



SFC Consultation

Widening Access and Retention Fund (WARF) Consultation 2019

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Summary: To invite comment and feedback on the policy and funding allocations from the Widening Access and Retention Fund (WARF). This consultation is part of SFC's strategy to review the best use of our funds to deliver the implementation of the Commission for Widening Access (COWA) recommendations.

FAO: Scotland's Higher Education Institutions, Scottish Government, NUS Scotland, and Equality Groups.

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Widening Access and Retention Fund (WARF) Consultation 2019

Purpose

1. We are reviewing the Widening Access and Retention Fund (WARF). This is part of SFC's strategy to review the best use of our funds to deliver the Commission on Widening Access (COWA) recommendations.
2. The consultation is primarily for universities but we would welcome responses from a wider audience.

Background

3. The activities and funding principles embedded into what we now refer to as WARF began in 1994-95, and chiefly consists of an amalgamation of several smaller key access streams of strategic funding to create one combined funding source. The previous streams included funding for improving access to higher education through part-time provision and encouraging access from geographical areas identified as under-represented.
4. In 2010-11 funding for regional coherence was piloted and then was rolled out in 2011-12. This fund was created by consolidating two premiums:
 - The Widening Access and Retention Premium (introduced in 2006-07 following a review of the Widening Access Premium introduced in 2001-02).
 - The PT Incentive Premium (introduced in 1994-95).
5. These consolidated funds were reallocated to support institutions with particular regional access missions.
6. An evidence-based review of the impact of Regional Coherence Funding was completed in 2016-17. This included a detailed statistical review and interviews with institutions in receipt of the funding. It did not include a full consultation with the sector. This led to updated reporting in Outcome Agreements for the institutions receiving the funding and its name was changed to the Widening Access and Retention Fund.
7. The Commission on Widening Access published its final report, *A Blueprint for Fairness*, in March 2016. The recommendations in the report were accepted in full by the Scottish Government. The Scottish Government and the Minister for Further Education, Higher Education and Science expects SFC as lead organisation to deliver the 16 recommendations directly attributed to us. This includes Recommendation 24 which is that the SFC should review the best use of its funds, specifically WARF, to deliver the implementation of the Commission's recommendations.

8. In the Outcome Agreement (OA) Guidance published in October 2018 we said:
- “During 2018-19 SFC intends to consult with the sector on a wider review of WARF. This review and consultation is necessary to implement and deliver on the COWA recommendation. This has been reported to the Access Delivery Group chaired by the [then] Minister and will take account of the reviews of the additional places for widening access and articulation. SFC intends to report the findings of the WARF review to the Access Delivery Group and publish the outcomes of the review, including any transitional arrangements and planning in April 2019¹. SFC intends to publish the final funding allocations, including any changes to WARF, for AY 2020-21 in April 2020. Any reporting expectations will be updated in the associated Outcome Agreement Guidance.”

Who currently receives WARF?

9. WARF is allocated to universities with a high SIMD20 intake and lower retention rates. The Open University (OU) is also included, taking account the bespoke measures for intake and retention rates, which reflects its unique contribution to enabling flexible, part-time, non-linear and modular student journeys. In return for these funds, these universities need to demonstrate and maintain commitment to the support, retention and successful outcomes of students from the most disadvantaged and deprived backgrounds, particularly in relation to those from the 20% most deprived areas. This is outlined annually in the SFC Universities Outcome Agreement Guidance. It states:

“WARF is allocated to institutions to enable them to increase the intake of and support the successful outcomes of students from the most disadvantaged and deprived backgrounds. In particular we want this fund to support student intake from SIMD20 areas and it should aim towards equalised retention rates for this group. It is currently allocated to institutions that traditionally have had, proportionately, higher intakes of students from the most disadvantaged and deprived backgrounds and lower retention rates. It is also allocated to the OU. In response to and in recognition of this targeted funding, SFC expects those institutions in receipt of WARF funding:

- To increase and support higher numbers and proportions of students from the most disadvantaged and deprived backgrounds – particularly those from the 20% most deprived areas – than those institutions who are currently not in receipt of WARF allocations. Please note we will take regional differences into consideration.

¹ There was a delay to this timeline but it is still our intention to publish the findings and incorporate changes in April 2020.

- For institutions who are not currently maintaining a sector average retention rate² for all students, SIMD20 and SIMD40 students – to outline an improvement plan as part of their Outcome Agreement (OA), including how they will use these funds to seek improvements in retention rates for these groups.
- For institutions who are maintaining high retention levels for all students, SIMD20 and SIMD40 students - to commit to maintaining and, where possible, increasing their retention rates. These institutions should outline in their OA how this funding is assisting them in achieving this parity of outcome.
- To increase the numbers and proportions of students from a Care Experienced background and increase the student retention rates for this disadvantaged group.
- To use the funds to identify, support and report on progress of their student carers.
- To use the funds to target male retention rates for improvement, particularly males from SIMD20 areas.

All institutions in receipt of WARF funding must report on their use of this funding and clearly demonstrate its impact as part of their reporting on their COWA implementation.

Institutions who do not report on the use of this funding in their Outcome Agreement and/or who do not use these funds as outlined above may have these funds clawed back.”

10. Reporting on this guidance is considered part of the Outcome Agreement negotiations and approval processes.
11. As announced in the AY 2019-20 final Outcome Agreement funding allocations for universities, WARF is currently provided to eight institutions and this fund totals around £15 million.
12. Current distribution by institution:
 - Abertay University: £874,000.
 - Edinburgh Napier University: £1,745,000.
 - Glasgow Caledonian University: £3,565,000.
 - University of the Highlands and Islands: £2,132,000.
 - Open University in Scotland: £1,203,000.
 - Queen Margaret University: £597,000.

² This will relate to the most recent closed HESA data at the time of OA negotiations.

- Robert Gordon University: £1,116,000.
 - University of the West of Scotland: £3,727,000.
13. Funding for WARF has not varied significantly over the past few years. From AY 2017-18 to AY 2018-19, SFC provided an inflationary uplift of 1.8% to WARF. From AY 2016-17 to AY 2017-18 the budget for WARF was unchanged.
 14. These eight institutions have received WARF (or its predecessor Regional Coherence and Retention fund – more commonly known as regional coherence funding) since 2010. The Regional Coherence and Retention fund was established by consolidating the widening access and retention premium (WARP) introduced in 2000-01 and the Part-time Incentive Premium introduced in 1994-95.

Why is SFC reviewing WARF?

15. There are several factors that have led to this consultation, outlined below:
 - WARF (and regional coherence funding before that) has been in place for almost a decade. This fund was last reviewed in 2014-15 but this did not include input from the full sector.
 - The intensification of Outcome Agreements and the implementation of the Blueprint for Fairness³ are achieving positive change, including changing the patterns of students across universities – and we need to ensure that these funds are having the greatest impact particularly in relation to progression and outcomes.

What does SFC want to achieve through this consultation?

16. The purpose of the consultation is to seek input on the need, purpose and distribution of WARF.
17. It is our view that this Fund should still focus on retention for access students⁴. The basis of this is that our evidence-based review in 2014 outlined a step change in the retention of those institutions receiving the funds. It is our view that this is, in part, attributable to these funds. We are keen not to jeopardise that success but we also need to ensure that the funds are being targeted to meet the greatest need and have the biggest impact. For example, this may mean distributing the funding differently.

³ Recommendation 24 of the Commission's recommendations specifically discussed how: The SFC should review the best use of its funds, specifically the Access and Retention Fund, to deliver the implementation of the Commission's recommendations.

⁴ In the consultation we seek advice on specific priority areas for identified access groups.

18. SFC wants to achieve the following through WARF:

- Institutions that are supported to deliver improved access commitments without negative impacts on progression and support.
- Institutions that are confident in their ability to support talent on the basis of levels of prior attainment that may be lower than those of other university entrants to complete the qualification, recognising that some students will require additional support to progress and achieve.
- Maintain and build on the successes made possible by the existing fund, including the changes in retention for some of the institutions receiving the funding. As part of this consultation, SFC has completed an analysis of the impact of WARF, by analysing the retention of Scottish-domiciled full-time undergraduate entrants by institution. This analysis is included as an annex to this consultation.
- Clear evidence of the impact of this funding beyond what could reasonably be achieved through core funding alone.

To do that our view is that we need:

- A fund with a clear purpose that is aligned to both the SFC and SG priorities for success for access students.
- A fund that can move over time to meet student needs based on evidence of need and robust and valid indicators.
- A fund that can deliver measurable impact for access students and this impact can be evidenced by institutions and the sector.
- A fund that supports the implementation of the Commission on Widening Access recommendations by ensuring the most efficient and effective use is made of WARF to support Fair Access in Scotland.

Areas of consideration:

19. SFC completed a ten year analysis trend, from 2007-08 to 2017-18, to demonstrate the impact of WARF. SFC analysed retention of Scottish-domiciled full-time undergraduate entrants, distilled down to institutional level. This analysis has been included as an annex to this consultation.
20. WARF is currently set at around £15 million for 2019-20 and – subject to availability of funding and future decision of the Council – we do not anticipate that the funding will grow. This consultation is primarily into the priorities, activities supported and the distribution of the funding rather than the quantum. Any potential reallocation between those institutions that currently receive the funding or extension to other institutions would be within that

overall funding envelope. More details on how this could be managed are provided below.

21. Depending on the outcome of this consultation and review, it may be the case that not all the institutions who currently receive WARF will continue to do so. Our priorities are student need and ensuring funds are targeted where need is greatest, but we also recognise our responsibility to consider the financial sustainability of institutions. This process will be considered separately in consultation with those institutions. It is our working assumption based on the current financial climate that this will need to be achieved within the scope of the funding already available to us for WARF. It is SFC's intention to include transitional planning and phased modelling approaches to support institutions through any change of funding.
22. WARF should not be reviewed in isolation; in our review we will consider the findings from this consultation in the context of widening access places and articulation⁵ places allocated from 2013 to 2018.

What is the SFC consulting on?

23. At this stage we are conducting a consultation on the purpose and priorities for this fund. It also includes questions on how this fund should be allocated. Please complete the [online form](#) and submit it to SFC by **Friday 13 September 2019**.

How will SFC publish the responses to this consultation?

24. SFC will conduct an analysis of all responses. A high level analysis of the consultation findings, along with full responses from participants who are willing for their response to be shared, will be published on SFC's website. This information will support the potential redevelopment of the policy and funding methodology. We have also opened an Equality Impact Assessment (EIA) on this review and will publish the outcome of this once the consultation is complete.
25. The consultation form asks for information on how you wish us to handle your response, in particular, whether you are content for your response to be published. If you ask for your response not to be published, we will regard it as confidential and will treat it accordingly.
26. However, all respondents should be aware that SFC is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to

⁵ In AY 2018-19, 2,706.7 FTE were provided for widening access places and 4,449.0 FTE were provided for articulation. Table 3 from the OA Funding for Universities lists total FTEs awarded for each institution.

consider any request made to it under the Act for information relating to responses made to this consultation exercise.

Next steps

27. SFC will publish the findings of this consultation and the associated EIA. Any changes to the future funding and policy intent of WARF will be outlined in the 2020-21 Funding Allocations and will be embedded in future Outcome Agreement Guidance and funding thereafter.

Further information

28. For queries in relation to the consultation process please contact Alyssa Newman, Funding Policy Officer, 0131 313 6588, email: anewman@sfc.ac.uk.
29. For queries relating to the future funding and policy direction of WARF please contact John Kemp, Director, Access, Skills and outcome Agreements, tel: 0131 313 6637, email: jkemp@sfc.ac.uk or Martin Smith, Chief Funding and Information Officer, 0131 313 6528, email: msmith@sfc.ac.uk for further information.



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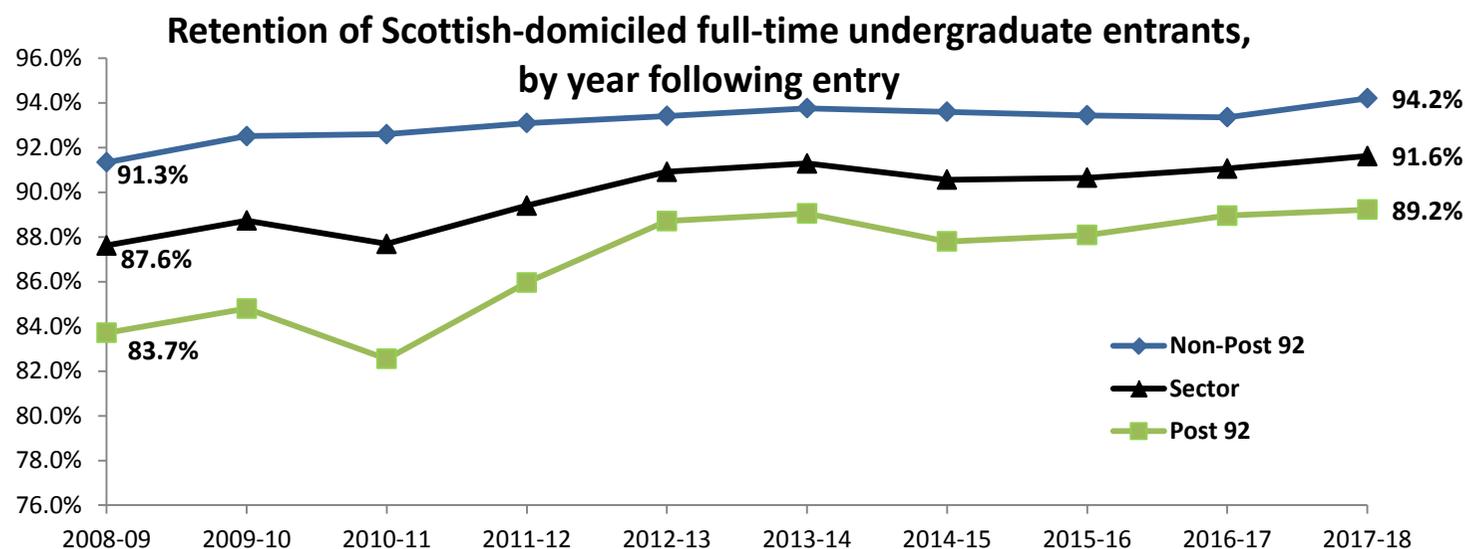
Email: jkemp@sfc.ac.uk

Annex: Retention of Scottish-domiciled full-time undergraduate entrants

As shown in Figure 1⁶ below, retention of Scottish-domiciled full-time undergraduate entrants across the sector has continued to improve over the last ten years from 87.6% in 2008-09 to 91.6% in 2017-18, driven by an increase in retention, overall, at both Post 92 and non-Post 92 institutions.

The retention rate of non-Post 92 institutions has continuously been higher than the sector and Post 92 institutions lower than the sector. In the most current year, 2017-18, non-Post 92 institutions had a retention rate of 94.2% compared to 89.2% for Post 92 institutions.

Figure 1



⁶ The Open University in Scotland (OUiS) is not included in this annex as the focus of this analysis is full-time provision. Due to the unique nature of OUiS, they have agreed a set of parallel bespoke measures with SFC that better reflect their unique contribution to enabling flexible, part-time, non-linear and modular student journeys. Therefore, data collected from OUiS is not directly comparable with data from other institutions with greater focus on full-time provision and school leavers.

Figure 2 below shows that in 2017-18 all non-Post 92 institutions¹ had a higher rate of retention than they did ten years ago despite vast variation in that time. Similarly, since 2008-09 almost all non-Post 92 institutions have had an above sector level retention rate. Heriot-Watt University is the only institution where the retention rate has fallen below the non-Post 92 sector rate - twice in the last ten years. However, in 2017-18 the retention rate increased on the previous year by 2.4%, and was 0.6pp above the sector rate.

Figure 2

Retention of Scottish-domiciled full-time undergraduate entrants, by non-Post 92 institution and year following entry, AY 2008-09 to 2017-18

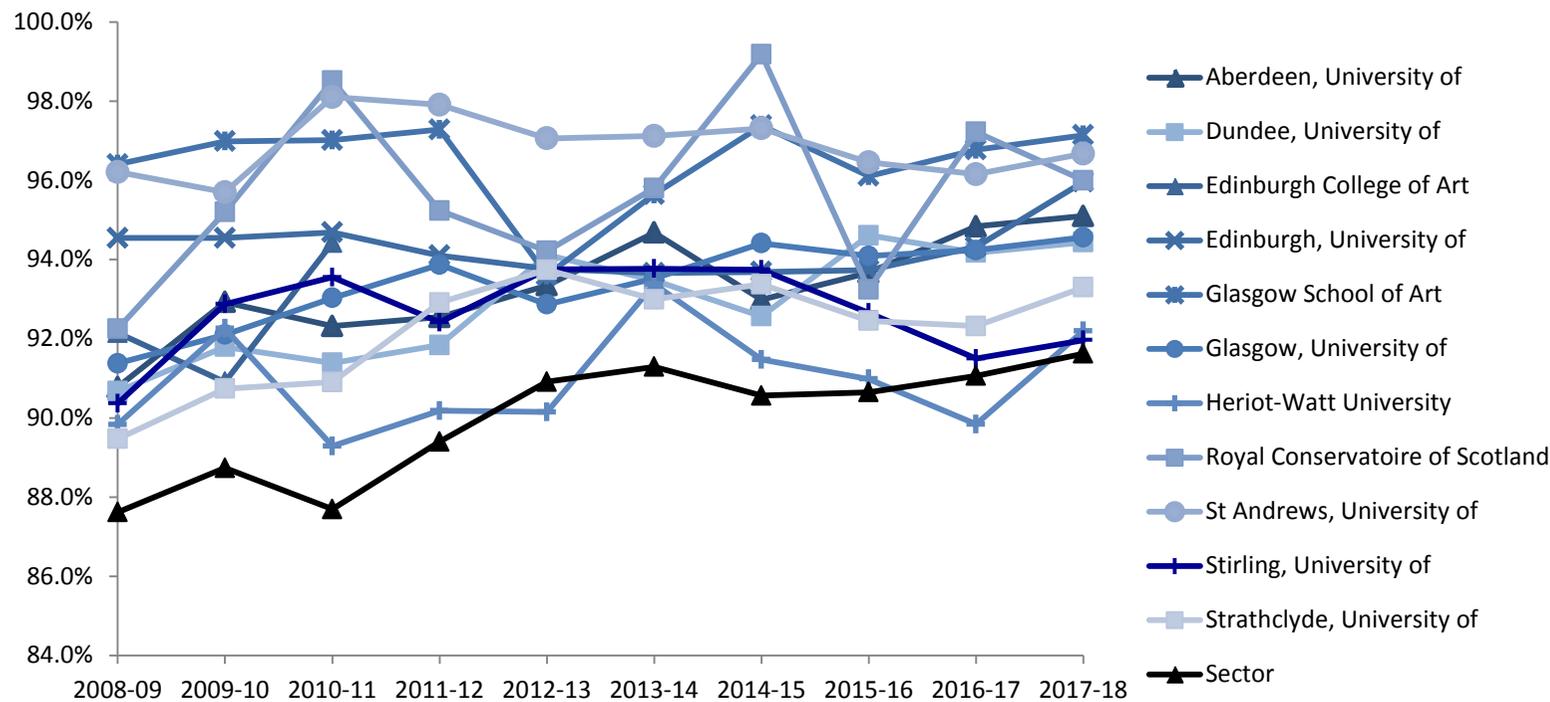


Figure 3, below, shows that retention rates at most Post 92 institutions fluctuate around the sector rate. However, both Robert Gordon University and Glasgow Caledonian University have consistently achieved retention rates above the sector level in each year over the last ten, with 93.5% and 91.7%, respectively, in 2017-18. Over the last ten years all Post 92 institutions, with the exception of Abertay University, have had an overall increase in their retention rate, most notably University of the Highlands and Islands (UHI) from 68.7% in 2008-09 to 83.5% in 2017-18 (+14.8pp) and University of the West of Scotland at 89.3% in 2017-18 compared to 78.4% (+10.9pp).

Figure 3

Retention of Scottish-domiciled full-time undergraduate entrants, by Post 92 institution and year following entry, AY 2008-09 to 2017-18

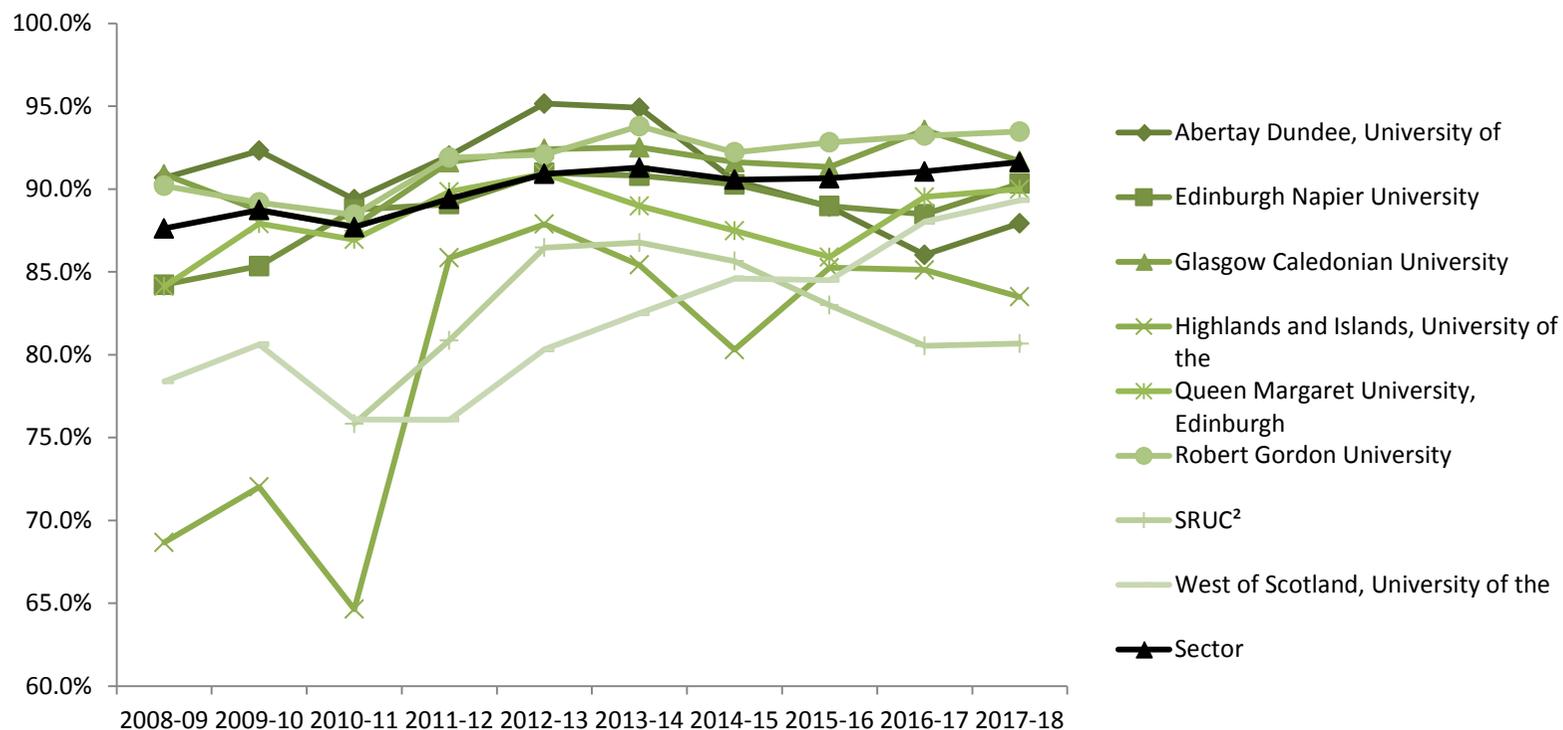


Table 1

**Retention of Scottish-domiciled full-time undergraduate entrants, by institution and year following entry,
AY 2008-09 to 2017-18**

| Institution | | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|----------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| P92 | Aberdeen, University of | 90.8% | 92.9% | 92.3% | 92.5% | 93.3% | 94.7% | 93.0% | 93.7% | 94.8% | 95.1% |
| | Dundee, University of | 90.7% | 91.8% | 91.4% | 91.8% | 94.1% | 93.5% | 92.6% | 94.6% | 94.2% | 94.4% |
| | Edinburgh College of Art ¹ | 92.1% | 90.9% | 94.4% | | | | | | | |
| | Edinburgh, University of | 94.5% | 94.5% | 94.7% | 94.1% | 93.8% | 93.7% | 93.7% | 93.7% | 94.3% | 96.0% |
| | Glasgow School of Art | 96.4% | 97.0% | 97.0% | 97.3% | 93.6% | 95.7% | 97.4% | 96.1% | 96.8% | 97.1% |
| | Glasgow, University of | 91.4% | 92.1% | 93.0% | 93.9% | 92.9% | 93.5% | 94.4% | 94.1% | 94.2% | 94.6% |
| | Heriot-Watt University | 89.8% | 92.3% | 89.3% | 90.2% | 90.2% | 93.4% | 91.5% | 91.0% | 89.8% | 92.2% |
| | Royal Conservatoire of Scotland | 92.2% | 95.2% | 98.5% | 95.2% | 94.2% | 95.8% | 99.2% | 93.2% | 97.2% | 96.0% |
| | St Andrews, University of | 96.2% | 95.7% | 98.1% | 97.9% | 97.1% | 97.1% | 97.3% | 96.5% | 96.2% | 96.7% |
| | Stirling, University of | 90.4% | 92.9% | 93.6% | 92.4% | 93.8% | 93.8% | 93.7% | 92.7% | 91.5% | 92.0% |
| Strathclyde, University of | 89.5% | 90.7% | 90.9% | 92.9% | 93.7% | 93.0% | 93.4% | 92.5% | 92.3% | 93.3% | |
| Non-P92 | Abertay University | 90.7% | 92.3% | 89.4% | 92.0% | 95.2% | 94.9% | 90.5% | 88.9% | 86.0% | 87.9% |
| | Edinburgh Napier University | 84.2% | 85.3% | 88.8% | 89.1% | 91.0% | 90.8% | 90.3% | 89.0% | 88.5% | 90.3% |
| | Glasgow Caledonian University | 90.9% | 88.7% | 87.8% | 91.6% | 92.4% | 92.5% | 91.6% | 91.3% | 93.6% | 91.7% |
| | Highlands and Islands, University of the | 68.7% | 72.0% | 64.6% | 85.8% | 87.9% | 85.4% | 80.3% | 85.3% | 85.1% | 83.5% |
| | Queen Margaret University, Edinburgh | 84.1% | 87.9% | 87.0% | 89.8% | 90.9% | 89.0% | 87.5% | 85.9% | 89.5% | 90.0% |
| | Robert Gordon University | 90.2% | 89.2% | 88.4% | 91.9% | 92.1% | 93.8% | 92.2% | 92.8% | 93.2% | 93.5% |
| | SRUC ² | | | 75.8% | 80.9% | 86.5% | 86.8% | 85.6% | 83.0% | 80.5% | 80.7% |
| | West of Scotland, University of the | 78.4% | 80.6% | 76.1% | 76.1% | 80.3% | 82.5% | 84.6% | 84.5% | 88.0% | 89.3% |
| Sector | 89.3% | 89.9% | 89.8% | 90.5% | 91.6% | 92.0% | 91.5% | 91.5% | 91.9% | 92.5% | |

¹ Edinburgh College of Art merged with Edinburgh University at the start of the academic session 2011-12

² SRUC was formed from the merger of the Scottish Agricultural College (SAC) and the further education land-based colleges of Barony, Elmwood and Oatridge on 1 October 2012. Students at the former land-based colleges in 2012-13 were still returned through the college reporting system and they are not included in these figures.