

The disconnect between quality and inequality: An analysis of the gaps in educational outcomes achieved by free school meal-eligible students in English higher education

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Introduction

In September 2022, the Institute for Fiscal Studies' Deaton Review drew attention to clear evidence that the UK compulsory education system is failing to tackle inequality.¹ Their analysis demonstrated that attainment gaps between pupils who are eligible for Free School Meals (FSM) and those who are not exist across all stages of education. Starting from the Early Years Foundation Stage, through to A Level, pupils who were eligible for FSM were found to be consistently less likely to achieve equivalent outcomes as pupils who were not eligible.

This Policy Note examines the situation for higher education. The analysis focuses on FSM data, which is one of many metrics that can be used to explore inequality of outcome and experience. There are two reasons for using FSM data:

- i. as highlighted by the Deaton Review, eligibility for FSM has been linked with persistent educational inequality across all levels of education, so this analysis extends their analysis to higher education outcomes in more detail; and
- ii. in light of the difficulties involved in trying to develop sophisticated compound metrics which accurately identify the most disadvantaged groups of students, it has been argued that eligibility for FSM may be the best single metric available for this purpose.²

Persistent inequality

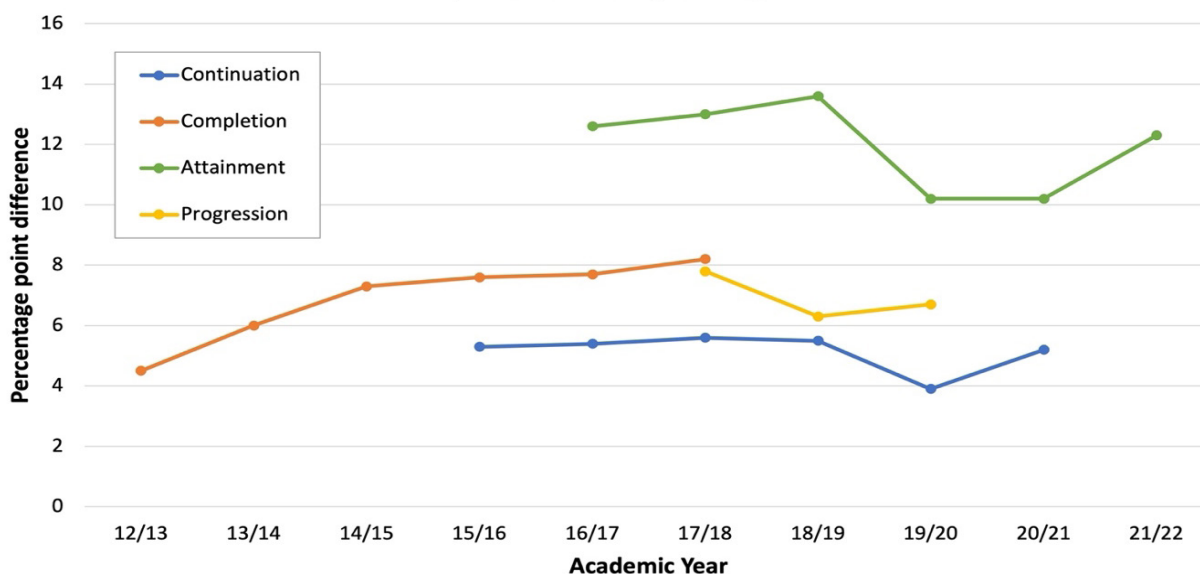
In a higher education context, the picture regarding inequalities of outcome for FSM-eligible students is worryingly similar to that seen at prior levels of education. The chart below shows data from the Office for Students' Access and Participation data dashboard.³ For all four of the outcome metrics which the Office for Students regulates under its B3 Conditions of Registration, FSM-eligible students perform worse than their FSM-ineligible peers. By the OfS's own analysis, each individual data point in Figure 1 reflects a statistically significant gap. In the case of Completion, the gap has nearly doubled over a six-year period.

These data show that, across the English higher education sector, if you are a student who was previously eligible for FSM, you will be less likely to:

- continue successfully from one year to the next in your studies;
- complete your qualification;
- achieve a 'good' honours (a First or Upper Second classification); and
- get into a graduate-level job or further study soon after graduating.

Moreover, there is no evidence to suggest this situation is improving.

Differences in outcomes between FSM-eligible and FSM-ineligible students (all full-time undergraduates)



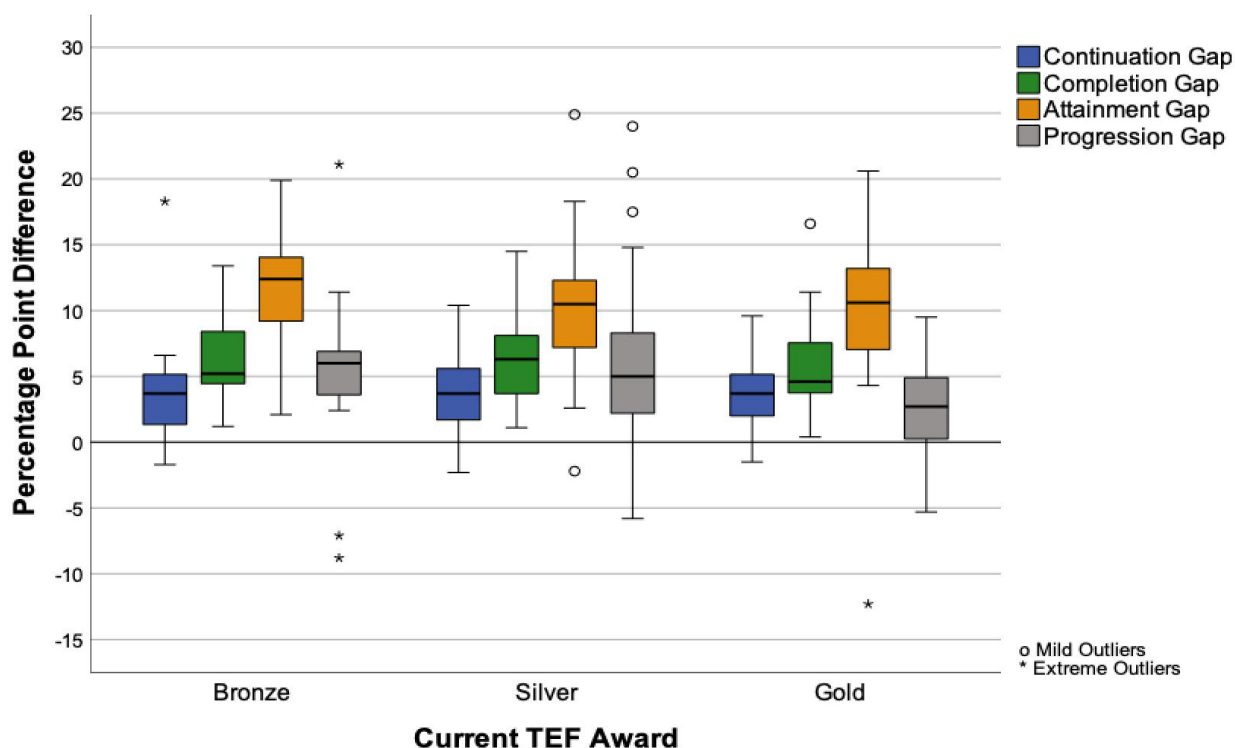
Quality and inequality

The data presented above treat the English higher education sector as a single homogeneous group. In reality, we know there are a diverse range of providers serving a diverse range of students and communities. One way in which providers are differentiated is through the use of judgements on the quality of their provision. As it stands, the Office for Students considers the English higher education sector to be mature and of high-quality, and so the Teaching Excellence Framework (TEF) was developed as a means of judging performance above this assumed baseline. The results from the 2017 TEF exercise rated providers as Bronze, Silver or Gold. While we assume all providers on the Office for Students' Register deliver high-quality teaching, there is an underlying assumption in the TEF that some perform better than others.

A core requirement in the original TEF exercise and reaffirmed in the 2023 TEF guidance is that the highest quality providers should be delivering student experience and outcomes which are consistent across different groups of students – disadvantaged groups, in particular.⁴ As such, it is reasonable to expect the outcome gaps that exist across the sector might be linked to an institution's teaching quality rating. To explore this assumption, an analysis of the most recent data for each of the four B3 outcome metrics (Continuation, Completion, Attainment and Progression) was conducted, comparing FSM to non-FSM student outcomes at providers rated Bronze, Silver and Gold. To account for differences in student outcomes that are related to prior educational attainment, entry tariff was added to the analysis to control for this variable.

This analysis shows there is no statistically significant difference in the size of the outcome gaps between Bronze, Silver and Gold providers for Continuation, Completion, Attainment or Progression gaps. As shown in the next chart, this analysis provides no evidence of a link between quality as measured by the TEF and the reduction of inequality as measured by differential outcomes for students eligible for FSM.

Box and whisker plot showing difference in outcomes between FSM-eligible and FSM-ineligible students by 2017 TEF award, (all full-time undergraduates, 2020/21)



Equality of inequality?

When analysing national-level data on educational inequality using variables such as FSM-eligibility, it can be easy to lose sight of the practical real-world implications of such metrics.

Providers with the lowest proportion of FSM entrants in 2020/21

| Provider | 2017 TEF Award | Tariff Quintile | Total Intake | FSM Students | % FSM |
|-----------------------------------|----------------|-----------------|--------------|--------------|-------|
| The University of Bath | Gold | 1 | 1,990 | 110 | 5.4 |
| University of Exeter | Gold | 1 | 3,660 | 250 | 6.9 |
| University of Bristol | Silver | 1 | 3,670 | 260 | 7.1 |
| University of Oxford | Gold | 1 | 1,720 | 130 | 7.6 |
| Loughborough University | Gold | 1 | 3,020 | 230 | 7.7 |
| Leeds Conservatoire | Silver | 3 | 330 | 30 | 7.9 |
| University of York | Gold | 1 | 3,340 | 280 | 8.2 |
| The University of Sheffield | Silver | 1 | 3,590 | 300 | 8.4 |
| University of Southampton | Silver | 1 | 2,980 | 270 | 9.0 |
| Harper Adams University | Gold | 1 | 410 | 40 | 9.1 |
| University of Durham | Gold | 2 | 2,560 | 230 | 9.1 |
| University of Newcastle upon Tyne | Gold | 3 | 3,620 | 330 | 9.1 |
| Hartpury University | Gold | 2 | 490 | 50 | 9.3 |
| University of Cambridge | Gold | 1 | 1,790 | 170 | 9.5 |
| The University of Nottingham | Gold | 1 | 5,450 | 540 | 9.9 |
| The University of Lancaster | Gold | 1 | 2,550 | 260 | 10.1 |
| The University of Leeds | Gold | 1 | 4,990 | 510 | 10.2 |
| The University of Liverpool | Silver | 1 | 4,040 | 430 | 10.7 |
| Falmouth University | Gold | 1 | 1,520 | 170 | 11.0 |
| Arts University Bournemouth | Gold | 3 | 870 | 100 | 11.3 |

Note: Data based on full time undergraduate entrants, from providers who recruited >200 students in 2020/21

Being a student from a so-called disadvantaged background can mean many things. In an educational setting, coming from a disadvantaged background means one's experiences and achievements will be negatively impacted by one or more factors beyond your control. Students do not choose to be disadvantaged; the onus is on educational institutions to try and eliminate the practical barriers which create this disadvantage. This can include financial support, enhanced tutoring and guidance to support the transition into higher education, tailored interventions to help students develop employability skills and gain work experience, and so on. Given that recruiting more students with greater levels of development and support needs requires additional resources, an important question is whether there is an even distribution across providers.

The tables below show a wide variation in terms of the proportion of students who come from disadvantaged backgrounds attending any given provider. They show the 20 providers in England with the lowest and highest proportion of full-time undergraduate entrants who are FSM-eligible alongside their 2017 TEF rating. The tables also include data on entry-tariff quintile. Ranked from highest (1) to lowest (5), this metric adds additional insight regarding the profile of students being recruited across providers.

Providers with the highest proportion of FSM entrants in 2020/21

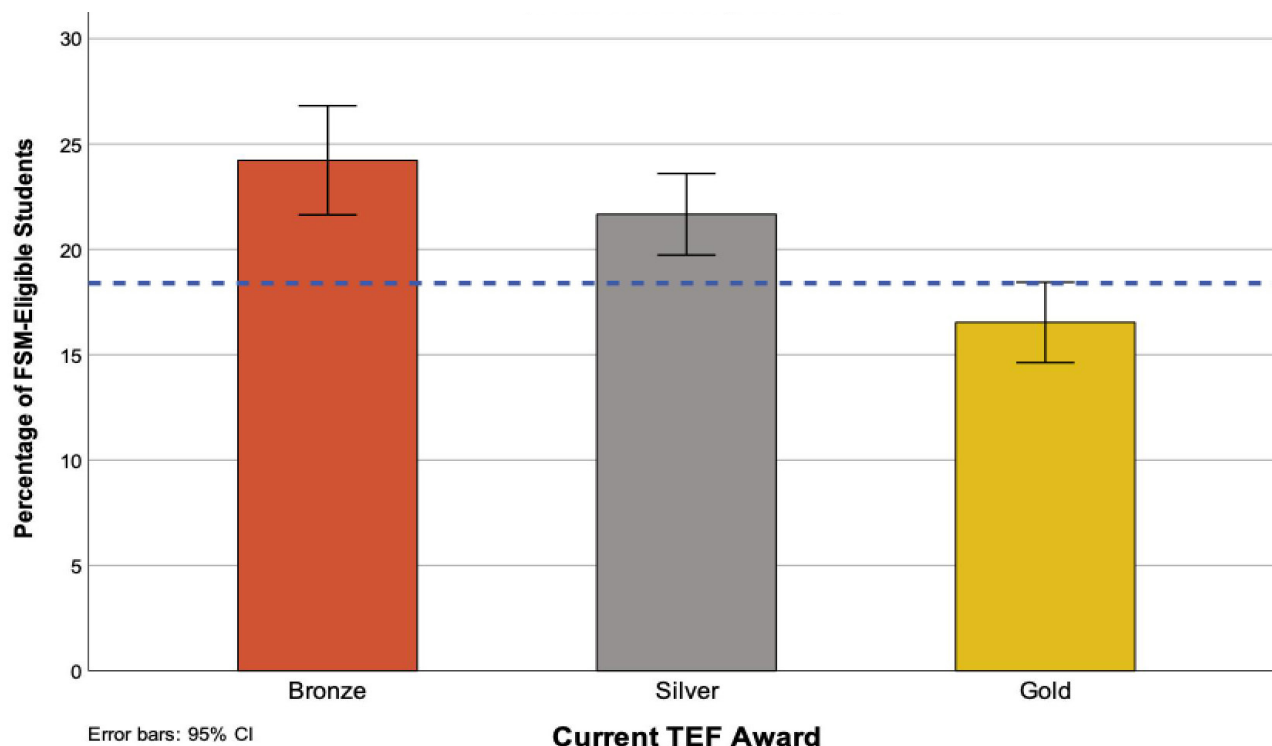
| Provider | 2017 TEF Award | Tariff Quintile | Total Intake | FSM Students | % FSM |
|--|----------------|-----------------|--------------|--------------|-------|
| Middlesex University | Silver | 5 | 1,620 | 670 | 41.2 |
| School of Oriental and African Studies | Silver | 2 | 720 | 280 | 38.6 |
| London South Bank University | Silver | 5 | 1,820 | 690 | 37.8 |
| University of Roehampton | Silver | 5 | 930 | 350 | 37.8 |
| London Metropolitan University | Bronze | 5 | 760 | 290 | 37.7 |
| The University of Westminster | Bronze | 4 | 2,960 | 1080 | 36.5 |
| University of Wolverhampton | Silver | 5 | 1,930 | 680 | 35.5 |
| City, University of London | Silver | 2 | 2,340 | 790 | 33.6 |
| Brunel University London | Silver | 3 | 2,130 | 710 | 33.5 |
| Birmingham City University | Silver | 3 | 4,930 | 1630 | 33.1 |
| The University of Law Limited | Silver | #N/A | 880 | 290 | 33.1 |
| Newman University | Silver | 5 | 400 | 130 | 32.9 |
| University of Bedfordshire | Silver | 5 | 690 | 220 | 32.6 |
| University of Greenwich | Silver | 4 | 3,020 | 970 | 32.3 |
| Goldsmiths' College | Bronze | 3 | 840 | 270 | 32.1 |
| The University of West London | Silver | 4 | 1,210 | 380 | 31.3 |
| Birkbeck, University of London | Silver | 5 | 270 | 80 | 31.3 |
| Newcastle College Group | Silver | #N/A | 500 | 160 | 31.0 |
| University College Birmingham | Silver | 5 | 790 | 240 | 30.8 |
| Kingston University | Bronze | 4 | 2,400 | 720 | 30.1 |

Note: Data based on full time undergraduate entrants, from providers who recruited >200 students in 2020/21

The inclusion of TEF ratings in these tables reveals something very clear. Providers who recruit the fewest students from disadvantaged backgrounds have been rated far higher for teaching excellence than providers who recruit the most. This observation is borne out when comparing the proportion of FSM entrants as a proportion of the total intake across providers by TEF rating, as shown in the next chart. Statistical analysis confirms Gold-rated providers recruit significantly fewer FSM students, while Bronze and Silver do not differ so much from one another. In relation to the overall percentage of FSM students entering higher education in 2020/21 (18.4%), Bronze and Silver providers are shown to have significantly more FSM students as a proportion of their overall intake, while Gold providers have significantly fewer.

A final analysis was conducted to explore if there is a correlation between the overall proportion of FSM-eligible students recruited by a provider and the size of outcome gaps across all four metrics. This finds no significant correlations between FSM-population size and the magnitude of any outcome gaps.

Percentage of students eligible for FSM by 2017 TEF provider group, all full-time undergraduates, 2020/21 – dotted line represents total FSM students across sector: 18.4%



Taken together, these observations appear to indicate that recruiting a smaller number of students from disadvantaged backgrounds, with a higher tariff on entry, is disproportionately more likely to lead to a Gold outcome under TEF, reflecting the highest standards of teaching excellence. This is despite the fact that the previous analysis has demonstrated that the relative gaps in outcomes for FSM-eligible students do not vary between Bronze, Silver and Gold rated providers.

Quantity over quality

One explanation for this anomaly can be traced back to the way the TEF 2017 process guided panels to consider splits between different student groups. Specifically, while panels were expected to consider splits – and to look for consistency in experience and outcomes across subgroups – they were also guided to consider the size of individual splits, and to be mindful that differences in metrics based on small subsamples may be less reliable indicators of quality.

The implication of this is clear: providers with very high numbers of disadvantaged students will be judged more harshly than providers with very low numbers of disadvantaged students, even if the gap in outcomes is identical between the providers, simply because the poorer performing cohorts are smaller. Indeed, there are some large providers for whom the number of students falling into categories such as being FSM-eligible are so small that the Office for Students has had to suppress the data due to data protection concerns, meaning an assessment of gaps in outcomes may not be possible at all.

With regards to tariff, it is also the case that FSM-eligible students attending Gold-rated and higher entry tariff institutions will be achieving outcomes which exceed those of FSM-eligible students attending Bronze or Silver-rated and lower tariff providers. However, from the point of view of a student – and, indeed, from the point of view of the TEF guidance itself – the question of consistency in

outcomes is not about comparing disadvantaged student groups between providers; it is about asking whether there is equality of outcome within individual providers. As we have seen above, this equality is not evident across the higher education sector, nor is it associated with our framework for assessing teaching excellence.

A rather more cynical interpretation of these analyses is that a provider seeking to secure the highest recognition for teaching excellence should focus on recruiting as few students from disadvantaged backgrounds as possible, with the highest entry tariffs. While one might choose to be agnostic with regards to whether this is an acceptable strategic position for an autonomous provider to adopt, it should not be the case that our regulatory framework for the assessment of teaching excellence creates incentives towards this approach.

These analyses are based on TEF 2017 outcomes and the Office for Students are currently reviewing submissions for TEF 2023. Once those results are published, it will be important to look for any link between assessments of teaching excellence and the size of gaps in outcomes for disadvantaged student groups. However, a review of the TEF 2023 guidance offers little reassurance that the situation has significantly improved. The guidance being used by panels with regard to split metrics where sample sizes are very small remains as in the 2017 exercise.

Regulatory incentives for equality of access and participation

Aside from assessments of teaching quality, how else does the regulatory framework incentivise providers to reduce inequality? As part of the current fee structure in English higher education, providers may only charge the highest level of tuition fee (£9,250 per annum) if they have a TEF award and an approved Access and Participation Plan (APP). By having a commitment to improving access and participation, providers can charge higher fees. Students at providers who opt not to submit an APP can only take out a tuition fee loan of £6,165, though they can be charged any sum, and their institution is not compelled to invest resources in access and participation-related activities – beyond those required under other relevant legislation (such as providing support to students with disabilities to access their education). The presence or absence of a TEF award only accounts for a small proportion of the higher rate funding – a provider with no TEF award but an approved APP may still charge up to £9,000. Clearly, the higher rate of funding is partly intended to fund APP-related activities, and there is a clear financial incentive for providers to engage with this activity.

However, not all providers with an approved APP are recruiting anything like the same proportion of students from disadvantaged backgrounds, despite each student recruited being charged the higher fee rate across the majority of those providers. In financial terms, this means a provider which recruits a very low proportion of students who need additional support to overcome disadvantage can target their additional unit of resource more intensively towards fewer students. Conversely, providers who find they have a very large proportion of students who require additional support due to various forms of disadvantage have to spread their additional resource more thinly.

While a large proportion of teaching-related income is linked to APPs, as described above, the Office for Students also distribute targeted funding to support student access and success.⁵ In 2022/23, £310 million was distributed for this purpose. Of this amount, £30 million (following a 25% reduction) funds the Uni Connect Programme, £41 million is ringfenced for the Disabled Students Premium and £15 million supports work on student transitions and mental health. The remaining £221 million is distributed based on formulae which identify students at risk of non-continuation based on age and entry qualifications, with a small proportion of funding also being directed towards students who come from geographical regions where participation in higher education is low.⁶

There are two challenges associated with this funding: the amount and the method of distribution. While £310 million is a large sum, Student Finance England distributed £10 billion in tuition fees loans to higher education providers in 2021/22 and the total income in 2020/21 for all teaching-related activity (including overseas students and contract-based teaching income) totalled almost £21 billion.⁷

FSM students alone accounted for 18.4% of all entrants in 2020/21, yet this targeted funding amounts to less than 1.5% of all teaching-related income received by providers. In short, a very small percentage of all teaching-related income across English higher education providers is being targeted towards the most disadvantaged students.

In contrast, Pupil Premium Funding for state-funded primary and secondary schools in England will total £2.9 billion in 2023/24, out of a total budget of £57.3 billion. This means that primary and secondary schools have 5% of their total budget earmarked for activities to reduce inequality. While this funding is not ringfenced to be spent on individual students, the more pupils a school has who meet the criteria for pupil premium funding, the more funding the school will receive. This funding is therefore similar in terms of its distribution to the £310 million funding from the Office for Students for student access and success.

With regard to the specific method of distribution, as noted above, this is primarily driven by formulae which use age and entry tariff as indicators of potential risk of non-continuation. While these factors are not unimportant, it does seem inconsistent that the Office for Students hold much more detailed data – including their own recently developed ABCS metric, which attempts to capture intersectional risks to equality of opportunity and outcome across multiple student characteristics – that could be used to target this limited funding in a more effective manner. It is also inconsistent with the allocation approach used for Pupil Premium Funding, where the criteria are linked to Free School Meal eligibility, being a looked-after child (or having prior care experience) and living in a household with no recourse to public funds.

Conclusion

The analysis presented in this report demonstrates the English higher education sector, like the wider education sector, has a persistent and pervasive equality of outcome gap for students who are eligible for FSM. The current method for assessing teaching excellence is not associated with relative differences in the size of these outcome gaps and there is limited cause for optimism that TEF 2023 will resolve this inconsistency.

There is a significant difference in the proportion of FSM-eligible students recruited by providers rated Gold in TEF 2017: not one provider with more than 30% of their students being FSM-eligible was awarded Gold in the TEF. Given the context of how funding for those with greater levels of disadvantage is allocated across the English higher education sector, this finding in particular speaks to a deeply entrenched and self-perpetuating cycle of inequality. Providers who recruit the most disadvantaged students must deliver more support to a larger number of students, with the same level of funding as providers with very small numbers of students who require this additional resource to succeed. Furthermore, being a provider with a high proportion of disadvantaged students appears to make it close to impossible to achieve the highest possible rating of teaching excellence, despite there being no difference in the size of outcome gaps delivered by those institutions which were rated Gold.

It is important to note this analysis is not a criticism of higher education providers themselves, as educational inequalities exist across all parts of our education system. The best that can perhaps be said, based on the analysis conducted by the Institute for Fiscal Studies, is that disadvantaged students today may be achieving slightly better outcomes than disadvantaged students from 15 years ago.⁷ However, the relative gap in outcomes between disadvantaged and non-disadvantaged students appears to remain the same.

The renewed emphasis from the Office for Students on encouraging providers to evaluate the interventions which they use to eliminate educational inequalities related to access and participation is welcome, as the reality is that there are many open questions about what really works. However, the success or failure of the new APP framework will depend largely on how the sector engages with it. We have written previously about the challenges associated with setting high expectations to eliminate inequality if there is an insufficiently resourced national infrastructure to support this work across the sector.⁸ There is have a national infrastructure through programmes such as Uni Connect and organisations such as TASO, NERUPI, and HEAT – not to mention the large number of local organisations

and charities who work to eliminate different forms of educational inequality. The problem we face is that there is a historic challenge for programmes and organisations of this kind in terms of sustainability and stability of funding. Greater certainty in this regard would ensure that such organisations can be relied upon as partners to develop long-term and impactful interventions.

Our current funding and quality assessment model is failing to recognise that different students enter higher education at very different starting points. Some students need more support from their provider to help them achieve equivalent outcomes based on their academic potential. It is not acceptable that a student who was eligible for FSM should expect – other things being equal – to have worse outcomes than other students attending the same institution, regardless of their entry tariff and the university they choose to attend.

Endnotes

- 1 Christine Farquharson, Sandra McNally & Imran Tahir, 'Education Inequalities', *IFS Deaton Review of Inequalities*, 2022 <https://ifs.org.uk/inequality/education-inequalities/>
- 2 Chris Taylor, The Reliability of Free School Meal Eligibility as a Measure of Socio-Economic Disadvantage: Evidence from the Millennium Cohort Study in Wales, *British Journal of Educational Studies*, 2018, Volume 66, Issue 1, pp.29-51
- 3 Office for Students, *Access and Participation Data Dashboard* <https://www.officeforstudents.org.uk/data-and-analysis/access-and-participation-data-dashboard/>
- 4 Office for Students, *Teaching Excellence Framework 2017 Guidance*, 2016 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/658490/Teaching_Excellence_and_Student_Outcomes_Framework_Specification.pdf; Regulatory Advice 22, *Guidance on the Teaching Excellence Framework 2023*, 2022 <https://www.officeforstudents.org.uk/media/77d4955c-4165-4f8f-94cf-315544b6cf25/ra22-tef-framework-guidance-final.pdf>
- 5 Office for Students, *Funding for academic year 2022-23*, 2022 <https://www.officeforstudents.org.uk/publications/funding-for-academic-year-2022-23/>
- 6 Office for Students, *Guide to funding 2022-23*, 2022-23, <https://www.officeforstudents.org.uk/publications/guide-to-funding-2022-23/>
- 7 <https://commonslibrary.parliament.uk/an-introduction-to-student-finance-in-england/>
- 8 Antony C. Moss & Deborah Johnston, Cutting collaborative funding is not the way to widen UK participation, *Times Higher Education*, 2023 <https://www.timeshighereducation.com/blog/cutting-collaborative-funding-not-way-widen-uk-participation>

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