

Circular 00/06

Statistics

College Performance Indicators 1998-99 and 1999-2000

Summary

This circular is for college principals, chairs of college corporations, heads of external institutions and heads of higher education institutions receiving Council funding. It seeks feedback on proposals for changes to the number and type of performance indicators to be published in September 2000, in respect of 1998-99. A new performance indicator for widening participation is proposed.

Contents *paragraph*

Introduction	1
Approach to Performance Indicators	6
Relevance of the Indicators	8
Options and Context	11
Proposals	17
Timing	19
Credibility Checks by Colleges	20
Responses	21

Annexes

- A Background and Approach to College Performance Indicators
- B Response to Consultation

Further information

Funding and statistics support desk

Tel 024 7686 3224

or write to:

The Further Education
Funding Council
Cheylesmore House
Quinton Road
Coventry CV1 2WT.

Website www.fefc.ac.uk

College Performance Indicators 1998-99 and 1999-2000

Introduction

1 This circular sets out proposals for college performance indicators to be published by the Council for 1998-99 and 1999-2000. Responses to the consultation are requested by 14 April 2000.

2 Following the publication of *External Institutions: Final Report of the Review Group* and the Council's decision to converge external institutions' funding, it is the Council's intention to publish performance indicators for external institutions for 1998-99. This circular is being sent to external institutions for information. External institutions will have a further opportunity to comment on their institution's performance indicators before publication.

3 This circular is also being sent to higher education institutions who receive Council funding for their information.

4 Further education college performance indicators (PIs) have now been published for four years from 1994-95 to 1997-98. The most recent set, *Performance Indicators 1997-98: Further Education College in England*, was published in September 1999. The performance indicators for 1998-99 and 1999-2000 are planned for publication in September 2000 and September 2001 respectively.

5 For the period 1994-95 to 1996-97, six performance indicators were published for each college, as set out in table 1. The sixth indicator, out-turn average level of funding, was withdrawn from 1997-98.

Table 1. Performance indicators 1994-95 to 1996-97

PI 1	Achievement of funding target; an indicator of the degree to which a college has achieved its funding target
PI 2	Change in student numbers; an indicator of the level of change in student enrolments at a college
PI 3	In-year retention rates; an indicator of the effectiveness of a college's teaching, and guidance and support process, as measured by the retention of students on their learning programmes
PI 4	Achievement rates; an indicator of the effectiveness of a college in enabling students to attain their learning goals
PI 5	Contribution to the national targets; an indicator of the number of students attaining one of the national targets for education and training by achieving an NVQ or equivalent at the appropriate level
PI 6	Out-turn average level of funding (ALF); an indicator of a college's cost-efficiency as measured by funding per unit

Approach to Performance Indicators

6 The performance indicators were developed to complement existing published information and have three main purposes:

- to enable colleges to compare their performance with those of equivalent institutions
- to provide information to the Department for Education and Employment (DfEE), training and enterprise councils (TECs), the Council and the general public as part of the accountability for spending public funds
- to enable colleges and the Council to monitor changes in performance at each college over time.

7 Annex A sets out the Council's approach to developing and publishing college PIs.

Relevance of the Indicators

8 As the sector changes over time and information needs evolve so the content of PIs is reviewed every few years. PI 6 has already been removed and now other changes are being considered.

9 PI 1 (achievement of funding target) was thought appropriate when the sector's funding methodology used under- or over-achievement of target as a key factor in the allocation of funds. Consideration was given to removing PI 1 as the expectation now is that colleges will aim to achieve close to their target rather than substantially over achieving. However, there are a significant number of institutions for whom PI 1 shows a wide variance from the expected value of 100%. Whilst such variances continue to exist, PI 1 remains relevant.

10 The Council has accepted the recommendation made by Helena Kennedy QC in *Learning Works*, that a widening participation element be introduced into its performance indicators.

Options and Context

11 There are a number of options for the publication of college performance indicators for 1998-99 and 1999-2000, given the creation of the Learning and Skills Council in April 2001. These are described below.

12 The first option would be to publish unchanged PIs for 1998-99 in September 2000 with a recommendation to the Learning and Skills Council that it publish the same indicators for 1999-2000 in September 2001. The advantage of this option is continuity of the PIs over a six-year period and stability for colleges. The disadvantage is the lack of an indicator concerning widening participation.

13 Option 2 is to carry out a fundamental review of the PIs. The advantage of option 2 is that it would allow a number of issues to be addressed such as:

- whether a value-for-money indicator could or should be produced
- whether there should be two sets of PIs, one for 16–18 year-old students and one for adult students
- whether the newly developed benchmarking data and PIs could or should be more closely aligned
- whether there are other indicators that would prove useful.

14 The disadvantage of option 2 is that the new Learning and Skills Council is likely to wish to review the PIs in the context of its wider remit. This could mean two reviews and subsequent changes in quick succession. Also, it is extremely unlikely that a fundamental review could be carried out and implemented for the 1998-99 publication in September 2000.

15 Option 3 is to adopt a minimum change approach to developing performance indicators for 1998-99 and 1999-2000 and only make essential changes such as the development of a widening participation PI. This is the option proposed.

16 The PI for widening participation could be set to show either:

- Option (a) the percentage of students recruited by the college who are eligible for the widening participation funding element; or
- Option (b) the widening participation factor, which combines information about the percentage of students who are eligible for the widening participation fund element and their relative levels of deprivation.

Option (a) is proposed, being more comprehensible to a wider audience.

Proposals

17 It is proposed that the following college performance indicators are published by the Council for 1998-99 in September 2000 with a recommendation to the Learning and Skills Council that it publish the same indicators for 1999-2000 in September 2001:

- PI 1 (achievement of funding target), PI 2 (change in student numbers), PI 3 (in-year retention rates), PI 4 (achievement rates) and PI 5 (contribution to the national targets) should remain unchanged from 1997-98
- an additional performance indicator showing the percentage of students recruited by the college who are eligible for widening participation funding should be introduced.

18 The new widening participation PI would be reviewed in the light of experience with the 1998-99 data collection and to take into account changes introduced in 1999-2000 in the groups of students eligible for widening participation uplift. Any necessary enhancements would be made for 1999-2000.

Timing

19 The proposed timetable for the publication of PIs for 1998-99 is:

March 2000	consultation circular with proposed changes
April 2000	Council considers results of consultation and confirms PIs for 1998-99
June – August 2000	1998-99 PIs sent to colleges
September 2000	1998-99 PIs published.

Credibility Checks by Colleges

20 *Technical Discussion Document 25* sets out the credibility checks which the Council will apply to college's performance indicators for 1998-99. These are unchanged from 1997-98. Colleges are encouraged to carry out their own credibility checks on ISR16 (December 1999; 1998-99) before sending the return to the Council.

Responses

21 Colleges are asked to comment on the proposals using the form at annex B or electronically by visiting the Council website at www.fefc.ac.uk/pi. A user name and password will be issued under separate cover. Responses are requested by 14 April 2000.



Background and Approach to College Performance Indicators

Background

1 In June 1992 the secretary of state for education asked the Council to work with colleges to develop PIs, as part of the requirement under section 50 of the *Further and Higher Education Act 1992*, that institutions publish information about their financial and other resources and use made of such resources.

2 A variety of information is already published about colleges' activities including:

- examination achievements of 16 to 18 year-olds, published annually by the DfEE as part of the comparative tables of school and college performance
- college publications such as the college's charter and disability statement, annual college accounts and detailed information on the qualifications achieved by students each year
- Council inspection reports.

Approach

3 Diversity of provision is one of the distinguishing features of the college sector. To attempt to capture this diversity in full using numerical indicators would run the risk of increasing the volume of data to unmanageable levels, so reducing the impact and value of the indicators. The approach adopted by the Council was, therefore, to develop a limited number of indicators which satisfied the following criteria:

- they should be clearly defined so that a reliable comparison between institutions is possible

- the data required to calculate them should be collected as part of colleges' other activities. There should be no special data collection needed
- they should be seen as relating to key areas of activity in colleges.

4 The key areas of college activity of interest to the Council are:

- the recruitment of students and the education programmes they follow
- students' commitment to their learning programmes
- the achievement of students' primary learning goals and, in particular, achievement which contributes to the national targets for education and training
- the value for money of provision.

5 The Council developed the original proposals for college PIs with the help of a development group comprising college principals and other interested parties including the DfEE and TECs. Colleges were consulted on the proposals in May 1994. The proposals were adopted by the Council, with minor revisions, in November 1994. PIs for 1994-95 and 1995-96 were published in February 1997 and September 1997 respectively using these definitions.

6 Following the second publication, the PIs were reviewed, with the assistance of the PIs and management statistics (PIMS) group, to determine which college PIs should be published for the period 1996-97 to 1997-98. The proposals were published for consultation in Circular 97/36 and confirmed in Circular 98/04.

7 The Council's approach to PIs was unchanged, but there were some definitional changes to the indicators for 1996-97 and 1997-98, which in summary are:

PI 3 (in-year retention rates)

- the indicator was extended to include all students on courses of more than 12 weeks in length. Previously only students on full-year courses were included

- students who withdraw from some but not all of their qualifications are counted as retained provided the course length is at least 12 weeks. Previously, students who changed from attending on a full-time basis to a part-time basis were not counted as retained
- from 1997-98, where a student transfers from one qualification to another within the college during the teaching year, the qualifications the student has transferred from is ignored for the purpose of calculating the students' retention status.

PI 4 (achievement rates)

- the indicator was disaggregated to show achievement rates for three categories of qualifications according to the guided learning hours of the qualification. The total continued to be shown.

Further details of the current definitions of the PIs are contained in annex E of *Performance Indicators 1997-98*.

Response to Consultation

(Reference Circular 00/06)

Please return to Mia Kapetanovic by 14 April 2000 at the Council's Coventry office.

**THE
FURTHER
EDUCATION
FUNDING
COUNCIL**

College name

College code

Contact name

Contact telephone number

Cheylesmore House
Quinton Road
Coventry CV1 2WT

Telephone 024 7686 3000
Fax 024 7686 3100

1 In the context of the setting up of the Learning and Skills Council in April 2001 the Council should adopt a minimum change approach to developing performance indicators for colleges

Comments agree disagree

2 An additional widening participation performance indicator should be published from 1998-99

Comments agree disagree

3 The widening participation performance indicator should be the percentage of students recruited from deprived areas (paragraph 16, option (a)).

agree disagree

Comments

(If you disagree with option (a), please say whether you prefer option (b) or an alternative approach.)

Comments

© FEFC 2000

March 2000

Produced by the Further Education Funding Council. Extracts from this publication may be reproduced for non-commercial education or training purposes on condition that the source is acknowledged and the findings are not misrepresented.

This publication is available in an electronic form on the Council's website (www.fefc.ac.uk).

Further copies can be obtained by contacting the facilities team:

Further Education Funding
Council
Facilities Team
Cheylesmore House
Quinton Road
Coventry CV1 2WT

Telephone 024 7686 3344
Fax 024 7686 3175
E-mail fehcpubs@fefc.ac.uk

Please quote the reference number below when ordering.

Reference CIRC/801/00

The print run for this document was 2,950 copies.