

Data analysis of unconditional offer-making

Recent changes and how they affect students

This document should be read alongside OfS Insight brief 1, 'Unconditional offers: Serving the interests of students?'

Enquiries to Maggie.smart@officeforstudents.org.uk

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Summary

1. Applications to full-time undergraduate courses in the UK through UCAS are often made by students in their final year of secondary education, before they sit their Level 3 exams. When universities and colleges make an offer they usually include academic attainment conditions. If the applicant chooses to take up the offer the place is confirmed once exam results are known. Since 2014, UCAS has been reporting an increase in the number of unconditional offers made by UK higher education providers to 18-year-olds in England, Northern Ireland and Wales. These unconditional offers guarantee the applicant a place at the higher education provider before their exam results are known.
2. Numbers of unconditional offers have increased dramatically over the past five years. Although they still comprise a small proportion of the total number of offers, UCAS estimates that over a third of 18-year-old applicants received at least one offer with an unconditional component in 2018.
3. Applicants who accept an unconditional offer are more likely to miss their predicted grades by two or more grades. UCAS modelling estimates that, in 2018, more than 1,000 18-year-olds missed their predicted A-level grades by two or more grades through holding an unconditional firm offer.
4. This report uses a data supply from UCAS to investigate patterns of unconditional offer-making across higher education providers in England. It also, where the higher education administrative data is available, tracks individual applicants into higher education and analyses their likelihood to enrol and to continue into the second year of study.
5. Our analysis finds that for 18-year-olds in England applying to higher education providers in England:
 - a. Unconditional offers are used to differing extents and in different ways. They vary by type of provider, subject, geography, and applicant characteristics.
 - b. Applicants from areas with lower participation in higher education are more likely to receive an unconditional offer than those from areas of higher participation. This is partially associated with the profile of the higher education providers they have applied to: applicants from areas with lower participation are more likely to apply to providers that make unconditional offers.
 - c. Between 8 and 9 per cent of applicants placed through UCAS are not identified as starting higher education in the same year, or at the intended provider. There is no difference in this rate between those placed through conditional offers, unconditional offers and other routes (such as clearing).
 - d. The non-continuation rates of students placed through UCAS in 2014 and 2015 are slightly higher for those placed through unconditional offers (6.6 per cent) than those placed through conditional offers (5.3 per cent).
 - e. Using statistical modelling at the individual student level to help account for factors – including predicted entry qualifications, provider, subject and other student characteristics –

shows that the effect of unconditional offers on the non-continuation rate of entrants was not statistically significant.

6. The number of applicants entering with an unconditional offer was relatively low in 2014 and 2015. As future years of higher education student data become available we will update these models to assess the non-continuation rates of the growing numbers of students entering higher education with unconditional offers.

Introduction

7. 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. The entry requirements of the courses that they are applying to usually include minimum levels of attainment in these qualifications.
8. Until recently, almost all offers made by higher education providers to these applicants have been conditional on meeting specified qualification attainment (level and subject). If an applicant chooses the offer as their firm (or first) choice, then once A-level and other Level 3 qualification results are known the place is confirmed following an assessment of whether the conditions have been met. In some cases offers are made without academic conditions: for example, where other indicators of potential such as auditions and portfolio reviews have been assessed. When the offer has no conditions to be met it is known as an unconditional offer.
9. Since 2014, UCAS has been reporting an increase in the number of unconditional offers made by UK higher education providers to 18-year-olds in England, Northern Ireland and Wales. Applicants from Scotland are not included in UCAS's analysis because they have often been awarded Scottish Qualifications Authority Highers before they apply, and offers may be based on the results of those. In its recent 'End of cycle report 2018', UCAS shows that the number of unconditional offers continues to increase year-on-year, and that it has an impact on A-level attainment¹. In November 2018, UCAS published a range of good practice resources to promote the responsible and appropriate use of unconditional offers².
10. This report sets out the results of data analysis carried out by the Office for Students (OfS) using application data provided by UCAS. The data includes applications from English 18-year-olds applying for full-time undergraduate higher education through the UCAS undergraduate scheme in the 2012 to 2017 application cycles. This analysis looks at their applications to providers in England and, through tracking individuals from the UCAS data into the Higher Education Statistics Agency (HESA) and Individual Learner Record (ILR) student records, the impact on students. The report includes:
 - trends in unconditional offer-making at the sector level
 - the distribution of unconditional offer-making across providers in England
 - what this means for different groups of applicants
 - whether applicants placed through an unconditional offer are more or less likely to enter higher education as planned
 - whether applicants placed through an unconditional offer are more or less likely to continue with their studies.

¹ See UCAS, 'End of cycle report 2018 Chapter 3: Unconditional offer-making to 18-year-olds from England, Northern Ireland, and Wales', available at <https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/ucas-undergraduate-end-cycle-reports/2018-end-cycle-report>.

² Available at <https://www.ucas.com/providers/good-practice/unconditional-offers>.

11. The latest HESA and ILR student record used in this analysis is for the 2016-17 academic year. This enables us to look at the non-continuation rates for students entering in 2015-16. Students graduating in 2016-17 would have entered higher education in 2014-15 for a full-time three-year degree and 2013-14 for a full-time four-year degree. This means that very few would have entered through an unconditional offer; therefore we have not assessed whether there is any measurable impact on degree outcomes.
12. There are two broad types of unconditional offers:
 - a. **Type A:** A provider makes an unconditional offer without any conditions placed on the applicant. We call this type of offer '**openly unconditional**'.
 - b. **Type B:** A provider makes a conditional offer but lets the applicant know that it will make the offer unconditional if they make the offer their firm choice. These are known as '**conditional unconditional**' offers. They are a subset of a wider group of incentivised offers, in this case where the incentive is an unconditional offer.
13. Another related type of offer is conditional, but on very low attainment requirements, e.g. two E grades at A-level, and therefore is close to being unconditional. These could be of type A or type B.
14. We have defined unconditional offers in the same way as UCAS, i.e. an application submitted in the main UCAS application scheme that is recorded as unconditional on 30 June. Therefore unconditional offers, in this analysis, include all of type A, and the subset of type B where the applicant makes the provider their firm choice, in both cases where this is recorded on 30 June. We have not looked at the low attainment offers.
15. We are currently unable to include conditional unconditional offers (type B) which have not been recorded as unconditional (typically because the applicant has not made the offer their firm choice). The UCAS report includes an assessment of the conditional unconditional offers (type B) including those that are not recorded as unconditional. It suggests that the proportion of offers being made that have an unconditional component could be as much as 70 per cent higher than the unconditional offers reported here. Where possible we have shown the UCAS estimates of offers that contain an unconditional component alongside our estimates, for context.
16. While the UCAS report considers applications from England, Northern Ireland and Wales applying to higher education providers across the UK, this report is focused on English-domiciled applicants who apply to providers in England. The UCAS report also considers more recent application data, and where possible this analysis is shown alongside ours to facilitate understanding of the trends to 2018.

Unconditional offer-making

Trends in unconditional offer-making

17. The number of offers, including conditional and unconditional, made to 18-year-old applicants from England applying to higher education providers in England, increased each year between 2012 and 2017, from 687,000 in 2012 to 836,000 in 2017. Applications also increased over the same time period, but not by the same rate, so the offer rate (the proportion of applications

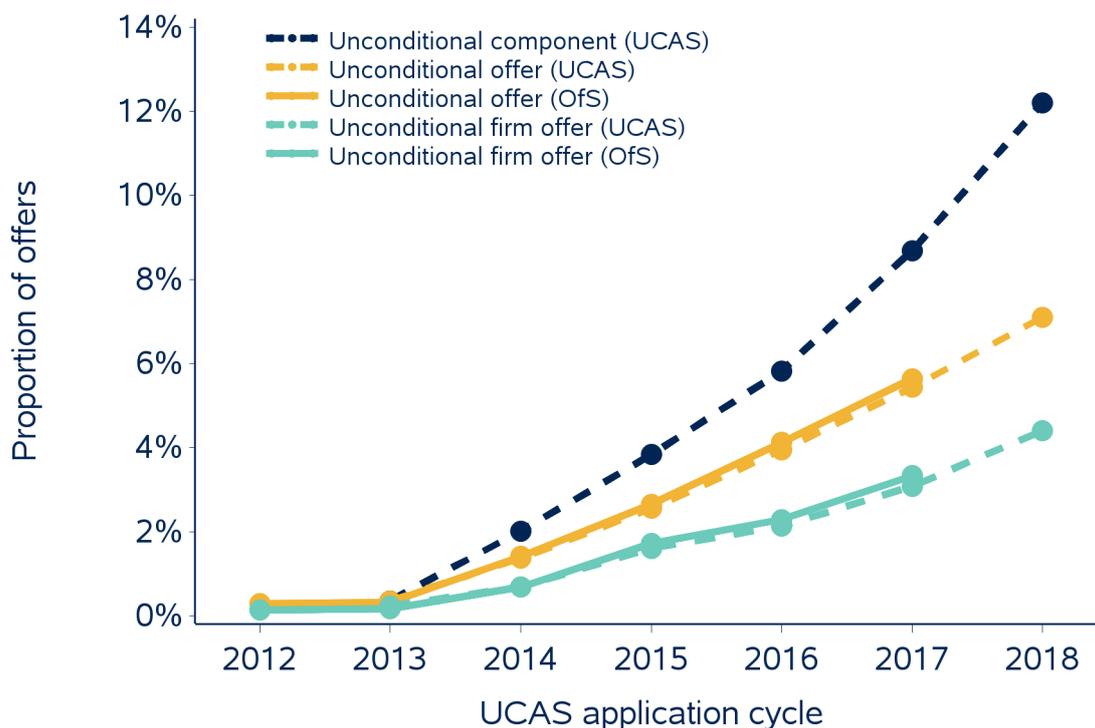
receiving an offer) increased. In 2017, four in every five applications received an offer of some kind.

18. Over the same period the offers made to these applications became much more likely to be unconditional, as shown in Figure 1 and in Table 1. In 2012 and 2013, only 0.3 per cent of offers were unconditional, but by 2017, 5.6 per cent were unconditional. The UCAS reported rates suggest that this rose above 7.1 per cent for applications in 2018.
19. UCAS also reported the proportion of offers that had an unconditional component. These include estimates (based on reliable identification) of conditional unconditional offers where the applicant did not make the offer their firm (first) choice. This suggests that at least 12.2 per cent of offers had an unconditional component in 2018.

Definitions of measures reported

- **Unconditional offer** – An offer that is recorded as unconditional on June 30. (This will be all openly unconditional offers (type A), and conditional unconditional offers (type B) that have been chosen as firm.)
- **Offers with an unconditional component** – All offers that are either openly unconditional or conditional unconditional (regardless of whether they are selected as firm or not).
- **Unconditional firm** – Firm offers are the applicant's first choice, and the one that they are committed to take up once any conditions are met. When offers have a firm reply and are unconditional this means that the applicant is placed at the provider.

Figure 1: Proportion of offers to 18-year-olds that were unconditional or had an unconditional component



Note: OfS figures relate to English applicants to English higher education providers, while UCAS figures relate to English, Northern Irish and Welsh applicants to UK higher education providers.

Table 1: Number and proportion of offers to 18-year-olds in England that were unconditional, unconditional firm choice and unconditional insurance choice

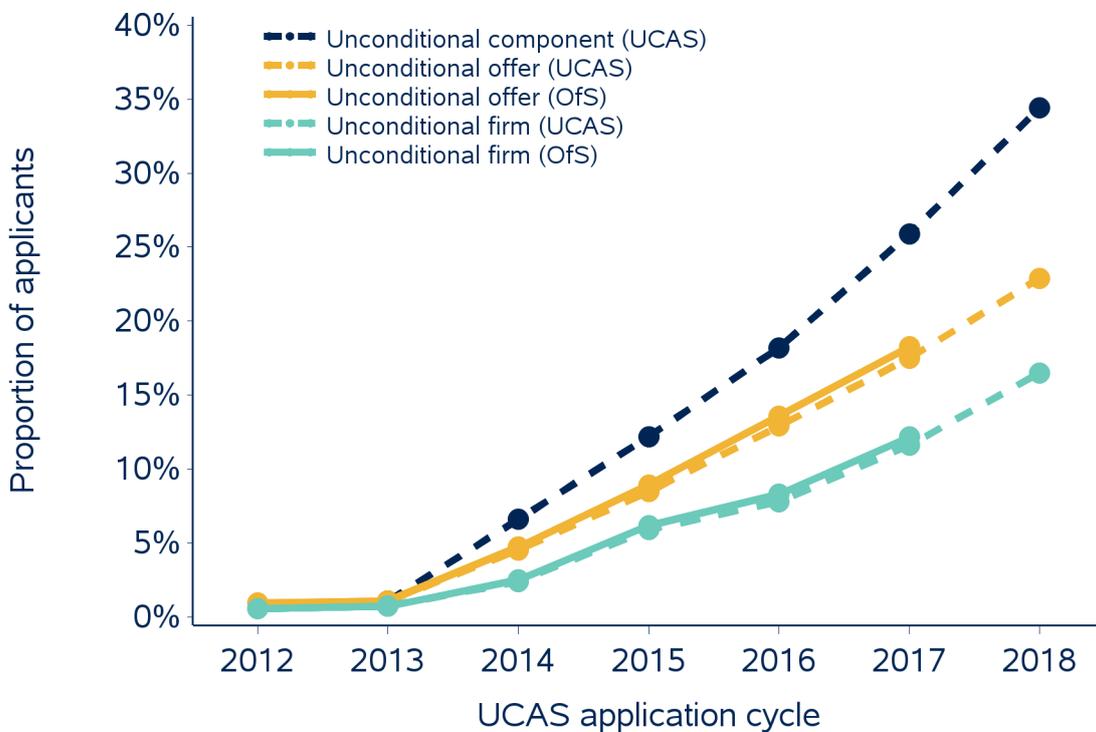
Year	Number of unconditional offers	Proportion of offers unconditional	Number of offers unconditional firm choice	Proportion of offers unconditional firm choice	Number of offers unconditional insurance choice	Proportion of offers unconditional insurance choice
2012	2,025	0.3%	935	0.1%	365	0.1%
2013	2,340	0.3%	1,230	0.2%	380	0.1%
2014	10,780	1.4%	5,180	0.7%	2,550	0.3%
2015	21,300	2.6%	13,810	1.7%	3,100	0.4%
2016	33,735	4.1%	18,750	2.3%	6,615	0.8%
2017	47,155	5.6%	27,875	3.3%	7,450	0.9%

20. The chances of an applicant receiving at least one unconditional offer will be much higher than the application level offer rate, because each applicant can make up to five applications. Around 85 per cent of 18-year-old applicants made five choices in each year. As expected, the proportion of 18-year-olds receiving at least one unconditional offer has increased as the unconditional offer-making has increased, as shown in Figure 2. In 2012 and 2013 around 1 per cent of applicants received at least one unconditional offer, but by 2017, 18.6 per cent of

applicants had received at least one. The UCAS reported rates suggest that more than 22.9 per cent of applicants in 2018 received at least one unconditional offer.

21. UCAS also reported the proportion of applicants identified as receiving at least one offer with an unconditional component: this was 34.4 per cent, over a third of 18-year-old applicants. This means that 18-year-old applicants in 2018 were more than 30 times more likely to receive at least one unconditional offer than 18-year-old applicants in 2013.
22. Applicants with an unconditional firm offer are considered to have successfully gained a place in higher education and do not have to wait for examination results to have their place confirmed. In 2018, 16.5 per cent of 18-year-old applicants already held a confirmed place at the end of June ahead of examination results, compared with 0.7 per cent in 2013.

Figure 2: Proportion of 18-year-old applicants with at least one offer with an unconditional component, unconditional offer or unconditional firm offer



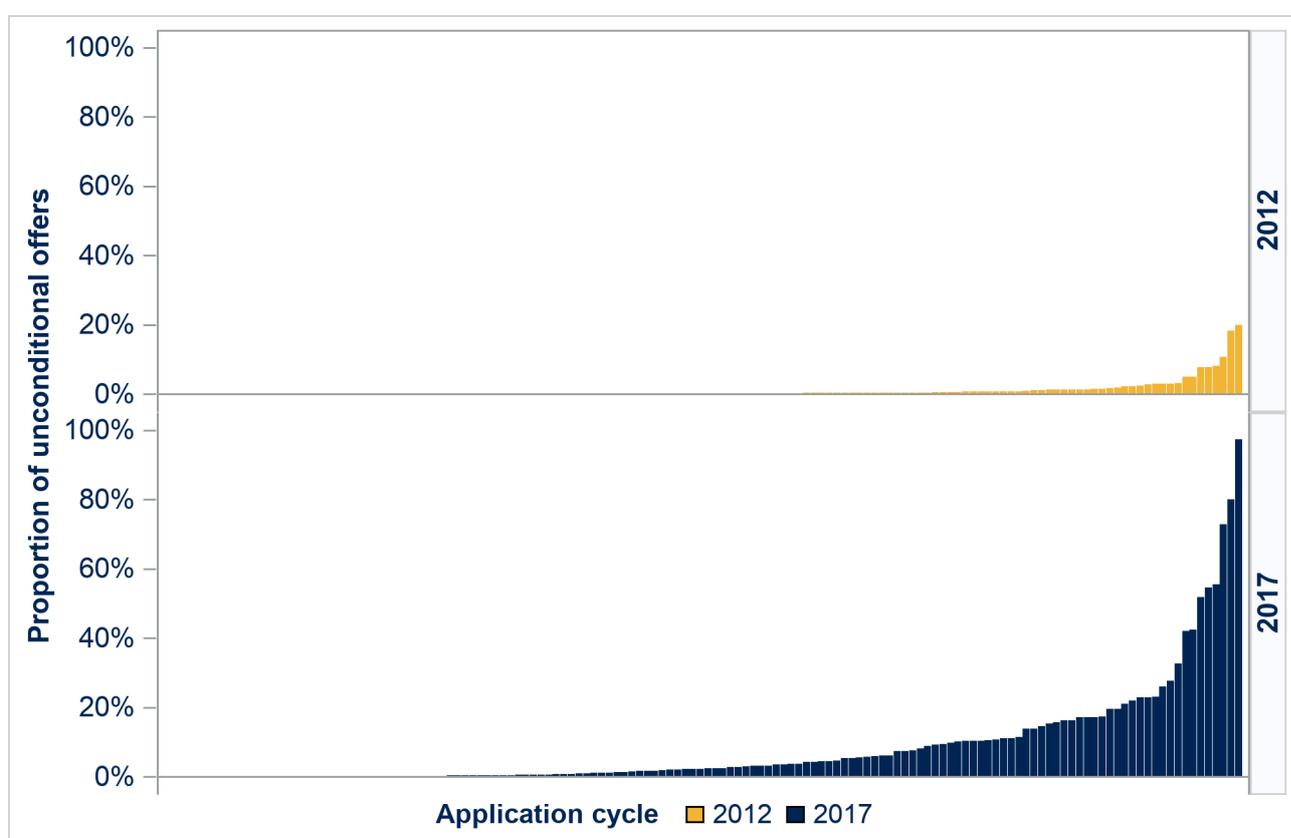
Note: OfS figures relate to English applicants to English higher education providers, while UCAS figures relate to English, Northern Irish and Welsh applicants to UK higher education providers.

Patterns across higher education providers

23. Not all higher education providers make unconditional offers: this varies by geography, type of provider and course subject. This creates differences in the characteristics of students who receive unconditional offers. The use of the different types of unconditional offer varies by provider too, and this means that the proportions of offers made that are recorded as unconditional will represent different measures from provider to provider. For example, if the provider makes conditional unconditional offers the recorded proportion of offers that are unconditional will be an underestimate of the proportion of offers with an unconditional component. This has an impact on the interpretation of the results for 2017 in the following analysis.

24. Figure 3 shows the unconditional offer rates at provider level for 2012 and 2017. Across the sector only 0.3 per cent of offers were unconditional in 2012. 11 per cent of providers made no unconditional offers, but these were smaller providers and represented just 3 per cent of all offers made. Those that did make unconditional offers used them for a relatively small proportion of offers, so that only 1 per cent of providers made more than 10 per cent unconditional offers, and none made more than 20 per cent. In 2017, there remained 6 per cent of providers not making any unconditional offers, but for 26 per cent of providers more than 10 per cent of offers were recorded as unconditional, and at 11 per cent of providers more than 20 per cent of offers were recorded as unconditional. Those making higher proportions of recorded unconditional offers included larger providers, and therefore accounted for a greater proportion of the offers made by the sector.

Figure 3: Unconditional offer rates by provider in 2012 and 2017 (one bar for each provider ordered by unconditional offer rate)



Note: English 18-year-old applicants to English higher education providers (with applications in each year between 2012 and 2017).

25. The conditional unconditional offers where the applicant declines to make the offer their firm choice are not included in these rates, and the use of this type of offer varies between providers. This means that some providers that are potentially making very high proportions of offers with an unconditional component are not seen in the 2017 rates. UCAS reported that no offers could be identified as conditional unconditional offers in 2013, so it is reasonable to assume that they were not made in any great number in 2012.

26. Consider the extreme case where every offer a provider makes is a conditional unconditional offer. If 25 per cent of the applicants take them up on the offer, the proportion of offers recorded as unconditional will be 25 per cent, despite 100 per cent of offers having an

unconditional component. The proportion recorded as unconditional (25 per cent) is an underestimate of the unconditional offer-making behaviour of this provider.

27. The extent of the use of each type of offer can vary considerably between providers. As an illustration consider the three examples shown in Table 2. These examples are similar to cases in the 2017 cycle:

- a. Provider A shows evidence that it is making conditional unconditional offers (type B) because almost all unconditional offers are selected as the applicant's firm choice. We can be confident that more unconditional offers have been made than the 800 reported, because the conversion rate to a firm reply for the remaining 3,200 offers is only 10 per cent (lower than might be expected if a true conditional offer is made).
- b. Provider B is making considerable numbers of unconditional offers, but they are mostly openly unconditional (type A).
- c. Provider C is not making very many unconditional offers and they are mostly openly unconditional (type A).

Table 2: Example patterns of provider unconditional offers and firm replies

Provider	Proportion of applications unconditional	Proportion of unconditional offers with a firm reply	Proportion of conditional offers with a firm reply
Provider A (making conditional unconditional offers)	20% (800 out of 4,000 offers)	99%	10%
Provider B (making open conditional offers to a high proportion of applicants)	20% (1,600 out of 8,000 offers)	27%	22%
Provider C (making open conditional offers to a low proportion of applicants)	2% (200 out of 10,000 offers)	30%	20%

28. The rates of use of unconditional offers have varied between providers across the time period, as shown in the three examples in Table 3:

- a. For example, Provider D started making unconditional offers in 2015. This provider had a very high proportion of its unconditional offers set as firm, which suggests that many more of its offers were conditional unconditional. However, in 2017, provider D reverted to making no unconditional offers.
- b. Provider E has slowly and steadily been increasing the number of unconditional offers since 2013, and, although these appear to be conditional unconditional offers, the conversion rate

of the conditional offers suggests that there may not be many hidden conditional unconditional offers.

- c. Provider F starts making open unconditional offers in 2016 to a very high proportion of 18-year-old applicants, and repeats this in 2017.

Table 3: Examples of proportions of offers made to 18-year-old applicants that are recorded as unconditional

	2012	2013	2014	2015	2016	2017
Provider D	1%	0%	0%	19%	18%	0%
Provider E	0%	2%	5%	6%	6%	7%
Provider F	0%	0%	0%	0%	78%	73%

29. For applicants holding firm offers, the chance that the offer is unconditional varies by the type of provider the offer is from, as shown in Table 4. In 2017, only 5 per cent of offers with firm replies at higher-tariff providers were unconditional, compared with lower-tariff providers where 32 per cent were unconditional. Around half of offers with a firm reply are at higher-tariff providers, which means that despite the smaller proportion of firms that are unconditional, higher-tariff providers account for 17 per cent of all unconditional firms. In 2017, 40 per cent of unconditional firms were at medium-tariff providers and 38 per cent at lower-tariff providers.

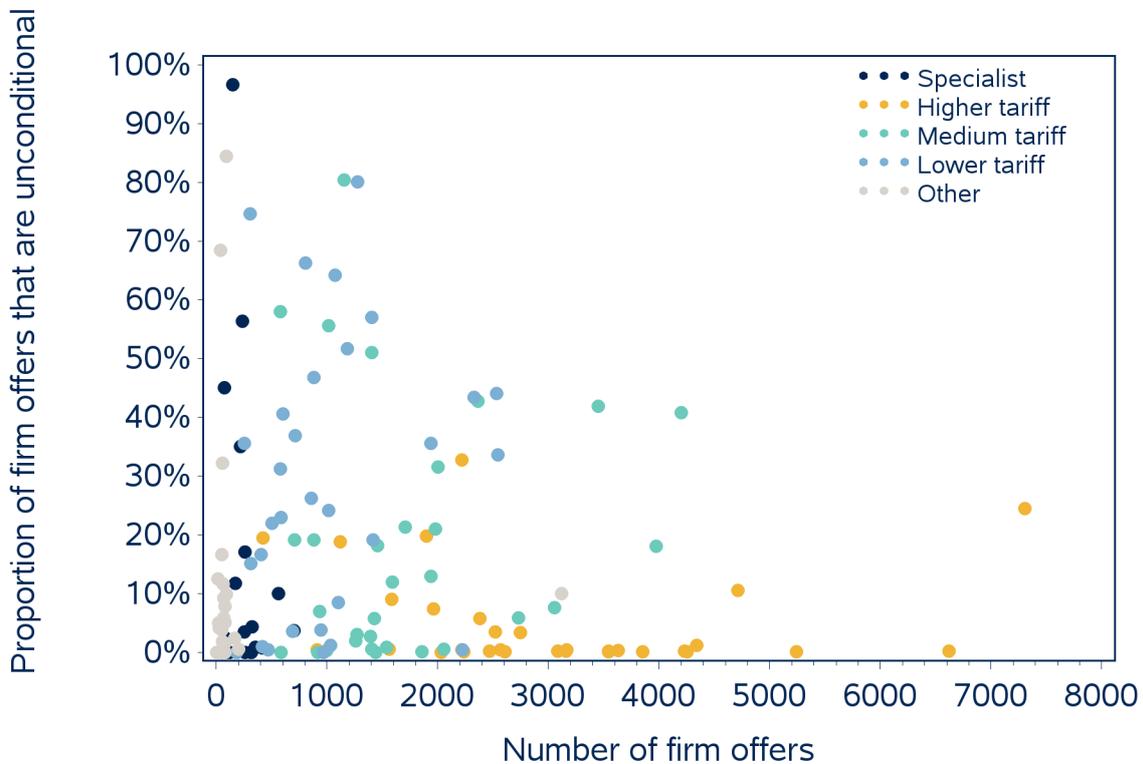
Table 4: Distribution of firm offers and unconditional firm offers across provider types in 2017

	Number of offers with firm reply	Number of unconditional firms	Proportion of firms that are unconditional	Proportion of all unconditional firms
Specialist	5,275	560	11%	2%
Higher-tariff providers	94,150	4,455	5%	17%
Medium-tariff providers	53,295	10,525	20%	40%
Lower-tariff providers	31,545	10,030	32%	38%
Other providers	4,890	495	10%	2%
All	189,155	26,065	14%	100%

30. Figure 4 shows how the proportion of offers with firm replies that are unconditional varies from provider to provider, within provider types. So, although across higher-tariff providers as a whole only 5 per cent of offers with a firm reply are unconditional, there are some higher-tariff

providers where this is greater than 20 per cent. Similarly there are many lower-tariff providers where fewer than 10 per cent of offers with a firm reply are unconditional.

Figure 4: Provider level proportion of offers with a firm reply that are unconditional by the number of firm offers and by provider type in 2017

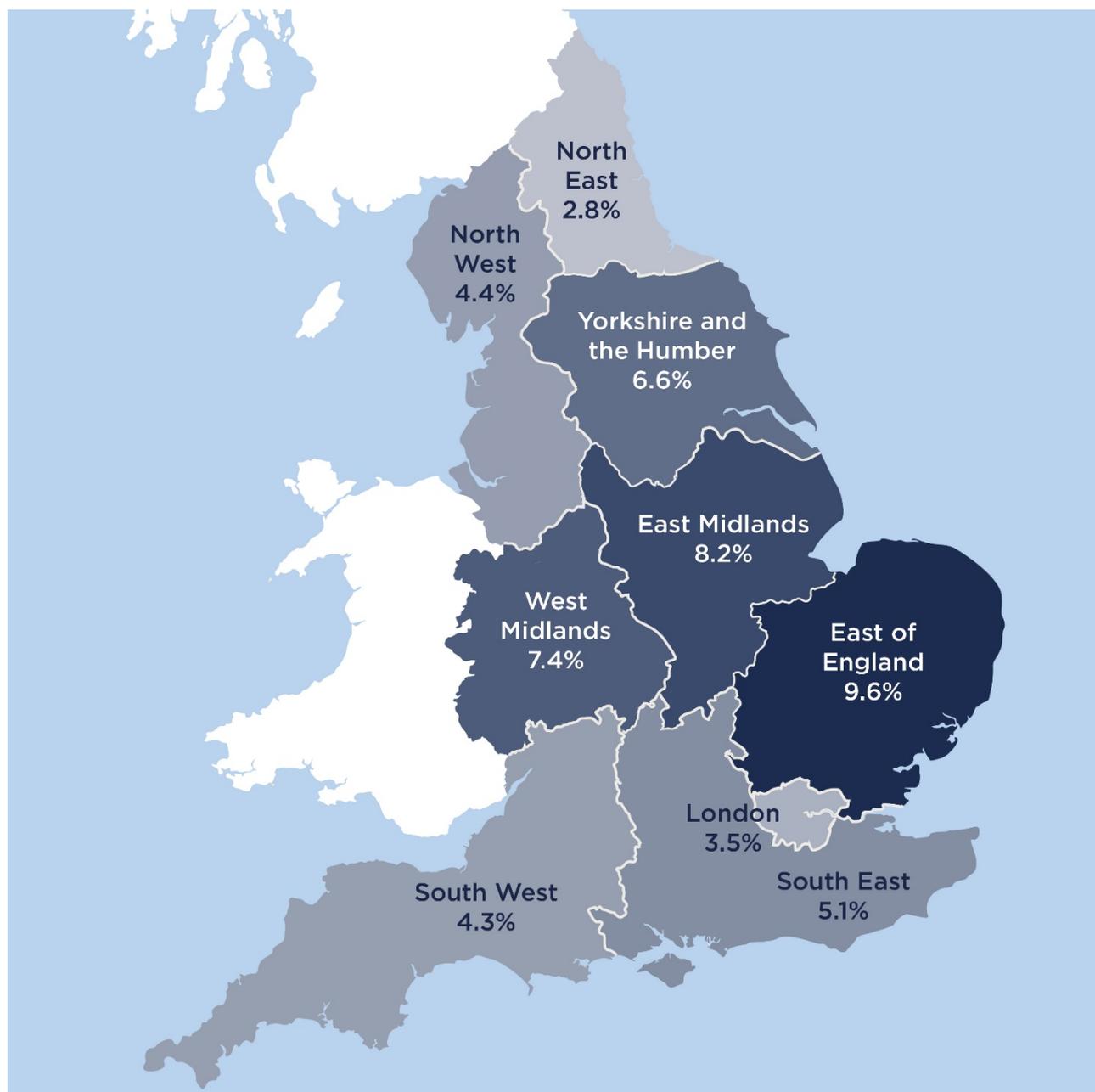


Note: English 18-year-old applicants to English higher education providers (with applications in each year between 2012 and 2017).

Patterns of unconditional offers across England

31. The proportion of recorded unconditional offers varies by the region in which a provider is located. This will be experienced in different ways by students who want to study in different regions, as their chance of receiving an unconditional offer could be affected by whether their region is more or less likely to generate these offers. The number of providers and the size of provision is not equal across regions, meaning that the contribution of a single provider's offer-making varies region by region.
32. Figure 5 shows the unconditional offer rate by provider region in 2017. The provider regions with the lowest rates of unconditional offers in 2017 were the North East (1,400 unconditional offers, 2.8 per cent of all offers made by providers in the region) and London (3,500 unconditional offers, 3.5 per cent of all offers). The region with the highest proportion of unconditional offers was the East of England (3,600 unconditional offers, 9.6 per cent). The remaining regions in descending proportion of unconditional offers were the East Midlands (8,300 unconditional offers, 8.2 per cent), the West Midlands (7,200 unconditional offers, 7.4 per cent), Yorkshire and the Humber (7,300 unconditional offers, 6.6 per cent), the South East (6,800 unconditional offers, 5.1 per cent), the North West (5,300 unconditional offers, 4.4 per cent) and the South West (3,900 unconditional offers, 4.3 per cent).

Figure 5: Proportions of offers made by providers in each region that are unconditional in 2017



Note: English 18-year-old applicants to English higher education providers (with applications in each year between 2012 and 2017).

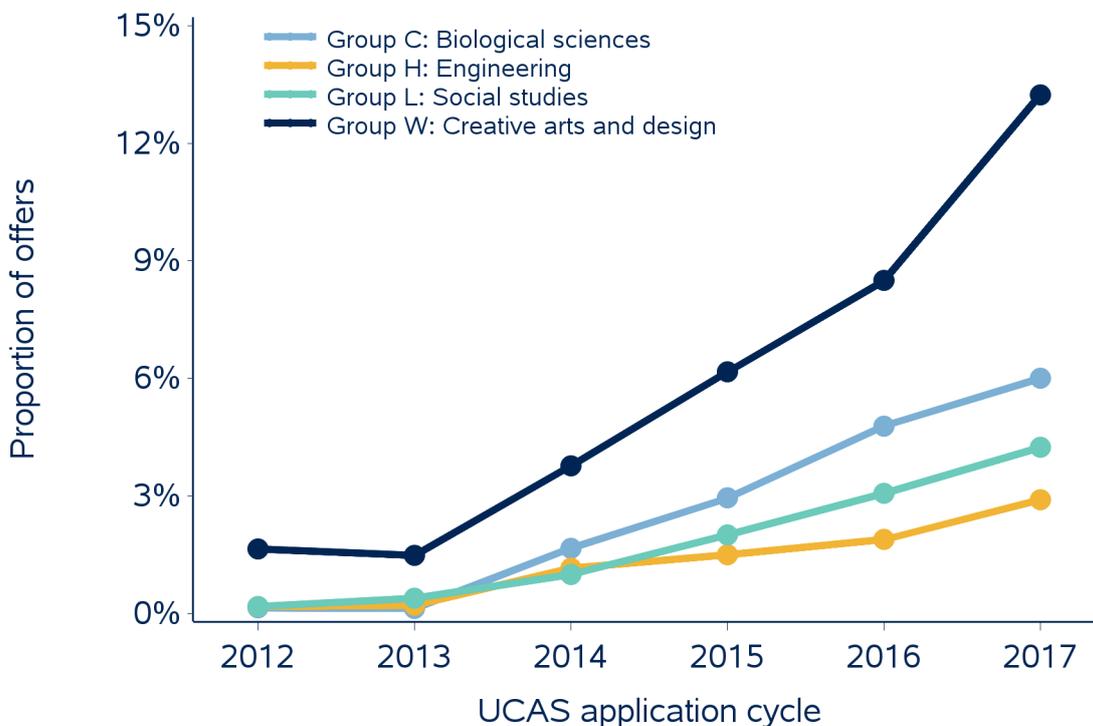
Patterns of unconditional offer-making by subject

33. The proportion of unconditional offers made also varies by the subject intended for study.

34. Sometimes unconditional offers are made when admissions decisions are based on other factors, for example a portfolio of work for creative arts and design courses. Evidence of how often this is likely to be the case can be found by looking at the earliest years in the time series, when unconditional offer-making was rare and unconditional offers based on portfolio are likely to have represented a greater share of all unconditional offer-making. Figure 6 shows the unconditional offer rate for selected subject areas from 2012 to 2017. Offers made for creative arts and design courses were more likely to be unconditional than those for other subjects in 2012 and 2013, but they were still rare (under 2 per cent of offers). By 2017, over 13 per cent

of offers made to applicants to creative arts and design courses were unconditional, an 11 percentage point increase in the proportion of unconditional offers. Unconditional offer-making based on this other kind of evidence could be being used more frequently in 2017 relative to 2012, and is likely to be part of the increase, but unlikely to account for all of it.

Figure 6: Proportion of offers that were unconditional for selected subject areas



Note: English 18-year-old applicants to English higher education providers.

35. As the rate of unconditional offer-making has increased, the differences between subjects have become more pronounced and the rate of increase has varied. Figure 6 shows the rates for a selection of the larger subject areas (in terms of number of offers made). Creative arts and design courses have the highest rates across the time series, and have increased to the extent that an offer for these courses was eight times more likely to be unconditional in 2017 than in 2012. In 2017, 6 per cent of offers made for biological sciences were unconditional, 30 times the rate in 2012 (0.2 per cent); 4 per cent of offers for social studies were unconditional (18 times larger than the rate in 2012); and fewer than 3 per cent of offers for engineering courses were unconditional (16 times larger than the rate in 2012).

36. The UCAS report shows the changes through time for all subjects, and includes information about how conditional unconditional offers vary across subjects.

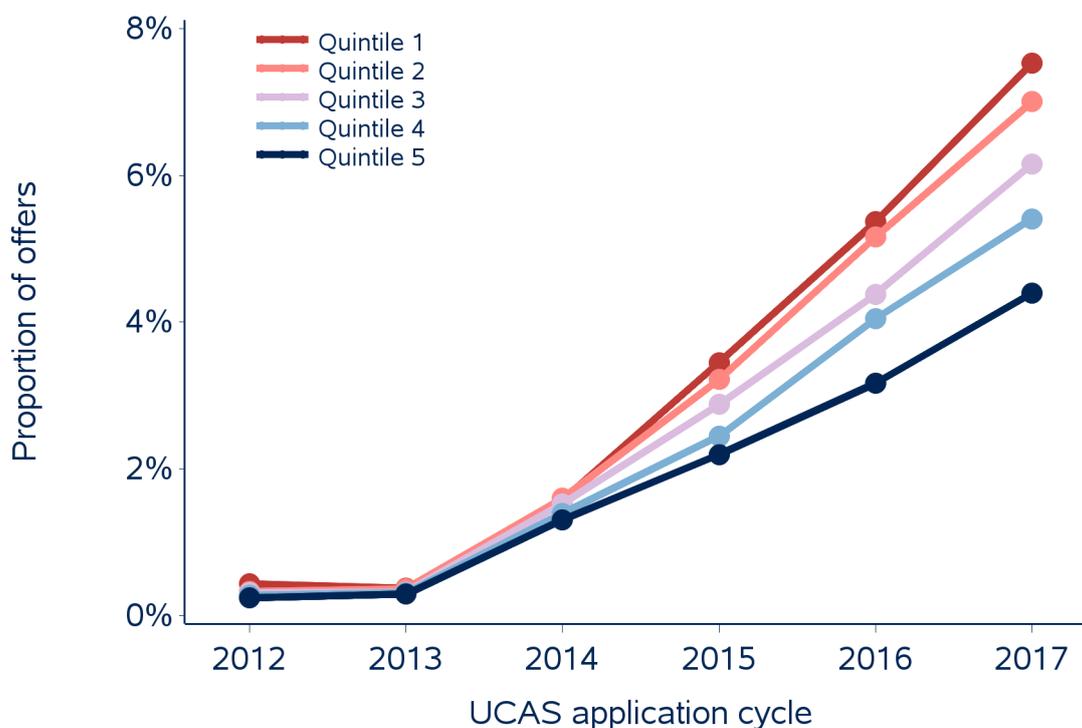
Patterns of unconditional offers by POLAR4

37. The Participation of Local Areas (POLAR) classification assigns small areas across the UK to one of five groups based on the proportion of the young population that participates in higher

education³. These groups are called 'quintiles' and the areas they represent each include approximately one-fifth of the young population. Quintile 1 areas have the lowest rate of participation in higher education (so are the most underrepresented), while quintile 5 areas have the highest rate of participation. POLAR4 is the most recent classification. Across the UK representation in higher education is most strongly associated with the socioeconomic background of young people in the area, but also with ethnicity, school performance and other factors that influence progression to higher education and also vary by area.

38. Figure 7 shows the unconditional offer rate by POLAR4 quintile. In each application year since 2015, a greater proportion of offers held by applicants from areas with the lowest higher education participation rates (POLAR4 quintile 1) were unconditional than for applicants from areas with the highest participation levels (POLAR4 quintile 5). In 2017, the unconditional offer rate to applicants from POLAR4 quintile 1 areas (7.5 per cent) was 70 per cent higher than the unconditional offer rate for similar applicants from POLAR4 quintile 5 areas (4.4 per cent).

Figure 7: Proportion of offers that were unconditional by POLAR4 quintile



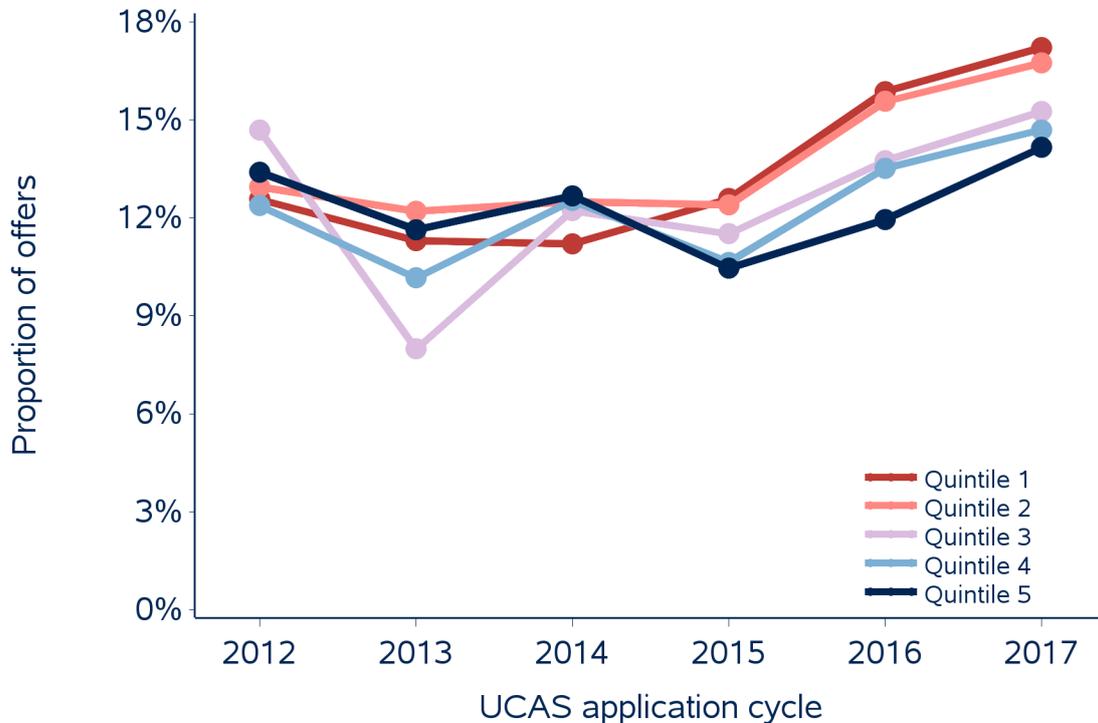
Note: English 18-year-old applicants to English higher education providers. POLAR4 quintile 1 areas are those with the lowest young participation in higher education.

39. When the unconditional offer rate is calculated for the applications to the subset of providers with an unconditional offer rate of at least 5 per cent, the difference between POLAR4 quintiles reduces, as shown in Figure 8. A difference remains between the quintiles, with applicants from POLAR4 quintile 1 areas being 20 per cent more likely to receive an unconditional offer in 2017 than those from POLAR quintile 5 areas. Therefore, the difference between the

³ For more information on POLAR, see www.officeforstudents.org.uk/data-and-analysis/polar-participation-of-local-areas/.

unconditional offers rates across the POLAR quintiles is partly, but not completely, explained by applicants' choice of provider.

Figure 8: Proportion of offers that were unconditional at providers making at least 5 per cent unconditional offers, by POLAR4 quintile



Note: English 18-year-old applicants to the subset of English higher education providers more than 5 per cent of whose offers in that year were recorded as unconditional. POLAR4 quintile 1 areas are those with the lowest young participation in higher education.

Students entering higher education through unconditional offers

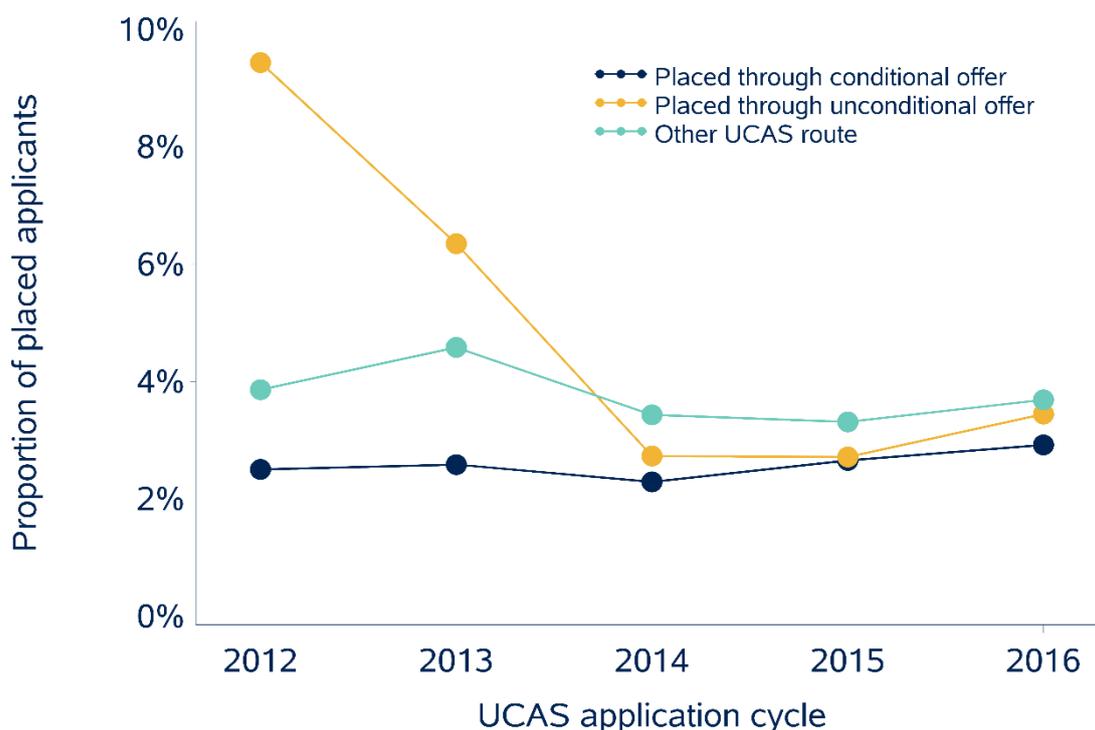
Entry to higher education after applying through the UCAS undergraduate scheme

40. Tracking individual applicants in the higher education administrative data enables us to see whether the route by which an applicant is placed through UCAS has an impact on the chances of their entering higher education as planned. The HESA student record and ILR data for academic years up to 2016-17 were available at the time of analysis. This enables the OfS to track UCAS applicants from the 2012 to 2016 application cycles to see whether they registered in higher education.

41. Annex A contains the numbers and proportions of students who entered higher education from different application routes between 2012 and 2016. Over 95 per cent of 18-year-old applicants placed through UCAS for immediate entry (not deferred) enter higher education that autumn at the provider where they were placed. This is the same proportion whether the applicant is placed through a conditional offer, an unconditional offer (since 2014), or a different route such as clearing. Around 1 per cent of placed applicants either enter in a different year, or at a different provider in the same year.

42. The remaining UCAS-placed applicants do not appear to enter higher education as planned at all. A small number of these are identified at a different institution in a later year. While the majority of those not identified at all will indeed be doing something different, 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 9 shows that for application years since 2014, when a greater proportion of applicants have been placed through unconditional offers, there is very little difference between routes in the proportion of placed applicants who do not appear to have entered higher education as planned.

Figure 9: Proportion of UCAS-placed applicants not identified as starting higher education either at the same provider or in the same entry year



Note: English 18-year-old applicants to English higher education providers.

Non-continuation rates for those entering with unconditional offers compared with other routes

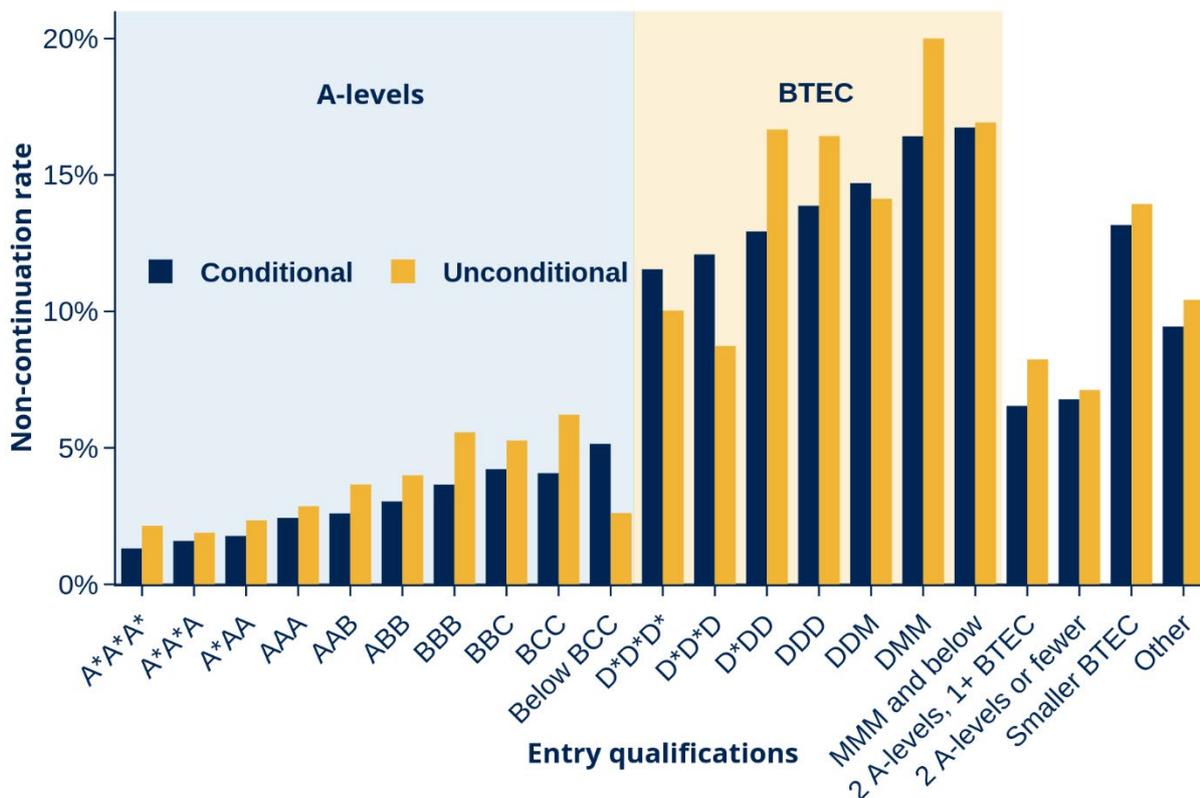
43. One of the early signs of success in higher education is whether a student progresses into a second year of study following their entry year. This is measured through non-continuation rates (sometimes referred to as 'drop-out rates'). To measure non-continuation rates we need data for both the year of entry and the intended second year of study. This means that the most recent entrant cohort for whom we can measure non-continuation is the 2015-16 entrant cohort, continuing in 2016-17. 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.

44. Non-continuation rates are known to vary by level and type of entry qualification⁴. In particular, students who enter higher education with BTEC qualifications tend to have higher non-continuation rates than those who enter with A-level qualifications. The level of attainment is also important. If unconditional offers effect the level of attainment at A-level or BTEC this could potentially lead to higher rates of non-continuation.
45. UCAS reported the impact of unconditional offers on the difference between predicted and attained A-level results. This showed that, for every 100 applicants studying for three or more A-levels who were placed through an unconditional offer, an additional five missed their total predicted grades by two or more grades relative to what might be expected if the same applicants had been placed through 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), the provider and subject where their firm offer was held, and the year the application was made. This implies that holding an unconditional offer is associated with attaining weaker A-level results than holding a conditional offer.
46. The size of this effect, a five percentage point difference, has remained reasonably stable throughout the recent annual increase in unconditional offer-making. Therefore, as the number of applicants holding unconditional firm offers before taking three or more A-levels has increased year-on-year from around 600 in 2013 to around 20,000 in 2018, the number of young people attaining slightly weaker A-level results than would have been expected if they had held a conditional offer has increased each year from around 40 to over 1,000.
47. This impact on Level 3 attainment may have an effect on the students' chances of success in higher education. The first indication of that would be if non-continuation rates into the second year of study were lower for those who entered with unconditional offers.
48. Annex B shows the number of entrants studying for a first degree and their non-continuation rates by entry route (conditional offer, unconditional offer, other route), by their predicted entry qualification type and level, and by provider groups. This is for entrants in the 2014-15 and 2015-16 academic years combined, because these are the most recent years where we can assess non-continuation without using the earlier years when the nature and scale of unconditional offer-making was different. Only those entrants who entered the same provider in the same entry year as they were placed through UCAS are reported.
49. The 18-year-olds who entered higher education with a BTEC qualification were more likely to have done so through an unconditional offer than those who entered with A-levels. More than 10 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 between 4 and 8 per cent of those predicted to attain A-level grades between BBB and A*A*A.
50. Figure 10 shows that non-continuation rates are slightly higher for unconditional offer entrants at each predicted A-level attainment level, but generally much lower for entrants holding A-levels than those holding BTEC qualifications. Among BTEC entrants the non-continuation rates are not always higher for those who enter with unconditional offers than with conditional

⁴ For more information see www.officeforstudents.org.uk/data-and-analysis/non-continuation-rates-and-transfers/time-series-and-two-way-splits/.

offers. In particular, those predicted the top BTEC grade profiles have slightly lower non-continuation rates when they enter with an unconditional offer.

Figure 10: Non-continuation rates for different qualification types and levels by type of offer



Note: English 18-year-old entrants to first degree courses at English higher education providers, applicants identified as entering the same provider where they were placed through UCAS.

51. Other factors influence the chance of continuing with study, such as the provider where the student is registered and the subject of study. To evaluate how important unconditional offers are among all these factors, we have modelled the chance of continuing in higher education.
52. A multi-level logistic regression model was used to assess whether entry through an unconditional offer is related to the chance of continuing into the second year of study. 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 subject⁵, year of entry, predicted entry qualifications, ethnicity, sex, disability and POLAR4. The details of the model are shown in Annex C.
53. Once these other factors were included in the model, the effect of unconditional offers on the non-continuation rate of entrants was not statistically significant. However, the number of applicants entering with an unconditional offer was relatively low in 2014 and 2015. As future years of higher education student data become available we will update these models to assess the non-continuation rates of the growing numbers of students entering higher education with unconditional offers.

⁵ As defined by the Common Aggregation Hierarchy level 2. For more information, see <https://www.hesa.ac.uk/innovation/hecos>.

Annex A: Number and proportion of UCAS applicants entering higher education

- Table A1 shows the number and proportion of students placed through different routes who were tracked using personal identifiers in the higher education student records. Applicants placed in earlier years have more opportunity to be found in later years. All tracking methods are dependent on the quality of the personal data used for matching, and therefore some of those not identified in higher education could be unmatched for data quality reasons. Those shown as not placed in UCAS, but found in higher education in the same year, could have been placed at higher education not recruited through the UCAS undergraduate scheme, such as conservatoires.

Table A1: Number and proportion of UCAS applicants entering higher education

		2012		2013		2014		2015		2016	
		Students	%								
Conditional offer route	At same provider in same year	138,060	96.5	144,685	96.7	143,565	97.2	142,715	96.7	138,635	96.7
	At same provider in later year	525	0.4	430	0.3	360	0.2	265	0.2	N/A	N/A
	At different provider in same year	830	0.6	695	0.5	460	0.3	635	0.4	560	0.4
	At different provider in later year	990	0.7	840	0.6	660	0.4	580	0.4	N/A	N/A
	Entered in earlier year	0	0	5	0	5	0	5	0	10	0
	Not identified in higher education	2,590	1.8	3,025	2	2,720	1.8	3,335	2.3	4,185	2.9
Unconditional offer route	At same provider in same year	1,040	88.6	1,350	92.1	5,270	96.6	12,845	97	17,395	96.3
	At same provider in later year	15	1.2	5	0.5	10	0.1	15	0.1	N/A	N/A
	At different provider in same year	10	0.8	15	1	25	0.5	25	0.2	50	0.3
	At different provider in later year	30	2.7	20	1.4	25	0.5	55	0.4	N/A	N/A
	Entered in earlier year	0	0	0	0.1	5	0.1	0	0	0	0
	Not identified in higher education	80	6.7	70	4.9	120	2.2	305	2.3	620	3.4
Other UCAS route (e.g. clearing)	At same provider in same year	20,055	94.6	19,815	94.2	22,465	95.7	23,670	95.7	25,125	95.7
	At same provider in later year	120	0.6	90	0.4	90	0.4	70	0.3	N/A	N/A
	At different provider in same year	200	0.9	160	0.8	110	0.5	170	0.7	155	0.6
	At different provider in later year	250	1.2	255	1.2	205	0.9	175	0.7	N/A	N/A
	Entered in earlier year	0	0	0	0	20	0.1	5	0	0	0
	Not identified in higher education	570	2.7	710	3.4	585	2.5	640	2.6	965	3.7
In UCAS, not placed	Entered higher education in same year	2,540		2,215		2,250		2,400		2,425	

Annex B: Non-continuation rates

1. Tables B1 and B2 shows the number of entrants in 2014-15 and 2015-16 combined, and the proportion of them who did not continue into their second year of study. These entrants are the subset of those in Annex A who are studying for a first degree (excluding those studying for other undergraduate courses).
2. The numbers of entrants and non-continuation rates are shown for entrants who came through four different routes through UCAS: conditional offers, unconditional offers, other UCAS (early applicant), other UCAS (late applicant). The 'other UCAS' route has been split into early and late applicants for two reasons, partly because they may have different levels of engagement with higher education, and partly because their predicted entry grades will rarely be known. Non-continuation rates are only shown when they are estimated from at least 100 entrants.
3. Table B1 shows the numbers and non-continuation rates for different entry qualification profiles predicted at the time of application. Table B2 shows the same information for different provider groups.
4. All entrant numbers are rounded to the nearest five. Totals are calculated from unrounded numbers, therefore some totals may differ from the sum of the rounded numbers reported. Non-continuation rates are calculated from unrounded numbers.

Table B1: Number of entrants and their non-continuation rates by entry route, and predicted entry qualification type and level, for 18-year-old first degree students starting courses at the same provider in the same year that they were placed through UCAS (2014-15 and 2015-16 entrants combined)

Predicted entry qualification type and grade profile	Number of entrants					Non-continuation rate (at least 100 entrants)				
	Conditional offer	Unconditional offer	Other UCAS (early applicant)	Other UCAS (late applicant)	All	Conditional offer	Unconditional offer	Other UCAS (early applicant)	Other UCAS (late applicant)	All
A-level: A*A*A*	14,575	280	420	0	15,275	1.3%	2.1%	3.3%		1.4%
A-level: A*A*A	12,075	635	945	0	13,655	1.6%	2.0%	3.2%		1.7%
A-level: A*AA	17,165	1,535	2,115	5	20,820	1.8%	2.3%	2.7%		1.9%

Predicted entry qualification type and grade profile	Number of entrants					Non-continuation rate (at least 100 entrants)				
	Conditional offer	Unconditional offer	Other UCAS (early applicant)	Other UCAS (late applicant)	All	Conditional offer	Unconditional offer	Other UCAS (early applicant)	Other UCAS (late applicant)	All
A-level: AAA	23,955	2,515	3,790	5	30,265	2.4%	2.9%	3.8%		2.6%
A-level: AAB	24,230	1,285	4,580	0	30,095	2.6%	3.7%	3.5%		2.8%
A-level: ABB	23,130	1,450	5,170	15	29,765	3.0%	4.0%	4.0%		3.2%
A-level: BBB	20,040	1,095	4,040	15	25,190	3.7%	5.6%	4.5%		3.9%
A-level: BBC	15,200	590	2,730	15	18,535	4.2%	5.3%	5.3%		4.4%
A-level: BCC	10,430	175	1,860	10	12,480	4.1%	6.2%	5.9%		4.4%
A-level: CCC and below	8,065	155	1,685	25	9,930	5.1%	2.6%	7.2%		5.5%
BTEC: D*D*D*	4,600	590	380	5	5,575	11.5%	10.0%	14.4%		11.6%
BTEC: D*D*D	1,670	230	160	0	2,060	12.1%	8.7%	13.3%		11.8%
BTEC: D*DD	1,685	250	190	5	2,130	12.9%	16.7%	14.7%		13.5%
BTEC: DDD	4,995	690	510	5	6,195	13.9%	16.4%	13.8%		14.2%
BTEC: DDM	4,230	630	465	5	5,335	14.7%	14.1%	15.2%		14.7%
BTEC: DMM	3,525	120	420	5	4,075	16.4%	20.0%	18.3%		16.8%
BTEC: MMM and below	3,015	65	525	20	2,420	16.7%		18.2%		16.5%
2 A-levels, 1+ BTEC	8,945	655	1,170	0	10,770	6.5%	8.2%	9.8%		7.0%

Predicted entry qualification type and grade profile	Number of entrants					Non-continuation rate (at least 100 entrants)				
	Conditional offer	Unconditional offer	Other UCAS (early applicant)	Other UCAS (late applicant)	All	Conditional offer	Unconditional offer	Other UCAS (early applicant)	Other UCAS (late applicant)	All
2 A-levels or fewer	14,920	690	4,670	40	20,325	6.8%	7.1%	8.8%		7.3%
BTECs of size 2 grades or fewer	13,050	775	1,830	30	15,690	13.2%	13.9%	14.4%		13.3%
Other	15,435	1,245	2,145	2,315	21,140	9.4%	10.4%	11.8%	16.1%	10.5%
All	244,935	15,655	39,805	2,535	302,935	5.3%	6.6%	6.6%	15.9%	5.6%

Table B2: Number of entrants and their non-continuation rates by entry route and provider group for 18-year-old first degree students starting courses at the same provider in the same year that they were placed through UCAS (2014-15 and 2015-16 entrants combined)

Provider group	Number of entrants					Non-continuation rate (at least 100 entrants)				
	Conditional offer	Unconditional offer	Not main scheme (early applicant)	Not main scheme (late applicant)	All	Conditional offer	Unconditional offer	Not main scheme (early applicant)	Not main scheme (late applicant)	All
Specialist providers	8,065	430	980	155	9,625	6.9%	12.3%	7.7%	16.8%	7.3%
Providers with high average tariff	106,955	5,260	10,475	200	122,890	2.5%	2.7%	3.3%	6.5%	2.6%
Providers with medium average tariff	78,435	5,295	15,455	850	100,035	6.7%	7.6%	6.2%	13.3%	6.7%
Providers with low average tariff	47,870	4,345	12,190	1,085	65,490	8.5%	9.3%	9.5%	17.2%	8.9%
Further education colleges and other higher education providers	3,615	325	710	245	4,895	11.4%	11.7%	12.3%	26.1%	12.3%
All	244,935	15,655	39,805	2,535	302,935	5.3%	6.6%	6.6%	15.9%	5.6%

Annex C: Details of the statistical modelling of non-continuation (all entrants)

54. This annex describes the statistical model used to assess differences in non-continuation rates between English 18-year-olds entering higher education through unconditional and conditional offers. There were 260,555 students who entered higher education in 2014 or 2015 at the provider with which they were placed through UCAS, with either a conditional or unconditional offer. This analysis models the probability that they were not in higher education in the year after they entered (the non-continuation rates).
55. Multilevel modelling was employed to investigate whether or not the observed differences in non-continuation rates between applicants placed through an unconditional offer and applicants placed through a conditional offer can be explained by the different characteristics of the applicants.
56. The model reported here includes the following factors:
- provider where the applicant was placed through UCAS (random intercept)
 - type of offer (conditional or unconditional) for choice where they were placed
 - year they entered higher education
 - subject studied
 - entry qualifications predicted at the time of application
 - disability status
 - ethnicity
 - sex
 - Participation of Local Areas (POLAR4) quintile.
57. These factors were modelled as fixed effects with a random intercept that varies by provider, such that entrants are nested within providers. All other factors were modelled as fixed effects and therefore have the same estimated effect on non-continuation rates across providers.
58. The model is presented in Equation C1.

Equation C1: Model format for non-continuation rate

$$\text{Non-continuation rate} \sim \text{Binomial}(\text{const}_j, \pi_j)$$

$$\text{logit}(\pi_j) = \beta_{0j} + \beta_1 \text{Offertype} + \beta_2 \text{Year} + \beta_3 \text{Subject} + \beta_4 \text{Entryquals} + \beta_5 \text{Disability} \\ + \beta_6 \text{Ethnicity} + \beta_7 \text{Sex} + \beta_8 \text{POLAR}$$

$$\beta_{0j} = \beta_0 + u_{0j}$$

Note: The β_s represent the fixed effects coefficients for all providers, and u_{0j} is the random intercept for provider j.

59. The details of the variables included as fixed effects in the model are shown in Table C1, the type III tests of the fixed effects are shown in Table C2, and the model estimated fixed effect coefficients are shown in Table C3.

Table C1: Variables included as fixed effects in the non-continuation modelling

Type of variable	Fixed effect	Description
Categorical	Offer type	Type of offer for choice where student was placed through UCAS Conditional (ref) Unconditional
	Year	UCAS application year (and year of entry): 2015 (ref) 2014
	Subject	Subject studied: Medicine and dentistry (ref) Agriculture, food and related studies Architecture, building and planning Biosciences Business and management Celtic studies Chemistry Combined and general studies Communications and media Computing Creative arts and design Economics Education and teaching Engineering English studies Geographical and environmental studies Health and social care History and archaeology Humanities and liberal arts (non-specific) Languages, linguistics and classics Law Mathematical sciences Nursing Pharmacology, toxicology and pharmacy Philosophy and religious studies Physical, material and forensic sciences Physics and astronomy Politics

Type of variable	Fixed effect	Description
		Psychology Sociology, social policy and anthropology Sport and exercise sciences Subjects allied to medicine not otherwise included Technology Veterinary sciences
	Predicted entry qualifications	Entry qualifications predicted at time of application: A-level: A*A*A* (ref) A-level: A*A*A A-level: A*AA A-level: AAA A-level: AAB A-level: ABB A-level: BBB A-level: BBC A-level: BCC A-level: CCC and below BTEC: D*D*D* BTEC: D*D*D BTEC: D*DD BTEC: DDD BTEC: DDM BTEC: DMM BTEC: MMM and below 2 A-levels, 1+ BTEC 2 A-levels or fewer BTECs of size 2 grades or fewer Other
	Disability	Disability status of student No disability specified (ref) Disability
	Sex	Sex of student: Male Female (ref)
	Ethnicity	Ethnicity of student: White (ref) Black Asian Other Unknown
	POLAR4	Young participation quintile of graduate: Quintile 1 Quintile 2

Type of variable	Fixed effect	Description
		Quintile 3 Quintile 4 Quintile 5 (ref) Unknown

Note: Those categories marked with '(ref)' are the reference categories for each categorical or dummy variable and are not formally included in the model structure.

Table C2: Type III tests of fixed effects

Fixed effect	F value	p-value
Offer type	0.72	0.398
Year	5.19	0.024
Subject	6.79	<.0001
Predicted entry qualifications	160.24	<.0001
Disability	0.27	0.605
Sex	47.69	<.0001
Ethnicity	64.29	<.0001
POLAR4	25.75	<.0001

Table C3: Coefficient estimates of the fixed effects included in the model for non-continuation

Effect		Estimate	Standard error	p-value
Intercept		-4.35	0.15	<0.0001
Offer type	Conditional (ref)			
	Unconditional	0.03	0.04	0.3976
Year	2015 (ref)			
	2014	-0.04	0.02	0.0243
Subject	Medicine and dentistry (ref)			
	Agriculture, food and related studies	0.55	0.17	0.0013
	Architecture, building and planning	0.51	0.15	0.0007
	Biosciences	0.24	0.14	0.0853
	Business and management	0.50	0.13	0.0002
	Celtic studies	-6.34	52.69	0.9043
	Chemistry	0.40	0.16	0.0131
	Combined and general studies	0.42	0.28	0.1420
	Communications and media	0.46	0.14	0.0008
	Computing	0.63	0.14	<0.0001
	Creative arts and design	0.42	0.13	0.0016

Effect		Estimate	Standard error	p-value
	Economics	0.34	0.15	0.0265
	Education and teaching	0.24	0.14	0.0863
	Engineering	0.61	0.14	<0.0001
	English studies	0.43	0.14	0.0024
	Geographical and environmental studies	0.16	0.15	0.2848
	Health and social care	0.53	0.15	0.0004
	History and archaeology	0.36	0.14	0.0117
	Humanities and liberal arts (non-specific)	0.50	0.74	0.4996
	Languages, linguistics and classics	0.67	0.14	<0.0001
	Law	0.57	0.14	<0.0001
	Mathematical sciences	0.67	0.14	<0.0001
	Nursing	0.59	0.14	<0.0001
	Pharmacology, toxicology and pharmacy	0.37	0.20	0.0583
	Philosophy and religious studies	0.86	0.16	<0.0001
	Physical, material and forensic sciences	0.37	0.15	0.0158
	Physics and astronomy	0.50	0.16	0.0016
	Politics	0.40	0.15	0.0092
	Psychology	0.50	0.14	0.0003
	Sociology, social policy and anthropology	0.70	0.14	<0.0001
	Sport and exercise sciences	0.65	0.14	<0.0001
	Subjects allied to medicine not otherwise included	0.32	0.14	0.0247
	Technology	0.40	0.19	0.0313
	Veterinary sciences	0.23	0.27	0.3974
Predicted entry qualifications	A-level: A*A*A* (ref)			
	A-level: A*A*A	0.06	0.10	0.5358
	A-level: A*AA	0.14	0.10	0.1625
	A-level: AAA	0.37	0.09	0.0001
	A-level: AAB	0.35	0.09	0.0001
	A-level: ABB	0.41	0.09	<0.0001
	A-level: BBB	0.54	0.09	<0.0001
	A-level: BBC	0.63	0.10	<0.0001
	A-level: BCC	0.58	0.10	<0.0001
	A-level: CCC and below	0.78	0.10	<0.0001
	BTEC: D*D*D*	1.59	0.10	<0.0001
	BTEC: D*D*D	1.63	0.11	<0.0001

Effect		Estimate	Standard error	p-value
	BTEC: D*DD	1.79	0.11	<0.0001
	BTEC: DDD	1.85	0.10	<0.0001
	BTEC: DDM	1.87	0.10	<0.0001
	BTEC: DMM	2.00	0.10	<0.0001
	BTEC: MMM and below	2.01	0.10	<0.0001
	2 A-levels, 1+ BTEC	1.06	0.10	<0.0001
	2 A-levels or fewer	1.09	0.09	<0.0001
	BTECs of size 2 grades or fewer	1.78	0.09	<0.0001
	Other	1.52	0.09	<0.0001
Disability	No disability (ref)			
	Disability	0.02	0.03	0.6050
Sex	Female (ref)			
	Male	0.14	0.02	<0.0001
Ethnicity	White (ref)			
	Asian	-0.42	0.03	<0.0001
	Black	-0.46	0.04	<0.0001
	Other	-0.07	0.04	0.0566
	Unknown	0.23	0.11	0.0432
POLAR4	Quintile 5 (ref)			
	Quintile 4	0.07	0.03	0.0121
	Quintile 3	0.11	0.03	0.0001
	Quintile 2	0.20	0.03	<0.0001
	Quintile 1	0.31	0.03	<0.0001
	Unknown	0.64	0.21	0.0023



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