

Setting numerical thresholds for condition B3

Purpose of this document

1. The purpose of this document is to set out the numerical thresholds that apply under the revised condition B3 (student outcomes). The revised condition to which this document relates was published on 26 July 2022 and is available on our website.¹
2. This document is the ‘technical document’ used for the purposes of defining ‘numerical thresholds’ in condition B3.²
3. This document uses student outcome measures that have been produced in line with Description of student outcome and experience measures used in OfS regulation: definition of measures and methods used to construct and present them.³
4. This document includes:
 - a. A summary table of final numerical thresholds.
 - b. Details of our analysis and reasoning for identifying the level for each numerical threshold by indicator, level and mode of study.

¹ See www.officeforstudents.org.uk/publications/student-outcomes-and-teaching-excellence-consultations/student-outcomes/.

² B3.5(h) defines numerical thresholds as ‘the numerical thresholds set by the OfS in the technical documents’.

³ See ‘Analysis of responses to the consultation and decisions’ at www.officeforstudents.org.uk/publications/student-outcomes-and-teaching-excellence-consultations/outcome-and-experience-data/.

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Introduction

5. Condition B3 sets out how the OfS will use numerical thresholds in making judgements about whether a provider has delivered positive outcomes for its students. The full text of the revised initial and ongoing condition B3 can be found on our website.⁴
6. We published a methodology for setting the numerical thresholds in 'Regulatory advice 20: Regulating student outcomes'.⁵
7. In this document we have published the numerical thresholds that we will use in relation to condition B3. These are set out in Table 1 on page 4.
8. The remainder of the document sets out the underlying analysis for why each numerical threshold is set at the value we have chosen. This analysis shows how we have implemented the methodology set out in Regulatory advice 20.
9. The approach broadly has three parts:
 - a. Identification of the starting point for a numerical threshold using analysis of sector performance.
 - b. Consideration of policy and contextual factors.
 - c. Setting the final numerical threshold.
10. We set a different numerical threshold for each student outcome measure (continuation, completion and progression) and for each mode and level of study.
11. The numerical thresholds set out in this document will apply from 3 October 2022 until further notice, as set out in the notice of determination for condition B3.

⁴ See 'Revised condition of registration B3' at www.officeforstudents.org.uk/publications/student-outcomes-and-teaching-excellence-consultations/student-outcomes/.

⁵ See www.officeforstudents.org.uk/publications/regulatory-advice-20-regulating-student-outcomes/.

Numerical threshold values

12. Table 1 sets out the numerical threshold values for use in relation with condition B3.

Table 1: Summary of numerical threshold values

Level and mode of study	Continuation	Completion	Progression
FT Other UG	75%	65%	45%
FT First degree	80%	75%	60%
FT UG with PG components	85%	85%	75%
FT PGCE	85%	85%	85%
FT PG taught masters	80%	80%	70%
FT PG Other	80%	80%	85%
FT PG research	90%	75%	85%
PT Other UG	55%	55%	65%
PT First degree	55%	40%	70%
PT UG with PG components	60%	60%	80%
PT PGCE	75%	75%	85%
PT PG taught masters	65%	65%	85%
PT PG Other	65%	60%	85%
PT PG research	70%	60%	85%
Apprenticeship – UG	70%	55%	75%
Apprenticeship – PG	80%	80%	80%

Note: 'FT' = 'full-time'; 'PT' = 'part-time'; 'UG' = 'undergraduate'; 'PG' = 'postgraduate'.

Annex A: Use of Exploring student outcomes analysis and setting numerical thresholds

13. The OfS has conducted regression analysis, which we have called 'Exploring student outcomes', to identify factors associated with differences in continuation, completion and progression outcomes, and to better understand the extent to which these differences can be accounted for by other underlying differences in student characteristics. Details of this analysis, the student characteristics included and the methodology we have used are available.⁶
14. This analysis is conducted at 'undergraduate' and 'postgraduate' levels. As set out in Regulatory advice 20, we have used this analysis to determine a downward adjustment that will normally be made to the disaggregated levels of study that are within these levels where we propose to set numerical thresholds.
15. This annex sets out our proposed downward adjustment for undergraduate and postgraduate provision. The data underpinning this section can be found on our published data dashboard.⁷ All estimated differences and rates are rounded to one decimal place, while the number of students within each category is rounded to the nearest five. Student numbers are suppressed when there are fewer than 25 students (after rounding) in the chosen category.

Undergraduate courses

Continuation outcomes for full-time students

16. We have identified a downward adjustment of **5 percentage points** when setting numerical thresholds for indicators for continuation outcomes for full-time undergraduate students.
17. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
18. We note that making this adjustment would mean that there would be five groups of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider. These are set out in Table A1.
19. We consider that, because of relatively low numbers of students and the small proportion within the overall population that these students represent, the possible impact of students in these groups is not likely to be material to any one provider's performance. Where we identify providers with performance below our numerical thresholds, we expect that our approach to consideration of context through our engagement and formal decision making will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from these groups compared with other providers in the sector.

⁶ See www.officeforstudents.org.uk/publications/exploring-student-outcomes/.

⁷ See www.officeforstudents.org.uk/data-and-analysis/student-outcomes-and-experiences-data-dashboards/.

Table A1: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
Gypsy or Traveller	-2.4	-6.0	-9.0	375	0.0
Other sex	-4.5	-6.5	-8.4	875	0.0
Non-UK-domiciled					
31 to 40 years	-5.5	-6.3	-7.1	3,580	0.2
41 to 50 years	-6.0	-7.8	-9.3	765	0.0
51 years and over	-14.0	-17.3	-19.9	190	0.0

Completion outcomes for full-time students

20. We have identified a downward adjustment of **5 percentage points** when setting numerical thresholds for completion outcomes for full-time undergraduate students.
21. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
22. We note that making this adjustment would mean that there would be seven groups of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider. These are set out in Table A2.
23. We consider that, because of relatively low numbers of students and the small proportion within the overall population for this disaggregated level that these students represent, the possible impact of students in these groups is not likely to be material to any one provider's performance. Where we identify providers with performance below our numerical thresholds, we expect that our approach to consideration of context through our engagement and formal decision making will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from these groups compared with other providers in the sector.

Table A2: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
Mental health condition	-7.7	-8.1	-8.4	22,980	1.4
Other sex	-25.6	-30.0	-33.9	290	0.0
Non-UK-domiciled					
Mental health condition	-9.5	-10.8	-11.9	1,185	0.1
31 to 40 years	-4.2	-5.1	-5.9	3,435	0.2
41 to 50 years	-3.4	-5.5	-7.4	630	0.0
51 years and over	-6.6	-11.4	-14.9	130	0.0
Other sex	-21.7	-28.2	-32.2	45	0.0

Progression outcomes for full-time students

24. We have identified a downward adjustment of **5 percentage points** when setting numerical thresholds for progression outcomes for full-time undergraduate students.
25. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
26. We note that making this adjustment would mean that there would be one group of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider, although we note that this analysis is not available for the progression indicator for non-UK-domiciled students. This is set out in Table A3.
27. We consider that, because of relatively low numbers of students and the small proportion within the overall population for this disaggregated level that these students represent, the possible impact of students in this group is not likely to be material to any one provider's performance. Where we identify providers with performance below our numerical thresholds, we expect that our approach to consideration of context through our engagement and formal decision making will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from this group compared with other providers in the sector.

Table A3: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
Social or communication impairment	-6.2	-7.9	-9.6	2,575	0.8

Continuation outcomes for part-time students

28. We have identified a downward adjustment of **5 percentage points** when setting numerical thresholds for continuation outcomes for part-time undergraduate students.
29. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
30. We note that making this adjustment would mean that there would be eight groups of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider. These are set out in Table A4.
31. We consider that, because of relatively low numbers of students and the small proportion within the overall population for this disaggregated level that these students represent, the possible impact of students in this group is not likely to be material to any one provider's performance. Where we identify providers with performance below our numerical thresholds, we expect that our approach to consideration of context through our engagement and formal decision making will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from these groups compared with other providers in the sector.

Table A4: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
Mental health condition	-6.7	-7.9	-9.0	7,220	2.2
Asian or Asian British – Bangladeshi	-3.5	-5.7	-8.0	1,590	0.5
Black or black British – Caribbean	-4.4	-5.6	-6.9	5,585	1.7
Black or black British	-3.7	-6.2	-8.6	1,365	0.4

Mixed – white and black Caribbean	-4.6	-6.3	-8.0	2,820	0.9
Non-UK-domiciled					
Mental health condition	12.5	-7.6	-25.2	<25	0.0
Under 21 years	-2.3	-6.0	-9.6	725	0.3
51 years and over	2.2	-6.9	-15.7	115	0.1

Completion outcomes for part-time students

32. We have identified a downward adjustment of **5 percentage points** when setting numerical thresholds for completion outcomes for part-time undergraduate students.
33. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
34. We note that making this adjustment would mean that there would be 15 groups of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider. These are set out in Table A5.
35. We consider that, because of relatively low numbers of students and the small proportion within the overall population that these students represent, the possible impact of students in these groups may not be material to any one provider's performance. Of the differences set out in the table, the performance difference for the largest group (UK-domiciled students aged 51 or over) is estimated to lie between -5.1 and -6.1 percentage points. However, this group comprises only 8.4 per cent of the overall population for this indicator. We therefore consider it unlikely that the impact of students in this group will have a material effect on any one provider's performance.
36. We consider this to be a balanced judgment as the proportion of students in groups where the estimated difference may be above the downward adjustment recommended is higher than for other outcomes. We consider that it is still reasonable to make this downward adjustment and, where we identify providers with performance below our numerical thresholds, we expect that our approach to consideration of context through our engagement and formal decision making will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from these groups compared with other providers in the sector.

Table A5: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
51 years and over	-5.1	-5.6	-6.1	39,160	8.4

Mixed – white and black Caribbean	-3.5	-5.1	-6.7	3,030	0.6
Asian or Asian British – Indian	-4.3	-5.2	-6.1	9,300	2.0
Gypsy or traveller	6.8	-5.2	-16.9	55	0.0
Multiple or other impairments	-4.7	-5.5	-6.3	14,615	3.1
Mental health condition	-4.9	-6.4	-7.9	4,015	0.9
Other sex	0.3	-51.9	-99.7	<25	0.0
Non-UK-domiciled					
Mental health condition	8.4	-11.3	-31.0	<25	0.0
Multiple or other impairments	-2.1	-11.9	-20.7	70	0.0
Social or communication impairment	19.7	-18.6	-49.2	<25	0.0
Under 21 years	-4.4	-5.7	-6.9	2,810	0.6
26 to 30 years	-5.4	-7.4	-9.2	2,385	0.6
31 to 40 years	-14.0	-16.1	-18.0	2,435	0.6
41 to 50 years	-16.8	-19.5	-22.1	995	0.2
51 years and over	-26.0	-30.2	-34.1	355	0.1

Progression outcomes for part-time students

37. We have identified a downward adjustment of **5 percentage points** when setting numerical thresholds for progression outcomes for part-time undergraduate students.
38. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
39. We note that making this adjustment would mean that there would be six groups of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider, although we note that this analysis is not available for the progression indicator for non-UK-domiciled students. These are set out in Table A6.
40. We consider that, because of relatively low numbers of students and the small proportion within the overall population for this disaggregated level that these students represent, the possible impact of students in this group is not likely to be material to any one provider's performance. Where we identify providers with performance below our numerical thresholds, we expect that our approach to consideration of context through our engagement and formal decision making will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from these groups compared with other providers in the sector.

Table A6: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
Social or communication impairment	3.4	-5.1	-11.8	90	0.3
Mental health condition	-5.3	-8.5	-11.3	605	1.9
Asian or Asian British – Pakistani	-0.5	-5.1	-9.2	460	1.5
Asian or Asian British – other	-1.5	-5.3	-8.6	335	1.1
Black or black British – African	-4.0	-6.2	-8.2	975	3.1
Black or black British – other	-1.0	-7.6	-12.9	130	0.4

Postgraduate courses

Continuation outcomes for full-time students

41. We identified a downward adjustment of **5 percentage points** when setting numerical thresholds for continuation outcomes for full-time postgraduate students.
42. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
43. We note that making this adjustment would mean that there would be nine groups of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider. These are set out in Table A7.
44. We consider that, because of relatively low numbers of students and the small proportion within the overall population for non-UK-domiciled students within this disaggregated level that these students represent, the possible impact of students in this group may not be material to any one provider's performance. Of the differences identified above, the performance difference for the largest group of UK-domiciled students (those aged 31 to 40) is estimated to lie between -5.0 and -5.4 percentage points. However, this group comprises only 5.4 per cent of the overall population for this indicator. We therefore consider it unlikely that the impact of students in this group will have a material effect on any one provider's performance and expect a downward adjustment of 5 percentage points to be sufficient for most providers.
45. We consider this to be a balanced judgment as the proportion of students in groups where the estimated difference may be above the downward adjustment recommended is higher than for other outcomes. We consider that it is still reasonable to make this downward adjustment and, where we identify providers with performance below our numerical thresholds, we expect that

our approach to consideration of context through our engagement and formal decision making will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from these groups compared with other providers in the sector.

Table A7: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
31 to 40 years	-5.0	-5.2	-5.4	43,885	5.4
41 to 50 years	-8.2	-8.5	-8.8	22,695	2.8
51 years and over	-11.4	-11.9	-12.3	8,780	1.1
Social or communication impairment	-4.3	-5.5	-6.5	1,515	0.2
Mental health condition	-6.0	-6.4	-6.8	12,535	1.5
Black or black British – African	-5.1	-5.6	-6.0	25,760	3.1
Black or black British – Caribbean	-5.4	-6.1	-6.7	5,525	0.7
Black or black British – other	-4.7	-6.1	-7.3	1,445	0.2
Non-UK-domiciled					
51 years and over	-7.3	-8.2	-8.9	1,070	0.1

Completion outcomes for full-time students

46. We have identified a downward adjustment of **5 percentage points** when setting numerical thresholds for completion outcomes for full-time postgraduate students.
47. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
48. We note that making this adjustment would mean that there would be seven groups of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider. These are set out in Table A8.
49. We consider that, because of relatively low numbers of students and the small proportion within the overall population for this disaggregated level that these students represent, the possible impact of students in this group is not likely to be material to any one provider's performance. Where we identify providers with performance below our numerical thresholds, we expect that our approach to consideration of context through our engagement and formal decision making

will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from these groups compared with other providers in the sector.

Table A8: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
Black or black British – other	-4.0	-5.5	-6.9	905	0.1
Mental health condition	-7.1	-7.7	-8.2	4,120	0.6
41 to 50 years	-8.3	-8.6	-8.9	17,065	2.5
51 years and over	-12.1	-12.6	-13.0	5,115	0.7
Non-UK-domiciled					
Mental health condition	-4.3	-5.1	-5.8	1,565	0.2
41 to 50 years	-4.7	-5.2	-5.7	5,375	0.8
51 years and over	-9.6	-10.6	-11.5	1,010	0.1

Progression outcomes for full-time students

50. We have identified a downward adjustment of **5 percentage points** when setting numerical thresholds for progression outcomes for full-time postgraduate students.
51. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
52. We note that making this adjustment would mean that there would be three groups of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider, although we note that this analysis is not available for the progression indicator for non-UK-domiciled students. These are set out in Table A9.
53. We consider that, because of relatively low numbers of students and the small proportion within the overall population for this disaggregated level that these students represent, the possible impact of students in this group is not likely to be material to any one provider's performance. Where we identify providers with performance below our numerical thresholds, we expect that our approach to consideration of context through our engagement and formal decision making

will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from these groups compared with other providers in the sector.

Table A9: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
Asian or Asian British	-4.3	-5.8	-7.1	1,630	1.8
Black or black British – other	-6.6	-7.5	-8.3	5,575	6.1
Social or communication impairment	-10.4	-13.3	-15.9	380	0.4

Continuation outcomes for part-time students

54. We have identified a downward adjustment of **5 percentage points** when setting numerical thresholds for continuation outcomes for part-time postgraduate students.
55. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
56. We note that making this adjustment would mean that there would be 10 groups of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider. These are set out in Table A10.
57. We consider that, because of relatively low numbers of students and the small proportion within the overall population for non-UK-domiciled students within this disaggregated level that these students represent, the possible impact of students in this group is not likely to be material to any one provider’s performance. Of the differences identified above, the performance difference for the largest group of UK-domiciled students (students aged 51 or over) is estimated to lie between -5.5 and -6.6 percentage points. However, this group comprises only 8.6 per cent of the overall population for this indicator. We therefore consider it unlikely that the impact of students in this group will have a material effect on any one provider’s performance.
58. We consider this to be a balanced judgment as the proportion of students in groups where the estimated difference may be above the downward adjustment recommended is higher than for other outcomes. We consider that it is still reasonable to make this downward adjustment and, where we identify providers with performance below our numerical thresholds, we expect that our approach to consideration of context through our engagement and formal decision making will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from these groups compared with other providers in the sector.

Table A10: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
Mixed – white and black African	-2.9	-5.4	-7.6	1,015	0.3
Asian or Asian British – Bangladeshi	-3.9	-5.7	-7.5	1,625	0.5
Asian or Asian British – Pakistani	-4.7	-5.7	-6.6	5,845	2.0
Black or black British – African	-7.9	-8.7	-9.4	12,330	4.1
Black or black British – Caribbean	-7.1	-8.3	-9.5	4,110	1.4
Black or black British – other	-8.1	-10.7	-13.1	890	0.3
51 years and over	-5.4	-6.0	-6.6	25,350	8.5
Mental health condition	-8.3	-9.5	-10.6	4,165	1.4
Non-UK-domiciled					
Mental health condition	-2.0	-8.4	-13.7	140	0.0
Sensory, medical or physical impairments	-4.5	-9.8	-14.4	200	0.1

Completion outcomes for part-time students

59. We have identified a downward adjustment of **5 percentage points** when setting numerical thresholds for completion outcomes for part-time postgraduate students.
60. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
61. We note that making this adjustment would mean that there would be 10 groups of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider. These are set out in Table A11.
62. We consider that, because of relatively low numbers of students and the small proportion within the overall population for non-UK-domiciled students within this disaggregated level that these

students represent, the possible impact of students in this group is not likely to be material to any one provider's performance. Of the differences identified above, the performance difference for the largest group of UK-domiciled students (students aged 51 and over) is estimated to lie between -9.1 and -10.3 percentage points. However, this group comprises only 8.7 per cent of the overall population for this indicator. We consider this performance difference and population size is sufficiently small that it is unlikely that the impact of students in this group will have a material effect on any one provider's performance, especially when data is further disaggregated by level of postgraduate study.

63. We consider this to be a balanced judgment as the proportion of students in groups where the estimated difference may be above the downward adjustment recommended is higher than for other outcomes. We consider that it is still reasonable to make this downward adjustment and, where we identify providers with performance below our numerical thresholds, we expect that our approach to consideration of context through our engagement and formal decision making will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from these groups compared with other providers in the sector.

Table A11: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
Mixed – white and black African	-2.8	-5.6	-8.2	815	0.3
Asian or Asian British – Pakistani	-5.3	-6.4	-7.5	4,960	1.6
Asian or Asian British – Bangladeshi	-4.9	-7.0	-9.0	1,265	0.4
Black or black British – Caribbean	-6.3	-7.5	-8.8	4,235	1.3
Black or black British – other	-6.0	-8.7	-11.3	870	0.3
Multiple or other impairments	-3.9	-5.2	-6.5	4,000	1.3
Mental health condition	-6.4	-8.3	-10.0	1,630	0.5
51 years and over	-9.1	-9.7	-10.3	27,295	8.7

Non-UK-domiciled					
Cognitive or learning difficulties	-2.6	-8.4	-13.4	195	0.1
Mental health condition	-10.7	-20.5	-28.0	60	0.0

Progression outcomes for part-time students

64. We have identified a downward adjustment of **5 percentage points** when setting numerical thresholds for progression outcomes for part-time postgraduate students.
65. We have identified this adjustment because we consider that an adjustment at this level will enable us to take account of the impact that different student and course characteristics have had in the past on student outcomes.
66. We note that making this adjustment would mean that there would be five groups of students where we have observed an estimated difference of more than our identified adjustment after controlling for all factors apart from provider, although we note that this analysis is not available for the progression indicator for non-UK-domiciled students. These are set out in Table A12.
67. We consider that, because of relatively low numbers of students and the small proportion within the overall population for this disaggregated level that these students represent, the possible impact of students in this group is not likely to be material to any one provider's performance. Where we identify providers with performance below our numerical thresholds, we expect that our approach to consideration of context through our engagement and formal decision making will provide adequate opportunity to address instances where a provider has a disproportionately large number of students from these groups compared with other providers in the sector.

Table A12: Student groups with estimated difference greater than identified adjustment

Group	Upper confidence threshold (% points)	Estimated difference (% points)	Lower confidence threshold (% points)	Population	% of total population
UK-domiciled					
Multiple or other impairments	-4.5	-5.9	-7.0	960	2.0
Mental health condition	-6.6	-8.2	-9.6	735	1.5
Social or communication impairment	-10.1	-14.4	-17.4	95	0.2
Black or black British – other	-4.3	-7.6	-9.8	140	0.3
Gypsy or traveller	16.6	-10.9	-16.0	<25	0.0

Annex B: Numerical threshold levels – detailed tables

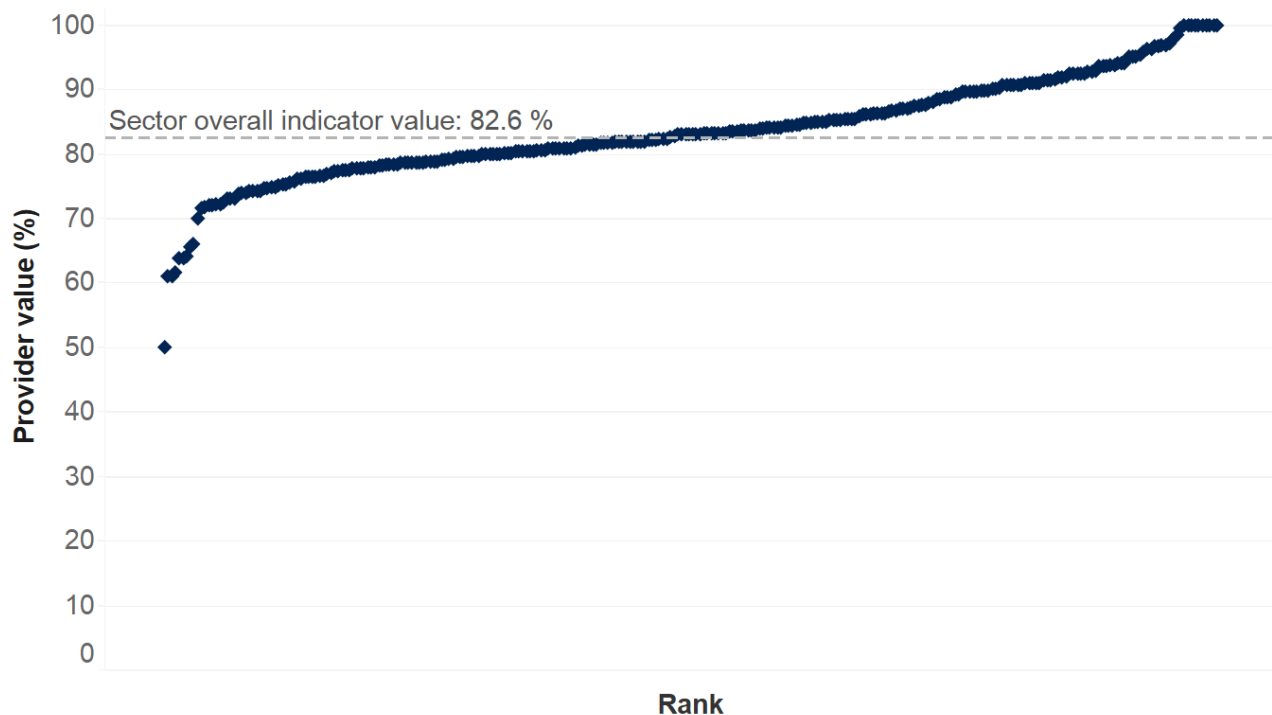
Numerical thresholds for continuation: Full-time undergraduate

1. Numerical threshold for: Continuation

Mode of study: Full-time

Level of study: Other undergraduate

Figure B1: Sector overall rate = 82.6%



Sector median (unweighted): 83.2%

Sector weighted median: 82.2%

Recommended starting point before adjustment: 80%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this measure, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points (ppt) for full-time undergraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 75 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 75 per cent would result in 10.5 per cent of providers having point estimates below the numerical threshold. Thus, 8.8 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have further tested a 75 per cent numerical threshold by considering the distribution of individual benchmarks. There would be five providers (2 per cent) with point estimates and individual benchmarks below the numerical threshold. We would consider the context of these providers when making any decision about compliance, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for full-time undergraduate provision may not be sufficient in the case. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- We have also had regard to the effect that a numerical threshold set at 75 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified a risk that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Q1 ABCS' would be below the numerical threshold for 55 providers (23.6 per cent). We would generally expect indicators for Q1 ABCS to be lower than for other quintiles because the construction of the ABCS quintiles is such that students identified in Q1 would have the lowest historical performance across the sector.
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 49 providers (44.5 per cent).
 - The point estimate for 'Ethnicity – Mixed' would be below the numerical threshold for 22 providers (31.0 per cent).

However, we have noted the relatively small populations for these student groups in comparison with the overall population for this indicator and have balanced this with our consideration of sector-wide contextual factors and our Exploring student outcomes analysis.

We consider that the combined analysis we have undertaken suggests that the identified downward adjustment for this indicator is likely to be sufficient for most providers. We would consider the context of any providers where the characteristics of their student population would be more likely to have a material impact on their compliance.

- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the public sector equality duty (PSED), we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

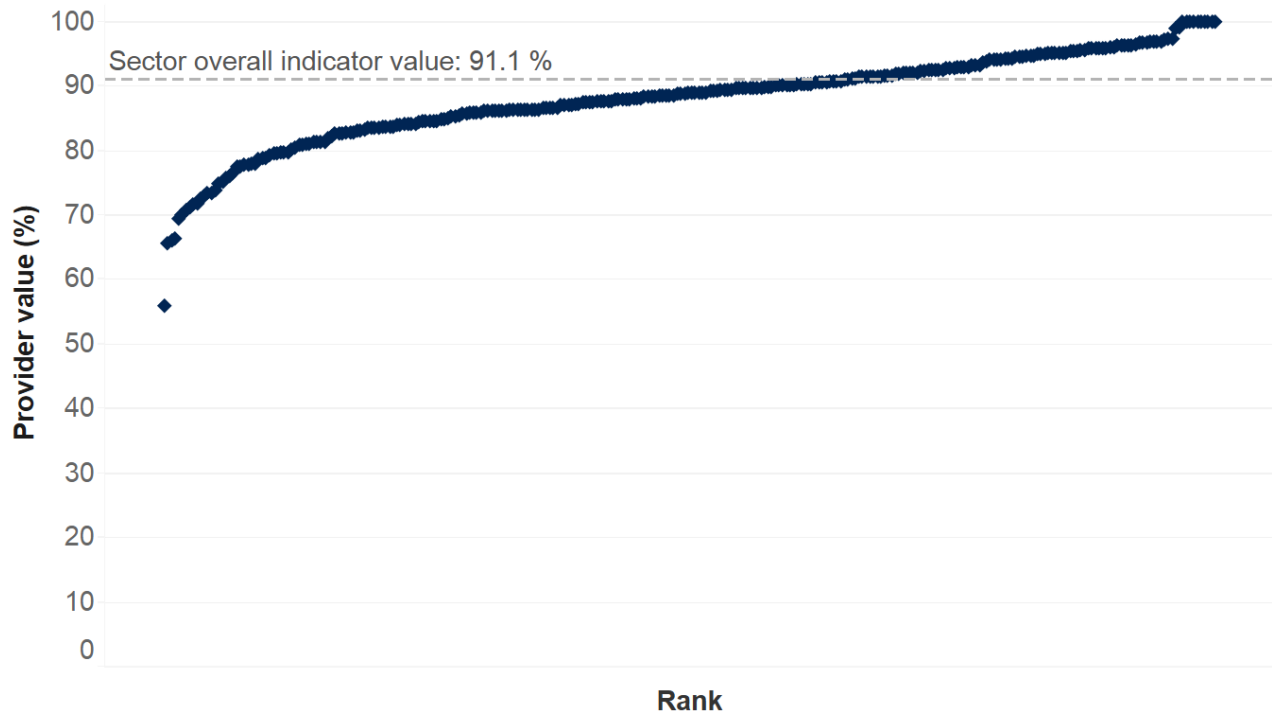
Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	30 (10.5%)
Students studying at providers with point estimates below recommended numerical threshold	16,050 (8.8%)
Recommended numerical threshold	75%

2. Numerical threshold for: Continuation

Mode of study: Full-time

Level of study: First degree

Figure B2: Sector overall rate = 91.1%



Sector median (unweighted): 89.0%

Sector weighted median: 91.5%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time undergraduate courses and have not identified any sector-wide contextual factors with

larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 85 per cent would result in 27.1 per cent of providers having point estimates below the numerical threshold. The majority of these are smaller providers with fewer than 500 students. Thus, 9.7 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Q1 ABCS' would be below the numerical threshold for 114 providers (49.1 per cent). We would generally expect indicators for Q1 ABCS to be lower than for other quintiles because the construction of the ABCS quintiles is such that students identified in Q1 would have the lowest historical performance across the sector.
 - The point estimate for 'Age on entry – 31 years and over' would be below the numerical threshold for 88 providers (42.3 per cent).
 - The point estimate for 'first degree with foundation year' would be below the numerical threshold for 68 providers (55.7 per cent).
- In addition, we have further tested an 85 per cent threshold by considering the distribution of individual benchmarks. There would be 36 providers (12 per cent) with point estimates and individual benchmarks below the numerical threshold. We would consider the context of these providers when making any decision about compliance, but we nonetheless consider that this represents a sufficiently large proportion to suggest that the identified downward adjustment for full-time undergraduate provision may not be sufficient for first degree provision. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.

We therefore consider that a numerical threshold of 80 per cent is appropriate. In making this judgement, we note that:

- 12 per cent of providers have a point estimate below a numerical threshold of 80 per cent. 3.5 per cent of students would be studying at providers with point estimates below a numerical threshold set at 80 per cent. There is a risk that a numerical threshold of 80 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 80 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS's view is that 20 per cent of students not continuing on their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not continuing with their courses and that a threshold below this level may not afford an appropriate level of protection to students.

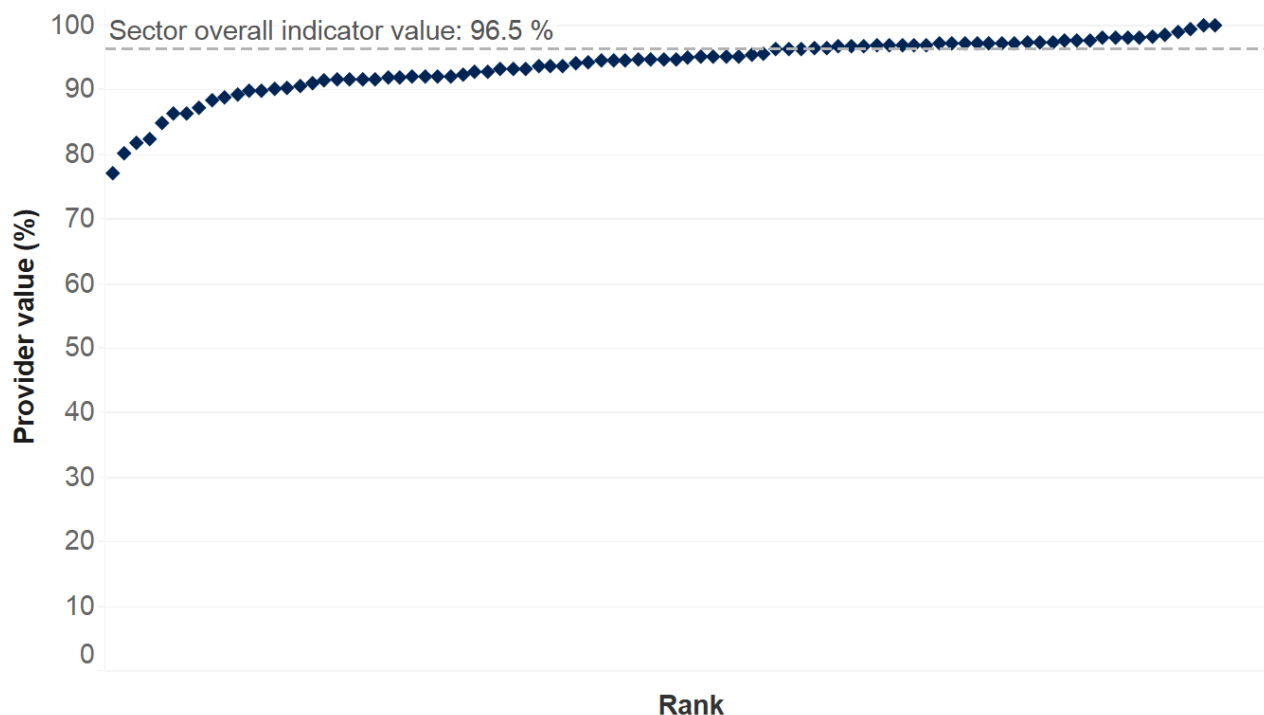
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	35 (12.0%)
Students studying at providers with point estimates below recommended numerical threshold	55,870 (3.5%)
Recommended numerical threshold	80%

3. Numerical threshold for: Continuation

Mode of study: Full-time

Level of study: Undergraduate with postgraduate components

Figure B3: Sector overall rate = 96.5%



Sector median (unweighted): 94.8%

Sector weighted median: 97.2%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- It considers the starting point used for other numerical thresholds at postgraduate level as well as for high performing undergraduate indicators.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time undergraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 5.6 per cent of providers having point estimates below the numerical threshold. Thus, 1.5 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have further tested an 85 per cent threshold by considering the distribution of individual benchmarks. There are no providers with a point estimate and individual benchmark below the numerical threshold.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.
- We have noted responses to the consultation that suggest we could implement more consistent numerical thresholds where indicators relate to similar levels of study. We considered whether it would be appropriate to place weight on the need for consistency between numerical thresholds for different indicators and therefore make an adjustment to the numerical thresholds. The effect of this adjustment would be either to increase one numerical threshold or to decrease the other from the point that we would otherwise have determined a reasonable person would interpret as identifying underperformance in the sector. Our recommendation is that it would be inappropriate to make such a change because it would risk over- or under-identifying (depending on the direction of the change) providers that may not be delivering positive outcomes for their students and would not allow us to account for the performance that we have otherwise observed in the sector data.

Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	5 (5.6%)
Students studying at providers with point estimates below recommended numerical threshold	1,820 (1.5%)
Recommended numerical threshold	85%

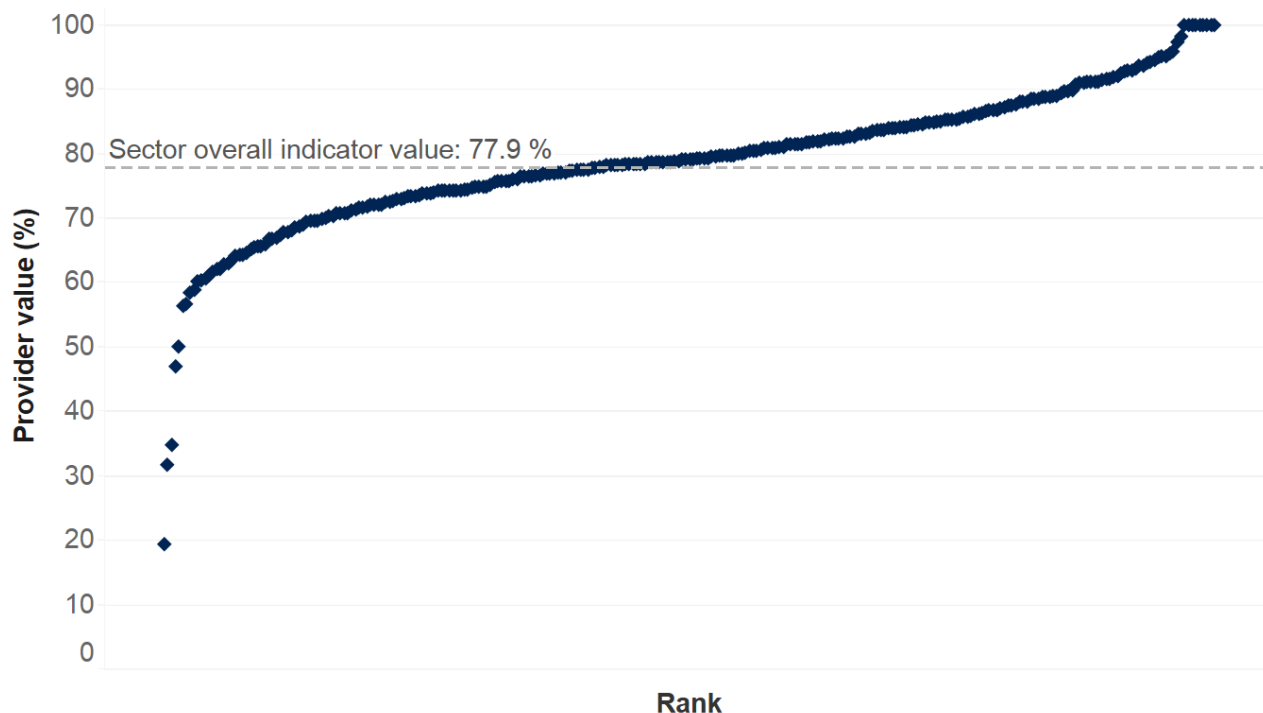
Numerical thresholds for completion: Full-time undergraduate

4. Numerical threshold for: Completion

Mode of study: Full-time

Level of study: Other undergraduate

Figure B4: Sector overall rate = 77.9%



Sector median (unweighted): 79.2%

Sector weighted median: 78.7%

Recommended starting point before adjustment: 75%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time undergraduate courses and have not identified any larger sector-wide performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 70 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 70 per cent would result in 15.2 per cent of providers having point estimates below the numerical threshold. Thus, 13.3 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have further tested a 70 per cent numerical threshold by considering the distribution of individual benchmarks. There would be nine providers (3 per cent) with point estimates and individual benchmarks below the numerical threshold. We would consider the context of these providers when making any decision about compliance, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for full-time undergraduate provision may not be sufficient for other undergraduate provision. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- We have had regard to the effect that a numerical threshold set at 70 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Q1 ABCS' would be below the numerical threshold for 93 providers (39.2 per cent). We would generally expect indicators for Q1 ABCS to be lower than for other quintiles because the construction of the ABCS quintiles is such that students identified in Q1 would have the lowest historical performance across the sector.
 - The point estimate for 'Age on entry – 21 to 30 years' would be below the numerical threshold for 63 providers (24.9 per cent).

- The point estimate for 'IMD quintile – Q1 or Q2' would be below the numerical threshold for 65 providers (26.1 per cent).
- The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 53 providers (47.7 per cent).
- The point estimate for 'Ethnicity – Mixed' would be below the numerical threshold for 24 providers (30.4 per cent).

We therefore consider that a numerical threshold of 65 per cent is appropriate. In making this judgement, we note that:

- 8.2 per cent of providers have a point estimate below a numerical threshold of 65 per cent. 7.4 per cent of students would be studying at providers with point estimates below a numerical threshold set at 65 per cent. There is a risk that a numerical threshold of 65 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 65 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS's view is that 35 per cent of students not completing their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not completing their courses and that a threshold below this level may not afford an appropriate level of protection to students.

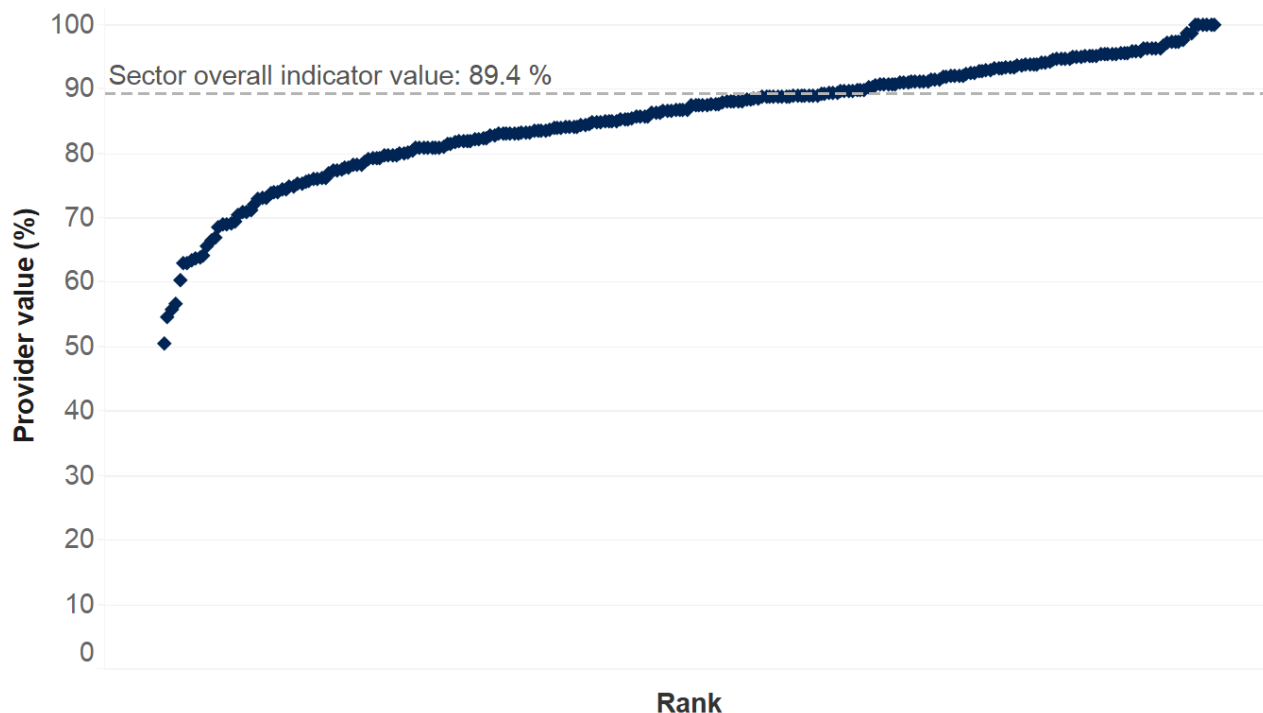
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	23 (8.2%)
Students studying at providers with point estimates below recommended numerical threshold	14,370 (7.4%)
Recommended numerical threshold	65%

5. Numerical threshold for: Completion

Mode of study: Full-time

Level of study: First degree

Figure B5: Sector overall rate = 89.4%



Sector median (unweighted): 87.2%

Sector weighted median: 89.5%

Recommended starting point before adjustment: 85%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time undergraduate courses and have not identified any larger sector-wide performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 80 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 80 per cent would result in 22.4 per cent of providers having point estimates below the numerical threshold. Thus, 4.1 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have further tested an 80 per cent threshold by considering the distribution of individual benchmarks. There would be 19 providers (7 per cent) with point estimates and individual benchmarks below the numerical threshold. We would consider the context of these providers when making any decision about compliance, and we consider that this may represent a sufficiently large proportion to suggest that the identified downward adjustment for full-time undergraduate provision may not be sufficient for first degree provision. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity
- We have also had regard to the effect that a numerical threshold set at 80 per cent would have the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Q1 ABCS' would be below the numerical threshold for 135 providers (63.7 per cent). We would generally expect indicators for Q1 ABCS to be lower than for other quintiles because the construction of the ABCS quintiles is such that students identified in Q1 would have the lowest historical performance across the sector.
 - The point estimate for 'Age on entry – 31 years and over' would be below the numerical threshold for 56 providers (29.9 per cent).

- The point estimate of ‘IMD quintile – Q1 or Q2’ would be below the numerical threshold for 67 providers (28.8 per cent)
- The point estimate for ‘first degree with foundation year’ would be below the numerical threshold for 65 providers (69.9 per cent).

We therefore consider that a numerical threshold of 75 per cent is appropriate. In making this judgement, we note that:

- 12.3 per cent of providers have a point estimate below a numerical threshold of 75 per cent. 2.0 per cent of students would be studying at providers with point estimates below a numerical threshold set at 75 per cent. We consider that this is a more proportionate threshold which has regard to our general duty to ensure our regulatory focus is targeted only at cases where action is needed.
- There is, however, a risk that a numerical threshold of 75 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 75 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS’s view is that 25 per cent of students not completing their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not completing their courses and that a numerical threshold below this level may not afford an appropriate level of protection to students.

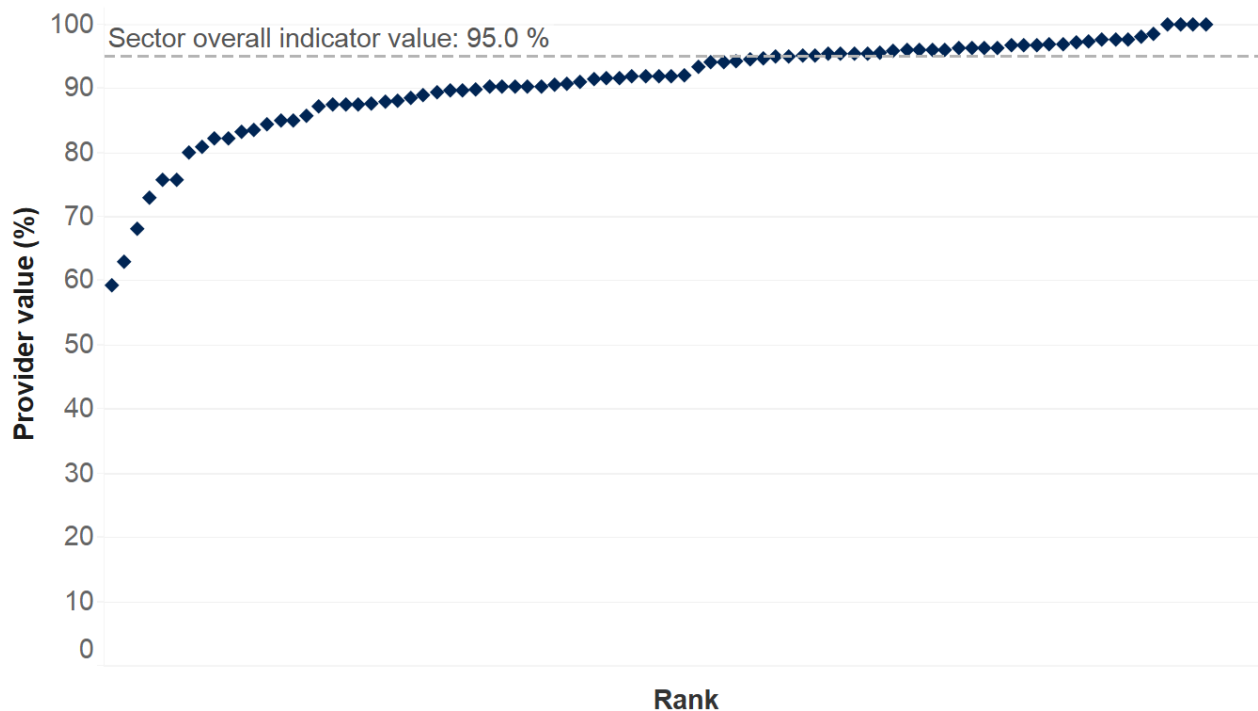
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	33 (12.3%)
Students studying at providers with point estimates below recommended numerical threshold	29,320 (2.0%)
Recommended numerical threshold	75%

6. Numerical threshold for: Completion

Mode of study: Full-time

Level of study: Undergraduate with postgraduate components

Figure B6: Sector overall rate = 95.0%



Sector median (unweighted): 91.9%

Sector weighted median: 96.1 %

Recommended starting point before adjustment: 90%

Reason for recommendation

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- This starting point is consistent with the recommended starting point for other indicators for this mode and level of study.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time undergraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 15.3 per cent of providers having point estimates below the numerical threshold. The majority of these are smaller providers with fewer than 500 students. Thus, 2.3 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Q1 ABCS' would be below the numerical threshold for 32 providers (54.2 per cent). We would generally expect indicators for Q1 ABCS to be lower than for other quintiles because the construction of the ABCS quintiles is such that students identified in Q1 would have the lowest historical performance across the sector.
 - The point estimate for 'Age on entry – 31 years and over' would be below the numerical threshold for 13 providers (48.1 per cent).

We note that the populations for these groups are relatively small compared with the overall population for this indicator. We have already considered these characteristics in our use of sector performance data and Exploring student outcomes analysis, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for full-time undergraduate provision may not be sufficient for this mode and level of study. However, we have set out our mechanisms for considering the context for any provider when making a decision about compliance. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.

- We have further tested an 85 per cent numerical threshold by considering the distribution of individual benchmarks. There would be six providers (7.1 per cent) with point estimates and individual benchmarks below the numerical threshold. We would consider the context of these providers when making any decision about compliance, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for full-time undergraduate provision may not be sufficient for this level of study. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.

- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.
- We have noted responses to the consultation that suggest we could implement more consistent numerical thresholds where indicators relate to similar levels of study. We considered whether it would be appropriate to place weight on the need for consistency between numerical thresholds for different indicators and therefore make an adjustment to the numerical thresholds. The effect of this adjustment would be either to increase one numerical threshold or to decrease the other from the point that we would otherwise have determined a reasonable person would interpret as identifying underperformance in the sector. Our recommendation is that it would be inappropriate to make such a change because it would risk over- or under-identifying (depending on the direction of the change) providers that may not be delivering positive outcomes for their students and would not allow us to account for the performance that we have otherwise observed in the sector data.

Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	13 (15.3%)
Students studying at providers with point estimates below recommended numerical threshold	2,690 (2.3%)
Recommended numerical threshold	85%

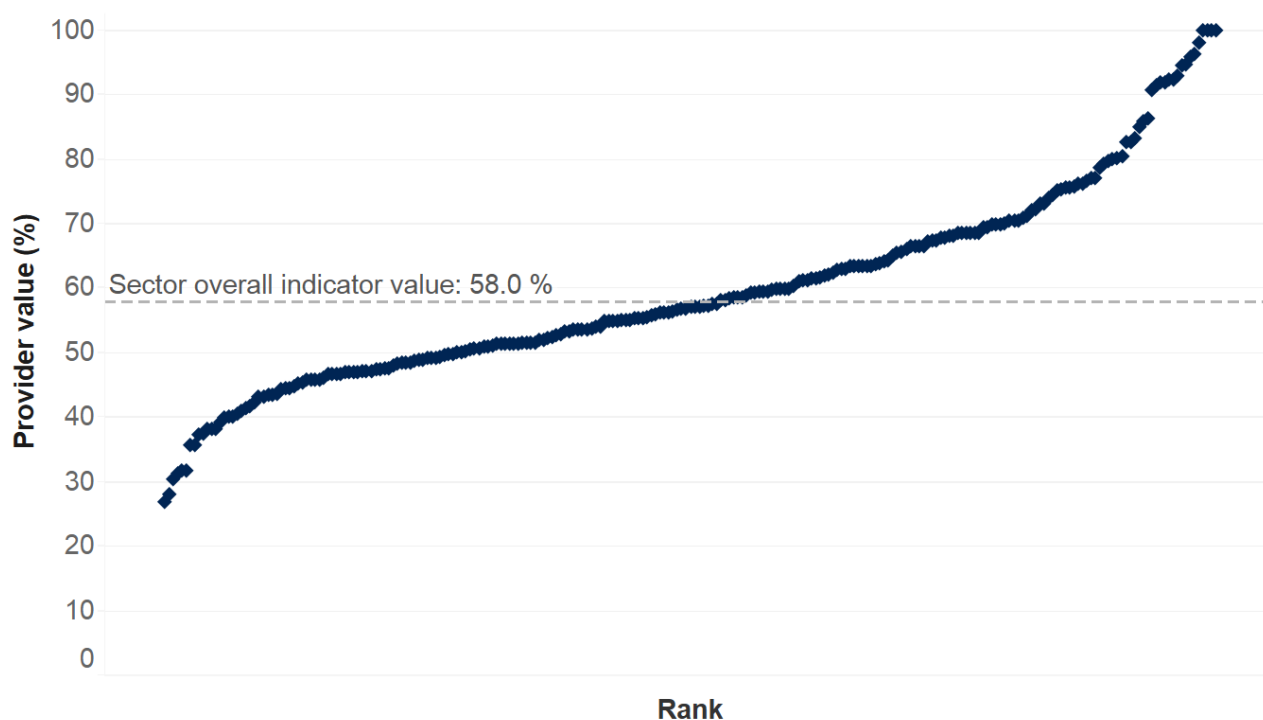
Numerical thresholds for progression: Full-time undergraduate

7. Numerical threshold for: Progression

Mode of study: Full-time

Level of study: Other undergraduate

Figure B7: Sector overall rate = 58.0%



Sector median (unweighted): 57.1%

Sector weighted median: 55.2%

Recommended starting point before adjustment: 55%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time undergraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.
- We have, however, noted that some subject areas have weighted median rates that are below the proposed numerical threshold, namely:
 - Agriculture (33.6 per cent)
 - Business and Management (42 per cent)
- Other weighted medians may be below the numerical threshold but have been suppressed because of low numbers, and therefore we have not placed weight on them in this analysis.
- We propose to include subject of study as a factor in benchmarking data, to take account of the impact that differences in subject area may have on a provider's performance, depending on the subjects it offers. Where there are identified sector-wide differences, we also propose to include a provider's subject offering in contextual considerations of their individual performance where a provider specialises in a particular subject.

Analysis suggests a numerical threshold of 50 per cent may have been reasonable because:

- It would reflect the sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points. We have identified some observable difference as a result of subject area, but we consider this adjustment is sufficient to take account of the likely impact of that difference on an individual provider's performance for a provider offering a range of subjects. We have noted the mechanisms we will use to consider the context of individual providers with a more specialised subject offering.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 50 per cent would result in 27.6 per cent of providers having point estimates below the numerical threshold. Thus, 31.8 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have further tested a 50 per cent threshold by considering the distribution of individual benchmarks. There would be 29 providers (11.8 per cent) with point estimates and individual benchmarks below the numerical threshold. We would consider the context of these providers when making any decision about compliance, but we consider that this may represent a sufficiently large proportion to suggest that the identified downward adjustment for full-time undergraduate provision may not be sufficient for other undergraduate provision. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- We have also had regard to the effect that a numerical threshold set at 50 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Q1 ABCS' would be below the numerical threshold for 72 providers (58.1 per cent). We would generally expect indicators for Q1 ABCS to be lower than for other quintiles because the construction of the ABCS quintiles is such that students identified in Q1 would have the lowest historical performance across the sector.
 - The point estimate for 'Age on entry – under 21 years' would be below the numerical threshold for 80 providers (46.2 per cent).
 - The point estimate for 'Ethnicity – Asian' would be below the numerical threshold for 24 providers (51.1 per cent).
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 19 providers (45.2 per cent).
 - The point estimate for 'Eligibility for free school meals – eligible' would be below the numerical threshold for 9 providers (56.3 per cent).
 - The point estimate for 'Other undergraduate level – level 4' would be below the numerical threshold for 29 providers (39.2 per cent).

We therefore consider that a numerical threshold of 45 per cent is appropriate. In making this judgement, we note that:

- 12.6 per cent of providers have a point estimate below a numerical threshold of 45 per cent. 14.1 per cent of students would be studying at providers with point estimates below a numerical threshold set at 45 per cent. There is a risk that a numerical threshold of 45 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 45 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.

- The OfS's view is that 55 per cent of students not progressing to positive outcomes from their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not progressing to positive outcomes and that a numerical threshold below this level may not afford an appropriate level of protection to students.

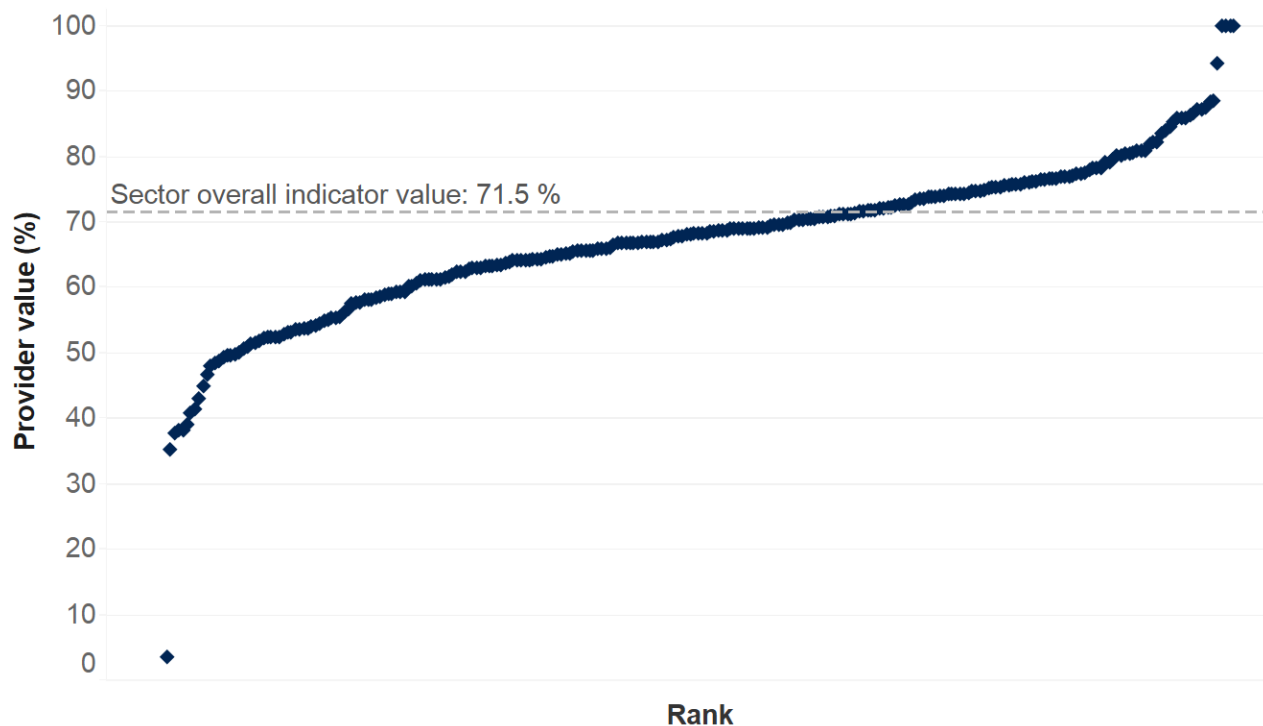
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	31 (12.6%)
Students studying at providers with point estimates below recommended numerical threshold	5,330 (14.1%)
Recommended numerical threshold	45%

8. Numerical threshold for: Progression

Mode of study: Full-time

Level of study: First degree

Figure B8: Sector overall rate = 71.5%



Sector median (unweighted): 68.3%

Sector weighted median: 71.4%

Recommended starting point before adjustment: 70%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time undergraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.
- We have, however, noted that some subject areas have weighted median rates that are below the numerical threshold, namely:
 - Performing arts (64.6 per cent)
 - Media, journalism and communications (64.9 per cent)
 - Sociology, social policy and anthropology (56.7 per cent)
 - Agriculture, food and related studies (58.9 per cent)
- We include subject of study as a factor in benchmarking data, to take account of the impact that differences in subject area may have on a provider's performance, depending on the subjects it offers. Where there are identified sector-wide differences, we will include a provider's subject offering in contextual considerations of their individual performance where a provider specialises in a particular subject.

Analysis suggests a numerical threshold of 65 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 65 per cent would result in 36.8 per cent of providers having point estimates below the numerical threshold. Thus, 10.2 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.

- We have also had regard to the effect that a numerical threshold set at 65 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Q1 ABCS' would be below the numerical threshold for 111 providers (67.7 per cent). We would generally expect indicators for Q1 ABCS to be lower than for other quintiles because the construction of the ABCS quintiles is such that students identified in Q1 would have the lowest historical performance across the sector.
 - The point estimate for 'Age on entry – under 21 years' would be below the numerical threshold for 80 providers (39.6 per cent).
 - The point estimate of 'IMD quintile – Q1 or Q2' would be below the numerical threshold for 89 providers (44.3 per cent).
 - The point estimate of 'Ethnicity – Asian' would be below the numerical threshold for 52 providers (44.4 per cent).
 - The point estimate of 'Disability – reported' would be below the numerical threshold for 59 providers (34.5 per cent)
- In addition, we have further tested a 65 per cent numerical threshold by considering the distribution of individual benchmarks. There would be 69 providers (25.7 per cent) with point estimates and individual benchmarks below the numerical threshold. We would consider the context of these providers when making any decision about compliance. We nonetheless consider that this represents a sufficiently large proportion to suggest that the identified downward adjustment for undergraduate provision may not be sufficient for first degree provision. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.

We therefore consider that a numerical threshold of 60 per cent is appropriate. In making this judgement, we note that:

- 23.0 per cent of providers have a point estimate below a numerical threshold of 60 per cent. 2.5 per cent of students would be studying at providers with point estimates below a numerical threshold set at 60 per cent. There is a risk that a numerical threshold of 60 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 60 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- There are 15 providers with an individual benchmark and point estimate below a numerical threshold of 60 per cent. We consider that this represents a sufficiently small proportion to suggest that this further adjustment is sufficient for first degree provision
- The OfS's view is that 40 per cent of students not progressing to positive outcomes from their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not progressing to positive outcomes and that a numerical threshold below this level may not afford an appropriate level of protection to students.

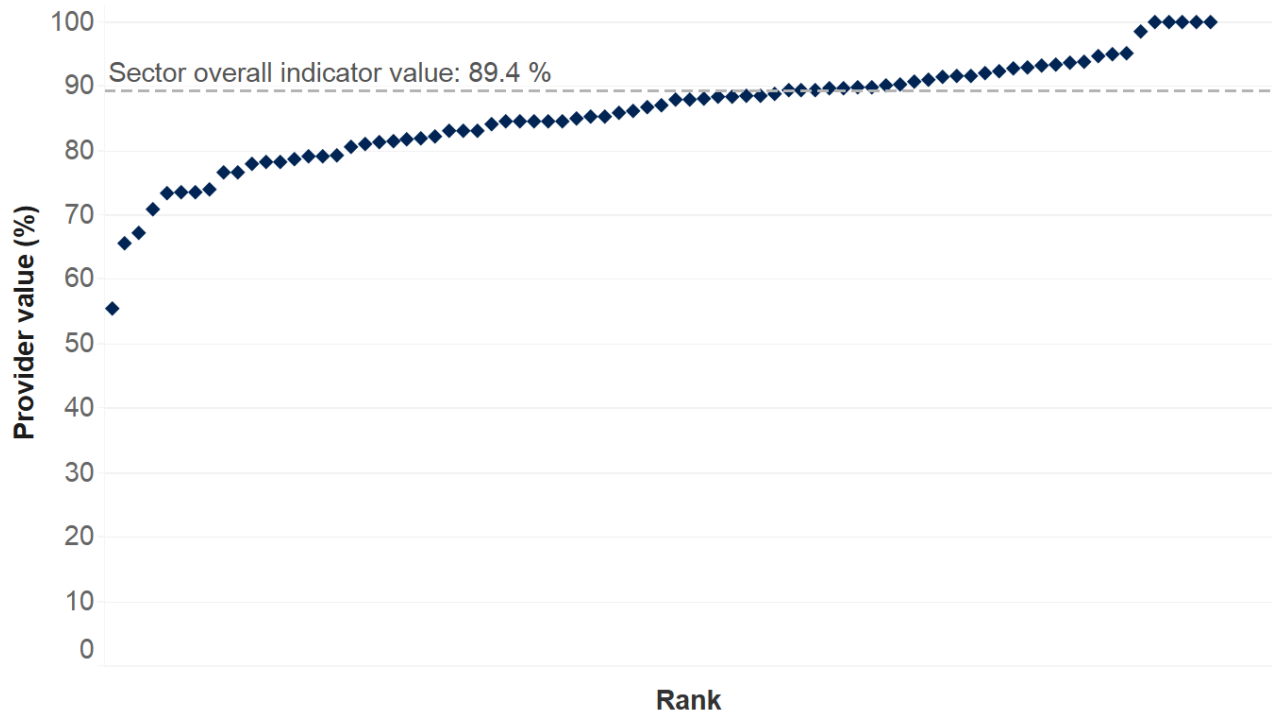
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	62 (23.0%)
Students studying at providers with point estimates below recommended numerical threshold	11,230 (2.5%)
Recommended numerical threshold	60%

9. Numerical threshold for: Progression

Mode of study: Full-time

Level of study: Undergraduate with postgraduate components

Figure B9: Sector overall rate = 89.4%



Sector median (unweighted): 87.1%

Sector weighted median: 89.9%

Recommended starting point before adjustment: 85%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- This starting point is consistent with the recommended starting point for other indicators for this mode and level of study.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time undergraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.
- We have, however, noted that some subject areas have weighted median rates that are below the recommended numerical threshold, namely:
 - Psychology (71.9 per cent)
- Other weighted medians may be below the numerical threshold but have been suppressed because of low numbers, and therefore we have not placed weight on them in this analysis.
- We include subject of study as a factor in benchmarking data, to take account of the impact that differences in subject area may have on a provider's performance, depending on the subjects it offers. Where there are identified sector-wide differences, we will include a provider's subject offering in contextual considerations of their individual performance where a provider specialises in a particular subject.

Analysis suggests a numerical threshold of 80 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the proposed downward adjustment of 5 percentage points.
- We have had regard to the effect that a numerical threshold set at 80 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis has not identified examples where a disproportionately large number of providers would have split indicators where this was the case.
- We have further tested an 80 per cent numerical threshold by considering the distribution of individual benchmarks. There would be six providers (7.6 per cent) with point estimates and individual benchmarks below the numerical threshold. We would consider the context of these providers when making any decision about compliance, and we consider that this does not represent a sufficiently large proportion to suggest that the proposed downward adjustment for full-time undergraduate provision may not be sufficient for this mode and level of study. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- We have also noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.

- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 80 per cent would result in 21.5 per cent of providers having point estimates below the numerical threshold. Thus, 5.2 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.

We therefore consider that a numerical threshold of 75 per cent is appropriate. In making this judgement, we note that:

- 10.1 per cent of providers have a point estimate below a numerical threshold of 75 per cent. 1.4 per cent of students would be studying at providers with point estimates below a numerical threshold set at 75 per cent. There is a risk that a numerical threshold of 75 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 75 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- This represents a change from the numerical threshold we proposed in the consultation, from 80 per cent to 75 per cent. We have recommended this change because the most recent data suggests that effect of a numerical threshold of 80 per cent may result in an increased number of providers with point estimates below the numerical threshold.
- We have noted responses to the consultation that suggest we could implement more consistent numerical thresholds where indicators relate to similar levels of study. We considered whether it would be appropriate to place weight on the need for consistency between numerical thresholds for different indicators and therefore make an adjustment to the numerical thresholds. The effect of this adjustment would be either to increase one numerical threshold or to decrease the other from the point that we would otherwise have determined a reasonable person would interpret as identifying underperformance in the sector. Our recommendation is that it would be inappropriate to make such a change because it would risk over- or under-identifying (depending on the direction of the change) providers that may not be delivering positive outcomes for their students and would not allow us to account for the performance that we have otherwise observed in the sector data.

Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	8 (10.1%)
Students studying at providers with point estimates below recommended numerical threshold	600 (1.4%)
Recommended numerical threshold	75%

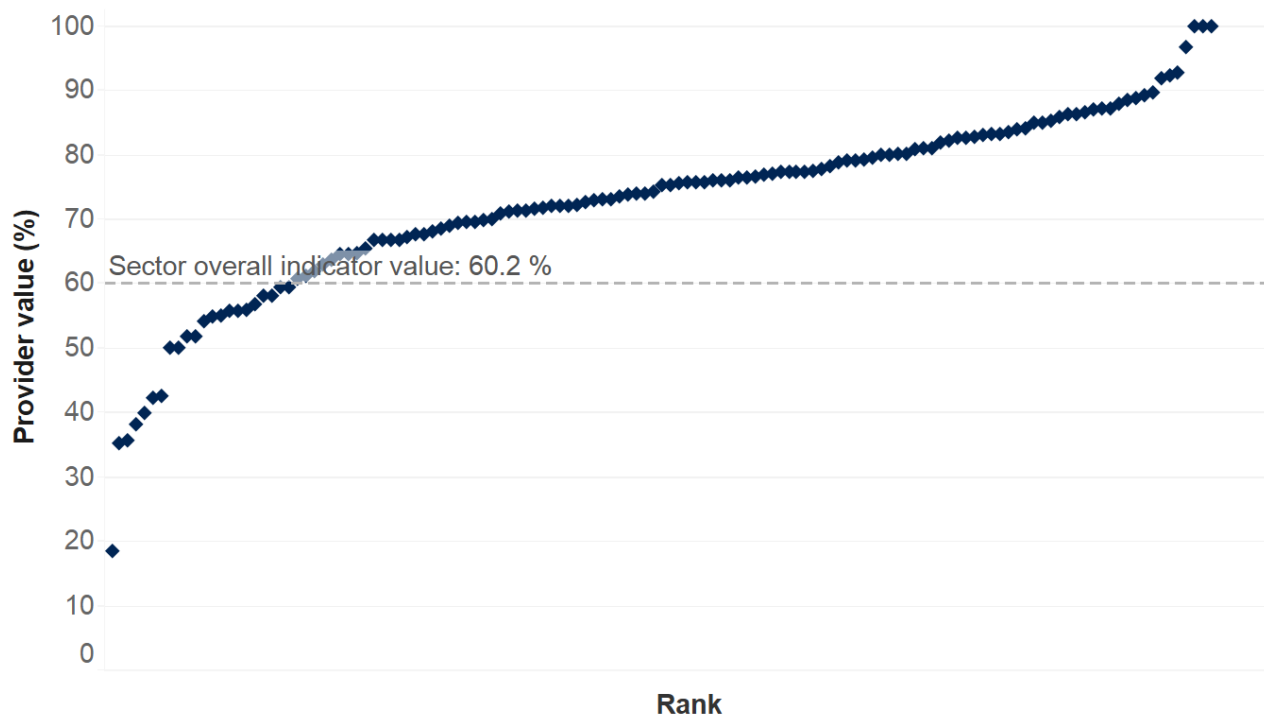
Numerical thresholds for continuation: Part-time undergraduate

10. Numerical threshold for: Continuation

Mode of study: Part-time

Level of study: First degree

Figure B13: Sector overall rate = 60.2%



Sector median (unweighted): 75.3%

Sector weighted median: 55.9%

Recommended starting point before adjustment: 60%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- For this indicator, there is one very large provider that accounts for just over two-thirds of all part-time first degree students. This results in an unweighted sector median performance for this indicator that is significantly different from the sector overall rate and sector weighted median.
- At the consultation stage, we excluded this provider when considering our starting point as we considered that including its data would result in a starting point that was not representative of general performance of the other providers in the sector.

- However, some respondents to the consultation commented that excluding this data would be inconsistent because it would treat one provider differently from the others in the sector. On balance, we are persuaded that it would not be appropriate to treat one provider differently from others when setting numerical thresholds. We have therefore included data from all providers when setting this threshold.
- The starting point for this indicator is 60 per cent. We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time undergraduate courses and have not identified observable difference in sector-wide contextual factors with larger performance differences that indicate that a larger adjustment may be recommended for this indicator.
- In our proposals, we considered the unweighted sector data for this indicator to reduce the influence of a single large provider on our recommended adjustments. However, because of our decision to consider data from this provider in the same way as data from other providers, we have reverted to considering the weighted sector data for observable differences, to be consistent with our approach to other modes and levels of study.

Analysis suggests a numerical threshold of 55 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 55 per cent would result in 9.2 per cent of providers having point estimates below the numerical threshold, resulting in 3.1 per cent of students being covered by indicators below the recommended threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points. In our proposals, we did identify some observable differences that suggested a larger adjustment might be needed. However, the effect of lowering the starting point for this indicator is that this is no longer the case.
- We have also had regard to the effect that a numerical threshold set at 55 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold:

- We have noted that the point estimate for 'Q1 ABCS' would be below the numerical threshold for 8 providers (25.0 per cent). We would generally expect indicators for Q1 ABCS to be lower than for other quintiles because the construction of the ABCS quintiles is such that students identified in Q1 would have the lowest historical performance across the sector.
- For other split indicators where there appears to be a larger proportion of indicators below a numerical threshold of 55 per cent, we have noted that these indicators have a low number of data points (fewer than five), and we do not consider that there is sufficient data to demonstrate disproportionality for this indicator.
- We have further tested a 55 per cent threshold by considering the distribution of individual benchmarks. There would be no providers with point estimates and individual benchmarks below the numerical threshold.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

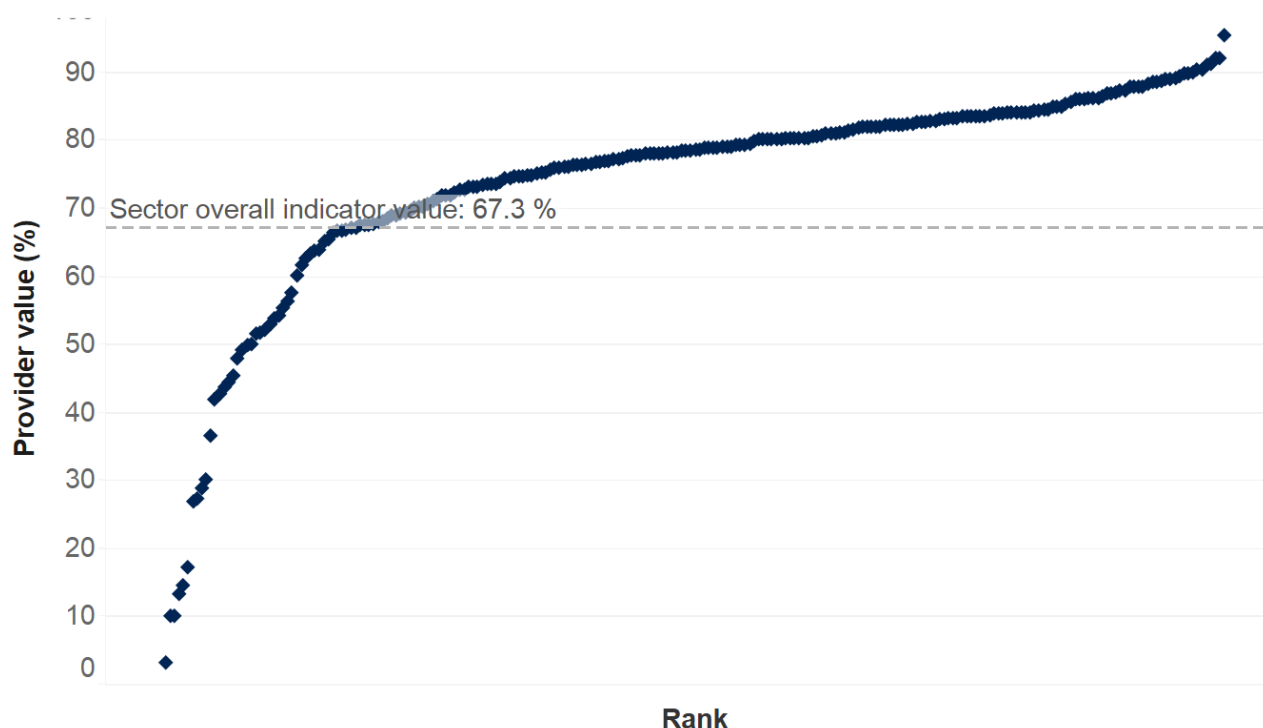
Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	12 (9.2%)
Students studying at providers with point estimates below recommended numerical threshold	4,760 (3.1%)
Recommended numerical threshold	55%

11. Numerical threshold for: Continuation

Mode of study: Part-time

Level of study: Other undergraduate

Figure B14: Sector overall rate = 67.3%



Sector median (unweighted): 78.8%

Sector weighted median: 75.8%

Recommended starting point before adjustment: 70%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We have taken account of the weighted median level and the sector mean for this indicator because of performance in the unweighted lower quartile by some larger providers in this indicator. We have given weight to this level as we think that this results in a starting point that is more representative of general performance in the sector.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time undergraduate courses and have identified that most sector-wide contextual factors do not demonstrate larger performance differences that indicate that a larger adjustment would be recommended for this indicator.
- However, there is some evidence of a larger performance difference based on ethnicity. The weighted median performance for black students is 59.1 per cent and for mixed ethnicity students is 51.1 per cent. The difference between both and sector weighted median are greater than the proposed downward adjustment of 5 percentage points for part-time undergraduate provision. Our regression analysis suggests that the largest performance difference may be larger than the identified downward adjustment of 5 percentage points when compared with white students, although this is based on all undergraduate students rather than specifically those studying other undergraduate programmes. For this indicator, these students represent 6.7 per cent of the student population which has a limiting effect on the likely impact on an individual provider's performance.

Analysis suggests a numerical threshold of 60 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 60 per cent would result in 12.6 per cent of providers having point estimates below the numerical threshold. There are some larger providers below this numerical threshold and, thus, 32.6 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes shows some observable difference as a result of particular student characteristics, but this adjustment is sufficient to take account of the likely impact of that difference on an individual provider's performance.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- We considered whether it was necessary to apply an adjustment to the numerical threshold because the overall sector averages have been particularly affected by the performance of a small group of providers. We consider that the effect of the very large provider on this indicator is to reduce the downward adjustment that would likely be needed to account for historical differences in student outcomes. As such we do not consider it necessary to make any further adjustment.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.

- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- We have had regard to the effect that a numerical threshold set at 60 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Q1 ABCS' would be below the numerical threshold for 22 providers (40.7 per cent). We would generally expect indicators for Q1 ABCS to be lower than for other quintiles because the construction of the ABCS quintiles is such that students identified in Q1 would have the lowest historical performance across the sector.
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 24 providers (38.7 per cent).
 - The point estimate for 'Ethnicity – Asian' would be below the numerical threshold for 29 providers (32.6 per cent).
- In addition, we have further tested a 60 per cent threshold by considering the distribution of individual benchmarks. There would be 13 providers (6 per cent) with point estimates and individual benchmarks below the numerical threshold. We would consider the context of these providers when making any decision about compliance, but we nonetheless consider that this represents a sufficiently large proportion to suggest that the identified downward adjustment for part-time undergraduate provision may not be sufficient for this mode and level of study. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.

We therefore consider that a numerical threshold of 55 per cent is appropriate. In making this judgement, we note that:

- 11.1 per cent of providers have a point estimate below a numerical threshold of 55 per cent. 26.9 per cent of students would be studying at providers with point estimates below a numerical threshold set at 55 per cent. There is a risk that a numerical threshold of 55 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 55 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS's view is that 45 per cent of students not continuing on their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not continuing with their courses and that a threshold below this level may not afford an appropriate level of protection to students.

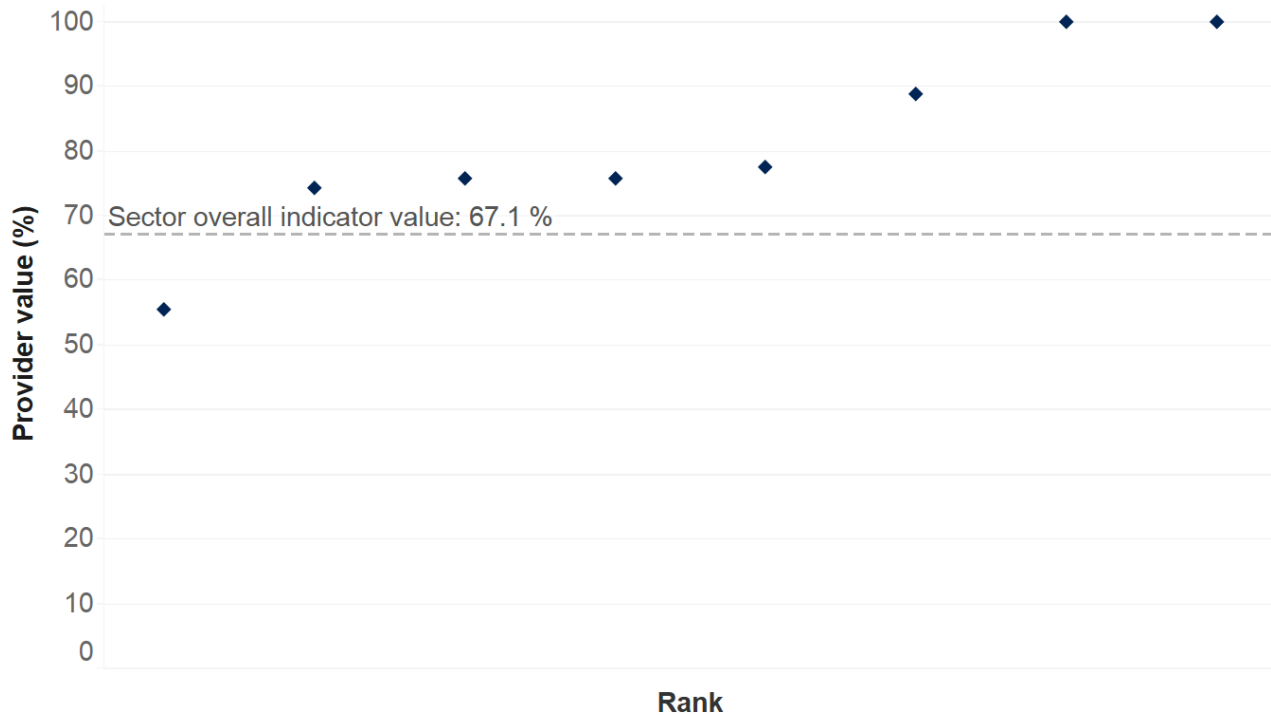
Data issues	None identified
Recommended adjustment	15 ppt below starting point
Providers with point estimates below recommended numerical threshold	26 (11.1%)
Students studying at providers with point estimates below recommended numerical threshold	40,310 (26.9%)
Recommended numerical threshold	55%

12. Numerical threshold for: Continuation

Mode of study: Part-time

Level of study: Undergraduate with postgraduate components

Figure B15: Sector overall rate = 67.1%



Sector median (unweighted): 76.8%

Sector weighted median: 55.5%

Recommended starting point before adjustment: 65%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time undergraduate courses and have identified that most sector-wide contextual factors do not demonstrate larger performance differences that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 60 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also considered the limited availability of data for this mode and level of study. There are fewer than 25 providers with point estimates for continuation, which impacts the level of further analysis. We have therefore, in this instance, given weight to our policy intention of setting thresholds consistently, and have set a numerical threshold in line with the numerical threshold for completion indicators for this mode and level of study. This also takes account of the observed differences between full and part-time students for other undergraduate levels of study.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

Data issues	Limited data set
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	1 (12.5%)
Students studying at providers with point estimates below recommended numerical threshold	710 (56.8%)
Recommended numerical threshold	60%

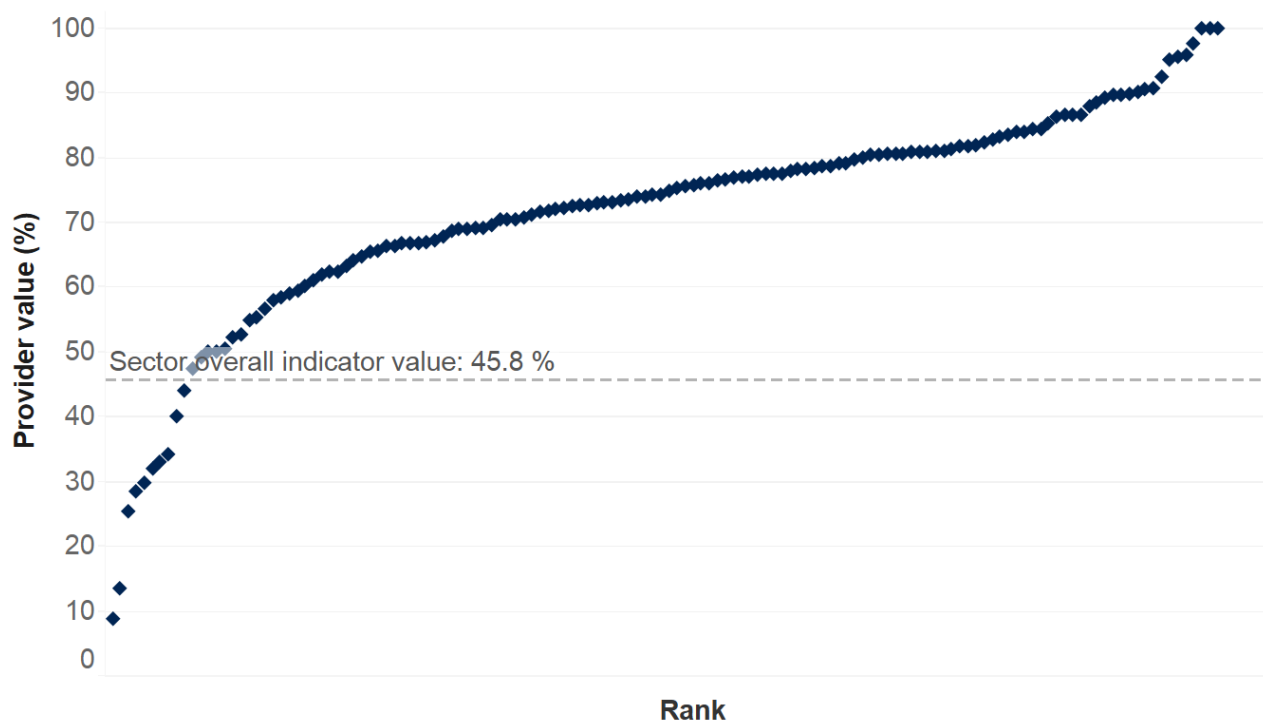
Numerical thresholds for completion: Part-time undergraduate

13. Numerical threshold for: Completion

Mode of study: Part-time

Level of study: First degree

Figure B16: Sector overall rate = 45.8%



Sector median (unweighted): 74.7%

Sector weighted median: 33.1%

Recommended starting point before adjustment: 45%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- For this indicator, there is one very large provider that accounts for just over two-thirds of all part-time first degree students. This results in an unweighted sector median performance for this indicator that is significantly different from the sector overall rate and sector weighted median.
- At the consultation stage, we excluded this provider when considering our starting point as we considered that including its data would result in a starting point that was not representative of general performance of the other providers in the sector.

- However, some respondents to the consultation commented that excluding this data would be inconsistent because it would treat one provider differently from the others in the sector. On balance, we are persuaded that it would not be appropriate to treat one provider differently from others when setting numerical thresholds. We have therefore included data from all providers when setting this threshold.
- We have chosen to use a starting point by placing more weight on the mean sector performance than the weighted or unweighted sector medians. We have done this because we think this most effectively balances the downward effect of the large provider's data with the upward impact of data from other providers.
- We could have chosen to use a starting point based on the weighted sector median. However, on consideration, we felt that this would have a disproportionate effect on the numerical threshold by giving too much weight to a single provider that was not reflective of performance elsewhere in the sector. We also note that this would have resulted in a starting point in the region of 30 per cent, and do not consider that this would represent a point at which the OfS could be confident that there was no need to intervene to protect students.
- Alternatively, we could have chosen to use a starting point based on the unweighted sector median. We have chosen not to do this because we consider there is a likelihood of the data being impacted by large numbers of small providers at one end of the sector distribution. In this case, the data suggests this has resulted in a higher unweighted sector median when compared with the mean or weighted median. We felt this would have the effect of setting a numerical threshold which was too high, and not reflective of sector performance for a larger proportion of providers.
- The starting point for this indicator is 45 per cent. We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time undergraduate courses and have not identified any sector-wide contextual factors with larger performance differences that indicate that a larger adjustment would be recommended for this indicator.
- In our proposals, we considered the unweighted sector data for part of the analysis to reduce the influence of a single large provider on our recommended adjustments. Further to our decision not to exclude data for this large provider, we have now decided to use the weighted median data here to ensure consistency with the approach we have used for other modes and levels of study.

Analysis suggests a numerical threshold of 40 per cent is reasonable because:

- It would reflect the sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 40 per cent would result in 5.7 per cent of providers having point estimates below the numerical threshold. However, this includes the large provider in this indicator, resulting in 68.5 per cent of students being covered by indicators below the recommended numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have further tested a 40 per cent threshold by considering the distribution of individual benchmarks. There would be one provider with a point estimate and individual benchmark below the numerical threshold. We consider that this provider's contribution to its own benchmark suggests there is not sufficient reason to further adjust the numerical threshold.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.
- We considered whether it was necessary to apply an adjustment to the numerical threshold because the overall sector averages have been particularly affected by the performance of a small group of providers. We consider that the effect of the very large provider on this indicator is to reduce the downward adjustment that would likely to be needed to account for historical differences in student outcomes. As such we do not consider it necessary to make any further adjustment.
- There is, however, a risk that a numerical threshold of 40 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 40 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS's view is that 60 per cent of students not completing their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not completing their courses and that a numerical threshold below this level may not afford an appropriate level of protection to students.

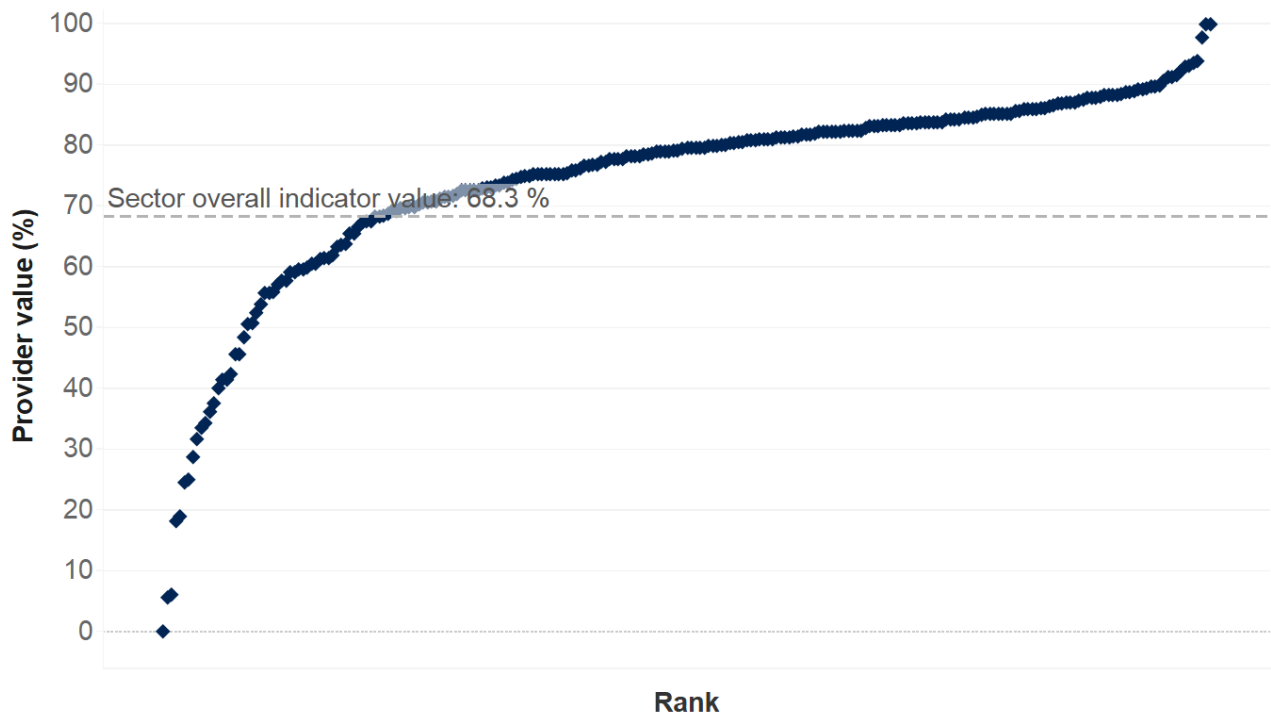
Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	8 (5.7%)
Students studying at providers with point estimates below recommended numerical threshold	118,270 (68.5%)
Recommended numerical threshold	40%

14. Numerical threshold for: Completion

Mode of study: Part-time

Level of study: Other undergraduate

Figure B17: Sector overall rate = 68.3%



Sector median (unweighted): 79.6%

Sector weighted median: 76.0%

Recommended starting point before adjustment: 70%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time undergraduate courses and have not identified sector-wide contextual factors that demonstrate larger performance gaps that would indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 60 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 60 per cent would result in 13.8 per cent of providers having point estimates below the numerical threshold. This includes several larger providers for this indicator. Thus, 29.8 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also had regard to the effect that a numerical threshold set at 60 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 30 providers (31.9 per cent).
 - The point estimate for 'Ethnicity – Other' would be below the numerical threshold for 11 providers (45.8 per cent).
- We note that the populations for these groups are relatively small compared with the overall population for this indicator. We have already considered these characteristics in our use of sector performance data and Exploring student outcomes analysis, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for part-time postgraduate provision may not be sufficient for this mode and level of study. However, we have set out our mechanisms for considering the context for any provider when making a decision about compliance. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- We have further tested a 60 per cent threshold by considering the distribution of individual benchmarks. There would be 12 providers (4.9 per cent) with point estimates and individual benchmarks below the numerical threshold. We would consider the context of these providers when making any decision about compliance, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for part-time undergraduate provision may not be sufficient for other undergraduate provision. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.

- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.
- We have also considered the consistency of this numerical threshold with other thresholds for this mode and level of study. We have set a numerical threshold level of 55 per cent for continuation for part-time other undergraduate study. We note that there is a notable difference in the entry years for the cohorts covered by the continuation and completion indicators, so that the entry dates for students in this indicator will be some time before the entry dates for students in the continuation indicator. We anticipate that this may result in some differences in historical sector performance.
- However, as set out above we consider there is a balanced judgement as to whether a threshold set at 60 per cent would be proportionate. Thus, in conjunction with placing some weight on ensuring consistency between the numerical thresholds for completion and continuation indicators for the same mode and level of study we consider that a numerical threshold of 55 per cent would be most appropriate in this instance.

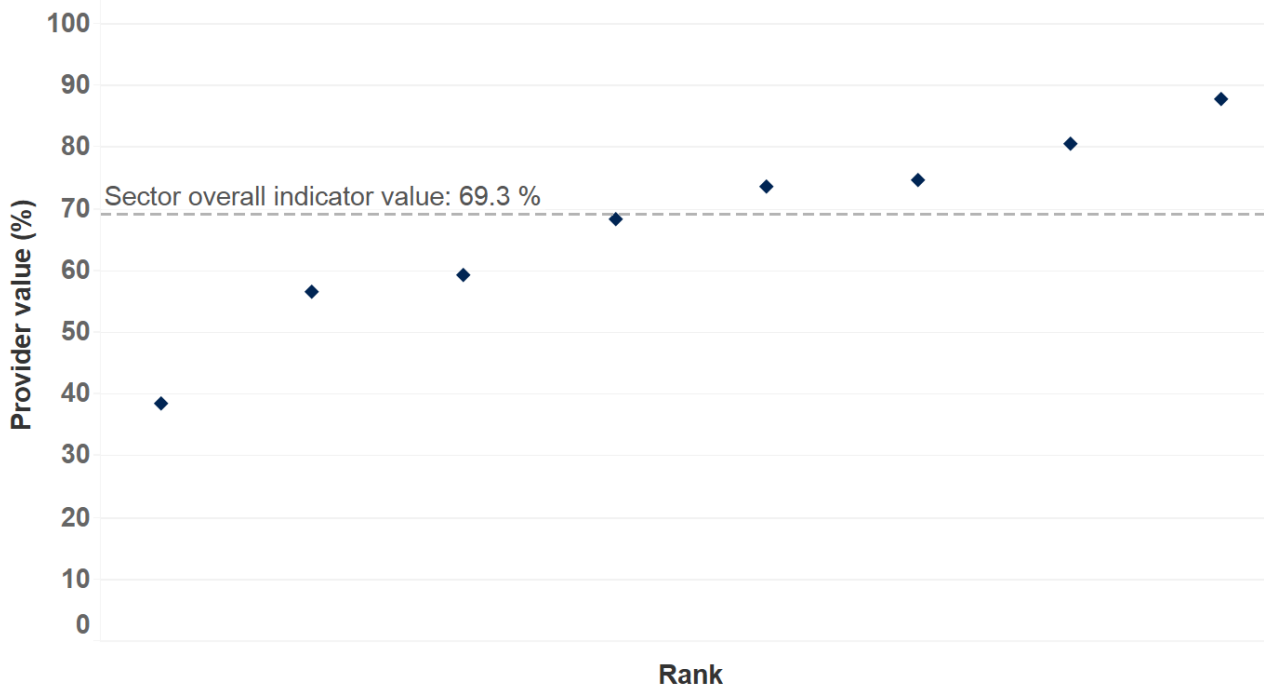
Data issues	None identified
Recommended adjustment	15 ppt below starting point
Providers with point estimates below recommended numerical threshold	24 (9.7%)
Students studying at providers with point estimates below recommended numerical threshold	61,520 (24.6%)
Recommended numerical threshold	55%

15. Numerical threshold for: Completion

Mode of study: Part-time

Level of study: Undergraduate with postgraduate components

Figure B18: Sector overall rate = 69.3%



Sector median (unweighted): 71.1%

Sector weighted median: 73.7%

Recommended starting point before adjustment: 70%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time undergraduate courses and have not identified sector-wide contextual factors that

demonstrate larger performance gaps that would indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 60 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also considered the limited availability of data for this mode and level of study. There are fewer than 25 providers with point estimates for completion, which limits our ability to conduct further analysis. We have therefore, in this instance, given weight to our policy intention of setting thresholds consistently, and have set a numerical threshold in line with the numerical threshold for continuation for this mode and level of study. This is also consistent with the observed difference between full and part-time students for other undergraduate indicators.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

Data issues	Limited data set
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	3 (37.5%)
Students studying at providers with point estimates below recommended numerical threshold	150 (26.2%)
Recommended numerical threshold	60%

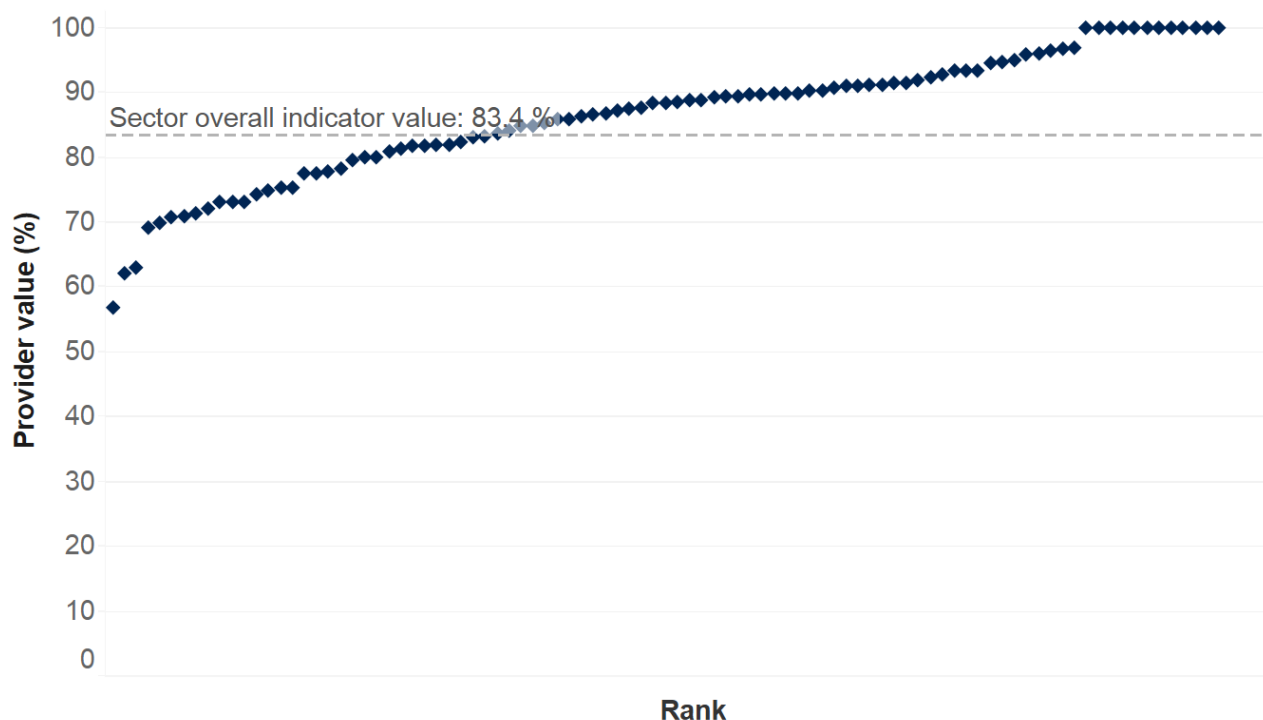
Numerical thresholds for progression: Part-time undergraduate

16. Numerical threshold for: Progression

Mode of study: Part-time

Level of study: First degree

Figure B22: Sector overall rate = 83.4%



Sector median (unweighted): 88.4%

Sector weighted median: 81.7%

Recommended starting point before adjustment: 80%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- For this indicator, there is one very large provider that accounts for just over two-thirds of all part-time first degree students. This results in an unweighted sector median performance for this indicator that is different from the sector overall rate and sector weighted median.
- At the consultation stage, we excluded this provider when considering our starting point as we considered that including its data would result in a starting point that was not representative of general performance of the other providers in the sector.

- However, some respondents to the consultation commented that excluding this data would be inconsistent because it would treat one provider differently from the others in the sector. On balance, we are persuaded that it would not be appropriate to treat one provider differently from others when setting numerical thresholds. We have therefore included data from all providers when setting this threshold.
- The starting point for this indicator is 80 per cent. We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time undergraduate courses and have not identified any sector-wide contextual factors based on student characteristics with larger performance differences that indicate that a larger adjustment would be recommended for this indicator.
- The population for this indicator is smaller than for other indicators, consisting of 22,220 students from 94 providers. There are therefore limitations in the statistical validity of considering further breakdowns of the data.
- We have, however, noted that some subject areas have weighted median rates that are below the proposed numerical threshold. However, these have been suppressed because of low numbers and therefore we have not placed weight on them in this analysis.
- We have included subject of study as a factor in benchmarking data, to take account of the impact that differences in subject area may have on a provider's performance, depending on the subjects it offers. Where there are identified sector-wide differences, we will include a provider's subject offering in contextual considerations of their individual performance where a provider specialises in a particular subject. However, given the low number of indicators for each subject area, we do not consider that there is sufficient evidence to implement a further adjustment to the threshold.

Analysis suggests a numerical threshold of 75 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points. We have noted the mechanisms we will use to consider the context of individual providers with a more specialised subject offering.
- The effect of setting the numerical threshold at 75 per cent would result in 16 per cent of providers having point estimates below the numerical threshold. Thus, 6.9 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that

there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.

- We have further tested a 75 per cent numerical threshold by considering the distribution of individual benchmarks. There would be no providers with point estimates and individual benchmarks below the numerical threshold.
- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- We considered whether it was necessary to apply an adjustment to the numerical threshold because the overall sector averages have been particularly affected by the performance of a small group of providers. We consider that the effect of the very large provider on this indicator on the sector averages is not sufficient in this instance to require a further adjustment.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- We have had regard to the effect that a numerical threshold set at 75 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Q1 ABCS' would be below the numerical threshold for 16 providers (55.2 per cent). We would generally expect indicators for Q1 ABCS to be lower than for other quintiles because the construction of the ABCS quintiles is such that students identified in Q1 would have the lowest historical performance across the sector.
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 5 providers (31.3 per cent).
 - The point estimate for 'Ethnicity – Asian' would be below the numerical threshold for 6 providers (54.5 per cent).

We therefore consider that a numerical threshold of 70 per cent is appropriate. In making this judgement, we note that:

- 6.4 per cent of providers have a point estimate below a numerical threshold of 70 per cent. 1.6 per cent of students would be studying at providers with point estimates below a numerical threshold set at 70 per cent. There is a risk that a numerical threshold of 70 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 70 per cent (or lower) but nonetheless weak, especially when our

mechanisms for considering statistical uncertainty and contextual factors are taken into account.

- We have noted responses to the consultation that suggested that the thresholds we have set for progression for part-time students, especially when compared with thresholds for full-time students, may not make sufficient allowance for the potential impact of personal circumstances that may be more likely to affect part-time students. We consider that a threshold of 70 per cent makes sufficient allowance for the impact of external circumstances. We note that if there were a greater impact this would be reflected in the sector data we have used for this analysis. We considered whether it would be appropriate to place weight on the need for consistency between numerical thresholds for different indicators. We concluded that it would be inappropriate to reduce the threshold for the part-time first-degree indicator for progression because this would result in providers with performance that is significantly worse than the sector average being above the threshold.
- The OfS's view is that 30 per cent of students not progressing to positive outcomes from their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not progressing to positive outcomes, and that a numerical threshold below this level may not afford an appropriate level of protection to students.

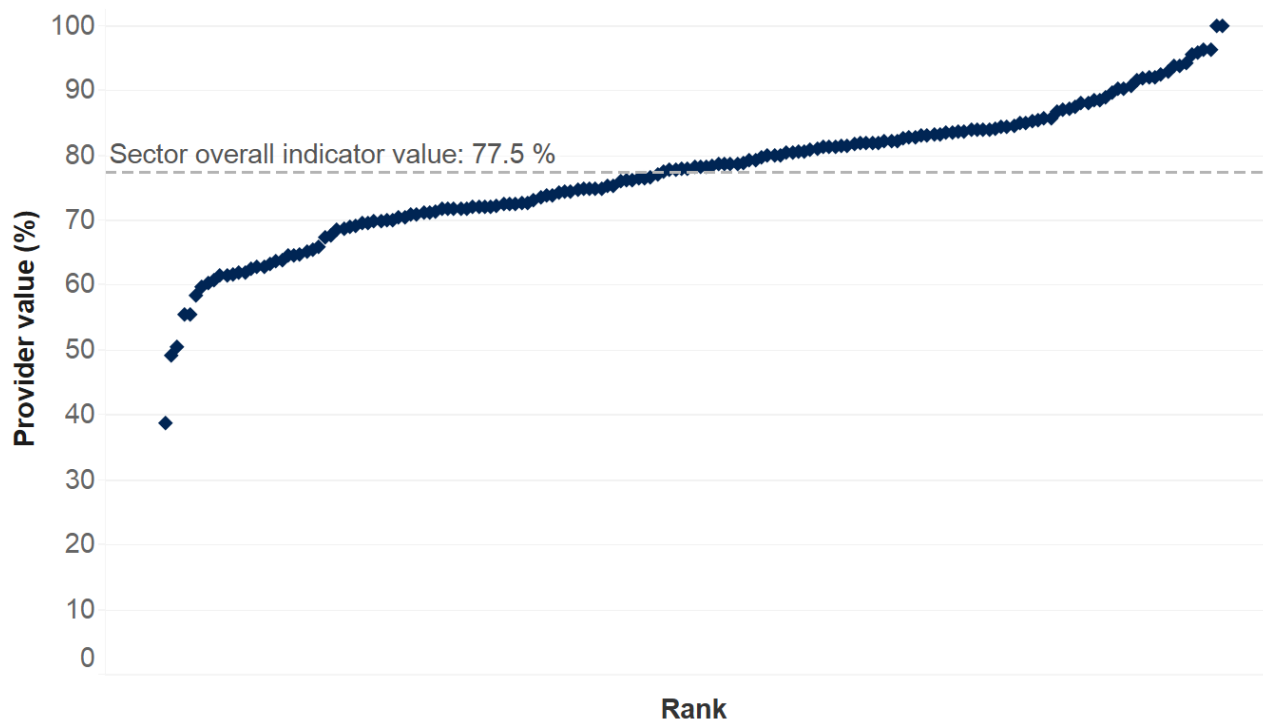
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	6 (6.4%)
Students studying at providers with point estimates below recommended numerical threshold	240 (1.6%)
Recommended numerical threshold	70%

17. Numerical threshold for: Progression

Mode of study: Part-time

Level of study: Other undergraduate

Figure B23: Sector overall rate = 77.5%



Sector median (unweighted): 78.2%

Sector weighted median: 77.1%

Recommended starting point before adjustment: 75%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time undergraduate courses and have not identified sector-wide contextual factors that demonstrate larger performance gaps that would indicate that a larger adjustment would be recommended for this indicator.
- We have noted the smaller population for this indicator with 22,590 students and consider that we would be less statistically confident in further disaggregation of this data.

Analysis suggests a numerical threshold of 65 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 65 per cent would result in 13.6 per cent of providers having point estimates below the numerical threshold. Thus, 11.8 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have had regard to the effect that a numerical threshold set at 65 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators for the point estimate for 'Age on entry – under 21 years', where point estimates would be below the numerical threshold for 21 providers (30 per cent). We have already noted the relatively small population for this indicator as a whole. We have also already considered student characteristics in our use of sector performance data and Exploring student outcomes analysis, and we consider that this example does not represent a sufficiently large proportion to suggest that the identified downward adjustment for part-time undergraduate provision may not be sufficient for this mode and level of study. However, we have set out our mechanisms for considering the context for any provider when making a decision about compliance. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- We have further tested a 65 per cent numerical threshold by considering the distribution of individual benchmarks. There would be one provider with a point estimate and individual benchmark below the numerical threshold. We would consider the context of this provider when making any decision about compliance, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for part-time undergraduate provision may not be sufficient for first degree provision. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered our mechanisms for taking account of statistical uncertainty in data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.

- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- We have noted responses to the consultation that suggested that the numerical thresholds we have set for progression for part-time students, especially when compared with numerical thresholds for full-time students, may not make sufficient allowance for the potential impact of personal circumstances that may be more likely to affect part-time students. We consider that a numerical threshold of 65 per cent makes sufficient allowance for the impact of external circumstances. We note that we would expect to see the impact described by respondents reflected in the sector data we have used for this analysis. We considered whether it would be appropriate to place weight on the need for consistency between numerical thresholds for different indicators. We concluded that it would be inappropriate to reduce the numerical threshold for the part-time other undergraduate indicator for progression because this would result in providers with performance that is significantly worse than the sector average being above the numerical threshold.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	24 (13.6%)
Students studying at providers with point estimates below recommended numerical threshold	2,660 (11.8%)
Recommended numerical threshold	65%

18. Numerical threshold for: Progression

Mode of study: Part-time

Level of study: Undergraduate with postgraduate components

- This mode and level of study has a particularly small population and, given the relatively recent introduction of the graduate outcomes survey, we do not have data that enables us to consider sector performance in the same way that we have for other indicators. The most recent data includes point estimates for three providers, covering a population of 90 students.
- We think it is reasonable to set a numerical threshold for this indicator at this point in time, as we expect data to become available that will enable us to consider performance before the next planned review of numerical threshold levels.

We consider that a numerical threshold of 80 per cent is reasonable because:

- It is consistent with the proposed numerical threshold level for progression for full-time students at this level of study. Our analysis of other levels of study suggests that it is reasonable to propose levels for numerical thresholds with this consistency, especially for progression indicators where there is a much-reduced difference between the outcomes for full and part-time students than for continuation and completion indicators. We have given weight to this factor in making this proposal.
- We have also noted the relationship with existing employment for students at this mode and level of study, which we think further suggests that a numerical threshold at this level would be proportionate.
- The very limited data that is available shows a sector overall rate of 91.5 per cent. No provider has a point estimate below a numerical threshold of 80 per cent.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.
- We have noted responses to the consultation that suggested that the numerical thresholds we have set for progression for part-time students, especially when compared with numerical thresholds for full-time students, may not make sufficient allowance for the potential impact of personal circumstances that may be more likely to affect part-time students. We consider that a numerical threshold of 80 per cent makes sufficient allowance for the impact of external circumstances. We considered whether it would be appropriate to place weight on the need for consistency between numerical thresholds for different indicators. We concluded that it would be inappropriate to reduce the numerical threshold for the part-time indicator for progression because this would result in providers with performance that is significantly worse than the sector average being above the numerical threshold.

Data issues	Very limited data set
Recommended adjustment	N/A
Providers with point estimates below recommended numerical threshold	None
Students studying at providers with point estimates below recommended numerical threshold	None
Recommended numerical threshold	80%

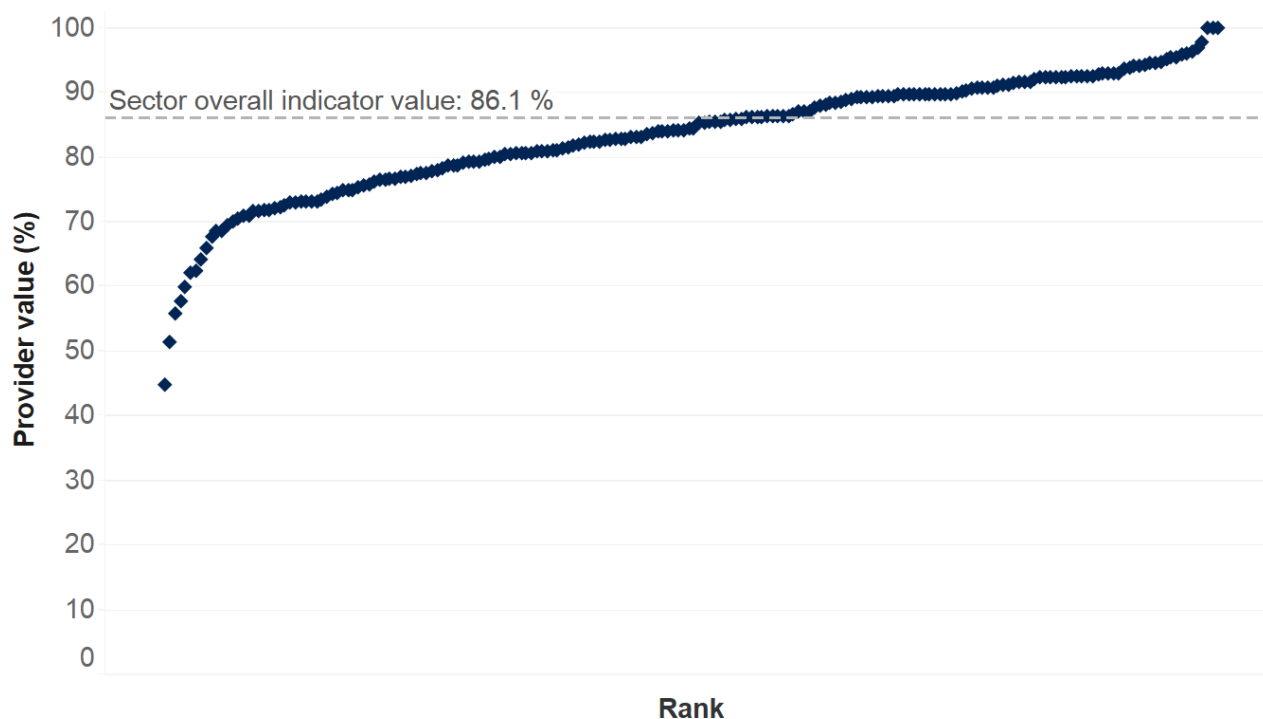
Numerical thresholds for apprenticeship: Undergraduate

19. Numerical threshold for: Continuation

Mode of study: Apprenticeship

Level of study: Undergraduate

Figure B25: Sector overall rate = 86.1%



Sector median (unweighted): 84.4%

Sector weighted median: 89.4%

Recommended starting point before adjustment: 80%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for undergraduate apprenticeship courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 75 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have further tested a 75 per cent threshold by considering the distribution of individual benchmarks. There would be eight providers with point estimates and individual benchmarks below the numerical threshold. We would consider the context of these providers when making any decision about compliance, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for apprenticeship undergraduate provision may not be sufficient. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 75 per cent would result in 17.2 per cent of providers having point estimates below the numerical threshold. The majority of these are smaller providers with fewer than 500 students. Thus, 10.7 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 75 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Age on entry – 31 years and over' would be below the numerical threshold for 51 providers (32.7 per cent).
 - The point estimate for female students would be below the numerical threshold for 39 providers (22.0 per cent).
- We have noted that our response to the consultation sets out the expectation that we would not implement thresholds at a higher level than those included in our original proposals. A

threshold of 75 per cent would represent an increase of 5 percentage points from the proposed threshold of 70 per cent.

We therefore consider that a numerical threshold of 70 per cent is appropriate. In making this judgement, we note that:

- 6.3 per cent of providers have a point estimate below a numerical threshold of 70 per cent. 4.5 per cent of students would be studying at providers with point estimates below a numerical threshold set at 70 per cent. There is a risk that a numerical threshold of 70 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 70 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS's view is that 30 per cent of students not continuing on their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not continuing with their courses and that a threshold below this level may not afford an appropriate level of protection to students.

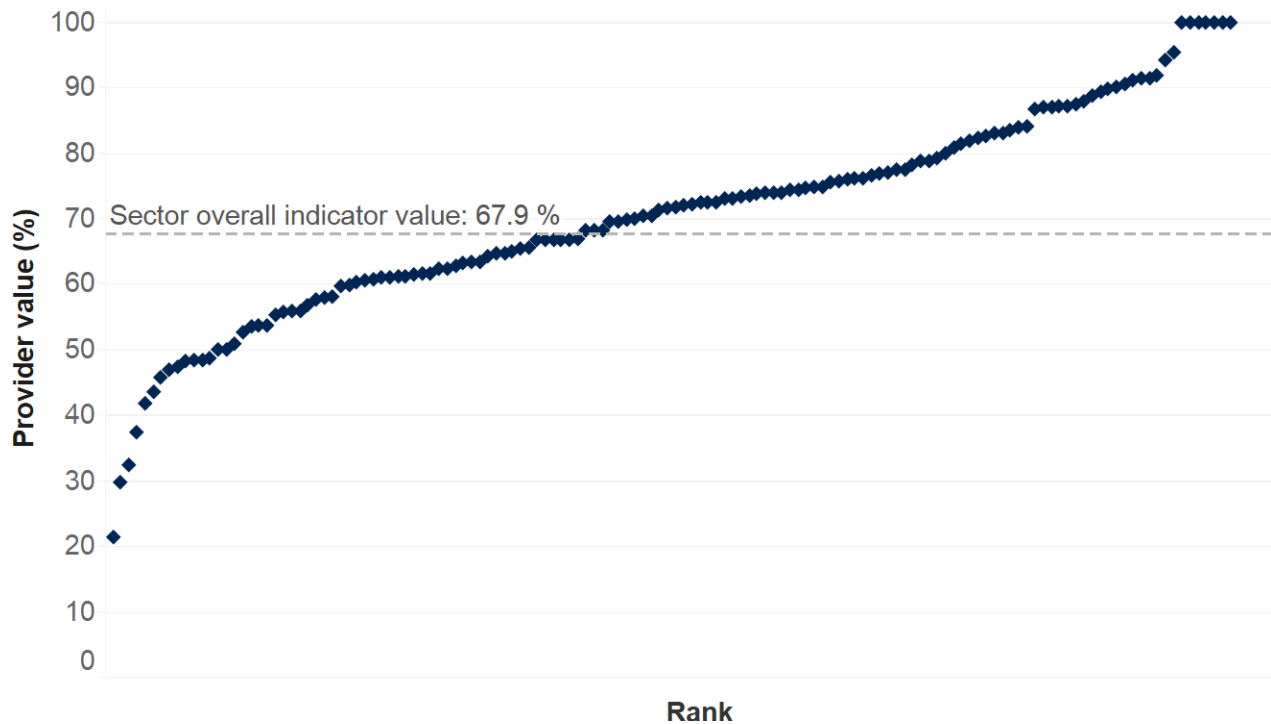
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	13 (6.4%)
Students studying at providers with point estimates below recommended numerical threshold	2,550 (4.6%)
Recommended numerical threshold	70%

20. Numerical threshold for: Completion

Mode of study: Apprenticeship

Level of study: Undergraduate

Figure B26: Sector overall rate = 67.9%



Sector median (unweighted): 71.8%

Sector weighted median: 67.0%

Recommended starting point before adjustment: 65%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for undergraduate courses and have not identified any larger sector-wide performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 60 per cent may have been reasonable because:

- It would reflect the average performance in the sector and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have further tested a 60 per cent numerical threshold by considering the distribution of individual benchmarks. There would be no provider with a point estimate and individual benchmark below the numerical threshold.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 60 per cent would result in 20.9 per cent of providers having point estimates below the numerical threshold. Thus, 20.5 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 60 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Age on entry – 31 years and over' would be below the numerical threshold for 26 providers (28 per cent).
 - The point estimate for 'Q1 ABCS' would be below the numerical threshold for 28 providers (35.9 per cent). We would generally expect indicators for Q1 ABCS to be lower than for other quintiles because the construction of the ABCS quintiles is such that students identified in Q1 would have the lowest historical performance across the sector.
 - The point estimate for 'Sex – male' would be below the numerical threshold for 25 providers (27.2 per cent).

We therefore consider that a numerical threshold of 55 per cent is appropriate. In making this judgement, we note that:

- 14.3 per cent of providers have a point estimate below a numerical threshold of 55 per cent. 14.3 per cent of students would be studying at providers with point estimates below a numerical threshold set at 55 per cent. There is a risk that a numerical threshold of 55 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 55 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS's view is that 45 per cent of students not completing their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not completing their courses and that a threshold below this level may not afford an appropriate level of protection to students.

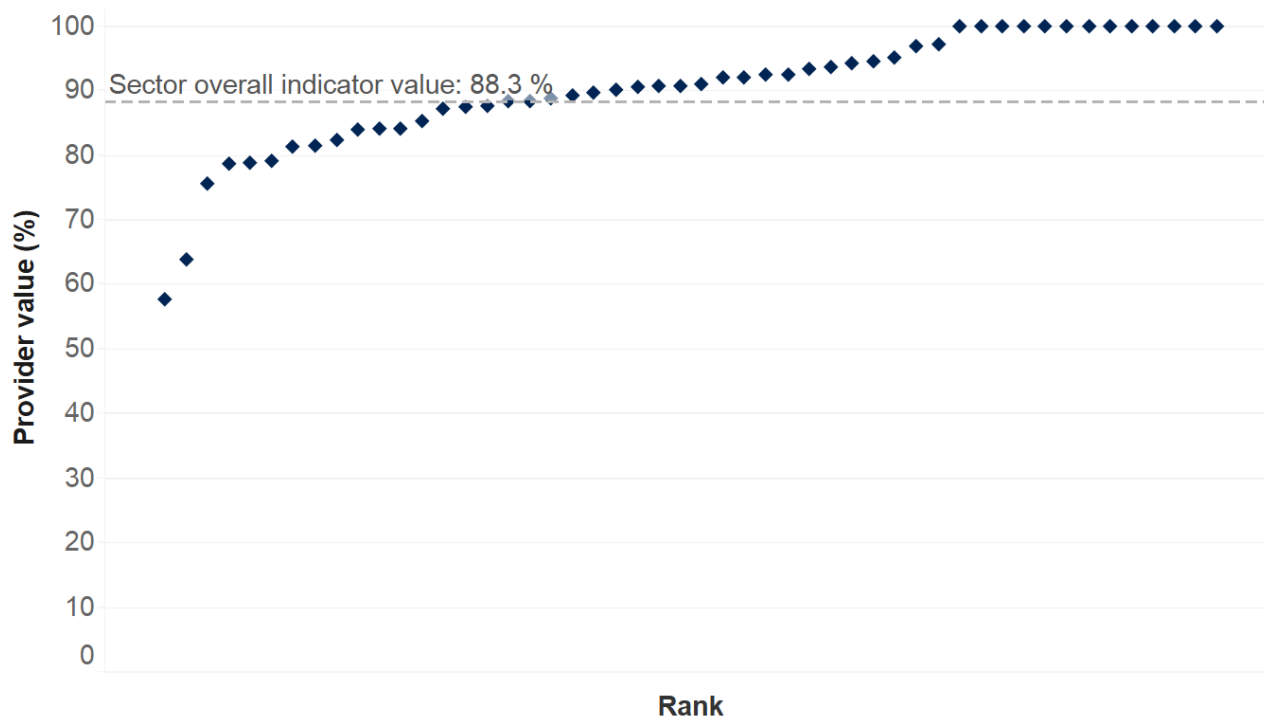
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	20 (14.4%)
Students studying at providers with point estimates below recommended numerical threshold	2,740 (14.4%)
Recommended numerical threshold	55%

21. Numerical threshold for: Progression

Mode of study: Apprenticeship

Level of study: Undergraduate

Figure B28: Sector overall rate = 88.3%



Sector median (unweighted): 91.1%

Sector weighted median: 90.1 %

Recommended starting point before adjustment: 85%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for undergraduate courses and have not identified any larger sector-wide performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 80 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have further tested an 80 per cent numerical threshold by considering the distribution of individual benchmarks. There would be one provider with a point estimate and individual benchmark below the numerical threshold. We would consider the context of this provider when making any decision about compliance, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for apprenticeship undergraduate provision may not be sufficient. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- At the time of consultation, we considered the limited availability of data for this mode and level of study. There were fewer than 25 providers with point estimates for graduate outcomes data, which impacted the level of further analysis. We therefore gave weight to our policy intention of setting numerical thresholds consistently and proposed a numerical threshold with a 10 per cent downward adjustment from the starting point, in line with other proposed numerical thresholds for progression for undergraduate students.
- The updated data set now includes data for a larger number of providers, and our analysis suggests that a numerical threshold of 80 per cent may be appropriate. However, we have decided that we would not implement numerical thresholds at a higher level than those included in our original proposals. A numerical threshold of 80 per cent would represent an increase of 5 percentage points from the proposed numerical threshold of 75 per cent.

We therefore consider that a numerical threshold of 75 per cent is appropriate. In making this judgement, we note that:

- 3.9 per cent of providers have a point estimate below a numerical threshold of 75 per cent. 1.7 per cent of students would be studying at providers with point estimates below a numerical threshold set at 75 per cent. There is a risk that a numerical threshold of 75 per cent (or lower) may not capture provision where students may require protection from performance which is

above a threshold of 75 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.

Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	2 (3.9%)
Students studying at providers with point estimates below recommended numerical threshold	60 (1.7%)
Recommended numerical threshold	75%

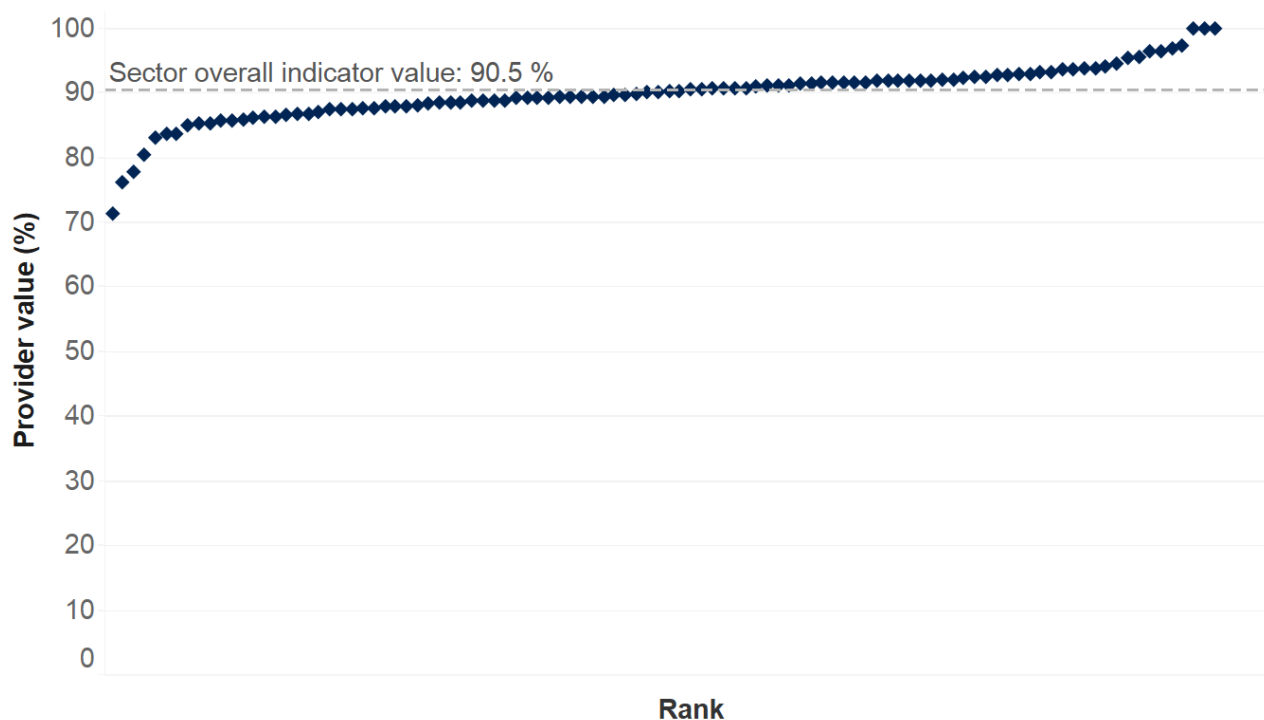
Numerical thresholds for continuation: Full-time postgraduate

22. Numerical threshold for: Continuation

Mode of study: Full-time

Level of study: PGCE

Figure B22: Sector overall rate = 90.5%



Sector median (unweighted): 90.3%

Sector weighted median: 90.7%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- It considers the starting point used for other numerical thresholds at postgraduate level.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and have identified that most sector-wide contextual factors do not indicate larger performance gaps that would mean a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- The effect of setting the numerical threshold at 85 per cent would result in 6.8 per cent of providers having point estimates below the numerical threshold. Thus, 1.1 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a larger proportion of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Age on entry – 31 years and over' would be below the numerical threshold for 42 providers (48.8 per cent).
 - The point estimate for 'Disability reported' would be below the numerical threshold for 26 providers (36.1 per cent).
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for eight providers (26.7 per cent).
- We note that the populations for these groups are relatively small compared with the overall population for this indicator. We have already considered these characteristics in our use of sector performance data and Exploring student outcomes analysis, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for postgraduate provision may not be sufficient for PGCE provision. However, we have set out our mechanisms for considering the context for any provider when making a decision about compliance. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.

- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

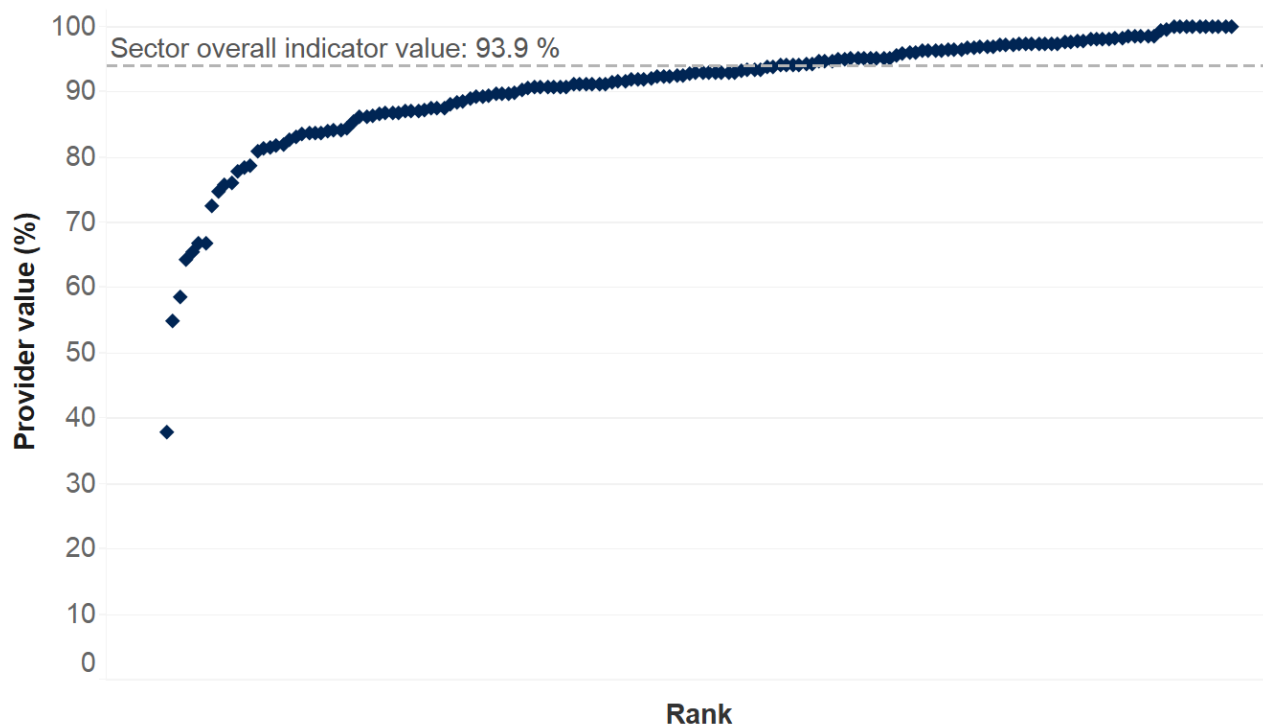
Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	7 (6.8%)
Students studying at providers with point estimates below recommended numerical threshold	930 (1.1%)
Recommended numerical threshold	85%

23. Numerical threshold for: Continuation

Mode of study: Full-time

Level of study: Postgraduate taught masters

Figure B23: Sector overall rate = 93.9%



Sector median (unweighted): 92.7%

Sector weighted median: 96.0%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- It considers the starting point used for other numerical thresholds at postgraduate level.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and have identified that most sector-wide contextual factors do not indicate larger performance gaps that would mean a larger adjustment would be recommended for this indicator.
- Our analysis has suggested that there may be larger performance gap for black, UK-domiciled students. The weighted median for these students is 82.5 per cent, larger than the identified 5 percentage points downward adjustment when compared with the weighted sector median. Regression analysis suggests the largest gap is 6.1 percentage points for Black or Black British – Caribbean students compared with white UK-domiciled students. However, we note that ethnicity data is only included in this analysis for UK-domiciled students. This indicator has a particularly high proportion of students who are non-UK-domiciled (65 per cent). As a result of this, black UK-domiciled students represent 4 per cent of the overall student population in the regression analysis for this indicator, and we consider that this limits the potential impact on an individual provider's data.

Analysis suggests a numerical threshold of 85 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 17.4 per cent of providers having point estimates below the numerical threshold. Thus, 8.1 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- We have had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Age on entry – 31 years and over' would be below the numerical threshold for 49 providers (35.8 per cent).

- The point estimate for ‘IMD quintile – Q1 or Q2’ would be below the numerical threshold for 46 providers (33.8 per cent).
- The point estimate for ‘Ethnicity – Black’ would be below the numerical threshold for 53 providers (52.5 per cent).
- The point estimate for ‘Disability reported’ would be below the numerical threshold for 45 providers (33.6 per cent).

We therefore consider that a numerical threshold of 80 per cent is appropriate. In making this judgement, we note that:

- 8.4 per cent of providers have a point estimate below a numerical threshold of 80 per cent. 3.0 per cent of students would be studying at providers with point estimates below a numerical threshold set at 80 per cent. There is a risk that a numerical threshold of 80 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 80 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS’s view is that 20 per cent of students not continuing on their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not continuing with their courses and that a threshold below this level may not afford an appropriate level of protection to students.
- We have noted responses to the consultation that suggest we could implement more consistent numerical thresholds where indicators relate to similar levels of study. We considered whether it would be appropriate to place weight on the need for consistency between numerical thresholds for different indicators and therefore make an adjustment to the numerical thresholds. The effect of this adjustment would be either to increase one numerical threshold or to decrease the other from the point that we would otherwise have determined a reasonable person would interpret as identifying underperformance in the sector. Our recommendation is that it would be inappropriate to make such a change because it would risk over- or under-identifying (depending on the direction of the change) providers that may not be delivering positive outcomes for their students and would not allow us to account for the performance that we have otherwise observed in the sector data.

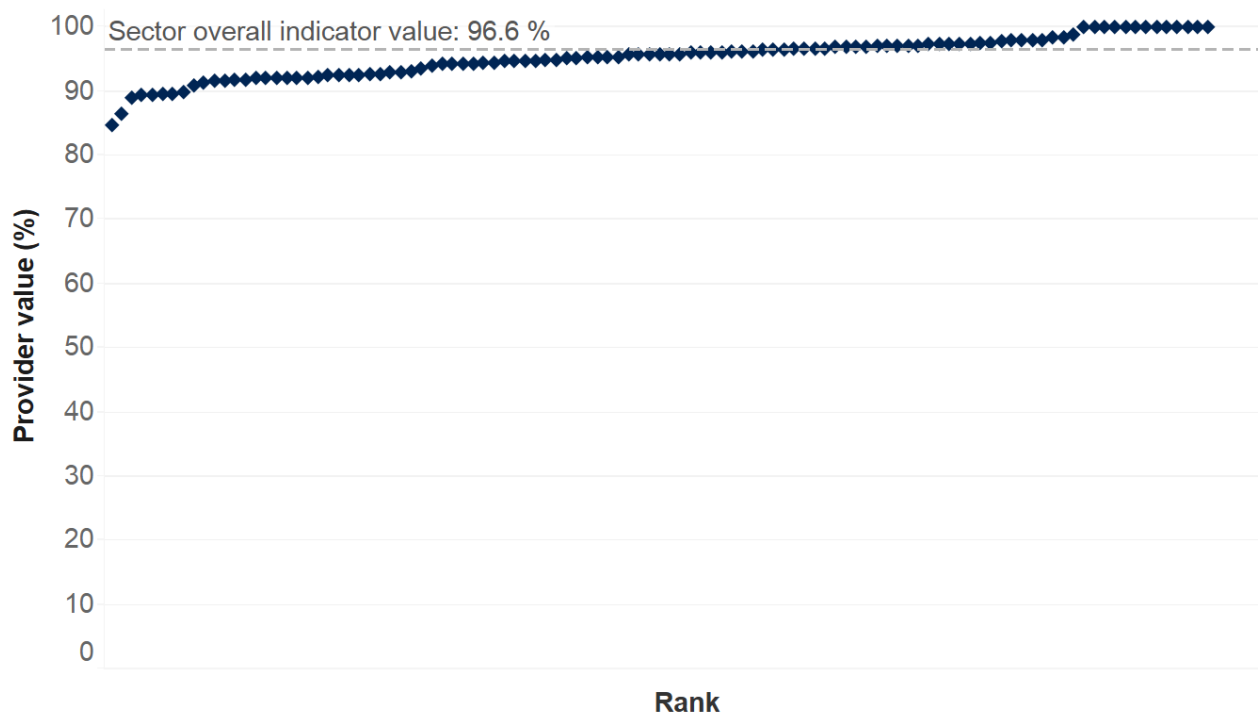
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	14 (8.4%)
Students studying at providers with point estimates below recommended numerical threshold	20,000 (3.0%)
Recommended numerical threshold	80%

24. Numerical threshold for: Continuation

Mode of study: Full-time

Level of study: Postgraduate research

Figure B24: Sector overall rate = 96.6%



Sector median (unweighted): 95.8%

Sector weighted median: 97.1%

Recommended starting point before adjustment: 95%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- It considers the starting point used for other numerical thresholds and is higher because of the overall high levels of performance.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and have not identified sector-wide contextual factors with larger performance gaps that would mean a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 90 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 90 per cent would result in 7.3 per cent of providers having point estimates below the numerical threshold. These are smaller providers with fewer than 500 students. Thus, 1.1 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also had regard to the effect that a numerical threshold set at 90 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis has not identified examples where a disproportionately large number of providers would have split indicators where this was the case.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	8 (7.3%)
Students studying at providers with point estimates below recommended numerical threshold	1,020 (1.1%)
Recommended numerical threshold	90%

25. Numerical threshold for: Continuation

Mode of study: Full-time

Level of study: Other postgraduate

Figure B25: Sector overall rate = 89.5%



Sector median (unweighted): 92.3%

Sector weighted median: 90.7%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- It considers the starting point used for other numerical thresholds at postgraduate level.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and not identified any sector-wide contextual factors with larger performance gaps that would mean a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 14.3 per cent of providers having point estimates below the numerical threshold. Thus, 11.5 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- We have had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Age on entry – 31 years and over' would be below the numerical threshold for 27 providers (31.0 per cent).
 - The point estimate for 'Disability reported' would be below the numerical threshold for 18 providers (30.0 per cent).
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 13 providers (34.2 per cent).

We therefore consider that a numerical threshold of 80 per cent is appropriate. In making this judgement, we note that:

- 6.7 per cent of providers have a point estimate below a numerical threshold of 80 per cent. 9.1 per cent of students would be studying at providers with point estimates below a numerical

threshold set at 80 per cent. There is a risk that a numerical threshold of 80 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 80 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.

- The OfS’s view is that 20 per cent of students not continuing on their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not continuing with their courses and that a threshold below this level may not afford an appropriate level of protection to students.

Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	8 (6.7%)
Students studying at providers with point estimates below recommended numerical threshold	4940 (9.1%)
Recommended numerical threshold	80%

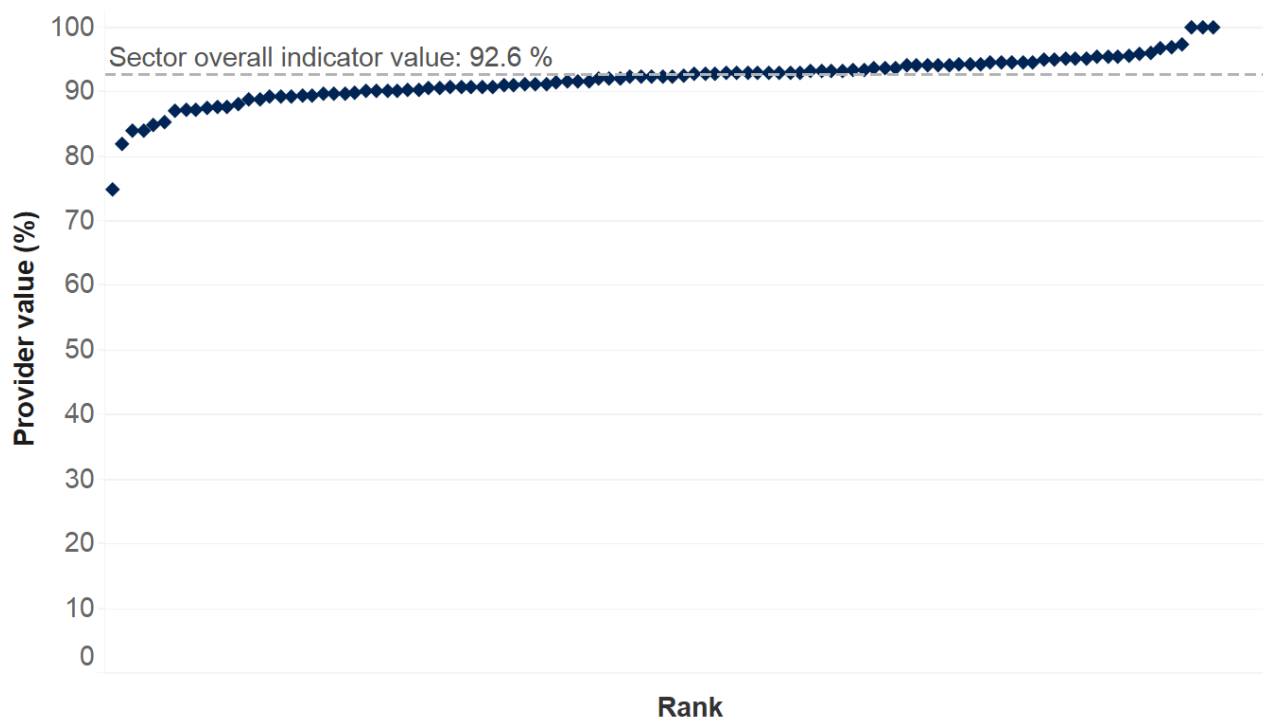
Numerical thresholds for completion: Full-time postgraduate

26. Numerical threshold for: Completion

Mode of study: Full-time

Level of study: PGCE

Figure B26: Sector overall rate = 92.6%



Sector median (unweighted): 92.4%

Sector weighted median: 93.0%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- It is consistent with the starting point used for other indicators at PGCE level.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and have not identified any sector-wide contextual factors with larger performance differences that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 4.7 per cent of providers having point estimates below the numerical threshold. These are smaller providers with fewer than 500 students. Thus, 0.7 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Age on entry – 31 years and over' would be below the numerical threshold for 30 providers (33.7 per cent).
 - The point estimate for 'Male' would be below the numerical threshold for 17 providers (18.7 per cent).
- We note that the populations for these groups represent relatively small proportions of the overall population for this indicator. We have already considered these characteristics in our use of sector performance data and Exploring student outcomes analysis, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for postgraduate provision may not be sufficient for PGCE provision. However, we have set out our mechanisms for considering the context for any provider when making a decision about compliance. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.

- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

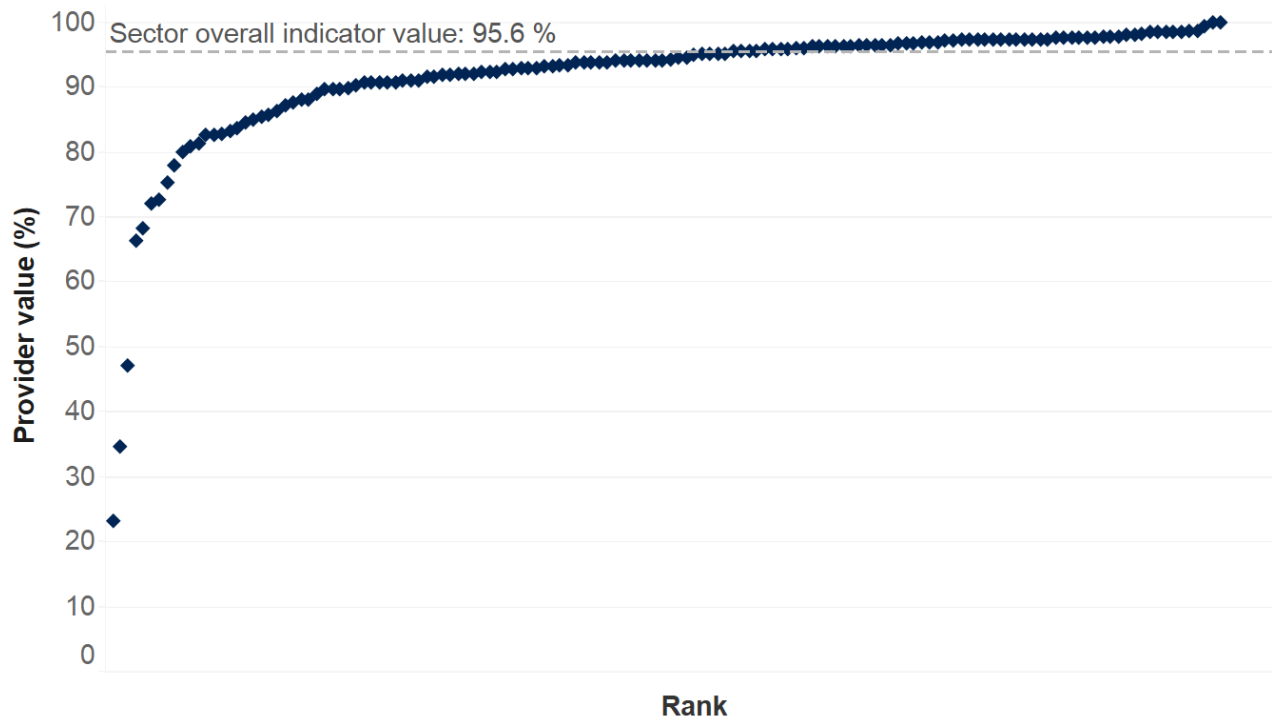
Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	5 (4.7%)
Students studying at providers with point estimates below recommended numerical threshold	640 (0.7%)
Recommended numerical threshold	85%

27. Numerical threshold for: Completion

Mode of study: Full-time

Level of study: Postgraduate taught masters

Figure B27: Sector overall rate = 95.6%



Sector median (unweighted): 94.2%

Sector weighted median: 96.9%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- This starting point is consistent with the recommended starting point for other indicators at postgraduate level.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 12.6 per cent of providers having point estimates below the numerical threshold. Thus, 2.6 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis has not identified examples where a disproportionately large number of providers would have split indicators where this was the case.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- We have also considered the consistency of this numerical threshold with other thresholds for this mode and level of study. We have set a numerical threshold level of 80 per cent for continuation for full-time postgraduate taught masters study. We note that there is a notable difference in the entry years for the cohorts covered by the continuation and completion indicators, so that the entry dates for students in this indicator will be some time before the entry dates for students in the continuation indicator. We anticipate that this may result in some differences in historical sector performance.

- However, as set out above we consider there is a balanced judgement as to whether a threshold set at 85 per cent would be proportionate. This in conjunction with placing some weight on ensuring consistency between the numerical thresholds for completion and continuation indicators for the same mode and level of study we consider that a numerical threshold of 80 per cent would be most appropriate in this instance.
- We have also noted responses to the consultation that suggest we could implement more consistent numerical thresholds where indicators relate to similar levels of study. We considered whether it would be appropriate to place weight on the need for consistency between numerical thresholds for different indicators and therefore make an adjustment to the numerical thresholds. The effect of this adjustment would be either to increase one numerical threshold or to decrease the other from the point that we would otherwise have determined a reasonable person would interpret as identifying underperformance in the sector. Our recommendation is that it would be inappropriate to make such a change because it would risk over- or under-identifying (depending on the direction of the change) providers that may not be delivering positive outcomes for their students and would not allow us to account for the performance that we have otherwise observed in the sector data.

On balance, we therefore consider that a numerical threshold of 80 per cent would be most appropriate in this instance.

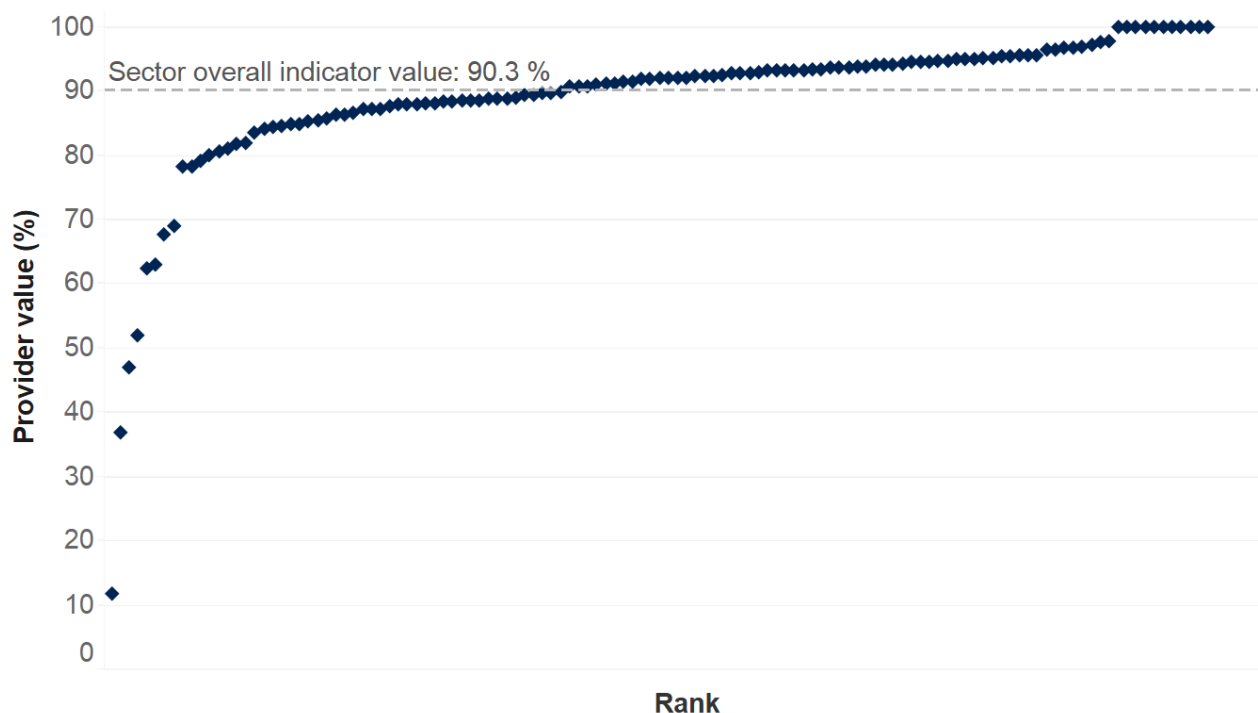
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	9 (6.3%)
Students studying at providers with point estimates below recommended numerical threshold	2820 (0.6%)
Recommended numerical threshold	80%

28. Numerical threshold for: Completion

Mode of study: Full-time

Level of study: Other postgraduate

Figure B28: Sector overall rate = 90.3%



Sector median (unweighted): 92.0%

Sector weighted median: 90.8%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- This starting point is consistent with recommended starting point for other indicators at postgraduate level.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 85 per cent would result in 18.5 per cent of providers having point estimates below the numerical threshold. The majority of these are smaller providers with fewer than 500 students. Thus, 5.9 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Age on entry – 31 years and over' would be below the numerical threshold for 31 providers (36.0 per cent).
 - The point estimate for 'IMD quintile – Q1 or Q2' would be below the numerical threshold for 20 providers (26.0 per cent).
 - The point estimate for 'Ethnicity – Asian' would be below the numerical threshold for 19 providers (40.4 per cent).
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 17 providers (48.6 per cent).

We therefore consider that a numerical threshold of 80 per cent is appropriate. In making this judgement, we note that:

- 9.7 per cent of providers have a point estimate below a numerical threshold of 80 per cent. 1.7 per cent of students would be studying at providers with point estimates below a numerical threshold set at 80 per cent. There is a risk that a numerical threshold of 80 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 80 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS's view is that 20 per cent of students not completing their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not completing their courses and that a numerical threshold below this level may not afford an appropriate level of protection to students.

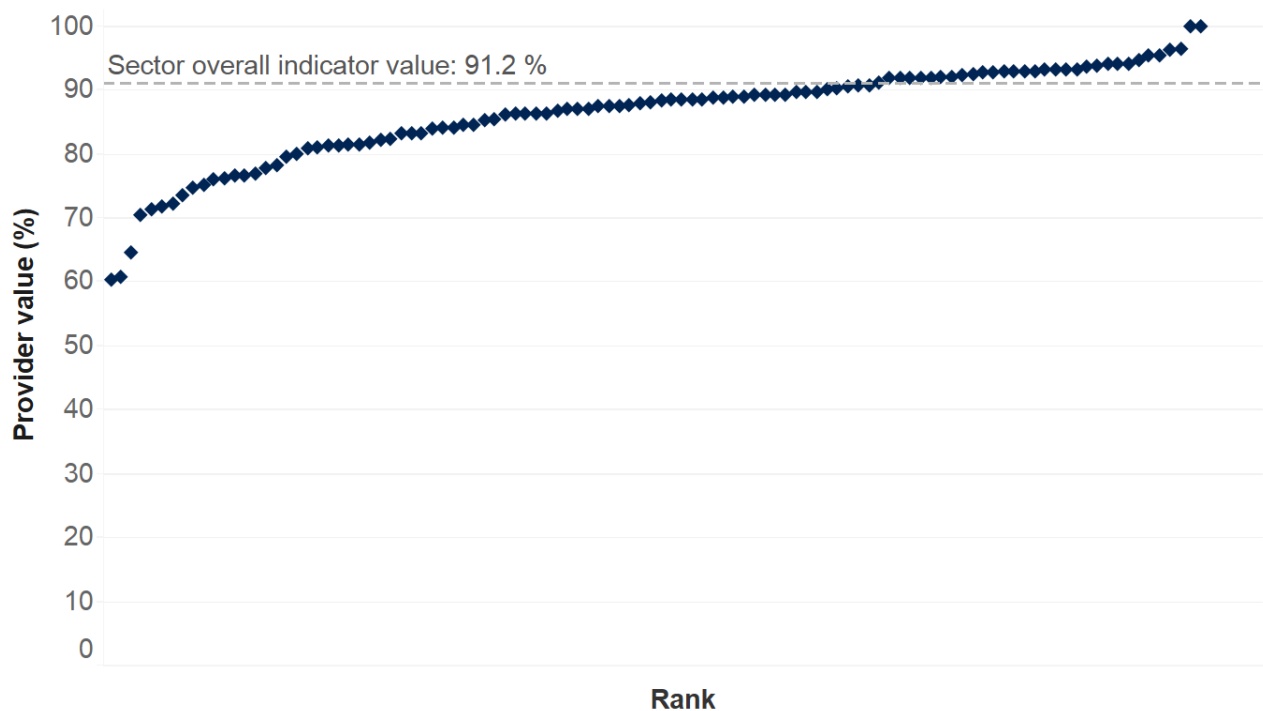
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	12 (9.7%)
Students studying at providers with point estimates below recommended numerical threshold	820790 (1.7%)
Recommended numerical threshold	80%

29. Numerical threshold for: Completion

Mode of study: Full-time

Level of study: Postgraduate research

Figure B29: Sector overall rate = 91.2%



Sector median (unweighted): 88.1%

Sector weighted median: 93.0 %

Recommended starting point before adjustment: 85%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention. We have also considered the unweighted sector median for this indicator because of the influence of some very high-performing, large providers for this indicator that may be disproportionately influencing the sector overall rate and weighted median levels.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 80 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also had regard to the effect that a numerical threshold set at 80 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis has not identified examples where a disproportionately large number of providers would have split indicators.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 80 per cent would result in 17.6 per cent of providers having point estimates below the numerical threshold. The majority of these are smaller providers with fewer than 500 students. Thus, 4.8 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have noted that our response to the consultation sets out the expectation that we would not implement numerical thresholds at a higher level than those included in our original proposals. A numerical threshold of 80 per cent would represent an increase of 5 percentage points from the proposed numerical threshold of 75 per cent.

We therefore consider that a numerical threshold of 75 per cent is appropriate. In making this judgement, we note that:

- 8.3 per cent of providers have a point estimate below a numerical threshold of 75 per cent. 2.9 per cent of students would be studying at providers with point estimates below a numerical threshold set at 75 per cent. There is a risk that a numerical threshold of 75 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 75 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS's view is that 25 per cent of students not completing their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not completing their courses and that a numerical threshold below this level may not afford an appropriate level of protection to students.

Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimate below recommended numerical threshold	9 (8.3%)
Students studying at providers with point estimates below recommended numerical threshold	2,630 (2.9%)
Recommended numerical threshold	75%

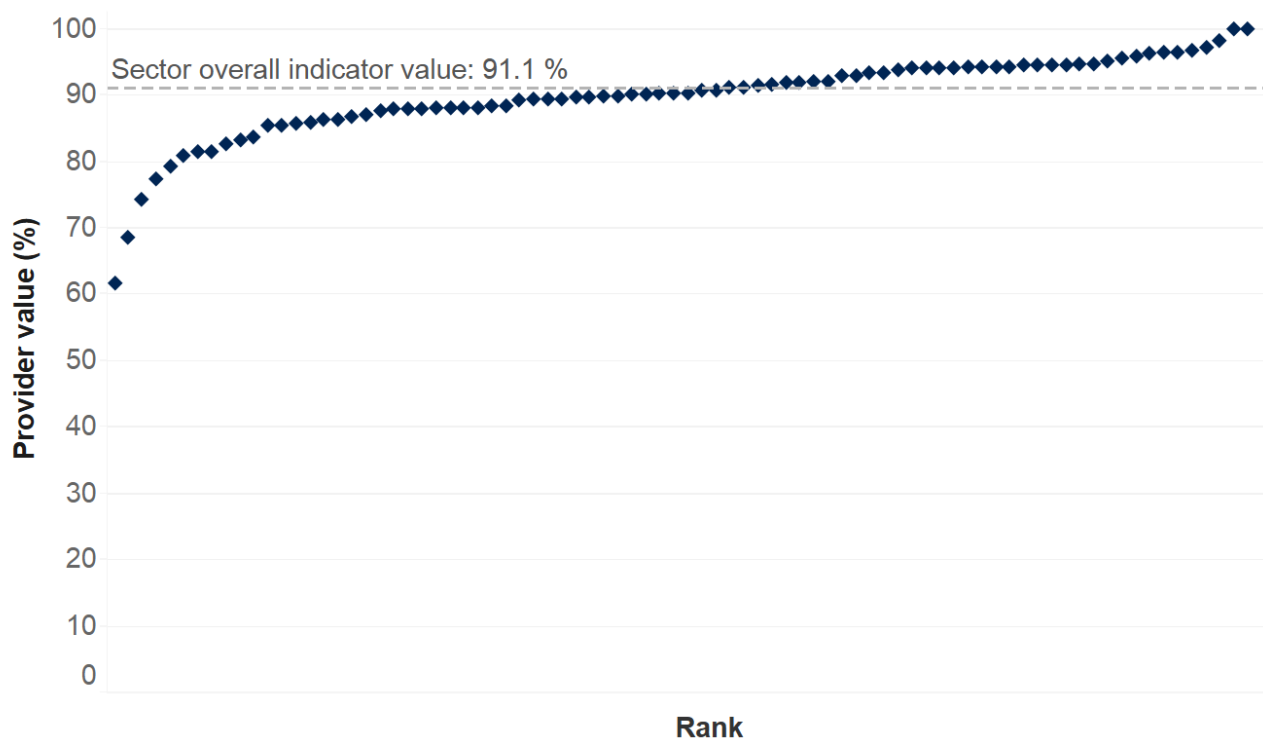
Numerical thresholds for progression: Full-time postgraduate

30. Numerical threshold for: Progression

Mode of study: Full-time

Level of study: PGCE

Figure B30: Sector overall rate = 91.1%



Sector median (unweighted): 90.4%

Sector weighted median: 91.2%

Recommended starting point before adjustment: 90%

Reason for recommendation

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- It is consistent with the starting point used for other indicators at PGCE level.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 13.4 per cent of providers having point estimates below the numerical threshold. Thus, 4.3 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that, in some instances, a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Ethnicity – Asian' would be below the numerical threshold for 11 providers (30.6 per cent).
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 3 providers (20.0 per cent).
 - The point estimate for 'Disability reported' would be below the numerical threshold for 17 providers (27.9 per cent).
- We note that the populations for these groups are relatively small compared with the population for the indicator as a whole. We have already considered these characteristics in our use of sector performance data and Exploring student outcomes analysis, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for full-time postgraduate provision may not be sufficient for PGCE provision. However, we have set out our mechanisms for considering the context for any provider when making a decision about compliance. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- We note that benchmarking data is not available for postgraduate levels of study, and therefore it has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.

- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

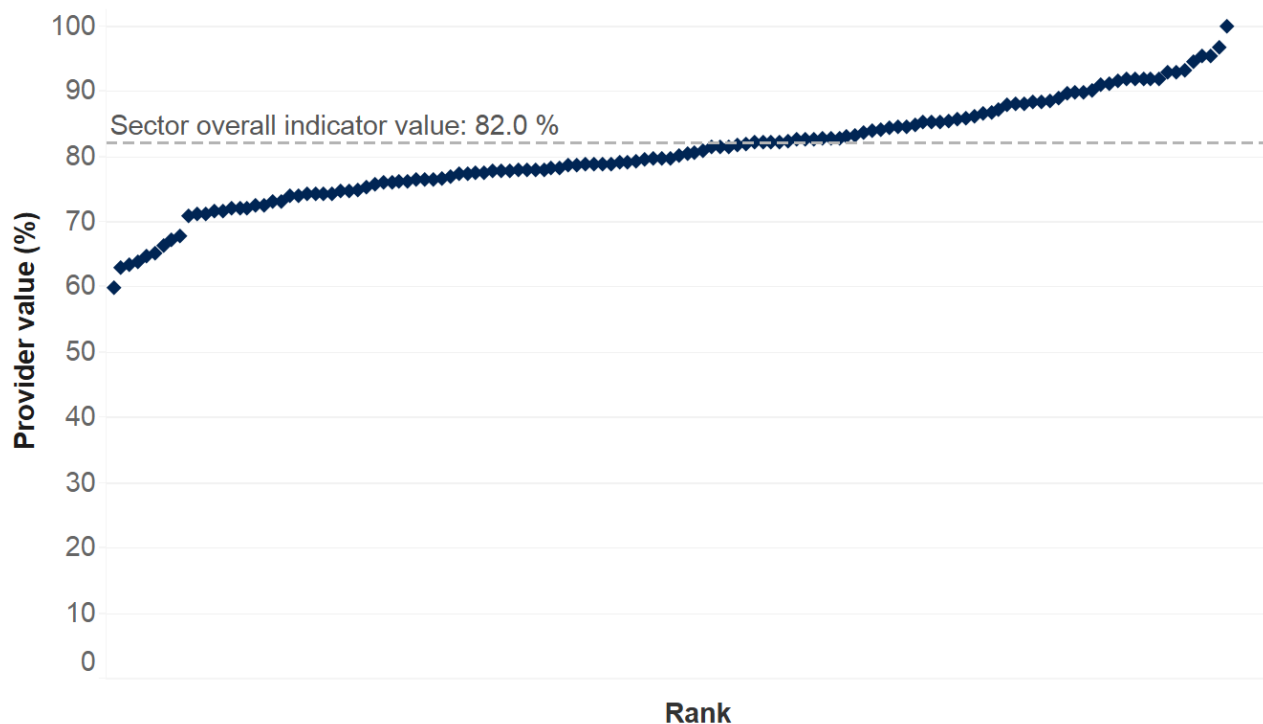
Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	11 (13.4%)
Students studying at providers with point estimates below recommended numerical threshold	1,250 (4.3%)
Recommended numerical threshold	85%

31. Numerical threshold for: Progression

Mode of study: Full-time

Level of study: Postgraduate taught masters

Figure B31: Sector overall rate = 82.0%



Sector median (unweighted): 79.9%

Sector weighted median: 82.3%

Recommended starting point before adjustment: 80%

Reason for recommendation

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.
- We have, however, noted that the weighted median graduate outcome rates for agriculture, food and related studies and for combined and general studies falls below the proposed 5 percentage points downward adjustment for full-time postgraduate provision. Combined, there are 11 data points for these subject areas. We will take account of the impact that differences in subject area may have on a provider's performance, depending on the subjects it offers, through the mechanisms we have set out for considering contextual factors.

Analysis suggests a numerical threshold of 75 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 75 per cent would result in 22.6 per cent of providers having point estimates below the numerical threshold. Thus, 12.5 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 75 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Age on entry – under 25' would be below the numerical threshold for 37 providers (30.3 per cent).

- The point estimate for ‘IMD quintile – Q1 or Q2’ would be below the numerical threshold for 35 providers (30.7 per cent).
- The point estimate for ‘Ethnicity – Asian’ would be below the numerical threshold for 30 providers (38 per cent).
- The point estimate for ‘Ethnicity – Black’ would be below the numerical threshold for 26 providers (31.7 per cent).
- The point estimate for ‘Disability reported’ would be below the numerical threshold for 38 providers (36.2 per cent).

We therefore consider that a numerical threshold of 70 per cent is appropriate. In making this judgement, we note that:

- 6.8 per cent of providers have a point estimate below a numerical threshold of 70 per cent. 2.2 per cent of students would be studying at providers with point estimates below a numerical threshold set at 70 per cent. There is a risk that a numerical threshold of 70 per cent (or lower) may not capture provision where students may require protection from performance which is above a numerical threshold of 70 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS’s view is that 30 per cent of students not progressing to positive outcomes from their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not progressing to positive outcomes and that a numerical threshold below this level may not afford an appropriate level of protection to students.
- We have noted responses to the consultation that suggest we could implement more consistent numerical thresholds where indicators relate to similar levels of study. We considered whether it would be appropriate to place weight on the need for consistency between numerical thresholds for different indicators and therefore make an adjustment to the numerical thresholds. The effect of this adjustment would be either to increase one numerical threshold or to decrease the other from the point that we would otherwise have determined a reasonable person would interpret as identifying underperformance in the sector. Our recommendation is that it would be inappropriate to make such a change because it would risk over- or under-identifying (depending on the direction of the change) providers that may not be delivering positive outcomes for their students and would not allow us to account for the performance that we have otherwise observed in the sector data.

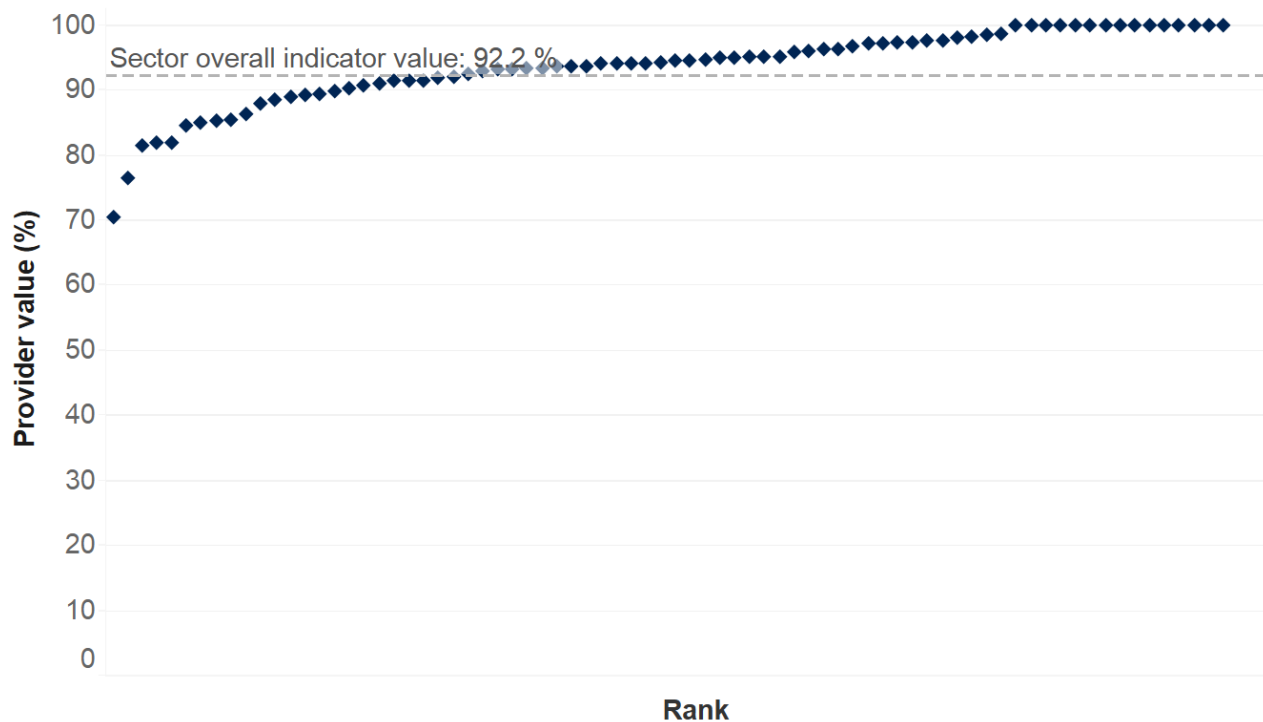
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	9 (6.8%)
Students studying at providers with point estimates below recommended numerical threshold	1,810 (2.2%)
Recommended numerical threshold	70%

32. Numerical threshold for: Progression

Mode of study: Full-time

Level of study: Other postgraduate

Figure B32: Sector overall rate = 92.2%



Sector median (unweighted): 94.3%

Sector weighted median: 93.6%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and have not identified sector-wide contextual factors that demonstrate larger performance gaps that would indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 9.1 per cent of providers having point estimates below the numerical threshold. Thus, 12.5 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis has not identified examples where a disproportionately large number of providers would have split indicators where this was the case.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.
- We have noted responses to the consultation that suggest we could implement more consistent numerical thresholds where indicators relate to similar levels of study. We considered whether it would be appropriate to place weight on the need for consistency between numerical thresholds for different indicators and therefore make an adjustment to the numerical thresholds. The effect of this adjustment would be either to increase one numerical threshold or to decrease the other from the point that we would otherwise have determined a reasonable person would interpret as identifying underperformance in the sector. Our recommendation is that it would be inappropriate to make such a change because it would risk over- or under-identifying (depending on the direction of the change) providers that may not be

delivering positive outcomes for their students and would not allow us to account for the performance that we have otherwise observed in the sector data.

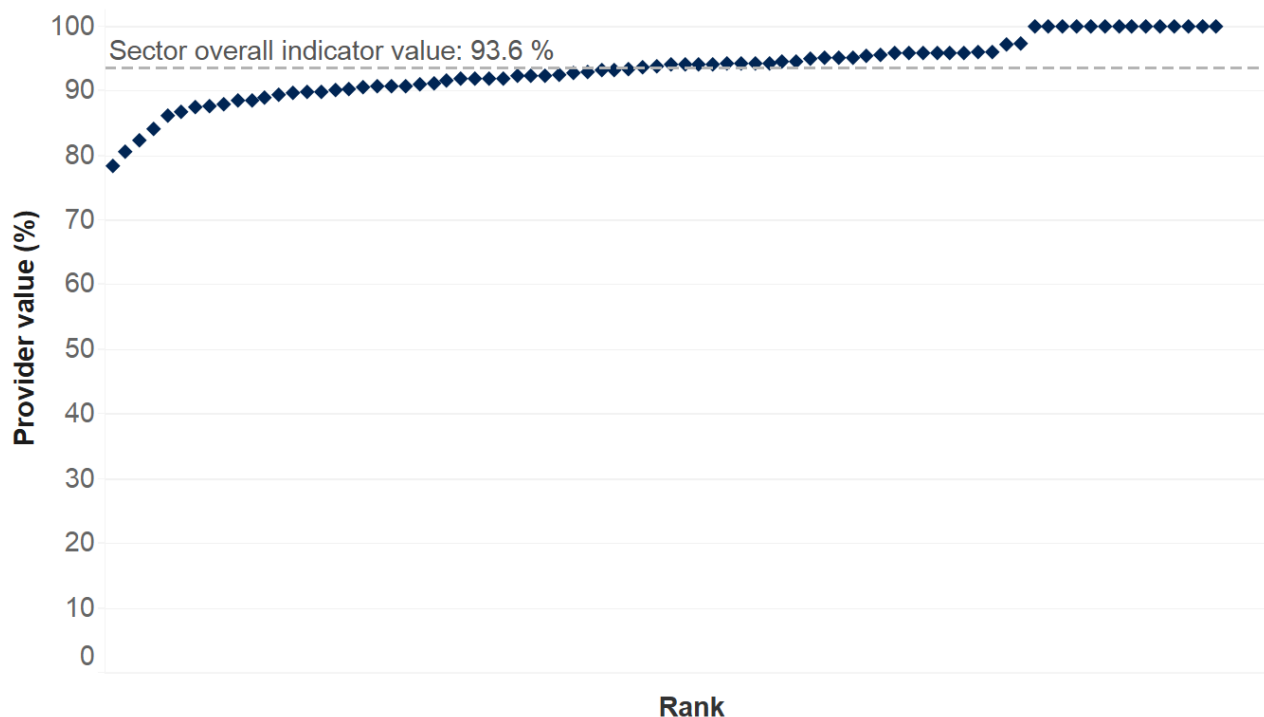
Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	7 (9.1%)
Students studying at providers with point estimates below recommended numerical threshold	1660 (12.5%)
Recommended numerical threshold	85%

33. Numerical threshold for: Progression

Mode of study: Full-time

Level of study: Postgraduate research

Figure B33: Sector overall rate = 93.6%



Sector median (unweighted): 93.8%

Sector weighted median: 94.3%

Recommended starting point before adjustment: 90%

Reason for recommendation

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- It considers the starting point used for other numerical thresholds at postgraduate level.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for full-time postgraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 6.1 per cent of providers having point estimates below the numerical threshold. Thus, 1.2 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that, in some instances, a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Disability reported' would be below the numerical threshold for seven providers (21.2 per cent).
- We note that the population for this group is small compared with the population for the indicator as a whole. We have already considered these characteristics in our use of sector performance data and Exploring student outcomes analysis, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for full-time postgraduate provision may not be sufficient for postgraduate research provision. However, we have set out our mechanisms for considering the context for any provider when making a decision about compliance. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.

- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	5 (6.1%)
Students studying at providers with point estimates below recommended numerical threshold	230 (1.2%)
Recommended numerical threshold	85%

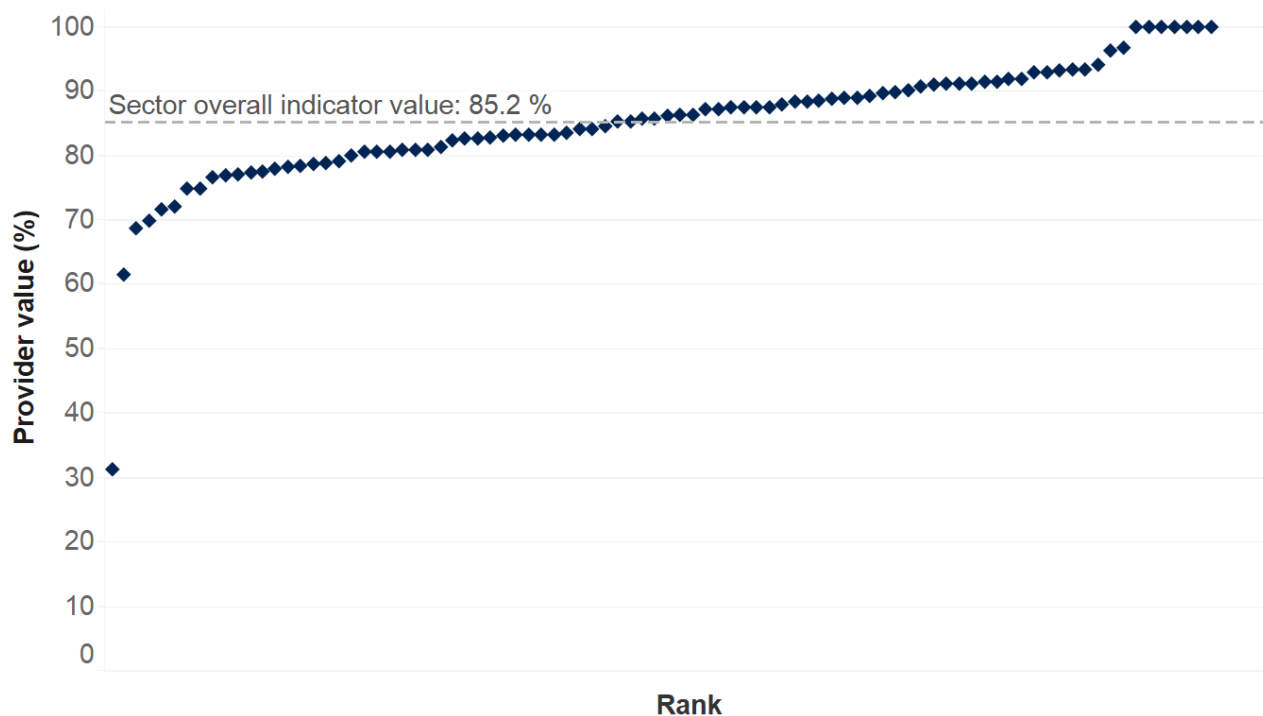
Numerical thresholds for continuation: Part-time postgraduate

34. Numerical threshold for: Continuation

Mode of study: Part-time

Level of study: PGCE

Figure B34: Sector overall rate = 85.2%



Sector median (unweighted): 86.0%

Sector weighted median: 87.2%

Recommended starting point before adjustment: 85%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have not identified sector-wide contextual factors with larger performance gaps that would mean a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 80 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 80 per cent would result in 21.6 per cent of providers having point estimates below the numerical threshold. Thus, 17.3 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 80 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Age on entry – 31 years and over' would be below the numerical threshold for 15 providers (28.8 per cent).

We therefore consider that a numerical threshold of 75 per cent is appropriate. In making this judgement, we note that:

- 6.8 per cent of providers have a point estimate below a numerical threshold of 75 per cent. 3.4 per cent of students would be studying at providers with point estimates below a numerical

threshold set at 75 per cent. There is a risk that a numerical threshold of 75 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 75 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.

- The OfS’s view is that 25 per cent of students not continuing on their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not continuing with their courses and that a threshold below this level may not afford an appropriate level of protection to students.

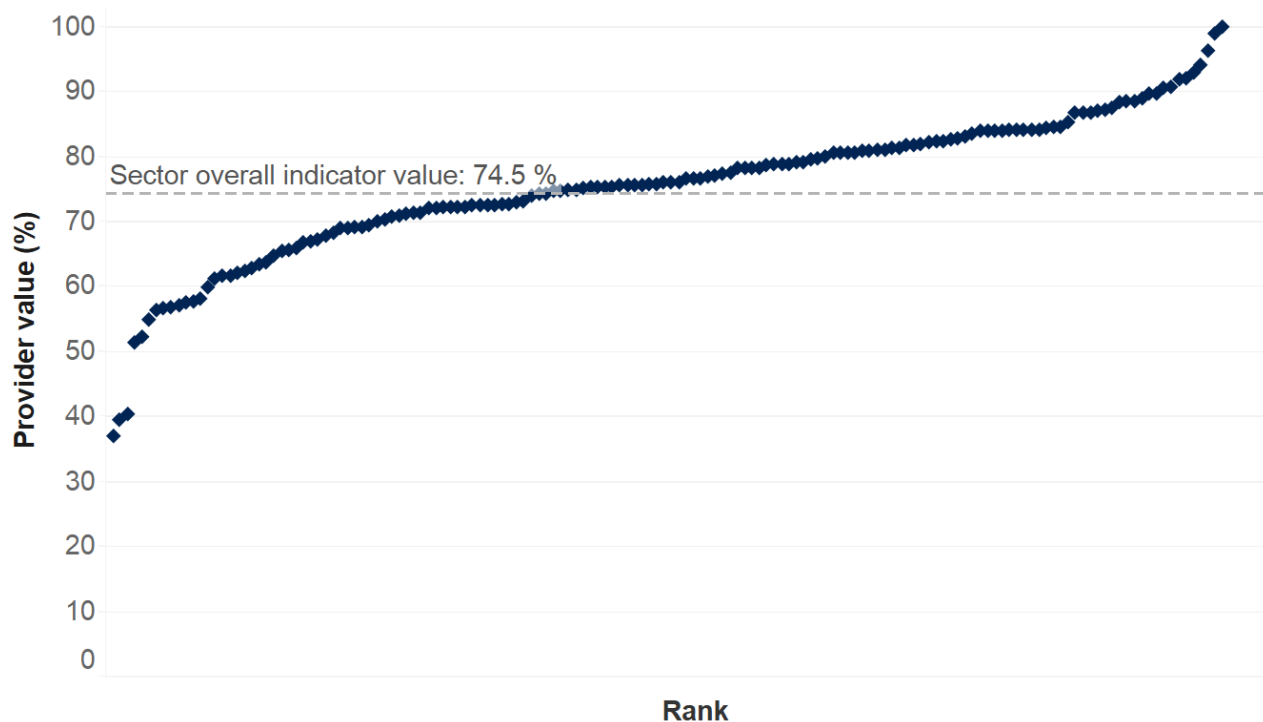
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	6 (6.8%)
Students studying at providers with point estimates below recommended numerical threshold	240 (3.4%)
Recommended numerical threshold	75%

35. Numerical threshold for: Continuation

Mode of study: Part-time

Level of study: Postgraduate taught masters

Figure B35: Sector overall rate = 74.5%



Sector median (unweighted): 76.1%

Sector weighted median: 75.6%

Recommended starting point before adjustment: 75%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have identified that most sector-wide contextual factors do not indicate larger performance gaps that would mean a larger adjustment would be recommended for this indicator.
- Our analysis has suggested that there may be larger performance gap for black, UK-domiciled students. The weighted sector median for these students is 68.6 per cent, larger than the proposed 5 percentage points downward adjustment for part-time postgraduate provision. Regression analysis suggests a gap of 10.7 percentage points for black or black British (other) students compared with white UK-domiciled students. However, we note that all black students account for 6.9 per cent of students for this indicator, which limits the likely effect of this gap on an individual providers' performance.

Analysis suggests a numerical threshold of 70 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes indicates some observable differences as a result of particular student characteristics, but this adjustment is sufficient to take account of the likely impact of any observed difference on an individual provider's performance.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 70 per cent would result in 23.7 per cent of providers having point estimates below the numerical threshold. Thus, 24.1 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 70 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 49 providers (55.7 per cent).

- The point estimate for 'Ethnicity –Mixed' would be below the numerical threshold for 24 providers (35.3 per cent)
- The point estimate for 'Disability reported' would be below the numerical threshold for 43 providers (38.1 per cent).

We therefore consider that a numerical threshold of 65 per cent is appropriate. In making this judgement, we note that:

- 15.1 per cent of providers have a point estimate below a numerical threshold of 65 per cent. 15.4 per cent of students would be studying at providers with point estimates below a numerical threshold set at 65 per cent. There is a risk that a numerical threshold of 65 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 65 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS's view is that 35 per cent of students not continuing on their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not continuing with their courses and that a threshold below this level may not afford an appropriate level of protection to students.

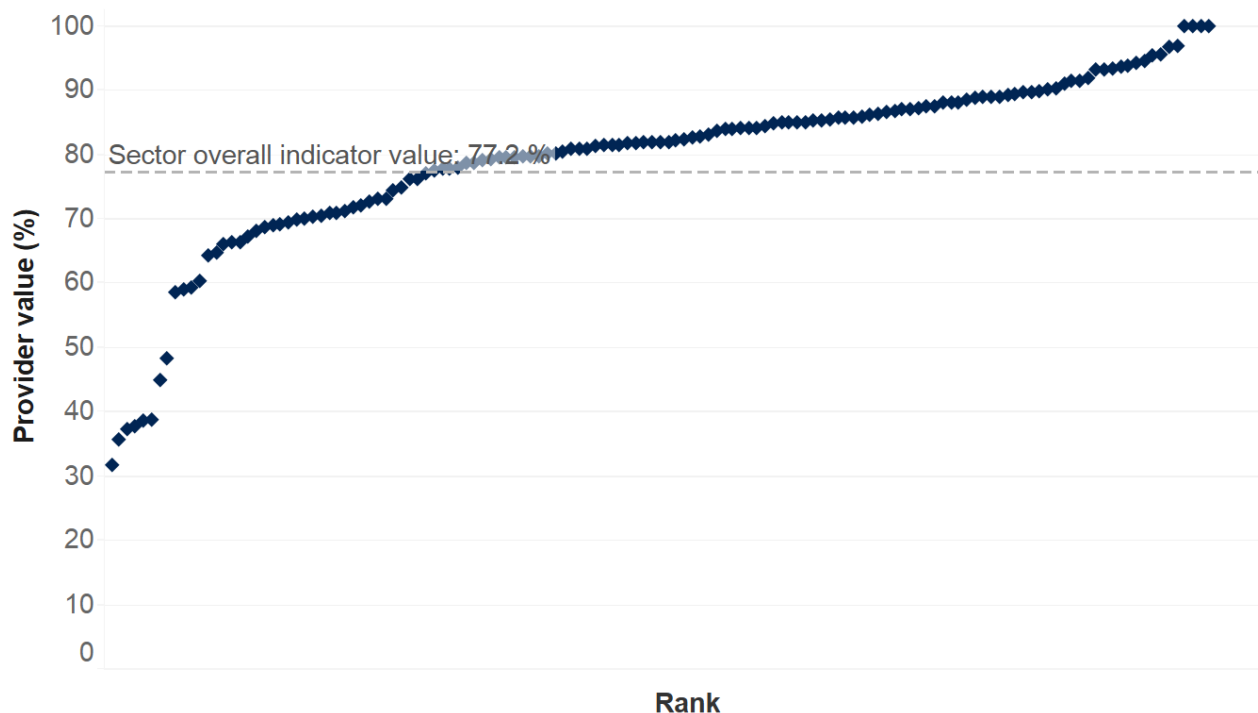
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	23 (15.1%)
Students studying at providers with point estimates below recommended numerical threshold	24,200 (15.4%)
Recommended numerical threshold	65%

36. Numerical threshold for: Continuation

Mode of study: Part-time

Level of study: Other postgraduate

Figure B36: Sector overall rate = 77.2%



Sector median (unweighted): 82.1%

Sector weighted median: 81.3%

Recommended starting point before adjustment: 80%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have identified that most sector-wide contextual factors do not

indicate larger performance gaps that would mean a larger adjustment would be recommended for this indicator.

- Our analysis has suggested that there may be larger performance difference for black, UK-domiciled students. The weighted sector median for these students is 69.6 per cent, larger than the proposed 5 percentage points downward adjustment for part-time postgraduate provision. Our Exploring student outcomes analysis (see Annex A) suggests a difference of between 13.1 and 8.1 percentage points for black or black British (other) part-time postgraduate students (for all post-graduate study combined) compared with white UK-domiciled students. However, we note that all black students account for less than 5 per cent of students for this indicator, which limits the likely effect of this difference on an individual providers' performance.

Analysis suggests a numerical threshold of 70 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes indicates some observable differences as a result of particular student characteristics, but this adjustment is sufficient to take account of the likely impact of any observed difference on an individual provider's performance.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 70 per cent would result in 17.5 per cent of providers having point estimates below the numerical threshold. Thus, 21.8 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 70 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 32 providers (46.4 per cent).

We therefore consider that a numerical threshold of 65 per cent is appropriate. In making this judgement, we note that:

- 10.2 per cent of providers have a point estimate below a numerical threshold of 65 per cent. 9.5 per cent of students would be studying at providers with point estimates below a numerical threshold set at 65 per cent. There is a risk that a numerical threshold of 65 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 65 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS's view is that 35 per cent of students not continuing on their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not continuing with their courses and that a threshold below this level may not afford an appropriate level of protection to students.

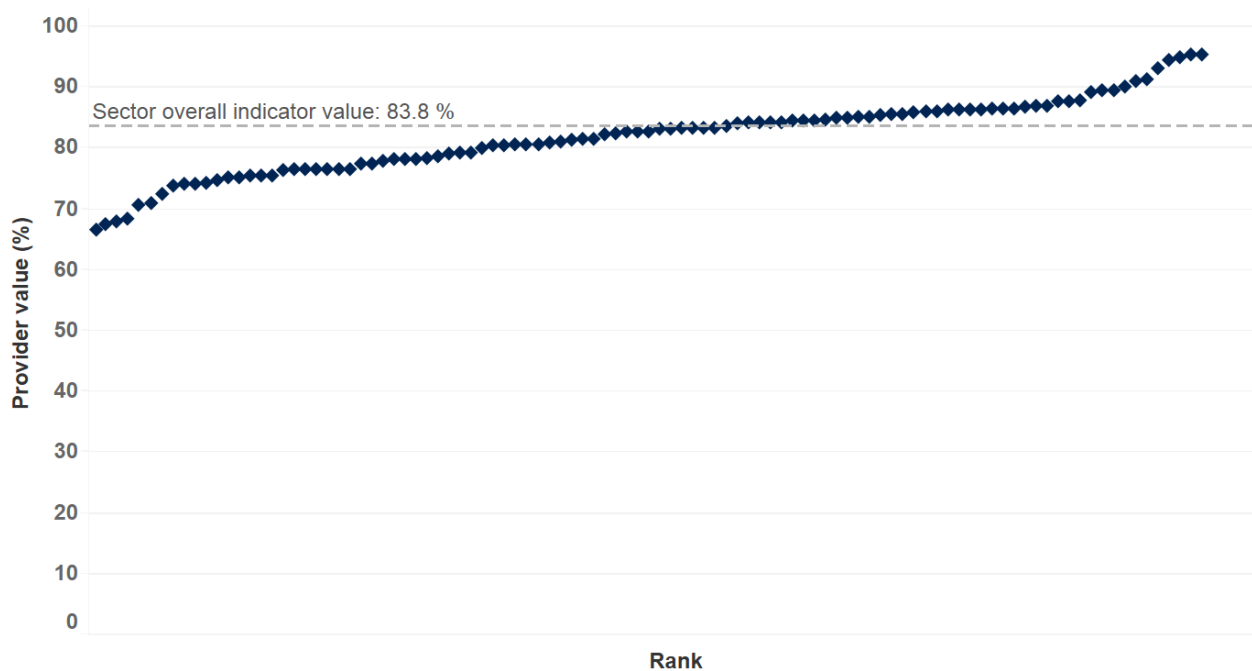
Data issues	None identified
Recommended adjustment	15 ppt below starting point
Providers with point estimates below recommended numerical threshold	14 (10.2%)
Students studying at providers with point estimates below recommended numerical threshold	11,610 (9.5%)
Recommended numerical threshold	65%

37. Numerical threshold for: Continuation

Mode of study: Part-time

Level of study: Postgraduate research

Figure B37: Sector overall rate = 83.8%



Sector median (unweighted): 83.0%

Sector weighted median: 84.2%

Recommended starting point before adjustment: 80%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have not identified sector-wide contextual factors with larger

performance gaps that would mean a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 75 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 75 per cent would result in 11.8 per cent of providers having point estimates below the numerical threshold. Thus, 7.9 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- We have had regard to the effect that a numerical threshold set at 75 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Disability reported' would be below the numerical threshold for 6 providers (20.7 per cent).
- We have noted that our response to the consultation sets out the expectation that we would not implement numerical thresholds at a higher level than those included in our original proposals. A numerical threshold of 75 per cent would represent an increase of 5 percentage points from the proposed threshold of 70 per cent.

We therefore consider that a numerical threshold of 70 per cent is appropriate. In making this judgement, we note that:

- 3.9 per cent of providers have a point estimate below a numerical threshold of 70 per cent. 1.2 per cent of students would be studying at providers with point estimates below a numerical threshold set at 70 per cent. There is a risk that a numerical threshold of 80 per cent (or lower) may not capture provision where students may require protection from performance which is

above a threshold of 70 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.

- The OfS's view is that 30 per cent of students not continuing on their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not continuing with their courses and that a threshold below this level may not afford an appropriate level of protection to students.

Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	4 (3.9%)
Students studying at providers with point estimates below recommended numerical threshold	240 (1.2%)
Recommended numerical threshold	70%

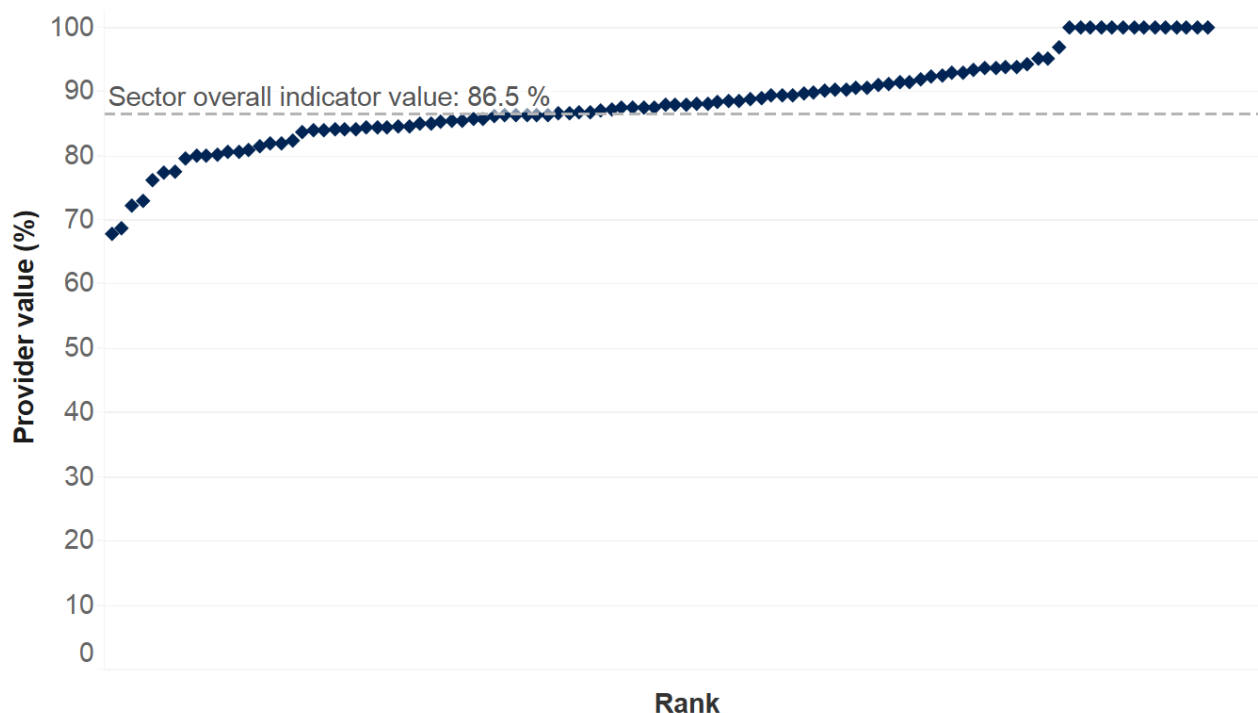
Numerical thresholds for completion: Part-time postgraduate

38. Numerical threshold for: Completion

Mode of study: Part-time

Level of study: PGCE

Figure B38: Sector overall rate = 86.5%



Sector median (unweighted): 87.8%

Sector weighted median: 87.2%

Recommended starting point before adjustment: 85%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- It considers the starting point used for other indicators at this level of study.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have not identified sector-wide contextual factors with larger performance gaps that would mean a larger adjustment would be recommended for this indicator.
- Our analysis has suggested that there may be larger performance difference for black, UK-domiciled students. The weighted sector median for these students is 71.4 per cent, larger than the proposed 5 percentage points downward adjustment for part-time postgraduate provision. Our Exploring student outcomes analysis (see Annex A) suggests a difference of between 13.1 and 8.1 percentage points for black or black British (other) part-time postgraduate students (for all post-graduate study combined) compared with white UK-domiciled students. However, we note that there are fewer than 250 black students for this indicator population, which limits the likely effect of this difference on an individual providers' performance.

Analysis suggests a numerical threshold of 80 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 80 per cent would result in 7.7 per cent of providers having point estimates below the numerical threshold. Thus, 7.7 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis has not identified examples where a disproportionately large number of providers would have split indicators where this was the case.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- We have also considered the consistency of this numerical threshold with other thresholds for this mode and level of study. We have set a numerical threshold level of 75 per cent for continuation for part-time PGCE study. We note that there is a notable difference in the entry years for the cohorts covered by the continuation and completion indicators, so that the entry dates for students in this indicator will be some time before the entry dates for students in the continuation indicator. We anticipate that this may result in some differences in historical sector performance.
- However, as set out above we consider there is a balanced judgement as to whether a threshold set at 80 per cent would be proportionate. This in conjunction with placing some weight on ensuring consistency between the numerical thresholds for completion and continuation indicators for the same mode and level of study means we consider that a numerical threshold of 75 per cent would be most appropriate in this instance.
- We have also noted that our response to the consultation sets out the expectation that we would not implement thresholds at a higher level than those included in our original proposals. A numerical threshold of 80 per cent would represent an increase of 5 percentage points from the proposed numerical threshold of 75 per cent.

On balance, we therefore consider that a numerical threshold of 75 per cent would be most appropriate in this instance.

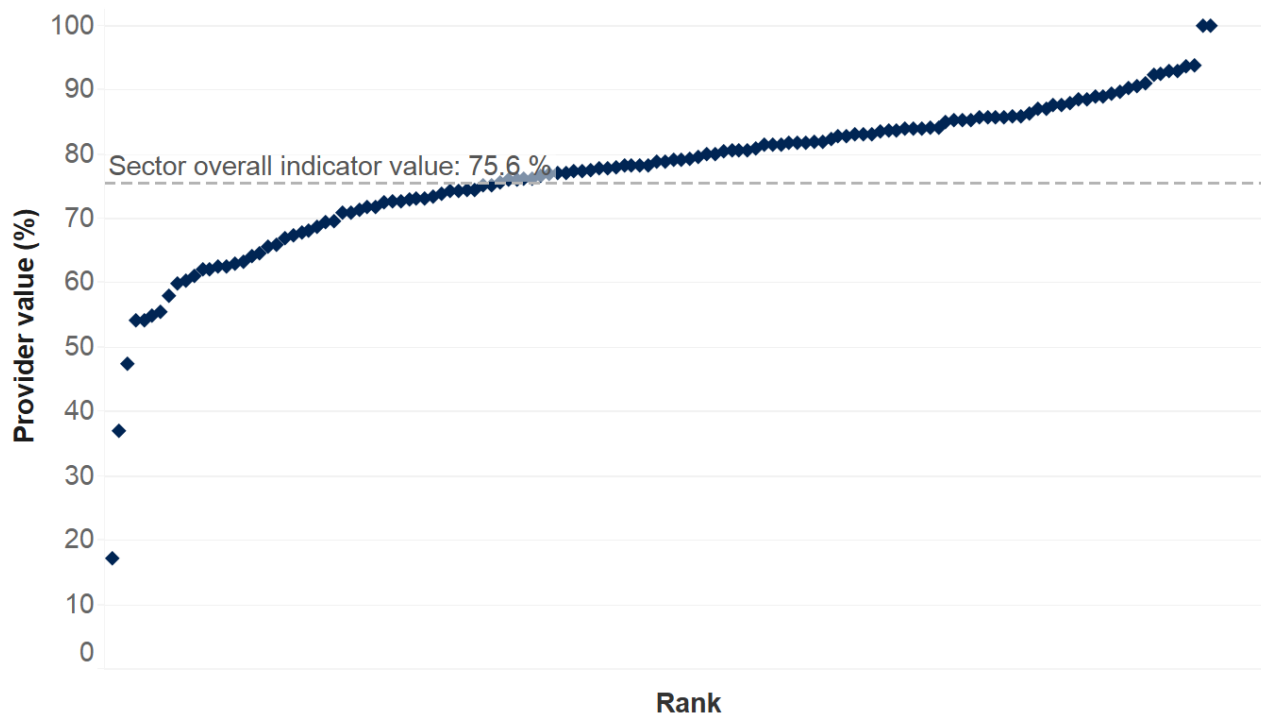
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	4 (3.8%)
Students studying at providers with point estimates below recommended numerical threshold	270 (2.1%)
Recommended numerical threshold	75%

39. Numerical threshold for: Completion

Mode of study: Part-time

Level of study: Postgraduate taught masters

Figure B39: Sector overall rate = 75.6%



Sector median (unweighted): 79.0%

Sector weighted median: 78.2%

Recommended starting point before adjustment: 75%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- It is consistent with the starting point for other indicators at this level and mode of study.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have not identified sector-wide contextual factors that demonstrate larger performance gaps that would indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 70 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 70 per cent would result in 20.9 per cent of providers having point estimates below the numerical threshold. Thus, 25.3 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 70 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'Ethnicity – Other' would be below the numerical threshold for 10 providers (38.5 per cent).
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 25 providers (35.2 per cent).
 - The point estimate for 'Ethnicity – Asian' would be below the numerical threshold for 25 providers (30.9 per cent).

We therefore consider that a numerical threshold of 65 per cent is appropriate. In making this judgement, we note that:

- 14.2 per cent of providers have a point estimate below a numerical threshold of 65 per cent. 13.9 per cent of students would be studying at providers with point estimates below a

numerical threshold set at 65 per cent. There is a risk that a numerical threshold of 65 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 65 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.

- The OfS’s view is that 35 per cent of students not completing their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not completing their courses and that a numerical threshold below this level may not afford an appropriate level of protection to students.

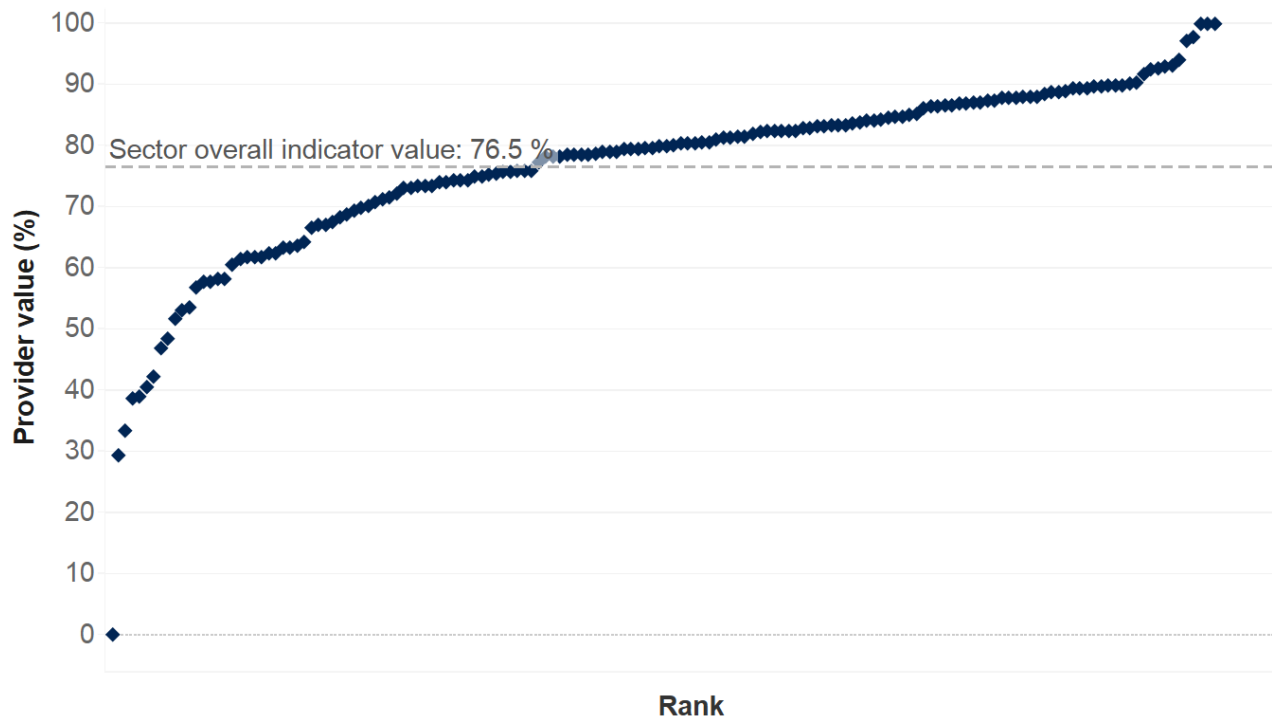
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	19 (14.2%)
Students studying at providers with point estimates below recommended numerical threshold	19,210 (13.9%)
Recommended numerical threshold	65%

40. Numerical threshold for: Completion

Mode of study: Part-time

Level of study: Other postgraduate

Figure B40: Sector overall rate = 76.5%



Sector median (unweighted): 80.0%

Sector weighted median: 78.6%

Recommended starting point before adjustment: 75%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- This represents a change from the starting point used in our proposals, from 70 per cent to 75 per cent.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have not identified sector-wide contextual factors with larger performance gaps that would mean a larger adjustment would be recommended for this indicator.

Our analysis has suggested that there may be larger performance difference for black, UK-domiciled students. The weighted sector median for these students is 68.6 per cent, larger than the proposed 5 percentage points downward adjustment for part-time postgraduate provision. Our Exploring student outcomes analysis (see Annex A) suggests a difference of between 13.1 and 8.1 percentage points for black or black British (other) part-time postgraduate students (for all post-graduate study combined) compared with white UK-domiciled students. However, we note that black students form less than 5 per cent of the population for this indicator, which limits the likely effect of this difference on an individual providers' performance.

Analysis suggests a numerical threshold of 70 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 70 per cent would result in 23.1 per cent of providers having point estimates below the numerical threshold. Thus, 22.4 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 70 per cent would have on the proportion of providers where point estimates for split indicators would be below the

numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:

- The point estimate for ‘Ethnicity – Black’ would be below the numerical threshold for 22 providers (44 per cent).
- The point estimate for ‘Disability reported’ would be below the numerical threshold for 25 providers (30.1 per cent).
- We have also noted that our response to the consultation sets out the expectation that we would not implement numerical thresholds at a higher level than those included in our original proposals. An alternative numerical threshold of 65 per cent would represent an increase of 5 percentage points from the proposed numerical threshold of 60 per cent.

We therefore consider that a numerical threshold of 60 per cent is appropriate. In making this judgement, we note that:

- 10.9 per cent of providers have a point estimate below a numerical threshold of 60 per cent. 3.5 per cent of students would be studying at providers with point estimates below a numerical threshold set at 60 per cent. There is a risk that a numerical threshold of 60 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 60 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.

The OfS’s view is that 40 per cent of students not completing their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not completing their courses and that a numerical threshold below this level may not afford an appropriate level of protection to students.

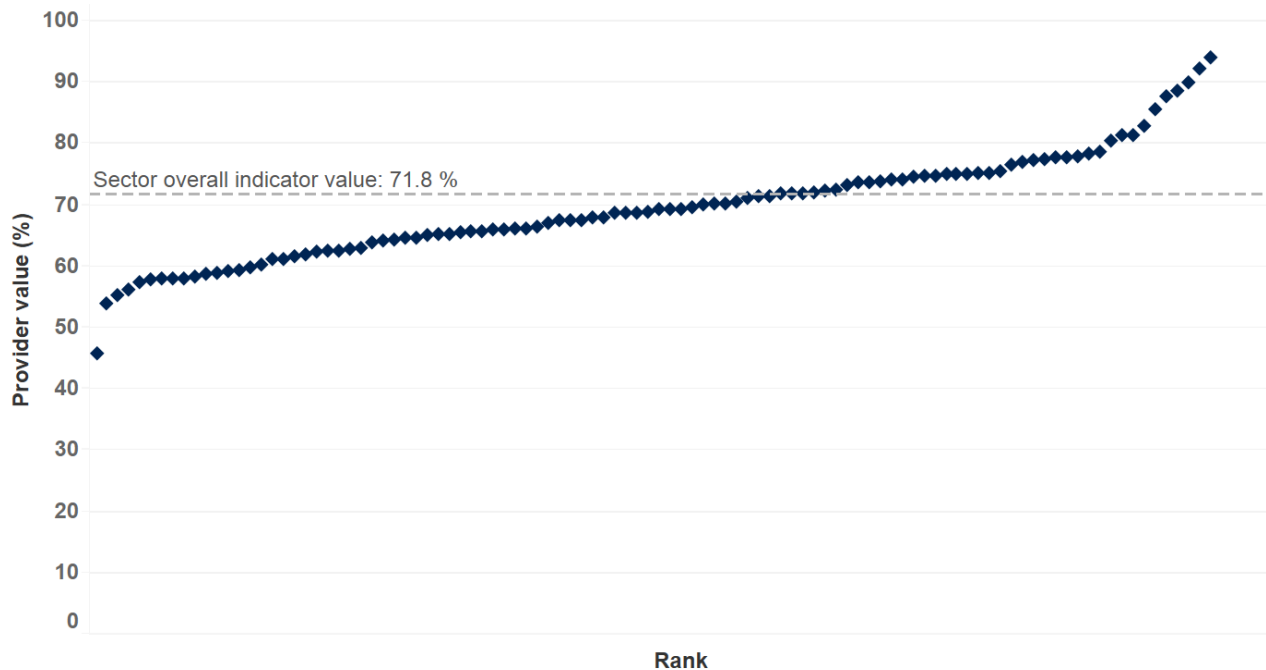
Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	17 (10.9%)
Students studying at providers with point estimates below recommended numerical threshold	4,410 (3.5%)
Recommended numerical threshold	60%

41. Numerical threshold for: Completion

Mode of study: Part-time

Level of study: Postgraduate research

Figure B41: Sector overall rate = 71.8%



Sector median (unweighted): 68.9%

Sector weighted median: 71.8%

Recommended starting point before adjustment: 70%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have identified that most sector-wide contextual factors do not

indicate larger performance gaps that would mean a larger adjustment would be recommended for this indicator.

- However, there is some evidence of a larger performance gap for disabled students. The weighted median for students reporting a disability was 64.0 per cent, slightly more than the proposed downward adjustment. Disabled students account for 3 per cent of students for this indicator, which limits the likely effect of this difference on an individual providers' performance.

Analysis suggests a numerical threshold of 60 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 60 per cent would result in 14.6 per cent of providers having point estimates below the numerical threshold. Thus, 10.8 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also had regard to the effect that a numerical threshold set at 60 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified one example where we have more than ten indicators and a disproportionately large number of providers would have split indicators where this was the case. The point estimate for 'Disability reported' would be below the numerical threshold for nine providers (42.9 per cent). We note that the population for this group is relatively small compared with the overall population for this indicator. We have already considered student characteristics in our use of sector performance data and Exploring student outcomes analysis, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for part-time postgraduate provision may not be sufficient for this mode and level of study. However, we have set out our mechanisms for considering the context for any provider when making a decision about compliance. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended numerical threshold	15 (14.6%)
Students studying at providers with point estimates below recommended numerical threshold	2,280 (10.8%)
Recommended numerical threshold	60%

Numerical thresholds for progression: Part-time postgraduate

42. Numerical threshold for: Progression

Mode of study: Part-time

Level of study: PGCE

Figure B42: Sector overall rate = 90.7%



Sector median (unweighted): 90.8%

Sector weighted median: 92.0%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have not identified sector-wide contextual factors that demonstrate larger performance gaps that would indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 17.2 per cent of providers having point estimates below the numerical threshold. Thus, 13.5 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- We have also considered the limited availability of data for this mode and level of study. There are fewer than 30 providers with point estimates for graduate outcomes data, which impacts the level of further analysis. We have therefore, in this instance, given weight to our policy intention of setting thresholds consistently, and have proposed a numerical threshold in line with the proposed numerical threshold for progression for full-time PGCE students.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

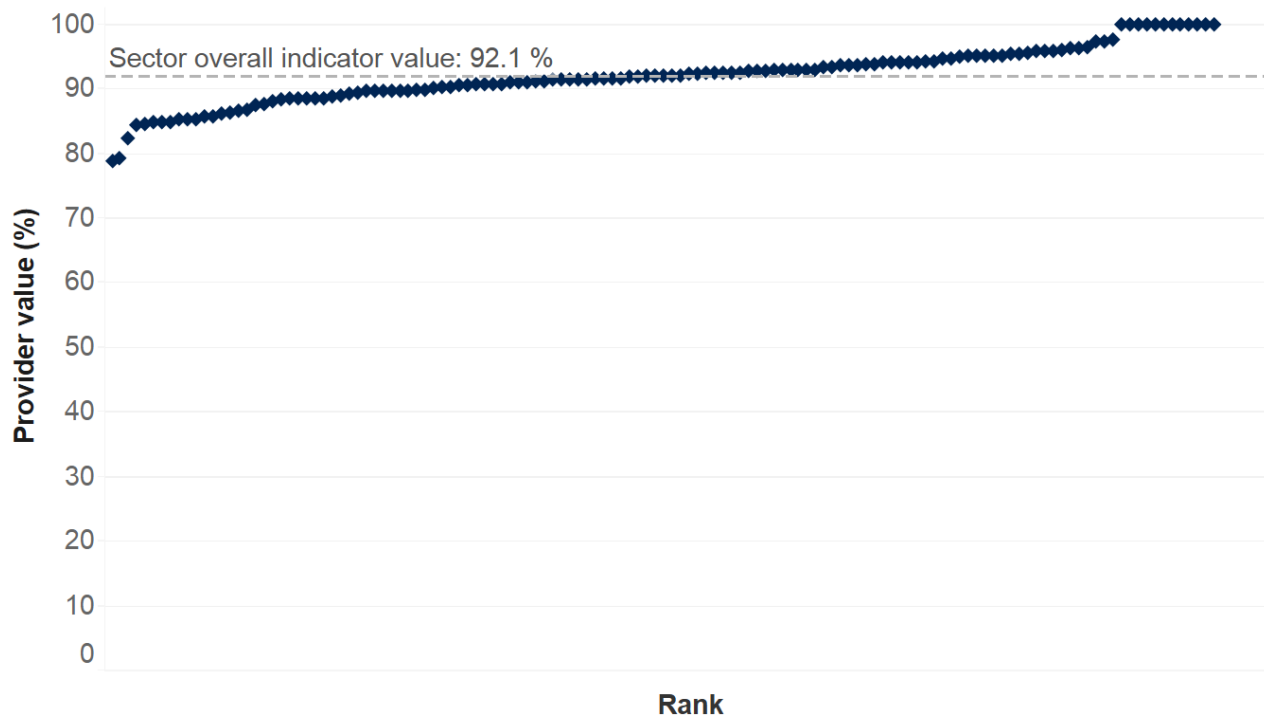
Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	5 (17.2%)
Students studying at providers with point estimates below recommended numerical threshold	180 (13.5%)
Recommended numerical threshold	85%

43. Numerical threshold for: Progression

Mode of study: Part-time

Level of study: Postgraduate taught masters

Figure B43: Sector overall rate = 92.1%



Sector median (unweighted): 92.1%

Sector weighted median: 92.1%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have not identified sector-wide contextual factors that

demonstrate larger performance gaps that would indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 6.8 per cent of providers having point estimates below the numerical threshold. Thus, 1 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have some split indicators where this was the case. For example:
 - The point estimate for 'Age on entry – under 25 years' would be below the numerical threshold for 19 providers (25 per cent).
 - The point estimate for 'Disability reported' would be below the numerical threshold for 23 providers (29.5 per cent).
 - The point estimate for 'Ethnicity – Black' would be below the numerical threshold for 15 providers (36.6 per cent).

We note that the populations for these groups are relatively small compared with the overall population for this indicator. We have already considered these characteristics in our use of sector performance data and Exploring student outcomes analysis, and we consider that this does not represent a sufficiently large proportion to suggest that the identified downward adjustment for part-time postgraduate provision may not be sufficient for this level and mode of study. However, we have set out our mechanisms for considering the context for any provider when making a decision about compliance. In making this judgement we have placed weight on our policy objectives in relation to equality of opportunity.

- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.

- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.
- We have noted responses to the consultation that suggested that the numerical thresholds we have set for progression for part-time students, especially when compared with numerical thresholds for full-time students, may not make sufficient allowance for the potential impact of personal circumstances that may be more likely to affect part-time students. We consider that a numerical threshold of 85 per cent makes sufficient allowance for the impact of external circumstances. We note that if there were a greater impact this would be reflected in the sector data we have used for this analysis. We considered whether it would be appropriate to place weight on the need for consistency between numerical thresholds for different indicators. We concluded that it would be inappropriate to reduce the threshold for the part-time postgraduate taught masters indicator for progression because this would result in providers with performance that is significantly worse than the sector average being above the threshold.

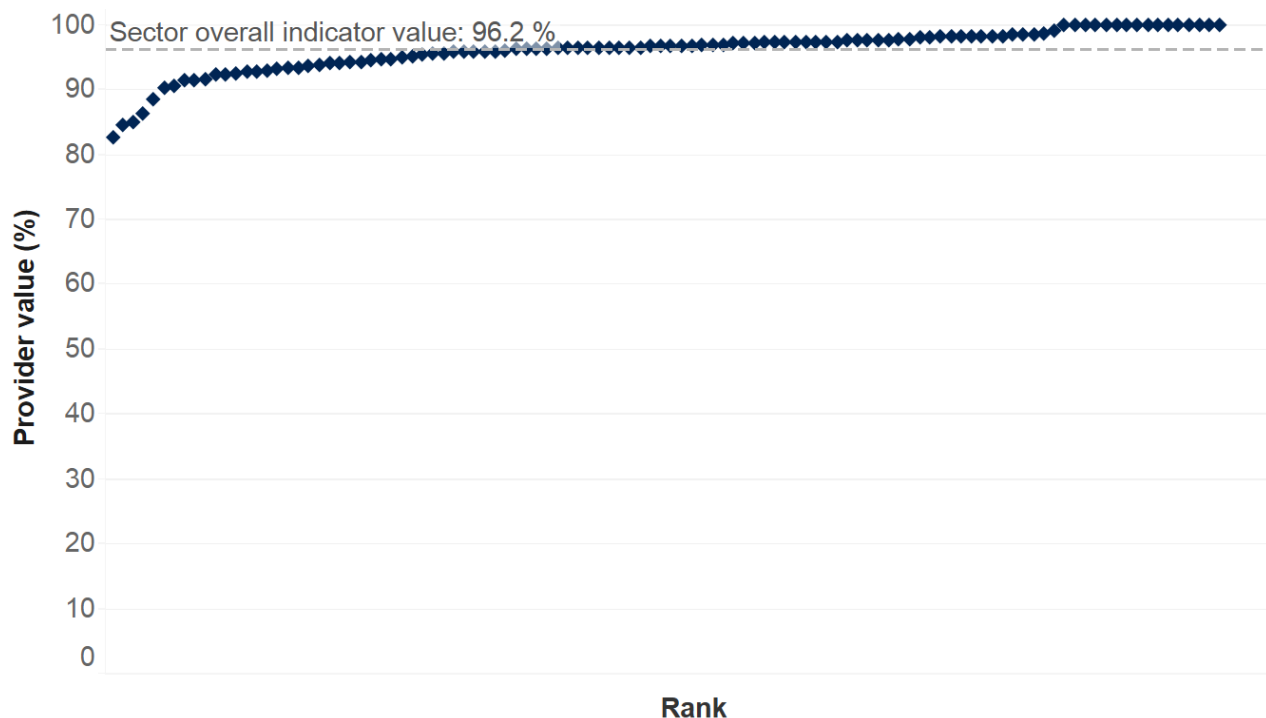
Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	9 (6.8%)
Students studying at providers with point estimates below recommended numerical threshold	400 (1.0%)
Recommended numerical threshold	85%

44. Numerical threshold for: Progression

Mode of study: Part-time

Level of study: Other postgraduate

Figure B44: Sector overall rate = 96.2%



Sector median (unweighted): 96.6%

Sector weighted median: 96.8%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have not identified sector-wide contextual factors that

demonstrate larger performance gaps that would indicate that a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in 1.9 per cent of providers having point estimates below the numerical threshold. Thus, 0.7 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis has not identified examples where a disproportionately large number of providers would have split indicators where this was the case.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

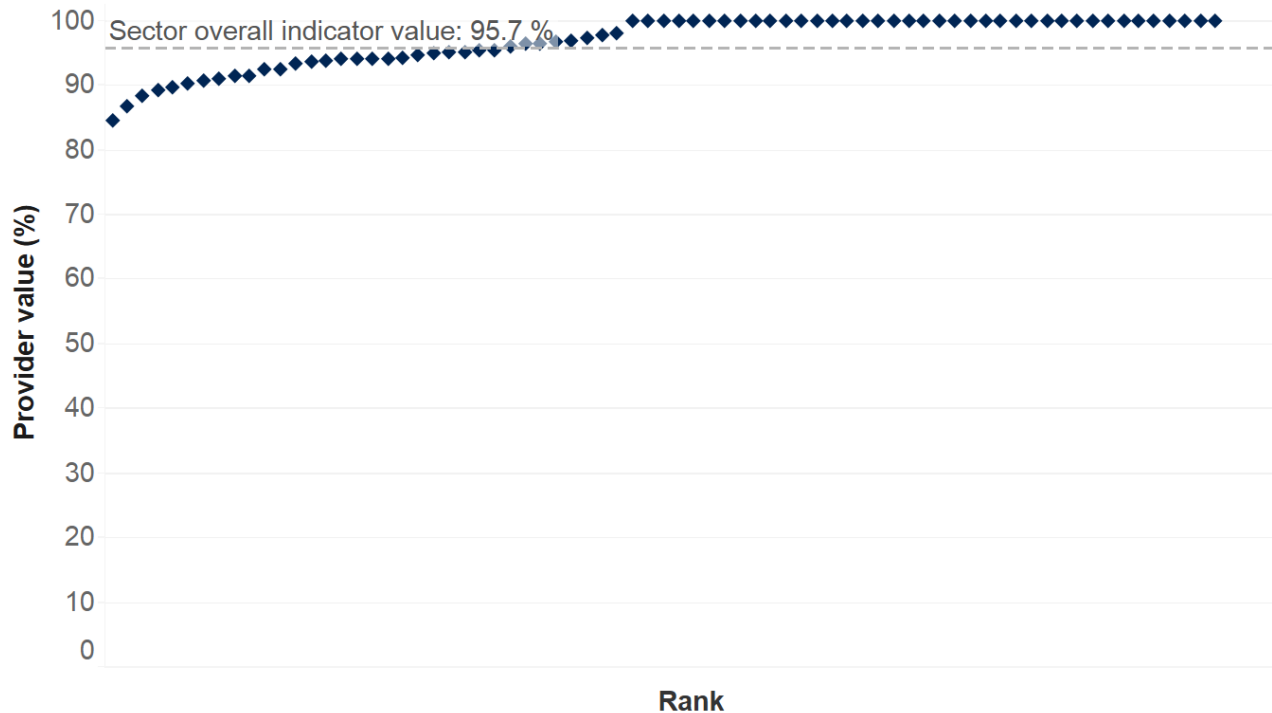
Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	2 (1.9%)
Students studying at providers with point estimates below recommended numerical threshold	180 (0.7%)
Recommended numerical threshold	85%

45. Numerical threshold for: Progression

Mode of study: Part-time

Level of study: Postgraduate research

Figure B45: Sector overall rate = 95.7%



Sector median (unweighted): 96.3%

Sector weighted median: 96.2%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- It considers the starting point used for other numerical thresholds at postgraduate level.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for part-time postgraduate courses and have not identified sector-wide contextual factors with larger performance gaps that would mean a larger adjustment would be recommended for this indicator.

Analysis suggests a numerical threshold of 85 per cent is reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- The effect of setting the numerical threshold at 85 per cent would result in one provider having a point estimate below the numerical threshold. Thus, 0.5 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement that this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We have also had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis has not identified examples where providers would have split indicators where this was the case.
- We note that benchmarking data is not available for postgraduate levels of study and therefore has not formed part of this analysis.
- We have noted that the use of survey data for this indicator results in a greater degree of statistical uncertainty around the data for individual providers, especially for smaller providers. We have considered mechanisms for taking account of greater statistical uncertainty in the data as set out in Regulatory advice 20, and do not propose to make additional adjustments to the numerical threshold to take further account of this at a sector level.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

Data issues	None identified
Recommended adjustment	5 ppt below starting point
Providers with point estimates below recommended numerical threshold	1 (1.3%)
Students studying at providers with point estimates below recommended numerical threshold	30 (0.5%)
Recommended numerical threshold	85%

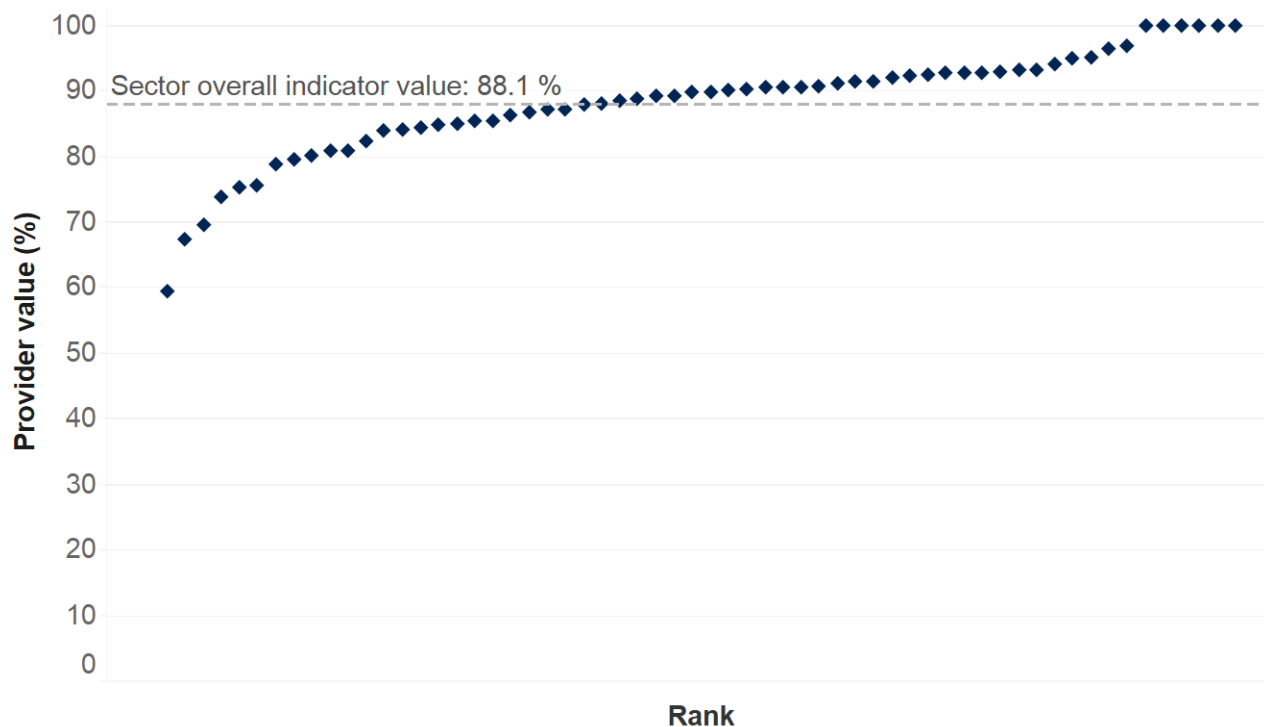
Numerical thresholds for apprenticeship: Postgraduate

46. Numerical threshold for: Continuation

Mode of study: Apprenticeship

Level of study: Postgraduate

Figure B46: Sector overall rate = 88.1%



Sector median (unweighted): 90.0%

Sector weighted median: 90.0%

Recommended starting point before adjustment: 90%

Reason for recommended starting point

- It reflects sector performance considering the sector overall rate and weighted sector median performance for this indicator, as indicated by our stated policy intention.
- We consider that this starting point makes sufficient allowance for factors outside the provider's control (e.g. changes in students' personal circumstances).
- We consider that this starting point value reasonably represents a point at which we can be confident there is no need to intervene to protect students, as set out in Regulatory advice 20.

Analysis

From our analysis of data for this indicator, we have noted the following considerations when recommending the appropriate level of further adjustment to take account of sector-wide contextual factors:

- We have taken account of the identified downward adjustment of 5 percentage points for postgraduate courses and have not identified any sector-wide contextual factors with larger performance gaps that indicate that a larger adjustment would be recommended for this indicator.
- We have noted that the population for this indicator, in terms of both student numbers and providers offering this level and mode of study, is small (9,320 students). This impacts the statistical confidence we can have on judgements about the impact of sector-wide contextual factors when the data is further disaggregated.

Analysis suggests a numerical threshold of 85 per cent may have been reasonable because:

- It would reflect the high sector average performance and be in line with our general policy that we would be unlikely to identify performance that is at or close to the sector average as requiring improvement.
- Consideration of sector performance through Exploring student outcomes does not suggest estimated differences between particular student characteristics that would require a larger adjustment than the identified downward adjustment of 5 percentage points.
- We note that benchmarking data is not available for postgraduate study and therefore has not formed part of this analysis.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In having regard to the PSED, we consider that the analysis we have undertaken, as set out in Annex A of this document, shows that a numerical threshold at this level would, in general, not disproportionately affect underrepresented groups of students.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

However, we consider that a further downward adjustment to the numerical threshold is necessary because we have placed weight on the following factors:

- That the effect of setting the numerical threshold at 85 per cent would result in 26.2 per cent of providers having point estimates below the numerical threshold. The majority of these are smaller providers with fewer than 500 students. Thus, 20.7 per cent of students would study at providers with a point estimate below the numerical threshold. We consider that there is a balanced judgement about whether this would be proportionate having regard to our general duty to ensure that our regulatory focus is targeted only at cases where action is needed.
- We have also had regard to the effect that a numerical threshold set at 85 per cent would have on the proportion of providers where point estimates for split indicators would be below the numerical threshold. Our analysis identified that a disproportionately large number of providers would have split indicators where this was the case. For example:
 - The point estimate for 'IMD quintile – Q1 or Q2' would be below the numerical threshold for 11 providers (32.4 per cent).
 - The point estimate for 'Sex – female' would be below the numerical threshold for 15 providers (30 per cent)

We therefore consider that a numerical threshold of 80 per cent is appropriate. In making this judgement, we note that:

- 13.1 per cent of providers have a point estimate below a numerical threshold of 80 per cent. 9.7 per cent of students would be studying at providers with point estimates below a numerical threshold set at 80 per cent. There is a risk that a numerical threshold of 80 per cent (or lower) may not capture provision where students may require protection from performance which is above a threshold of 80 per cent (or lower) but nonetheless weak, especially when our mechanisms for considering statistical uncertainty and contextual factors are taken into account.
- The OfS's view is that 20 per cent of students not continuing on their higher education course represents a significant proportion of students. We would have concerns about this proportion of students not continuing with their courses and that a numerical threshold below this level may not afford an appropriate level of protection to students.

Data issues	None identified
Recommended adjustment	10 ppt below starting point
Providers with point estimates below recommended threshold	8 (13.1%)
Students studying at providers with point estimates below recommended numerical threshold	900 (9.7%)
Recommended numerical threshold	80%

47. Numerical threshold for: Completion

Mode of study: Apprenticeship

Level of study: Postgraduate

- This is a relatively new mode and level of study, and thus we do not have data that enables us to consider sector performance in the same way that we have for other indicators.
- We think it is reasonable to set a numerical threshold for this indicator at this point in time, as we expect data to become available that will enable us to consider performance before the next planned review of numerical threshold levels.

We consider that a numerical threshold of 80 per cent is reasonable because:

- It is consistent with the recommended numerical threshold level for the continuation indicator for this mode and level of study. Our analysis of other postgraduate modes of study suggests that it is reasonable to recommend levels for numerical thresholds with this consistency.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

Data issues	No data available
Recommended adjustment	N/A
Providers with point estimates below recommended threshold	N/A
Students studying at providers with point estimates below recommended numerical threshold	N/A
Recommended numerical threshold	80%

48. Numerical threshold for: Progression

Mode of study: Apprenticeship

Level of study: Postgraduate

- This is a relatively new mode and level of study, and thus we do not have sufficient data to enables us to consider sector performance in the same way that we have for other indicators. There are fewer than five providers with point estimates for progression for postgraduate apprenticeships.
- We think it is reasonable to set a numerical threshold for this indicator at this point in time, as we expect data to become available that will enable us to consider performance before the next planned review of numerical threshold levels.

We consider that a numerical threshold of 80 per cent is reasonable because:

- It is consistent with the recommended numerical threshold level for continuation and completion indicators for this mode and level of study. Our analysis of other postgraduate modes of study suggests that it is reasonable to propose levels for numerical thresholds with this consistency, and we have given weight to this factor in making this recommendation.
- We have also noted the relationship with existing employment for students at this mode and level of study, which we think further suggests that a threshold at this level would be proportionate.
- Our regulatory judgement is that it would be reasonable to expect providers to be able to meet a numerical threshold set at this level. All providers where data is available have point estimates above 90 per cent for this indicator.
- In setting the numerical threshold at this level, we have had due regard to guidance from the Secretary of State, and consideration of the taxpayer interest as set out in our policy intentions.

Data issues	No data available
Recommended adjustment	N/A
Providers with point estimates below recommended threshold	N/A
Students studying at providers with point estimates below recommended numerical threshold	N/A
Recommended numerical threshold	80%