



SFR 34/2016, 4 August 2016

## New employment data has improved the coverage and robustness of our statistics

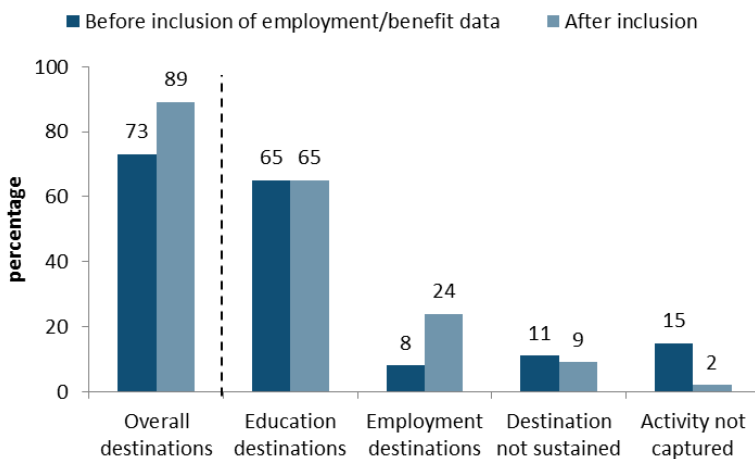
This statistical working paper provides information on the use of new employment and benefits data to improve coverage of destination measures. The paper looks at how this improves our understanding of students' destinations in the year after they completed key stage 5 study (A level or other level 3 qualifications) in 2013/14 and reduces the proportion of students whose destination cannot be determined.

The new data come from the Longitudinal Education Outcomes datasets, which links information on individuals' education with employment and earnings information from different government departments.

This analysis provides evidence that the robustness and coverage of the data has improved significantly at key stage 5 and forms part of our assessment of the new data and methodology.

## Destinations for 98% of students completing key stage 5 now captured

### Breakdown of destinations after key stage 5



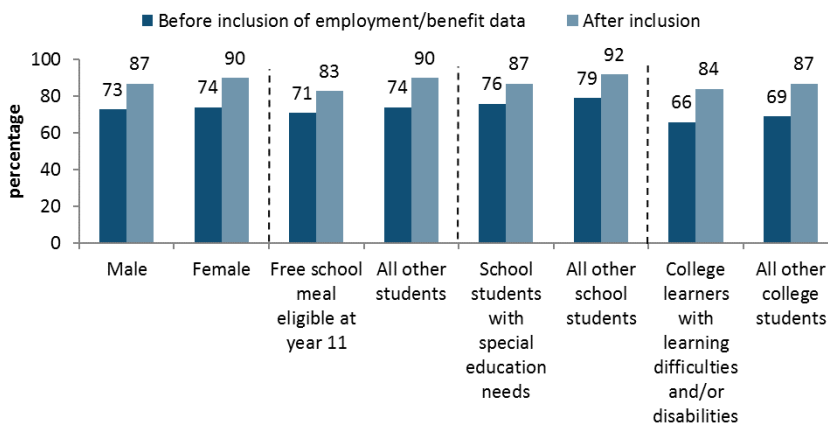
The inclusion of new employment and benefits data reduces the proportion of young people with no activity captured by 13 percentage points, from 15% to 2% of the cohort.

Sustained employment destinations are revised up 16 percentage points, from 8% to 24%, with large increases seen for students in colleges.

Overall sustained destinations are revised up 16 percentage points, from 73% to 89%, with more similar outcomes for schools and colleges.

## Students formerly eligible for free school meals are less likely to be in employment

### Sustained destinations after key stage 5 for different student groups



Including new employment and benefits information increases the proportion of students found to have sustained destinations by a similar amount for most characteristic groups.

However, students eligible for free school meals in year 11 saw a smaller increase than other students despite just 2% or 3% of each group now having no activity captured.

New data show 18% of students eligible for free school meals in year 11 were in sustained employment after key stage 5 compared to 24% of other students.

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## About this release

This statistical working paper shows the percentage of young people progressing to specified destinations in 2013/14. These data are based on activity in the year after the young person completed their A Level or other level 3 qualifications.

The data presented in this working paper are revised due to the availability of new employment and benefits data and were previously published as experimental official statistics on 21 January 2016. The paper also provides information about the new methodology and data sources and sets out the impact of the changes on 2013/14 destinations.

The power to share the information brought together in the Longitudinal Education Outcomes datasets was granted under the Small Business Enterprise and Employment Act 2015.

More information about how we use and share the data used in this release is provided in our [privacy notice](#).

## In this publication

The following tables are included in the statistical working paper:

- Key stage 5 national with revised employment including characteristics.xls

The accompanying annexes provide more detail on the new methodology and data sources. Additional information on the previous methodology is available in the [technical note](#).

## Feedback

We are confident in our new methodology but welcome feedback from users on the methodology and presentation of these statistics. Please direct all comments and queries to: [destination.measures@education.gsi.gov.uk](mailto:destination.measures@education.gsi.gov.uk)

Please note that on 1 October this email address will be changing to: [destination.measures@education.gov.uk](mailto:destination.measures@education.gov.uk)

## 1. Background on destination measures

Schools and colleges play a crucial role in preparing young people for success in the next stage of their education or training. It is right that the accountability system should include information about the success of schools and colleges in helping their students to progress to further education, training or employment through the publication of destination measures.

Destination measures provide clear and comparable information on the success of schools and colleges in helping their students take courses that offer them the best opportunity to continue in education or training or successfully enter employment. These measures are increasingly being seen as a key tool in assessing how well schools and colleges prepare their students to make a successful transition into the next stage of education or training, or employment.

When judging the quality of leadership in, and management of, a school, Ofsted inspectors now consider the extent to which the school has developed and implemented a strategy for ensuring that all students in years 8 to 13 receive effective careers guidance. Ofsted inspectors take into account a variety of evidence, including the school's destinations data, in making these judgements.

Destination measures have been published as experimental statistics since 2012 for both key stages 4 and 5. Key stage 4 education destinations are also published on the [performance tables website](#). This increases schools' awareness of the measures, increases transparency and enables parents and students to easily access the information.

This analysis provides evidence that the robustness and coverage of the data has improved significantly at key stage 5 and forms part of our assessment of the new data and methodology. Information on the small proportion not already in sustained education destinations following key stage 4 will also be improved by additional employment data.

The Small Business Enterprise and Employment Act 2015, which amended the 2008 Education and Skills Act, allows information regarding individuals' employment and earnings to be linked to education participation and outcomes. This statistical working paper is the first of a series of publications that provides information on the use of this data to improve robustness and coverage of destination measures.

## 2. Current destination measures coverage

Destination measures show the percentage of young people progressing to sustained education, employment, and training destinations in the year following completion of compulsory schooling, and key stage 5 study. Destination measures were published as revised statistics on 21 January 2016 for young people completing key stages 4 or 5 in 2012/13.

The existing measures use administrative data sources from educational institutions to identify education destinations, while employment and training destinations are derived from data collected by local authorities through the [National Client Caseload Information System](#) (NCCIS). There are a high proportion of students whose activity is not currently captured in the key stage 5 destination measures as published, mainly due to the limited data available on employment and unemployment.

This statistical working paper focuses on improvements to the key stage 5 measure because a higher proportion of students have no activity captured at this point in our current statistics. 15% of young people currently have no activity captured in the destinations data after key stage 5, compared with just 1% of young people after key stage 4. Results for key stage 4 will be published in October 2016 as provisional statistics alongside the improved key stage 5 measures. It is proposed that the same method outlined in this paper will be used for key stage 4 destination measures.

### 3. Improving robustness and coverage of destinations data

This publication presents a new methodology and first experimental results from using employment records from Her Majesty's Revenue and Customs and benefit claim records from Department for Work and Pensions. The intention is to reduce the number of young people with no activity captured in the measures and thereby improve the reliability of destinations data and the confidence users can have in judgments made using this source.

#### Source of the employment and benefits data

Destinations measures data has been linked to the Customer Information System, a computer system used by the Department for Work and Pensions to store basic identifying information about customers. The Customer Information System provides information on all individuals who have ever had a National Insurance number, including children whose parents have made a child benefit claim relating to them, but are yet to be issued with a National Insurance number. The link between the Customer Information System and education data allows the information which has been collected to administer tax and benefit claims to be combined with destinations data. More information on the labour market outcomes data is available in [Annex C](#).

Overall 97% of young people in the 2013/14 key stage 5 destination measures cohort are successfully linked to the Customer Information System. The linking is more successful for students from state-funded institutions than for students from independent institutions; 99% of state-funded students are successfully linked, compared with 84% of independent students. The lower proportion of students linked from independent institutions may be due to the lack of availability of additional linking information such as postcodes or due to a higher proportion of non-UK domiciled students from these institutions. More information on matching rates is available in [Annex B](#). Although a link is established for a majority of the records, students only have an employment or benefit claim outcome if they were recorded as claiming benefits in Great Britain or recorded as an employee in United Kingdom within the August 2013 to July 2014 period.

Overall 3% of young people from the destinations cohort are not linked to the Department for Work and Pensions' Customer Information System. Many of these students appear elsewhere in the destination measures because they have known education destinations. Taking these additional destinations into account, 1% of key stage 5 students are not identified in any of the education, employment or benefits data and have also not been found in the Department for Work and Pensions Customer Information System.

The proportion of students not captured in any of the datasets is revised down from 15% to 1% for students from state-funded institutions, while the proportion with no activity captured is now 2%.

## 4. New methodology: incorporating employment and benefits data into destination measures

### Sustained destinations

A hierarchy is used to define and categorise a sustained destination within the linked data, which is summarised in [Annex A](#). In line with the current methodology, wherever a sustained education destination overlaps with an employment outcome, the education destination is reported. For example, a university student with a part-time job, or a young person employed but attending college one day per week would be recorded as progressing to higher and further education respectively. This means that the number of young people shown in education destinations is not affected by the additional employment data. Once all education destinations are identified, students who participate in at least five months combined employment and/or training or six months combined education, employment and/or training between October 2013 and April 2014 are reported in sustained employment and/or training destinations. The employment and/or training participation is identified from the following datasets:

- Her Majesty's Revenue and Customs (HMRC) employment data
- National Client Caseload Information System (NCCIS) data

Individuals may be employed and still be eligible for some out-of-work benefits if they meet certain conditions. However, the Department for Education wants all institutions to prepare their students for high quality, sustainable employment and so individuals are not counted as employed for the purpose of destination measures on any day in which they are claiming out-of-work benefits<sup>1</sup>.

Now that HMRC data on employment has been incorporated, only a small proportion of the students recorded in sustained employment are derived solely from NCCIS data, constituting 2% of the cohort. This may be due both to NCCIS data picking up self-employment that is not yet included in our HMRC data, or to inaccuracies in the recording or matching of the data sources. From September 2016, local authorities will not be required to report on the activity of young people from academic age 18 and this data source will not be available. It is expected that NCCIS data will not be used in future destination measures publications.

In line with the current methodology, a student is deemed to have participated in employment for a given month if they work at least one day in that month, regardless of whether they have a separate period claiming benefits in that month or were recorded as not in employment, education or training at some point in the month. In recognition of sometimes unforeseen interruptions in employment, students are permitted to have a one month pause at any time within the 6 month sustainability period (October to March).

### No sustained destination

Once all sustained employment and training destinations have been identified, students who have some employment or education activity at any time in the year (August 2013 to July 2014), but have not completed the 6 month **sustained** destinations criteria are then reported as 'No sustained destination'. This category also includes those known to have a Department for Work and Pensions (DWP) record of an out-of-work benefit claim, or where NCCIS data reports that the student is not in employment, education or training (NEET), with no education or employment activity recorded. Only a small proportion of cases, constituting less than 0.5% of the cohort, are derived solely from NCCIS data.

For example, a young person participating in employment in the UK for part of the year before leaving the country could appear under 'Education or employment not sustained', while a young person employed for part of the year and later making a claim for out-of-work benefits may appear as 'Education or employment not sustained and known to be NEET'.

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<sup>1</sup> The following benefits are considered as out-of-work benefits in this paper: Jobseeker's Allowance, Employment and Support Allowance, Incapacity Benefit, Income Support, Severe Disablement Allowance, Retirement Pension, Pension Credit, Attendance Allowance, Invalid Care Allowance

Category reported as:	Any record of education, employment or training participation (but not for two terms)	Any DWP record of benefit claim or NCCIS record as NEET
Education or employment not sustained	✓	
Education or employment not sustained and known to be NEET	✓	✓
No participation and known to be NEET		✓

### Activity not captured

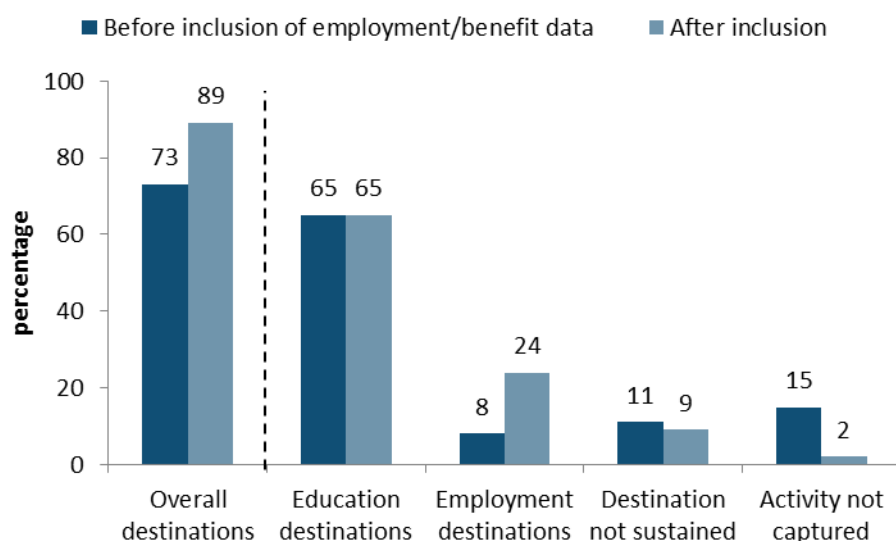
Any remaining students are classified as 'no activity captured in data'. Reasons for appearing in this category include students who live or study overseas or in Scottish or Welsh schools; who undertake activities other than paid employment or study in the UK; or who are self-employed in the year following completion of key stage 5. Most of the students with no activity captured are successfully linked to the Customer Information System but do not have any recorded employment or benefits activity during the year. Two breakdowns are therefore reported for activity not captured:

- Identified as Department for Work and Pensions or Her Majesty's Revenue and Customs customers.** These are students who are identified in the Department for Work and Pensions' Customer Information System, but have no recorded employment participation in the United Kingdom (excludes self-employment) or benefit claim activity in Great Britain.
- Not identified in any data source.** These are students that are missing from destination measures because their education, employment and benefits status is unknown and there is no record of a National Insurance number allocation (either because they have never received one or because no successful match has been made in our data).

## 5. Improvements to key stage 5 destinations (state-funded schools and colleges)

**Figure 1: Percentage of students going to sustained education, employment or training destinations after key stage 5.**

England: 2013/14 (state-funded mainstream schools and colleges)



Source: Longitudinal Education Outcomes dataset

**Table 1: Sustained education, employment and training destinations after key stage 5**

England, 2013/14 (state-funded mainstream school and colleges)

	Before inclusion of employment/benefit data <sup>1</sup>		After inclusion of employment/benefit data		Impact of revision	
	Count	Percentage	Count	Percentage	Count	Percentage point
Cohort <sup>2</sup>	358,970		358,970			
Overall sustained <sup>3</sup> destinations	263,750	73%	319,290	89%	55,540	16
<i>Apprenticeships</i> <sup>4</sup>	18,330	5%	25,130	7%	6,800	2
Education destinations	234,500	65%	234,500	65%	0	0
Employment <sup>5</sup> destinations	29,250	8%	84,790	24%	55,540	16
Destination not sustained	39,750	11%	31,270	9%	-8,480	-2
Activity not captured	55,460	15%	8,410	2%	-47,050	-13

Source: Longitudinal Education Outcomes dataset

Footnotes:

1. These figures are from the [revised destination measures statistical first release](#) published in January 2016
2. Students at end of key stage 5 study (taking A level or other level 3 qualification)
3. Sustained for 6 months from October to March
4. Apprenticeships require 6 months of sustained participation in any destination and a record of an apprenticeship at any time in the year. Apprenticeships are included in the overall figure.
5. Employment destinations include HMRC recorded employment, NCCIS recorded employment and training, and education, employment and training combination destinations

### Sustained destinations

Education destinations are not affected by the proposed methodology so are unchanged at 65%. Due to the addition of employment data, overall sustained destinations are revised up 16 percentage points from 73% to 89%. This revision is due to the inclusion of employment destinations for an additional 56,000 students, revised up from 8% to 24%.

Of the 24% going into an employment destination, the majority (22%) are derived from the employment data from Her Majesty's Revenue and Customs. Only 2% are derived from the NCCIS data and less than 0.5% is recorded as having an education / employment / training combination destination.

To be counted as an apprenticeship, a student must both complete 6 months sustained participation and be recorded on an apprenticeship at some point during the year. By including the new data sources apprenticeship destinations are revised up 2 percentage points from 5% to 7%. This upward revision is due to more of the students with an existing apprenticeship record being found to have sustained employment in the new data.

### Destinations not sustained

Due to the addition of employment data, destinations not sustained are revised down 2 percentage points from 11% to 9%, which equates to over 8,000 students. The inclusion of the benefit data means that these destinations can be further categorised based on whether the students are claiming benefits or are recorded as not in education, employment or training (NEET) in NCCIS.

**Table 2: Breakdown of total destinations not sustained after key stage 5**  
England, 2013/14 (state-funded mainstream school and colleges)

	No. of students	% of cohort
Total not sustained	31,270	8.7%
<i>Education or employment not sustained</i>	11,380	3.2%
<i>Education or employment not sustained and known to be NEET</i>	15,310	4.3%
<i>No participation and known to be NEET</i>	4,580	1.3%

Source: Longitudinal Education Outcomes dataset

The majority of students with destinations not sustained are participating in education, employment or training at some time in the year following completion of key stage 5. Only 1% of the cohort have no evidence of participating in education or employment and are recorded as not sustained solely because they have an out-of-work benefit claim or are recorded as not in education, employment or training by their local authority.

### Activity not captured

The proportion of students with 'no activity captured' are revised down 13 percentage points, from 15% to 2%. Over 47,000 students who were reported in this category in the January statistical first release are now recorded in sustained or not sustained destinations. Of the 8,400 students in the activity not captured category, over 6,400 are identified as having an allocated National Insurance number but no employment or benefit activity. Fewer than 2,000 students (0.5% of the cohort) could not be identified in any destination source data and may be missing for the reasons outlined in [section 4](#).

**Table 3: Breakdown of activity not captured after key stage 5**  
England, 2013/14 (state-funded mainstream school and colleges)

	No. of students	% of cohort
Total activity not captured	8,410	2.3%
<i>Identified as a DWP/HMRC customer</i>	6,460	1.8%
<i>Not identified in any data</i>	1,950	0.5%

Source: Longitudinal Education Outcomes dataset



## 6. Improvements to key stage 5 destinations by institution type

### Improvements to coverage in state-funded schools and colleges

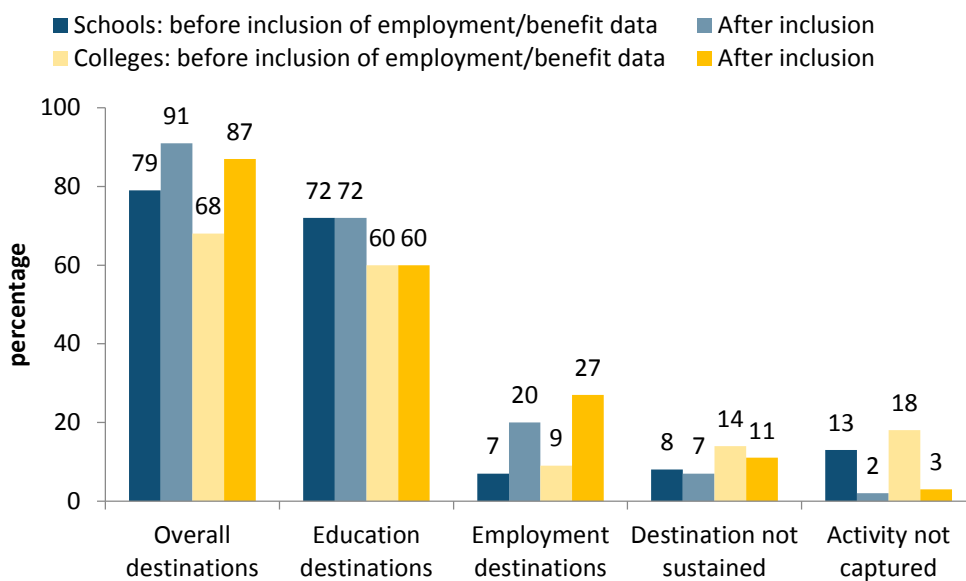
Inclusion of HMRC and DWP data has increased coverage substantially for both schools and colleges and reduced the differences seen between these sectors<sup>2</sup>. The proportion of students in sixth-form and other further education colleges progressing to sustained destinations is revised upwards by 19 percentage points to 87%, compared with 91% in mainstream state-funded school sixth forms, reducing the apparent gap in outcomes between the two sectors from 11 percentage points to just 4 percentage points.

This is due to a larger increase in the proportion of students in colleges identified as progressing directly to sustained employment through the improved data. Once HMRC and DWP data is included 27% of students in colleges are found to progress to sustained employment, compared with 20% in schools.

Destination measures published in January 2016 had lower coverage for students completing key stage 5 in colleges compared with schools. Overall, 18% of the cohort leaving colleges in 2012/13 was not captured compared with 13% for school sixth forms. The proportion of students that have no activity captured in the data is revised down to just two per cent of the cohort in schools and three per cent in colleges. Less than one per cent of the cohort in either sector is not matched to DWP or HMRC data and has no activity captured in any source.

**Figure 2: Percentage of students going to sustained education, employment or training destinations after key stage 5 by provider type**

England: 2013/14 (state-funded mainstream schools and colleges)



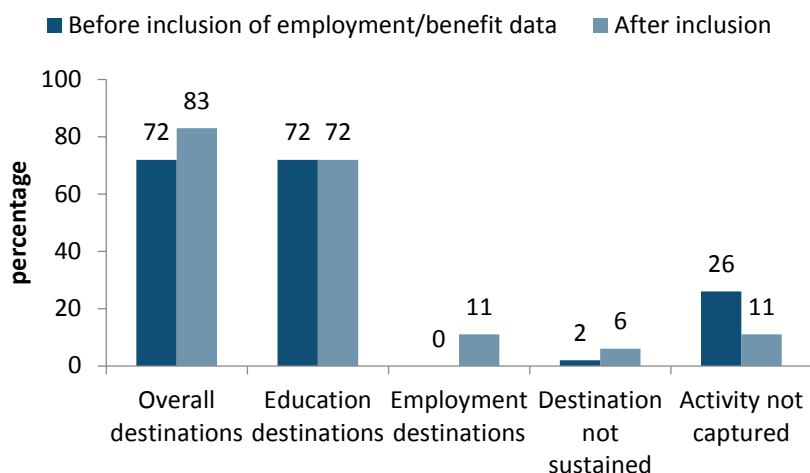
Source: Longitudinal Education Outcomes dataset

### Improvements to coverage in independent schools

Current destination measures have lower coverage for students completing key stage 5 in independent schools. Local authorities were not required to monitor these individuals through NCCIS so almost no information on onward employment of these students has been recorded. In January 2016 we published information on the independent school cohort which recorded 72% of students in sustained education destinations, and less than one per cent known to be in employment. More than a quarter (26%) of the cohort leaving mainstream independent schools in 2012/13 was not captured.

<sup>2</sup> Special schools can opt in to performance tables measures at key stage 5 and few students in these institutions enter the level 3 qualifications (A levels and equivalent) necessary to be included in the key stage 5 cohort. Special schools have therefore not been included in this paper. Results for those state-funded and non-maintained special schools that opt in will be published in future.

**Figure 3: Percentage of students from independent schools going to sustained education, employment or training destinations after key stage 5. England: 2013/14 (Independent mainstream schools and colleges)**



Source: Longitudinal Education Outcomes dataset

As a result of including administrative employment and benefits data from DWP and HMRC, the proportion of students from independent schools progressing to sustained destinations is revised upwards to 83%. 11% of students are now found to have sustained employment in 2013/14, while the proportion recorded as having destinations which were not sustained is also revised upwards to 6%.

Overall, the proportion of students leaving independent schools that are not captured through any source is revised down by 15 percentage points, to 11% of the cohort. This is still a higher proportion than for state-funded schools and colleges, but the new data source delivers a large improvement to coverage of destinations in the independent sector. Destinations for independent schools will continue to be published as part of the destinations statistical first release but there are not currently plans to include them in performance tables.

#### Why are there still differences in coverage between sectors?

The remaining differences in coverage between the state and independent sectors could be due to two main reasons:

a) A lower rate of success in matching independent school students to other administrative data sources. Matches are made when a record believed to identify the same individual is found, based on name, address, gender, date of birth and National Insurance number between national pupil database records and data held by HMRC and DWP.

Pupil address information is not collected by the Department for Education from independent schools. This missing data means a successful match is less likely to be made, as could other inconsistencies in how information, such as names, are recorded.

Also, international students and those whose parents did not claim child benefit may not have been issued a National Insurance number and therefore not appear in HMRC or DWP data.

b) A higher likelihood of independent school students progressing to destinations which cannot currently be captured by our data sources. For example students who live or study overseas<sup>3</sup>, undertake activities other than paid employment or study in the UK, or who are self-employed in the year following completion of key stage 5 are currently recorded as not captured.

<sup>3</sup> The [Independent Schools Council \(ISC\) Annual Census 2016](#) suggests that, for the schools they cover, 3.8% of students progress to overseas higher education institutions, mainly in USA and China. They also identify that 55% of their 28,000 students whose families live overseas are in years 12 or 13, amounting to a substantial proportion of independent school leavers.

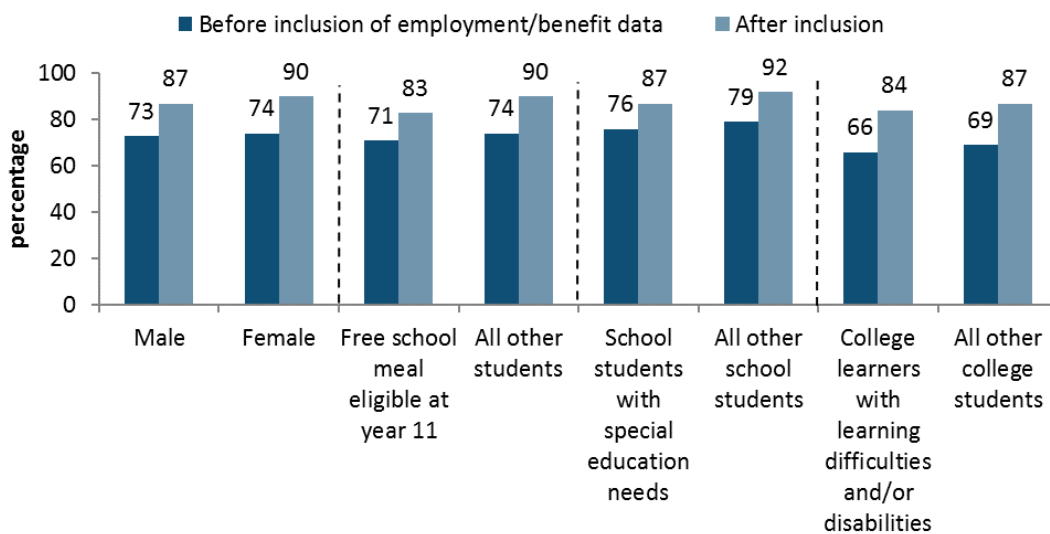
## 7. Improvements to key stage 5 destinations by characteristics

Inclusion of HMRC and DWP data has increased coverage substantially for students with all characteristics in the destinations publication: gender, ethnicity, free school meal eligibility, and special educational needs or learning disability status. The proportion of students in state-funded mainstream schools and colleges progressing to sustained destinations is revised upwards for all categories of student characteristics in 2013/14. This is due to increased estimates of employment for all groups.

Overall, the proportion of students that have no activity captured in the data is revised down to just two or three per cent of the cohort for almost all groups of students. 99% or more of the cohort in each group considered now either have a destination captured or have been matched to DWP or HMRC datasets.

**Figure 4: Proportion of students in sustained education, employment or training destinations after key stage 5 for different student groups**

England: 2013/14 (state-funded mainstream schools and colleges)



Source: Longitudinal Education Outcomes dataset

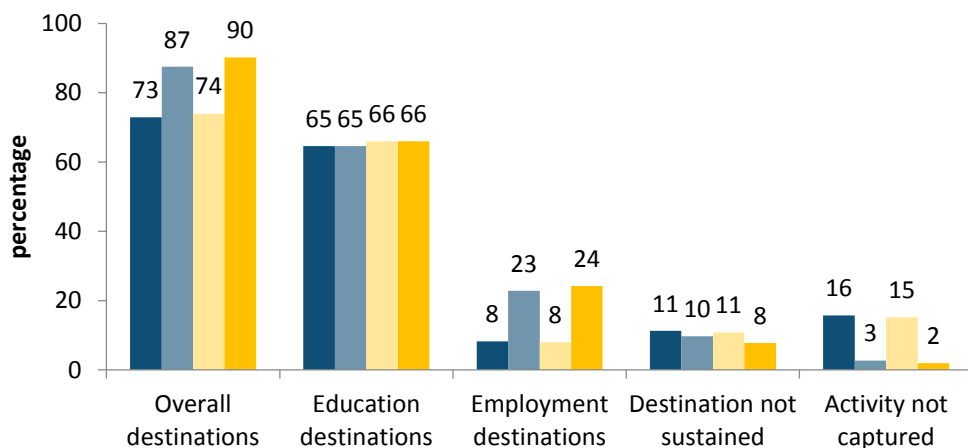
### Gender

Female students remain slightly more likely than males to be recorded as progressing to a sustained destination, with a similar increase in employment destinations for students of both genders.

**Figure 5: Improvements to destinations after key stage 5 by gender**

England: 2013/14 (state-funded mainstream schools and colleges)

■ Males: before inclusion of employment/benefit data    ■ After inclusion  
 ■ Females: before inclusion of employment/benefit data    ■ After inclusion



Source: Longitudinal Education Outcomes dataset

## Free school meal eligibility

### Free school meal eligibility

Students are identified if they were eligible for free school meals during year 11, rather than at the end of key stage 5, because there were differences in the statutory requirements to provide free school meals at schools and colleges in 2012/13.

Key stage 5 data are not shown by the wider definition of disadvantage (whether students have been eligible for free school meals in the previous 6 years, or have been looked after by their local authority) because pupil premium funding was not introduced until April 2011, after some of the students had completed year 11.

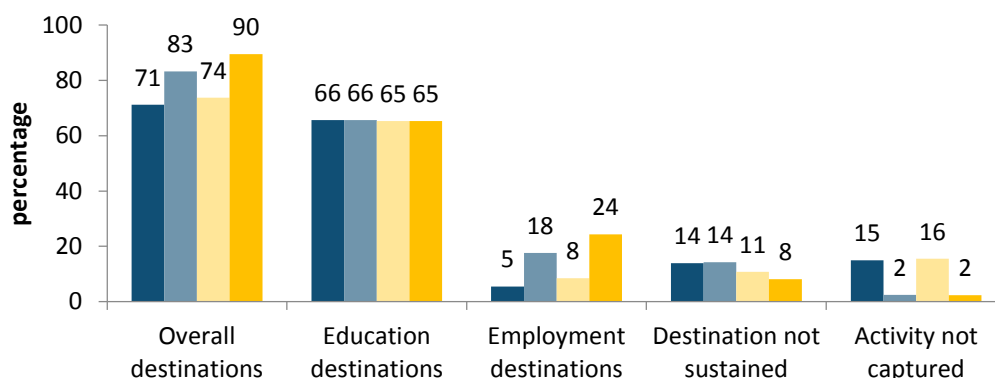
The new data shows 18% of free school meal eligible students were in employment after key stage 5 compared to 24% of other students. It also shows that, unlike for most other groups, including new employment information does not reduce the proportion of unsustained destinations for students eligible for free school meals in year 11, with 14% remaining in this category.

Although a higher proportion of free school meal eligible students are recorded as claiming out-of-work benefits or recorded as NEET by local authorities, in common with other students, the vast majority do participate in education or employment at some point in the year following completion of key stage 5. Just 3% of free school meal eligible students had no education or employment recorded and were known to be NEET during the year.

### Figure 6: Improvements to destinations after key stage 5 by free school meal eligibility.

England: 2013/14 (state-funded mainstream schools and colleges)

■ FSM students: before inclusion of employment/benefit data   ■ After inclusion  
 ■ Other students: before inclusion of employment/benefit data   ■ After inclusion



Source: Longitudinal Education Outcomes dataset

## Special educational needs & learning disabilities

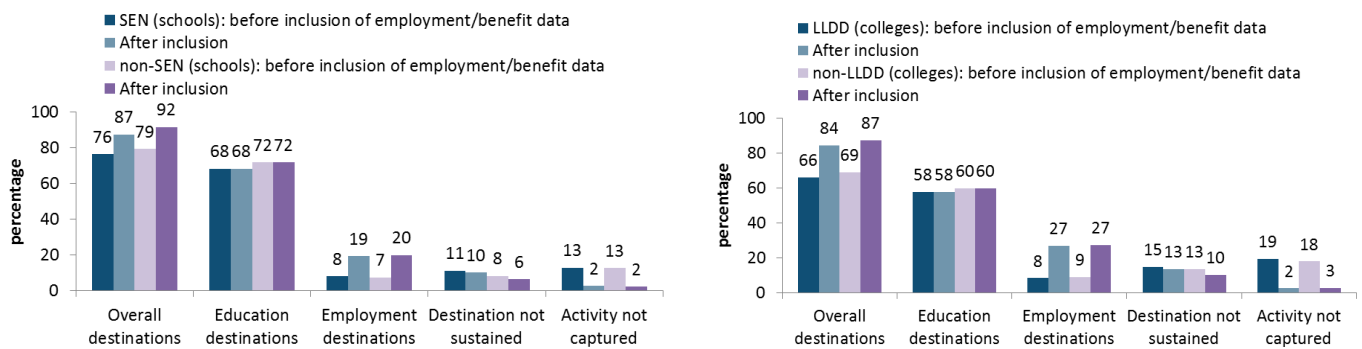
### Special educational needs & learning disabilities

Students in schools recorded as having special educational needs (SEN): statements of SEN, school action, or school action plus. The system of support in colleges is different and students are identified as being Learners with Learning Difficulties or Disabilities (LLDD). Although there is likely to be considerable overlap in the students who would be identified in these two categories, they are not directly comparable.

As discussed in [section 6](#), students in colleges are more likely to be counted in employment destinations after completing key stage 5 compared with those in schools. College learners with learning difficulties and/or disabilities previously had the highest rate of activity not being captured and show the largest improvement in coverage, closely followed by other college students, with 27% of students from both groups now recorded in sustained employment.

After the new data is included students with special educational needs and those with learning difficulties and disabilities remain slightly less likely to be in a sustained destination than other students in that institution type, however, in both cases these differences remain fairly small.

**Figure 7: Improvements to destinations after key stage 5 by SEN and LLDD status.**  
 England: 2013/14 (state-funded mainstream schools and colleges)

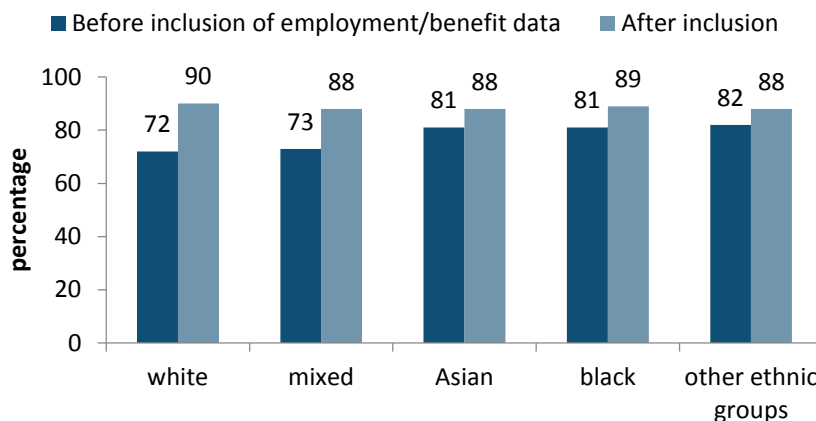


Source: Longitudinal Education Outcomes dataset

## Ethnicity

The largest impact on overall sustained destinations is for white students, followed by those of mixed ethnicity. These are the groups who had the highest proportion of activity not captured in the previous data and the lowest proportions of education destinations. Sustained destinations are revised up by 18 percentage points (from 72% to 90%) for white students compared to 6 percentage points for students from other ethnic groups (including Chinese students). Including the new data means overall sustained destinations are now very similar across all ethnic groups, at 88% to 90%.

**Figure 8: Percentage of students going to sustained destinations after key stage 5 by ethnicity.**  
 England: 2013/14 (state-funded mainstream schools and colleges)



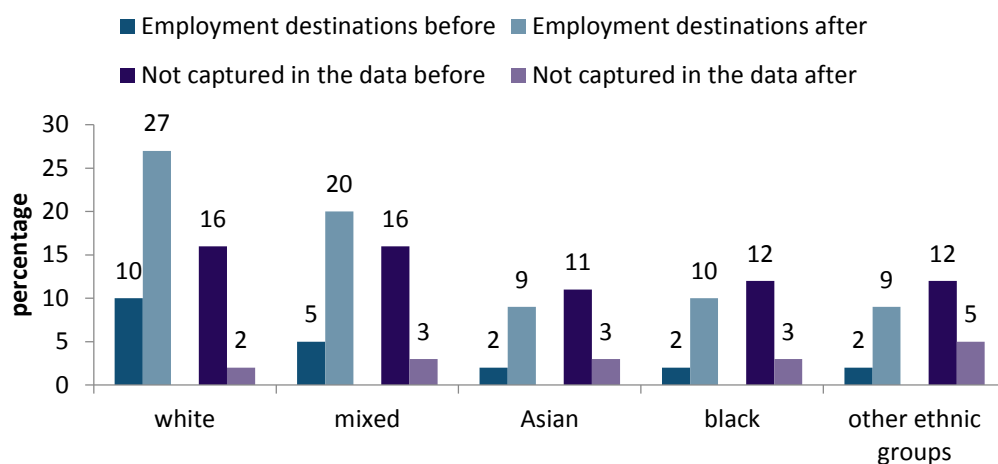
Source: Longitudinal Education Outcomes dataset

Substantial increases in the proportion recorded in employment are seen across all groups. Employment remains highest for white students at 27% of the cohort, followed by students of mixed ethnic backgrounds at 20% and relatively lower for Asian, black and other ethnicity students at 9% or 10%.

Prior to the inclusion of HMRC and DWP data the proportion of students not captured in the data varied by ethnicity, with 16% of the white and mixed ethnicity cohorts not being captured, compared with 11% of Asian students. The rates of activity not captured have been revised down meaning that now two to three per cent of each group are not captured, with the exception of students from other ethnic groups (including Chinese students) where five per cent of destinations remain not captured.

**Figure 9: Percentage of students going to sustained employment or training destinations and not captured in the data after key stage 5 by ethnicity**

England: 2013/14 (state-funded mainstream schools and colleges)



Source: Longitudinal Education Outcomes dataset

Table 4 below demonstrates that this is partially due to a smaller proportion of students being matched to the new data sources (1.1% not matched and with no destination), but also due to a larger proportion of identified students having no employment or benefit claim activity in the UK over the time period (3.4%).

**Table 4: Breakdown of activity not captured after key stage 5 by ethnicity**

England, 2013/14 (state-funded mainstream school and colleges)

	white	mixed	Asian	black	other ethnic groups
Cohort	272,630	12,150	32,440	18,030	6,640
% activity not captured	1.7	2.9	3.3	3.1	4.6
<i>% Identified as a DWP/HMRC customer</i>	1.4	2.5	2.9	2.2	3.4
<i>% Not identified in any data</i>	0.3	0.4	0.5	0.9	1.1

Source: Longitudinal Education Outcomes dataset

#### Match rates for students of different ethnicities

The coverage of destination measures is affected by the matching rate between national pupil database records and data held by HMRC and DWP. Matches are made when a record believed to identify the same individual is found; based on name, address, gender, date of birth and National Insurance number. If no successful match is made employment and benefits information cannot be used to inform a student's destination. Differences in matching rates across different pupil groups could therefore contribute to biases in data quality and coverage.

Analysis investigating the matching rates across the different student ethnicities included in this publication identified lower match rates to DWP/HMRC data for Chinese or any other ethnic background compared to the other major ethnic groups available in the matched population, particularly for those not progressing to higher education.

Because the strongest available unique identifier (National Insurance number) is not present in education datasets, matching students who do not proceed to further or higher education relies on other available information. Inconsistencies in how data such as name or address is recorded between sources, for example variation in spelling, name order, or preferred name, affects the quality and likelihood of making a successful match. This issue may drive observed differences between ethnic groups.

## Summary of improvements to coverage by student characteristics

All student characteristic categories considered above now have a similarly high coverage for destinations data, with almost all groups now having just two or three per cent of students not captured in the data. Even for students from other ethnic groups, over 95% of students' destinations are now captured and around 99% are now matched successfully to other sources.

**Table 5: Activity not captured in data after key stage 5 by student characteristics**  
England, 2013/14 (state-funded mainstream school and colleges)

	Percentage of students with no activity captured		
	Before inclusion of employment/ benefit data	After inclusion of employment/ benefit data	Revised down by (percentage points)
National	15%	2%	13
Male	16%	3%	13
Female	15%	2%	13
Free school meal eligible (year 11)	15%	2%	13
All other students	16%	2%	14
School students with special education needs	13%	2%	11
All other school students	13%	2%	11
College learners with learning difficulties and/or disabilities	19%	2%	17
All other college students	18%	3%	15
All white ethnicities	16%	2%	14
All mixed ethnicities	16%	3%	13
Asian ethnicities	11%	3%	8
All black ethnicities	12%	3%	9
Other ethnic groups (incl. Chinese)	12%	5%	7

Source: Longitudinal Education Outcomes dataset

## 8. Next steps

We will be publishing further statistical working papers to explore the use of employment and benefit data in destination measures and using the new methodology in our standard statistical releases. The schedule of upcoming publications is shown below.

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August 2016	Statistical Working Paper showing time series of key stage 5 national level destination measures using the new employment and benefits data.
October 2016	Provisional key stage 4 and 5 destination measures for 2014/15 using the new employment and benefits data. This publication will include destination measures at the national, local authority, parliamentary constituency, and institution level. Key stage 4 data for state-funded schools will also be included in Performance Tables.
January 2017	Revised key stage 4 and 5 destination measures for 2014/15 using the new employment and benefits data. This publication will include destination measures at the national, local authority, parliamentary constituency, and institution level. If the data are considered robust enough, data for state-funded institutions at both key stages will also be included in performance tables. See <a href="#">guidance on 16-19 measures</a> .

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We will continue to investigate further improvements to destination measures. The employment data used for this publication is taken from tax records submitted by employers to Her Majesty's Revenue and Customs on behalf of their employees; these do not include self-employment. We will explore the suitability of including self-assessment tax returns from HMRC in future destination measures.

It will be necessary to include further benefits data in future destination measures. Universal Credit claims are replacing six existing benefits and tax credits with a single monthly payment. The benefit data used for this publication does not currently include any claims from Universal Credit. Universal Credit has a very limited impact on the 2013/14 destinations year covered by this publication. As of March 2014, there were 5,500 Universal Credit claimants nationally of any age<sup>4</sup>, few of whom will have been in the destination measures cohort. We are working closely with colleagues at the Department of Work and Pensions to explore the inclusion of Universal Credit data in destination measures in future.

We will explore producing a time series for destination measures based on the improved data. There have been recent improvements to the employment information since HMRC switched to a Real Time Information system for collecting tax records from employers. The employment data used for this publication was collected under the improved system and so is of good quality. However, we will need to investigate whether it is possible to calculate accurate destination measures for previous destinations years, which will not benefit from the improved data quality due to Real Time Information; if not, this may prevent us from producing a consistent national times series, particularly for smaller cohorts.

## 9. Feedback

The department invites users to provide views on the methodology. Please direct all comments and queries to the following email address: [destination.measures@education.gsi.gov.uk](mailto:destination.measures@education.gsi.gov.uk).

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<sup>4</sup> [Universal Credit: Apr 2013 to Aug 2014](#)



## 10. Accompanying tables

The following tables are available in Excel format on the department's statistics website: [Improvements to destinations of key stage 5 students: 2014](#)

### National tables (key stage 5)

- NA1a Percentage of students, in 2012/13, who entered an A Level or other Level 3 qualification, going to, or remaining in, an education or employment destination in 2013/14
- NA1b Number of students, in 2012/13, who entered an A Level or other Level 3 qualification, going to, or remaining in, an education or employment destination in 2013/14
- NA11 Percentage of students, in 2012/13, who entered an A Level or other Level 3 qualification, going to, or remaining in, an education or employment destination in 2013/14 by gender
- NA12 Percentage of students, in 2012/13, who entered an A Level or other Level 3 qualification, going to, or remaining in, an education or employment destination in 2013/14 by free school meals eligibility (FSM) in year 11
- NA13 Percentage of students, in 2012/13, who entered an A Level or other Level 3 qualification, going to, or remaining in, an education or employment destination in 2013/14 by special educational needs (SEN) and learners with learning difficulties and/or disabilities (LLDD)
- NA14 Percentage of students, in 2012/13, who entered an A Level or other Level 3 qualification, going to, or remaining in, an education or employment destination in 2013/14 by major ethnic group

When reviewing the tables, please note that:

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The department is seeking views on the methodology	This working paper improves existing destination measures by incorporating new sources of employment and benefits data. We would welcome your views on the proposed methodology and presentation of results described in this paper. Please send any comments or queries to: <a href="mailto:destination.measures@education.gsi.gov.uk">destination.measures@education.gsi.gov.uk</a>
We report on a variety of schools and colleges.	This statistical working paper includes destinations of students from mainstream state-funded schools and colleges. Breakdowns for mainstream independent schools are also provided in the separate tables. Special schools are not included in this working paper.
Students with deferred higher education places are not included in education destinations	Students accepting a deferred higher education offer (including gap year students) are <u>not</u> included in this publication as entering higher education. Such students may appear as in employment or not be captured depending on their activity during the year.
We use the national pupil database.	Data from the national pupil database are used to calculate the destination measures. The national pupil database is a longitudinal database on children in schools and colleges in England.
For education destinations, four administrative data sources from the national pupil database are used.	Four administrative data sources used in compiling the national pupil database are used to determine the education destinations, namely: <ul style="list-style-type: none"><li>• Individualised Learner Record covering English colleges, further education providers and specialist post-16 institutions.</li><li>• School Census covering English schools. This also includes maintained and non-maintained special schools</li><li>• Awarding Body data for independent schools</li><li>• Higher Education Statistics Agency covering United Kingdom higher education institutions</li></ul>
For employment, training, benefits and not in education, employment or training destinations we use three sources.	In addition to the data sources above, we compile information on employment, training, benefits and not in education, employment or training from the following datasets: <ul style="list-style-type: none"><li>• Her Majesty's Revenue and Customs P45 data</li><li>• Department for Work and Pensions national benefit database for out-of-work benefits.</li><li>• National Client Caseload Information System covering English local authorities.</li></ul>
Coverage is students in England only.	The destination measures data only reports information from students who studied in schools and colleges in England.
We preserve confidentiality.	The Code of Practice for Official Statistics requires we take reasonable steps to ensure that our published or disseminated statistics protect confidentiality.
We round numbers.	To preserve anonymity, we show totals to the nearest 10. As a result of suppression and rounding, totals in text and in tables may not always equal the sum of their component parts.
We adopt symbols to help identify omitted and rounded numbers.	Symbols are used in the tables as follows: ( 0 ) where any number is shown as 0, the original figure was zero ( x ) small number suppressed to preserve confidentiality, or where a percentage is based on a small number ( . ) not applicable ( - ) positive % less than 0.5

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## 11. Further information is available

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Previously published figures are still available

Destination measures that exclude the Department for Work and Pensions and Her Majesty's Revenue and Customs data are available on gov.uk. for the years 2009/10 – 2013/14. A detailed technical note is published alongside the Destination measures publications.

[Statistics: destinations of key stage 4 and key stage 5 pupils](#)

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For some related publications

Experimental statistics on employment and earnings outcomes of higher education graduates using the LEO dataset:

[Employment and Earnings Outcomes of Higher Education Graduates: Experimental Data from the Longitudinal Education Outcomes \(LEO\) Dataset](#)

Participation in Education, Training and Employment by 16-18 year olds statistical first release is published here:

[DfE Participation in Education, Training and Employment](#)

Widening Participation Measures are published at:

[Widening Participation in Higher Education August 2016](#)

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On how we use and share the data

Non-statutory guidance from the Department for Education to describe how we share and use education, employment and benefit claims information for research and statistical purposes:

[Longitudinal education outcomes study: how we use and share data](#)

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## 12. Technical information

The accompanying annexes provide quality and methodology information about this statistical working paper. The annexes provide further information on the data sources, their coverage and quality and explain the methodology used in producing the data, including how it is validated and processed.

More technical information on destination measures is available in the [technical note from the January publication](#). This note will be updated with the new methodology in October 2016.

## 13. Get in touch

### Media enquiries

Press Office News Desk, Department for Education, Sanctuary Buildings, Great Smith Street, London SW1P 3BT.

Tel: 020 7783 8300

### Other enquiries/feedback

Stephen Harris, Education Data Division, Department for Education, Piccadilly Gate, Store Street, Manchester, M1 2WD

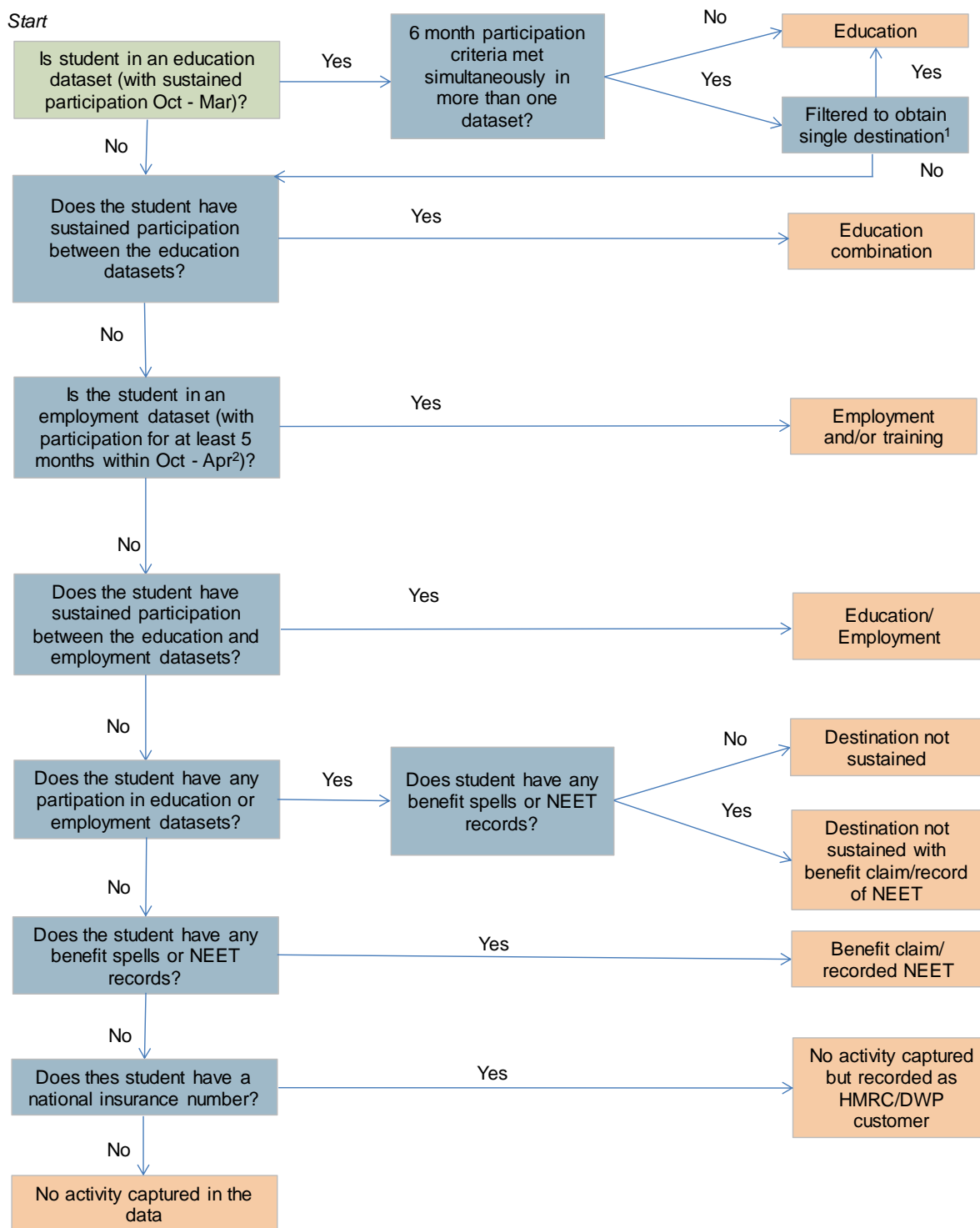
Tel: 0161 600 1595. Email: [destination.measures@education.gsi.gov.uk](mailto:destination.measures@education.gsi.gov.uk)

Please note that on 1 October this email address will be changing to: [destination.measures@education.gov.uk](mailto:destination.measures@education.gov.uk)

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# Annex A: Methodology for calculating destination measures

Flow diagram showing the high level process of assigning a destination to a young person



## Apprenticeships

A student is also reported in an apprenticeship destination if they have a sustained destination (education, education combination, employment and/or training and education/employment) and are also recorded in the Individualised Learner Record as taking a funded apprenticeship.

Footnotes:

1. [See technical note section 66.](#)
2. [See technical note section 52.](#)

## Annex B: Summary of matching of key stage 5 destinations data

Percentage of students taking A level or other level 3 qualifications in 2012/13 who were linked to the Department for Work and Pensions' Customer Information by institution type

	Percentage of students successfully linked to tax and benefit records
State-funded schools	99%
State-funded colleges	99%
Independent schools	84%
All special schools	94%
<b>Total state-funded mainstream schools and colleges</b>	99%
<b>Total mainstream (includes independents)</b>	97%
<b>All schools and colleges</b>	97%

## Annex C: Summary of data sources

The new data sources incorporated into this statistical working paper are taken from the Work and Pensions Longitudinal Study. This is a long established dataset which consists of data on employment from Her Majesty's Revenue and Customs and data on benefit claims from Department for Work and Pensions:

- P45 employment dataset collated from income tax records for employees since 1998/99
- National Benefits Database collated from benefit claim records since 1999

The National Benefits Database is taken from the underlying benefit payment systems and is supplemented by information entered by Jobcentre advisers. It provides a complete record for claimants of out-of-work benefit claimants excluding those on Universal Credit (see [page 19](#) for a discussion of Universal Credit).

### Data processing for P45 data:

The P45 employment dataset contains start dates and end dates of employment spells and covers employees eligible for pay-as-you-earn (PAYE) tax. Low-income individuals who earn below the minimum tax threshold may not be included if they work for a small employer.

There are a few uncertainties in the P45 records:

- There are some records with uncertain start or end dates for employment.
- Continuing spells of employment are flagged as ending on '31Dec9999'. However, in many cases it is difficult to assess if the end date is coded '31Dec9999' because the employment spell is associated with an ongoing job or because the actual end date is missing;
- The data contains a large number of duplicates and "near duplicate" employment spells.

To take into account the presence of possible "near duplicates" we adopted the long-standing method used by Department of Work and Pensions:

- For any record with an uncertain start that ends on the same date as another record with a certain start, we kept only the record with the certain start;
- When two records have the same start and one has an uncertain end we kept the record with the known end.

After these cleaning steps there are still some uncertainties in start and end dates in the employment records. In 17% of employment records only the year is known and not the exact date. When the exact date is unknown we assume that the individual was employed for the entire year excluding any days on which they were claiming out-of-work benefits. The majority of these uncertain dates are from before the introduction of the Real Time Information system for collecting employment data and so the quality of the data is expected to continue to improve as employment spells that began before Real Time Information become less relevant for calculating destination measures.

## Annex D: Comparison of methodology across LEO statistics

The data in the Longitudinal Education Outcomes datasets has been brought together by different government departments and is being used to improve information we have available on a range of topics across different business areas. In some cases consistency with historical definitions and different policy drivers have meant different decisions have been taken in processing the data and presenting outcomes.

The methodology is still under development and we will continue to review our approach, making further refinements and increasing alignment across different products over time where appropriate.

	<b>Improvements to data on destinations of key stage 5 students</b>	<b>Employment and Earnings Outcomes of Higher Education Graduates</b>
Scope	Information on participation in employment or education over two terms, the year after finishing school or college.	Employment and Earnings Outcomes of Higher Education Graduates
People included	Young people aged 16, 17 or 18, who were entered for A levels or other level 3 qualifications during the 2012/13 academic year and reported in school and college performance tables.	Those who graduated with a first degree qualification from an English HEI from 2003/04 onwards and were UK domiciled at the time of their study
Timing of outcomes	Outcomes are reported for young people in the academic year following completion of key stage 5 study (2013/14). Young people are largely aged 19 during this year.	Outcomes are reported for the first, third, fifth and tenth financial years following students' graduation.
<b>Outcomes reported</b>		
Denominator	The entire cohort is used for the denominator. All students reported as completing key stage 5 study in performance tables the previous year are included, even where they have not been matched to DWP/HMRC data. All outcomes are given as a proportion of this group.	Employment, earnings and benefit outcomes are reported for those students who could be matched to DWP's Customer Information System (CIS) <sup>5</sup> . Further study records are reported for those who have a HESA record for the financial year in question.  The denominator only includes those who were matched to the CIS and/or had a further study record for that year.
Education	Sustained education: In education at least one day in each of six months between October and March at a school or further education provider (college) in England or higher education provider (university) in the UK.  Young people participating in employment alongside study are only included in this category.	Further study: Any further study for a higher education qualification at a UK Higher Education Institution is included in this definition.  The record need not be at postgraduate level to be counted.  We have not used a sustained definition for further study.

<sup>5</sup> The CIS stores basic identifying information about customers and provides information on all individuals who have ever had a national Insurance number.

	Improvements to data on destinations of key stage 5 students	Employment and Earnings Outcomes of Higher Education Graduates
Sustained employment	<p>Employed at least one day in each of five months between October and March; if they were not employed in March they must have been employed for at least one day in April.</p> <p>Students are allocated to employment destinations only if they have <b>not</b> been identified as having a sustained education destination. Sustained employment destinations are obtained from HMRC data and NCCIS data in that order.</p>	<p>Employed at least one day in each of five months between October and March; if they were not employed in March they must have been employed for at least one day in April.</p> <p>Those who meet the sustained employment definition but are also identified as being in further study are placed in the further study and sustained employment category (see below).</p>
Further study and sustained employment	<p>Students with both sustained education and employment in the period are reported under education destinations. If education was not sustained employment may be reported.</p>	<p>Students who have a further study spell within the relevant financial year and meet the sustained employment definition given in the category above are included in this category.</p>
No sustained destination	<p>Students in this category may have an education or employment record in the destination year but did not meet the sustained destination definition. They may alternatively have an out of work benefit ( or NCCIS NEET) record at some point in the year</p>	<p>Graduates in this category may have an employment record in the financial year in question but did not meet the sustained employment definition. They may alternatively have an out of work benefit record in that financial year.</p>
No activity captured	<p>Students recorded with 'no activity captured in data' fall into 2 sub categories</p> <ol style="list-style-type: none"> <li>1) Have no activity recorded in any destination source datasets <b>but</b> have been successfully matched to DWP's Customer Information System.</li> <li>2) Have no activity recorded in any destination source datasets <b>and</b> have not been identified in the DWP CIS system</li> </ol>	<p>This category contains those successfully matched to DWP's Customer Information System but who do not have any employment or out of work benefit record for the financial year in question.</p>
Earnings	<p>No information on earnings is reported.</p>	<p>Annualised earnings are presented for those classed as in sustained employment only (not those in both sustained employment <b>and</b> further study) and where we have a valid earnings record from P14 data.</p> <p>The earnings reported for such graduates on the P14 data for a given financial year are divided by the number of days recorded in employment across that same financial year. This daily wage is then multiplied by the number of days in the financial year to provide an annualised earnings figure for that individual.</p>



**Improvements to data on destinations of key stage 5 students**

**Employment and Earnings Outcomes of Higher Education Graduates**

**Assumptions in LEO data processing**

Comparison of employment and benefits spells

We assume that benefits data is more accurate than P45 data. This means that when P45 data shows an individual as employed while benefits data shows they are on out-of-work benefit, then we correct the P45 data to show the individual as unemployed.

We do assume it is possible to both be employed and on out-of-work benefits. Thus we do not adjust the P45 data to remove overlaps with benefit data.

Handling of uncertain start and end dates for employment spells

We assume the true start date/end date of an employment spell recorded as starting on the 6<sup>th</sup> of April or ending on the 5<sup>th</sup> of April could be anywhere in that tax year.

When the exact date is unknown we assume that the individual was employed for the entire year (excluding any days on which they were claiming out-of-work benefits).

If they have such an employment spell but no education or benefits records they are therefore included as having sustained employment.

We produce rules to identify records with uncertain start or end dates. These are mainly those with start dates on the 6<sup>th</sup> of April or end dates on either the 5<sup>th</sup> of April. For these, we assume that the true start/end is sometime within the same tax year as the recorded start/end.

Start and end dates are then randomly imputed within these ranges after the ranges are narrowed using other spells with known start/end dates.



## Department for Education

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email [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk)

write to Information Policy Team, The National Archives, Kew, London, TW9 4DU

About this publication:

Stephen Harris, Education Data Division, Department for Education, Piccadilly Gate, Store Street, Manchester, M1 2WD.

0161 600 1595 [destination.measures@education.gsi.gov.uk](mailto:destination.measures@education.gsi.gov.uk)

<https://www.gov.uk/government/collections/statistics-destinations>

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