

## Progress to date on the review of the benchmarking approach

UKPITG 15/08†

### Issue

1. To understand the progress of work to deliver a fundamental review of the benchmarking approach and methodology used within UK Performance Indicators (UKPIs). Timely progress with the review needs to be made in order to effect change in the 2016 publications of UKPIs and experimental statistics, as requested by the UK Performance Indicators Steering Group (UKPISG).

### Recommendations

2. In order to secure timely development of UKPIs, UKPITG may wish to assume that modifications will be required to the UKPIs' benchmarking approach that are sufficient to necessitate the use of experimental statistics. UKPITG should determine likely publication timings for new experimental statistics during 2016 in the event that this assumption comes to be realised.
3. UKPITG is invited to consider any parameters it may wish to set as to what might constitute a fundamental change to the UKPIs' benchmarking approach (and which would require the publication of new benchmarks as experimental statistics), and what might constitute minor refinement (that would not require the use of experimental statistics).
4. UKPITG is invited to confirm arrangements for UKPITG to draw on parties external to the groups' membership organisations.

### Background

5. At their July 2015 meeting, the UK Performance Indicators Technical Group (UKPITG) recognised the importance of a fundamental review of the UKPIs' benchmarking approach in informing wider in-depth review processes and support the development of new indicators in UKPI areas.
6. UKPISG have endorsed an approach whereby existing widening participation (WP), non-continuation and employment UKPIs would be published for publicly-funded UK higher education institutions (HEIs) plus University of Buckingham according to similar time-scales as previous years: experimental statistics in the areas of WP and research would be published later in 2016, with specific time-scales to be confirmed. UKPISG have noted the opportunity to include existing UKPIs with new, experimental benchmarks (if UKPITG's review finds that they are needed) and existing UKPIs with extended coverage (to include HE students at colleges and alternative providers) within the 2016 tranches of experimental statistics. It has been considered that UKPITG should work towards this objective.

### *Recommendation*

In order to secure timely development of UKPIs, it is recommended that UKPITG assume that modifications will be required to the UKPIs' benchmarking approach that are sufficient to necessitate the use of experimental statistics. UKPITG should determine likely publication timings for new experimental statistics during 2016 in the event that this assumption comes to be realised.

7. The fundamental review may yet determine that the scale of change required to the UKPIs' benchmarking approach is significant. Or it may determine that the approach is appropriate and requires only very minor refinement. It is considered that a benchmarking approach involving significant change would be introduced through the publication of experimental statistics using a new benchmarking approach. If only very minor refinement is needed, it is possible that such modifications could be made without the need for their publication as experimental statistics. A definition of a minor refinement as opposed to a more sizeable change is not readily available, however, and members may wish to consider whether there are any parameters they may wish to set as to the nature of any change which may (or may not) necessitate the publication of new, experimental benchmarks.

**Recommendation**

UKPITG is invited to consider any parameters it may wish to set as to what might constitute a fundamental change to the UKPIs' benchmarking approach, and what might constitute minor refinement.

8. UKPITG has agreed a framework to organise the fundamental review of the benchmarking approach (Table 1).

**Table 1: Framework of UKPITG work to progress a fundamental review of the UKPI's benchmarking approach**

<b>Work area</b>	<b>Description and activities</b>	<b>Proposed UKPITG subgroup / leads (in bold)</b>	<b>Comments</b>
(a) Independent assessment of the statistical approach to the benchmarking	Identification and/or commissioning of an academic who can be invited to lead such an assessment. The academic is not expected to undertake the full assessment in isolation and UKPITG members may be called upon to provide support: in terms of both financial support and academic expertise.	HEFCE / HEFCW, BIS, <b>HESA</b>	UKPITG members have previously been asked to consider any contribution that their organisation may be able to make to the expenses of commissioning an academic to undertake such work.  UKPITG may wish to comment on the possibility of issuing a call to the Royal Statistical Society (RSS) or the Office for National Statistics (ONS) methodology unit for expertise (including in the identification of an appropriate academic).
(b) Review of the principles employed in the selection of factors to include in	Engage with relevant stakeholders and policy/strategic colleagues to review the	<b>HEFCE</b> , HEFCW, DELNI	A literature review may be incorporated within this area of work.

<b>Work area</b>	<b>Description and activities</b>	<b>Proposed UKPITG subgroup / leads (in bold)</b>	<b>Comments</b>
benchmarking calculations	principles currently employed in the selection of benchmarking factors, and any omissions.		While care needs to be taken not to pre-judge the outcomes of work to review the statistical approach, UKPITG have previously determined that work can commence in relation to known issues and concerns.
(c) Review of the methodology used to define groupings used within benchmarking factors	Incorporate within activities proposed in relation to (b) above.	HEFCE, <b>HEFCW</b> , DELNI	
(d) User consultation with regards to the benchmarking approach used within UKPIs	Identification and implementation of appropriate stakeholder engagement mechanisms	<b>SFC, Welsh Government</b>	

9. At their July 2015 meeting UKPITG members leading each work area within the framework committed to determine the specific activities that would be undertaken within each work area, and to provide UKPITG with an indication of their associated timings.
10. UKPITG members leading the four work areas shown within Table 1 have been invited to provide their updates either orally or in writing, with written submissions included as annexes to this paper or being tabled at the meeting.
11. Upon receipt of the required updates, UKPITG will be required to confirm arrangements to take forward the activities that have been determined, including arrangements for UKPITG to draw on parties external to the groups' membership organisations.

#### **Recommendation**

UKPITG is invited to confirm arrangements for UKPITG to draw on parties external to the groups' membership organisations.

#### **Further information**

12. For further information contact Alison Brunt (Phone: 0117 931 7166; e-mail: [a.brunt@hefce.ac.uk](mailto:a.brunt@hefce.ac.uk)) or Mark Gittoes (Phone: 0117 931 7052; e-mail: [m.gittoes@hefce.ac.uk](mailto:m.gittoes@hefce.ac.uk)).

## **Annex A: Progress update from work area (a): independent assessment of the statistical approach**

This progress update will be provided orally or tabled at the meeting.

## **Annex B: Progress update from work area (b): principles for selection of benchmarking factors**

1. This area of work aims to review the principles employed in the selection of factors to include in benchmarking calculations. Initial thoughts from the review leads are that the principles currently employed within the selection of benchmarking factors are broadly the right ones.
2. As a result, the following set of principles has been proposed for UKPI benchmarking factors. UKPITG members are invited to consider the principles proposed, and to identify any refinements or omissions.
3. Members will want to bear in mind the known developments and extensions of UKPIs: new indicators in the areas of widening participation and research may potentially draw upon a wider range of data sources (increasing the factors that may be available for consideration and the nature of those factors); and whether extended coverage to include HE students registered at further education and sixth-form colleges, and at alternative providers, introduces any requirement for additional principles (based on a wider set of data sources and/or wider levels of institutional variations).
4. Members will also want to bear in mind BIS' development of the TEF and the metrics to be used within that exercise. Drawing on wider UKPISG advice regarding the overlaps between development of TEF and review/development of UKPIs, UKPITG should seek to ensure that alignments (or lack thereof) between the benchmarking approaches are clearly articulated, understood and appropriate. A TEF technical consultation is expected in Spring 2016, so confirmation of the UKPIs' benchmarking approach to similar timescales might be mutually beneficial.
5. UKPITG members are invited seek advice and guidance from colleagues in their organisations regarding the proposed principles, and any omissions or refinements that may be necessary. HEFCE colleagues will be undertaking a literature review during January 2016, looking at benchmarking approaches, which may also help to identify any further refinements or omissions to the proposals.
6. During February 2016 UKPITG members contributing to this work area will be asked to participate in an assessment of the fit of the existing benchmarking factors with the principles.
7. UKPISG will next meet in February or March 2016: UKPITG feedback on the proposed principles, including an assessment of fit for the current benchmarking factors, should be provided to UKPISG at that meeting.
8. The principles proposed for the selection of UKPI benchmarking factors should then be included within the user consultation planned in relation to work area (d).

### **Proposed guiding principles for UKPI benchmarking factors**

1. The selection of benchmarking factors should adhere to the same principles as the indicators themselves (shown at Appendix 1).
2. In addition, benchmarking factors should:
  - a. Be correlated with what is being measured.
  - b. Be material, in that they should vary significantly from one institution to another. Materiality should be considered in the context of an ambition to minimise the risk of an institution having a significant impact on their own benchmark.
  - c. Be outside of the institutions' control, or otherwise undesirable for them to control for.
  - d. Not be uniformly distributed across institutions, rather the factor should differentially affect institutions' benchmarks.
  - e. Be a direct measure rather than a proxy.

### **Annex C: Progress update from work area (c): methodology for definition of benchmarking groups**

This progress update will be provided orally or tabled at the meeting.

### **Annex D: Progress update from work area (d): user consultation**

This progress update will be provided orally or tabled at the meeting.