



House of Commons

Committee of Public Accounts

Staying the course: the retention of students on higher education courses

Tenth Report of Session 2007–08



House of Commons
Committee of Public Accounts

Staying the course: the retention of students on higher education courses

Tenth Report of Session 2007–08

Report, together with formal minutes, oral and written evidence

*Ordered by The House of Commons
to be printed 4 February 2008*

HC 322
[Incorporating HC 1074-i, Session 2006-07]
Published 19 February 2008
by authority of the House of Commons
London: The Stationery Office Limited
£0.00

The Committee of Public Accounts

The Committee of Public Accounts is appointed by the House of Commons to examine “the accounts showing the appropriation of the sums granted by Parliament to meet the public expenditure, and of such other accounts laid before Parliament as the committee may think fit” (Standing Order No 148).

Current membership

Mr Edward Leigh MP (*Conservative, Gainsborough*) (Chairman)
Mr Richard Bacon MP (*Conservative, South Norfolk*)
Angela Browning MP (*Conservative, Tiverton and Honiton*)
Mr Paul Burstow MP (*Liberal Democrat, Sutton and Cheam*)
Rt Hon David Curry MP (*Conservative, Skipton and Ripon*)
Mr Ian Davidson MP (*Labour, Glasgow South West*)
Mr Philip Dunne MP (*Conservative, Ludlow*)
Angela Eagle MP (*Labour, Wallasey*)
Nigel Griffiths MP (*Labour, Edinburgh South*)
Rt Hon Keith Hill MP (*Labour, Streatham*)
Mr Austin Mitchell MP (*Labour, Great Grimsby*)
Dr John Pugh MP (*Liberal Democrat, Southport*)
Geraldine Smith MP (*Labour, Morecombe and Lunesdale*)
Rt Hon Don Touhig MP (*Labour, Islwyn*)
Rt Hon Alan Williams MP (*Labour, Swansea West*)
Phil Wilson MP (*Labour, Sedgefield*)

The following were also Members of the Committee during the period of the enquiry:

Annette Brooke MP (*Liberal Democrat, Mid Dorset and Poole North*),
Chris Bryant MP (*Labour, Rhondda*), Mr John Healey MP (*Labour, Wentworth*),
Ian Lucas MP (*Labour, Wrexham*), Mr Iain Wright MP (*Labour, Hartlepool*) and
Derek Wyatt MP (*Labour, Sittingbourne and Sheppey*).

Powers

Powers of the Committee of Public Accounts are set out in House of Commons Standing Orders, principally in SO No 148. These are available on the Internet via www.parliament.uk.

Publication

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at <http://www.parliament.uk/pac>. A list of Reports of the Committee in the present Session is at the back of this volume.

Committee staff

The current staff of the Committee is Mark Etherton (Clerk), Philip Jones (Committee Assistant), Emma Sawyer (Committee Assistant), Pam Morris (Committee Secretary) and Alex Paterson (Media Officer).

Contacts

All correspondence should be addressed to the Clerk, Committee of Public Accounts, House of Commons, 7 Millbank, London SW1P 3JA. The telephone number for general enquiries is 020 7219 5708; the Committee’s email address is pubaccom@parliament.uk.

Contents

Report	<i>Page</i>
Summary	3
1 National progress in improving retention	7
2 The Funding Council's role in improving retention	9
3 Universities' performance on improving retention	11
4 Variations in the retention of different groups of students	14
Formal Minutes	17
Witnesses	18
List of written evidence	18
List of Reports from the Committee of Public Accounts 2007–08	19

Summary

Around 28,000 full-time and 87,000 part-time students who started first-degree courses in 2004–05 were no longer in higher education a year later. Among the full-time students, 91.6% entered a second year of study, and 78.1% were expected to complete. There has been little improvement in retention since 2001–02, though participation in higher education has increased from around 40% to nearly 43% of 18–30 year olds. To help improve retention and participation, over the last five years universities (for this report, ‘universities’ means all higher education institutions) have received around £800 million as part of their teaching funding to help retain students who are the most likely to withdraw early.

The Department for Innovation, Universities and Skills (the Department) has overall responsibility for public spending on higher education in England. The Higher Education Funding Council for England (the Funding Council) promotes and funds teaching and some research to help the higher education sector meet the diverse needs of students, the economy and society.

The Committee reported on widening participation and improving retention in higher education in 2002.¹ It concluded there was a need for improvement in several areas relating to student retention: reducing the wide variation in universities’ retention rates; funding to support students from low-income backgrounds; tackling skills gaps; supporting students with disabilities; and information for potential students. The National Audit Office has examined the progress in improving retention since 2002.

In 2004–05, the performance gap on retention rates between universities remained as wide as it was in 2002. Five universities achieved a continuation rate in excess of 97% for full-time, first-degree students, whereas 12 had continuation rates below 87%. Because of difficulties in interpreting data there are no indicators for part-time students, though there are increasing numbers of such students, only half of whom obtain a qualification within six years. Published performance indicators for universities can provide an incentive to perform well because they affect universities’ reputations and their ability to recruit students.

There is much that universities can do to improve retention. They need good quality management information including on the reasons for leaving. They can provide additional academic support for students, for example for those struggling with the mathematical elements of their course. Student access to tutors who can provide pastoral and academic support is important, especially as the numbers of students entering higher education institutions increases.

On the basis of the report by the Comptroller and Auditor General (C&AG),² the Committee took evidence from the Department and the Funding Council on their role in

1 Committee of Public Accounts, Fifty-eighth Report of Session 2001–02, *Improving Student Achievement and Widening Participation in Higher Education in England*, HC 588

2 C&AG’s Report, *Staying the Course: The retention of students in higher education*, HC (2006–07) 616

improving retention, progress by universities and at a national level, and variations in the retention of different groups of students.

Conclusions and recommendations

- 1. Since the Committee last reported in 2002 there has been no reduction in the percentage of students in England not completing their higher education course at their original institution: the figure remains at 22%.** The UK has a higher estimated national graduation rate than most other Organisation for Economic Cooperation and Development countries, but actions to improve retention have had little overall effect. Universities need to concentrate their efforts on actions most likely to be successful. The Funding Council should systematically evaluate the cost-effectiveness and impact of initiatives that it has directly funded. It should also provide guidance to universities on how best to assess the costs and outcomes of local initiatives.
- 2. Increasing and widening participation in higher education attracts more students from under-represented groups who are more likely to withdraw from courses early.** These students may need more support to complete their courses. Universities need to understand the needs of their changing student populations. They should use market research techniques such as customer segmentation to help them provide teaching and support services which appropriately reflect students' different cultural, social and economic backgrounds, for example through flexible timetabling of lectures. The Funding Council should disseminate the lessons from its proposed review of the differences between universities in the proportions of students receiving Disabled Students' Allowances.
- 3. There is wide variation in universities' performance in the continuation of students to a second year of study.** In 2004–05, five universities achieved a continuation rate in excess of 97% for full-time, first-degree students, whereas 12 had continuation rates below 87%. Russell Group universities tend to have higher rates of retention than other types of university. For those universities with consistently low retention rates the Funding Council's regional teams should agree specific improvement plans. The Funding Council should encourage universities with better retention to share good practice with those that are less successful.
- 4. Universities can lose funding if they retain fewer students than expected, but can avoid this sanction by recruiting more students.** Where a university with low retention seeks to maintain its student population through recruitment, the Funding Council should agree clear expectations for planned improvements in retention in the university's improvement plan, to be met irrespective of any changes in levels of recruitment.
- 5. Only around half of part-time students obtain a qualification within six years and there is no specific framework to encourage improvement.** The Funding Council should develop and publish indicators so that prospective part-time students can compare universities' retention of students who are unable to, or prefer not to, study full time.
- 6. The first-year continuation rate in Mathematical Science, Computing and Engineering subjects is three percentage points below the national average for all subjects.** Such subjects are of strategic importance to the nation's economic

development, so universities need to have well developed outreach programmes with schools. Programmes could include running summer schools for prospective students in these subjects and offering mentoring to help prepare students so that they are encouraged to apply and more likely to succeed.

7. **Some students feel that academic and pastoral support is limited and does not meet their needs.** Universities should give personal tutoring a sufficiently high priority, with training and support to help tutors to be fully effective in their role. Reward systems for academic staff should give sufficient recognition to performance in respect of personal tuition.
8. **Information on why students withdraw from their courses is not reliable.** Although some data is collected nationally it is often incomplete and inconsistent. Little is known, for example, as to the extent to which mental or physical illness or domestic circumstances contribute to withdrawal. The Funding Council together with the Higher Education Statistics Agency and universities should develop a common standard and principles which define the types of retention information which need to be collected and reported.
9. **There are substantial variations between universities in the proportions of students with disabilities that receive the Disabled Students' Allowances.** The Department and the Funding Council are responding to this issue by centralising the team that administers the Allowances. The Department should aim to make access straightforward and fair for all, and the Funding Council should follow up at university-level if its forthcoming research indicates that eligible students are missing out on their entitlement.

