another way to support myself. So... yeah, the scholarship was quite handy to not take money from my parents. And my Dad wants to retire so it's kind of taking money from him. I want to support them after, anyway. But then it's like... it's not fair on them to pay for everything I do.

Funding impacting on progression

The method of funding not only impacts on accessing PGT study (see Briefing Paper 5), but it also affects the successful progression when in study. Group E students (see Briefing Paper 1) who withdrew from their studies between November 2014 and May 2015 were invited to complete a withdrawal survey. Of the 94 STEM PGT students identified as having formally withdrawn across the 9E Group, 20 completed the survey. The top 3 primary reasons for withdrawal were: 1) *financial difficulties with living costs*; 2) *I was unhappy with my course* and 3) *financial difficulties paying fees*. There were differences between those studying full and part-time. The most cited reasons by full-time students were: 1) *unhappiness with their course*; 2) *financial difficulties paying their fees* and 3) *financial difficulties with living costs*. For part-time students, the joint most cited reasons were: 1) *financial difficulties paying fees* and *struggling to balance study and life demands* and 2) *financial difficulties paying fees*. In terms of age, those up to 25 years most cited *financial difficulties paying living costs* and those in age groups 26-30 and 31-35 *financial difficulties paying fees*.

Issues for consideration

PEP has shown that student characteristics do impact on accessing and progressing in PGT level study as do debt levels (see Briefing Paper 6). Parent/guardian support is currently a primary source for accessing PGT study. Those applicants and students who do not have this avenue of support are disadvantaged such as UK domiciled students who are 1st generation and from the lower socio-economic classes. Although easier access to funding such as a Government backed loan could help, it is likely that stratified debt levels will occur with those from disadvantaged backgrounds accruing higher levels of debt. Sustainability of the PGT market (that also provides fair opportunity to engage) will not be possible without a range of funding mechanisms put in place.

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