

Higher Education Longitudinal Education Outcomes Experimental Statistics

Government informal consultation response

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Introduction

- In the White Paper 'Success as a Knowledge Economy: Teaching Excellence, Social Mobility and Student Choice¹' published in May 2016, we outlined measures to help ensure that everyone with the potential to benefit from higher study can access relevant information to help them make the right choices from a wide range of high quality universities. With better information, students will be able to make more informed choices about higher education options and their future careers.
- 2. The Longitudinal Education Outcomes (LEO) data uses information from HM Revenue and Customs and the Department for Work and Pensions to provide a uniquely powerful insight into the employment outcomes of university graduates in England. Although information already exists about graduate employment outcomes, the advantage of linking data from existing administrative sources is that it allows us to understand the destinations of graduates without imposing any additional data collection burdens on universities, employers or members of the public. Compared to existing sources of graduate outcomes data, it is also based on a considerably larger sample, does not rely on survey methodology, and can track outcomes across time to a greater extent than is currently possible.
- 3. The initial publication of experimental statistics in August 2016² provided graduate earnings. We have committed to publishing breakdowns of the LEO data by Higher Education Institution (HEI) and by subject in Autumn 2016 and subject by HEI in Spring 2017. These will also be experimental releases, reflecting the feedback received from Higher Education stakeholders from this and further consultations.

¹ <u>https://www.timeshighereducation.com/sites/default/files/breaking_news_files/higher-education-white-paper-success-as-a-knowledge-economy.pdf</u>

² <u>https://www.gov.uk/government/statistics/graduate-outcomes-longitudinal-education-outcomes-leo-data</u>

Summary of responses received and the government's response

- 4. This document provides a summary of the responses to the informal consultation on the Longitudinal Educational Outcomes (LEO) experimental statistics that we published for the first time in August 2016. The informal consultation was launched by Department for Education (DfE) on 4 August 2016 and closed on the 4 September 2016.
- 5. The survey and accompanying workshops sought views primarily from the higher education sector on the outcome measures used and how they could be most useful for people choosing higher education courses. They also sought to build understanding and confidence in the robustness of the data and explore its wider operational use by institutions. The results from the survey and workshops will help inform our subsequent data releases.
- 6. There were 14 written responses to the online consultation, while the three workshops were attended by 34 organisations. A list of contributors is at Annex A.
- 7. Please note that a number of people who attended the workshops also responded to the consultation.

Headline views on Longitudinal Education Outcomes Data

- 8. LEO was welcomed by respondents who thought that longer-term factual data would be a useful complement to the information gathered and published by Higher Education Statistics Agency (HESA) through the Destinations of Leavers from Higher Education survey (DLHE). For example while LEO data can provide a picture of employment outcomes over a longer time period than DLHE, the DHLE was considered to be important for providing the wider context of the types of employment graduates were in. Both the LEO data and DLHE are important in showing the benefit of a degree and providing transparency for students and accountability for Higher Education Institutions (HEIs).
- 9. Concerns were raised about the potential to use LEO data for league tables and how the information could be misreported and misinterpreted. It was seen as important that contextual information should be provided alongside the LEO data. The DfE role was seen to ensure that the methodology and published data are robust, and to accredit third parties who want to use the data. Once the data was published, it was acknowledged that it would be difficult to control the use of the data.
- 10. Some respondents also felt that in providing better information on employment and earnings outcomes, that the wider importance and benefits of a higher

education was more than an economic transaction. It was highlighted that there are a number of organisations that already provide information to students and simply providing more information would not necessarily result in more informed decisions.

11. Respondents pointed out that for students to be able to make a fully informed choice they needed to be able to compare the outcomes of graduates with those who choose vocational routes or go straight into work.

Use of LEO at Institution level

- 12. Respondents welcomed the LEO data and proposed data breakdowns, with the breakdown by subject within HEIs seen as the most useful. HEIs envisaged that the LEO data by institution would help in evaluating the effectiveness of their activities, interventions and partnership working over short, medium and longer term, as well as allowing them to benchmark themselves against other institutions.
- 13. HEIs were however unsure about how the LEO data could be used in the Teaching Excellence Framework (TEF) and the weight attached to it. The LEO data would need to be contextualised to take into account things like the difference in salaries in different parts of the country particularly when compared to London. Other positive factors like learning gain, value added and benchmarking HEIs with similar entry tariffs were suggested as ways of contextualising the data.
- 14. It should be noted that LEO is very much a work in progress and is not being used as a core metric for year 2 of the TEF. However, in the future LEO data, alongside other outcome measures is likely to help inform TEF assessment work.

Breakdown by subject

- 15. Breakdown by subject would help HEIs to benchmark and compare their outcomes across subject disciplines and with other institutions. The LEO subject data was thought to be particularly useful where the nature of the subject and career entered meant that achieving career goals and salary progression may take a number of years.
- 16. Respondents also thought it would be interesting to see the different areas graduates studying for more general degrees like English went into, though it was acknowledged that the LEO data on its own will not be able to fully provide this insight and there may not be a direct link between a graduate's career and the specific subject knowledge gained in their degree. There were also variations in the exact content of degrees under broad subject headings, for example the different aspects of health and social care which could make comparisons difficult.

Showing breakdowns by subject within HEI

- 17. Respondents noted that breakdowns by subject within an HEI would be useful for internal assessment processes. This could potentially help HEIs to identify subject areas where their graduates appear to either excel or perhaps struggle in the labour market over a period of time longer than six months/3.5 years DHLE data provides. This would also be helpful for students with other pieces of information, when deciding where and what to study at university.
- 18. Respondents cautioned that sample sizes for some subjects are small and could potentially exhibit considerable year-to-year volatility. It was also pointed out that there were a number of variables, such as entry tariffs, social class and ethnicity which will influence graduate outcomes.
- 19. There were concerns about the differences in earnings between different subjects. Median earnings figures at the sector or institutional level will not appropriately reflect these differences. Therefore contextual factors need to be included when this data is published for use by students and their families.

Postgraduate breakdown

- 20. The majority of respondents were favourable about providing data on postgraduate students and thought that the data would be useful. The data would be helpful for institutional benchmarking and for monitoring institutional performance. Postgraduate data is currently difficult to collect because of the low response rates to surveys.
- 21. Postgraduates can secure increased salaries and so it was felt that the postgraduate data needed to be looked at as well. Since the salary premiums are likely to vary by subject, it was felt that prospective postgraduates should be able to make well-informed decisions using postgraduate LEO data along with other contextualised data.
- 22. It was noted by respondents that postgraduate data should be split out from the undergraduate data. The undergraduate data is otherwise potentially misleading by including higher earnings that are the result of postgraduate study.

Further Characteristics

23. The survey asked a number of questions about breakdowns by further characteristics and this was an area raised a number of times in the workshops. There was strong support across the survey and the workshops for further breakdown of the LEO data by:

- Gender
- Ethnicity
- Age
- Socio economic background.
- 24. There were few detailed comments around the breakdowns, except for socio economic background where it was felt that this should be defined in a way that is relevant to widening participation metrics used by HEIs. It was also considered important in being able to show the 'value added' that higher education was providing and contributions to the social mobility agenda.
- 25. Other suggestions for breakdowns included: disability; region; local authority and entry qualifications.
- 26. Disability was highlighted in a number of responses and also raised in the workshops, suggested that LEO data would be useful for seeing the course choices disabled students were making and the resulting work outcomes. It could also provide further information to enable HEIs to develop their support and provision further.
- 27. Entry qualifications and entry tariffs were raised a few times and it was thought that these could be helpful in indicating the value added at a particular institution or within a particular subject.

Time Periods

- 28. The majority of consultation respondents and workshop attendees agreed that data at 1, 3, and 5 years was the most useful and that these were the right intervals, allowing graduates to obtain employment and progress in their careers. The majority of respondents thought that the real impact of graduate careers will be at the five year point.
- 29. While the data continued to be interesting at ten years, it was felt that it was less attributable to the course studied or the university attended and more to do with wider training and development undertaken in the job.
- 30. The consensus amongst respondents was that LEO and DLHE publications timelines should be aligned and there were some suggestions of also publishing two year LEO data, or that DLHE used LEO data, rather than collecting wage data in the survey. A few also suggested extending the collection to showing seven year data, and at subsequent five year intervals to build up a whole-career picture of graduates. The importance of ensuring that LEO data does not contradict DLHE

was stressed, as this would otherwise create confusion and undermine confidence in the data.

Definitions and Terminology

31. In the survey and the workshops we sought views on the definition of sustained employment.

Sustained Employment

- 32. In the statistical release 'sustained employment' is defined as being employed for at least one day a month for 5 out of the 6 months between October-March in the relevant financial year. This definition was used as it is consistent with the definition used for 16-19 accountability and the outcome based success measures published for adult further education. The consultation and workshops sought a view on this definition and asked if there was a better definition that could be used. Opinion on the definition used for sustained employment was split, but with few suggestions of a more suitable definition or metric were proposed.
- 33. Some respondents felt the definition was too narrow and not what students or other members of the public would generally understand as "sustained employment". The number of days worked was felt to be too low, and there was feedback that it would be better if it were able to distinguish between full and part time workers and reflect contract or non-typical working patterns, which can be important in particular sectors like the creative and IT industries.
- 34. There was general agreement that it was important to have a clear and standard definition of employment (as well as for unemployment and no sustained destination) that would allow comparisons between different publications using the LEO data.

Median Annualised Earnings and other Measures of Earnings

- 35. The August publication reported median annualised earnings. Respondents were were mainly supportive of the use of the median, provided a measure of the range was included alongside the median (for example the inter-quartile range).
- 36. When asked which measure of earnings outcome most met their institutional needs, respondents predominantly chose median earnings for those in sustained employment rather than proportion of total graduates over a particular income level. This was also reflected in the workshop discussions. Other suggestions were to include the median and mode, or provide a distribution of earnings, to reflect that graduates doing a similar subject take different career paths, attracting a range of earnings.

- 37. There were wider discussions and comments on publishing earnings, with respondents wanting to be able to distinguish the self-employed and part time workers from full time workers. Currently the self-employed are among the 'activity not captured' category, which appears negative and potentially equated with being unemployed. The lack of data on the number of hours worked means that part-time workers could appear to be in low paid jobs.
- 38. Career progression patterns and the nature of employment in some sectors, such as creative industries and particularly IT where graduates are contractors and self-employed, could also result in low employment figures or low wages. It was also noted that contextualisation against geographical, socio economic background, and entry tariff could provide useful benchmarking.

Format of Publication

- 39. The survey and workshop sought views on where and in what format the LEO data should be published. There were a variety of views ranging from open data on gov.uk to analytical reports, to inclusion in the Universities and Colleges Admissions Service (UCAS) web tool or as part of Unistats the way the National Student Survey (NSS) results are.
- 40. Including LEO in other existing information sources was thought to be more helpful for students who would not necessarily look at official statistics. Using Unistats for example would allow graduate salaries to be set alongside other pieces of information that inform student choice, including entry requirements, satisfaction, the teaching and learning experience and wider discussion of graduate outcomes. This would provide a comprehensive and authoritative source of higher education information. Howver others caveated this with the need to be able to compare further education routes as well as higher education routes, if the driver was to allow students to make an informed choice.
- 41. It was noted that there is a large number of commercial and third sector organisations that provide higher education information and that producing another separate source of information would not be that helpful. These organisations were possibly making this information available to students in a format useful to students and potential students. Providing students with more information does not necessarily mean that are able to make a more informed decisions, particularly if the information is not seen as relevant. A wider consideration is the sort of information that students are searching for. Often they are trying to choose between the same course at different HEIs rather than different courses at a particular HEI.

42. Some respondents felt that the data should be in the public domain, in a form that was interactive and could include a spreadsheet format to allow further analysis and simulations. There were also suggestions that government publish the raw figures along with benchmarking data and a clear contextualising narrative to help with the interpretation of the data. Sporadic reports providing more detail would allow a more nuanced debate on the data and could be more useful than the actual data. As part of contextualising the data some respondents suggested aligning publications with the DLHE and including the LEO data in the DLHE publication.

Further Analysis of LEO data

43. There were a number of suggestions about further analysis:

- Comparison with people who go into HE with those that do not, and those that go into vocational education
- Social mobility
- Regional and sector earnings benchmarking
- Area graduates are employed in compared to home and university location.
- 44. Individual HEIs expressed interest in having access to their own data to enable them to carry our further analysis to inform operational decision-making within their institution.
- 45. There were also suggestions of making the data available through the Administrative Data Research Network (ADRN) to research communities so that they could carry out further analysis and research.

Wider thoughts on LEO

- 46. Some respondents thought that LEO would have a larger role in informing wider institutional policy rather than individual choice. It would allow institutions to assess their outreach work and outcomes of other programmes. Others thought that the LEO data could influence the courses universities offer.
- 47. Careers advice was a key use of the data and further research using LEO data could be done in this area. For this to be effective, particularly with the move to personalisation of data, care needed to be taken that it did not result in dampening aspirations. Linking further education and higher education data would help make the information useful for school leavers and at earlier points in their school career to ensure that the information supported choices that would impact on later career decisions.

Next Steps

- 48. Overall respondents expressed support for the publication of the LEO data. Having relevant, accurate and reliable data on graduate's employment is helpful for prospective students and their families, to help them asses their options and is also useful for higher education providers for institutional planning and assessment.
- 49. In response to the informal consultation and building on our commitments in the White Paper³ the next experimental statistical release of the LEO data on the 1 December 2016 will include further breakdowns by subject, provider, ethnicity, domicile, age and prior attainment. The data will cover 1, 3 and 5 years after graduation as this was seen to be the most useful time periods.
- 50. There was clear recognition amongst respondents that in order for the data to be useful to prospective students, LEO analysis should be contextualised and understood in relation to other indicators of performance in the higher education sector. In particular that the LEO and DHLE should complement one another. The Government will continue to discuss with HESA how to ensure that its review of DLHE and the development of LEO work together. We will also work with HEFCE to to include the LEO data in Unistats from 2017 so it can be viewed alongside other data relating to the institution.
- 51. Although the definition of 'sustained employment' was not universally supported, a workable alternative did not emerge from the consultation and therefore the Government will continue to use its existing definition. We will however continue to seek views on this and to work with stakeholders to ensure it is clearly understood.
- 52. Responding to feedback on the potential value of including postgraduate students in future data releases, we will look to do this following the Spring 2017 publication.
- 53. The Government will investigate how it can share an anonymised version of the LEO data available for research purposes via a secure data repository. The legislation does not allow, however individual level data to be made available to HEIs for their students.We will, however continue to work with the sector to ensure it benefits from the unique insights the LEO data brings.

³ <u>https://www.timeshighereducation.com/sites/default/files/breaking_news_files/higher-education-white-paper-success-as-a-knowledge-economy.pdf</u>

Annex A: List of organisations that responded to the consultation and/or took part in the workshops

- Ambition Partner*
- Association of Graduate Career Advisory Services
- Aston University
- Bishop Grosseteste University^{*}
- Bournemouth University
- Canterbury Christ Church University
- Cardiff University
- Creative Skillset^{*}
- Futureworks
- GuildHE^{*}
- Higher Education Funding Council for England (HEFCE)
- Higher Education Statistics Agency (HESA)*
- Independent Higher Education
- Institute of Contemporary Music Performance
- Imperial College
- Kingston University
- Leeds University
- Leeds College of Art^{*}
- Liverpool John Moores University
- Oakhill College
- Point Blank
- Ravensbourne^{*}
- Royal Holloway University of London
- St Mary's University*
- Southampton Solent University*
- Steam Training
- Student Loan Company
- TUC

- University Alliance
- University College London
- University of Bath
- University of Birmingham
- University of Bristol
- University of East London
- University of Edinburgh^{*}
- University of Gloucester
- University of Hull
- University of Kent^{*}
- University of Law
- University of Leeds
- University of Sheffield
- University of Sussex
- University of West England
- University of West London
- University of Winchester
- University of Wolverhampton
- UUK^{*}
- Welsh Government
- Two people also sent in responses in a personal capacity^{*}
 - ^{*} Indicates sent in formal response



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