



Skills Funding
Agency

Minimum Standards of performance

How the Skills Funding Agency will apply minimum standards for 2012 to 2013

March 2014

Of interest to colleges and training organisations

Minimum Standards of performance 2012 to 2013

Background

The government is committed to:

- increased freedoms and flexibilities
- reducing bureaucracy
- reducing its intervention in the further education (FE) sector

After extensive discussions with the FE sector and a review of Minimum Levels of Performance (MLP) we introduced Minimum Standards of performance in 2012 to 2013.

Minimum Standards are:

- **simple** – removing:
 - the complex exemptions methodology in MLP
 - the use of weighted guided learning hours (glh) success rates in classroom-based learning. Instead the new Minimum Standards are applied to the published qualification success rates (QSR)
- **transparent** – using the standard published QSR used across the FE sector the approach is transparent to all colleges and training organisations; it will support them to identify and tackle their own underperformance
- **fair** – we will apply fairly and transparently the Agency's intervention process as described in the [Approach to Intervention](#) document.

In January 2014, we applied Minimum Standards to the 2012 to 2013 QSRs at provider level.

The Minimum Standards methodology

Provision types

In 2012 to 2013 Minimum Standards applied separately to the following 4 types of provision:

- i. Classroom-based learning (adults only) – long (more than 24 weeks)
- ii. Classroom-based learning (adults only) – short (from 5 to 24 weeks' duration)
- iii. Work-place learning (adults only)
- iv. Apprenticeships (all ages)

Thresholds

The thresholds indicate the success rate below which we consider that provision does not meet the Minimum Standard. The thresholds applied for 2012 to 2013 were:

- classroom-based learning:
- long duration: 63% (including AS-level) and 75% for A-levels
- short duration: 65% (excluding AS-levels 63%) and 75% for A-levels
- Workplace learning: 68%
- Apprenticeships: 55%

The thresholds are applied to success rates at qualification aim and Apprenticeship framework level. If the qualification aim or Apprenticeship framework success rate is below the minimum threshold, then we will classify that specific qualification or framework as falling below the Minimum Standard.

Tolerance level

We then calculate the number of starters or leavers in qualifications or frameworks below the Minimum Standard in each provision type as a proportion of the total. If the proportion of starts or leavers below Minimum Standards exceeds the tolerance level, the provision type is in scope for formal intervention as set out in [Approach to Intervention](#).

The Minimum Standards tolerance level is the total proportion of starts or leavers on qualification aims or Apprenticeship frameworks that had success rates below the Minimum Standards thresholds for each provision type.

For 2012 to 2013, the tolerance level was set at 40% of total starts or leavers in qualifications or frameworks below the minimum threshold.

Qualifications in scope

Minimum Standards includes all publicly-funded qualifications that contribute to the calculation of QSRs.

For 2012 to 2013 it did not include the following:

- functional skills
- Qualifications and Credit Framework (QCF) unit-sized aims
- Offender Learning and Skills Service provision (specifically OLASS-funded provision)
- classroom-based learning of very short course duration (fewer than 5 weeks)

All distance learning is in scope because the new Minimum Standards are based on QSRs. Distance learning was not in scope for MLP because of the complexity of weighting by glh.

Proportionality

We aim to intervene proportionately. In 2012 to 2013, we did not intervene formally where there were fewer than 100 starts or leavers in the success rate cohort for a given provision type. Nevertheless, we expect a college or training organisation in this position to set challenging quality improvement targets as a priority.

Failure to meet Minimum Standards

If a college or training organisation fails to meet Minimum Standards the Agency's [Approach to Intervention](#) will apply. We may also use the results of Minimum Standards to inform business decisions: if we do this we will specify how as part of the business processes.

Minimum Standards reports

The Minimum Standards reports highlight education and/or skills provision that falls below Minimum Standards at qualification level, subject sector area, QCF size and at individual qualification aim/Apprenticeship framework. The reports are intended to support colleges and training organisations to identify poor performance and improve quality.

Colleges and training organisations should ensure that they do not use the Minimum Standards thresholds as quality benchmarks. The national average success rates are significantly above the thresholds used in the Minimum Standards and colleges and training organisations should aim much higher than this and aspire to excellent education and/or skills training provision for all their learners.

We expect all colleges and training organisations to set challenging quality improvement targets using appropriate benchmarking data. It is for colleges and training organisations to identify the improvements required in the quality of the learners' experience to achieve this.

Consultation with the FE Sector on Minimum Standards

The Department for Business, Innovation and Skills (BIS) and the Skills Funding Agency consulted widely with organisations that represent colleges and training organisations before Minimum Standards were introduced. Organisations included:

- the Association of Colleges
- the Association of Employment and Learning Providers
- the 157 Group
- the Sixth Form Colleges' Association
- LEAFA (network of local authority lead officers for adult and community learning)
- NATSPEC (the Association of National Specialist Colleges)
- individual colleges and training organisations
- the Learning and Skills Improvement Service
- Ofsted
- the Department for Education
- the Education Funding Agency

As part of our consultation and communication we published shadow Minimum Standards reports in spring 2013. These allowed colleges and training organisations to see how they would have performed based on 2011 to 2012 QSR data. This enabled them to identify areas for improvement before we implemented the new Minimum Standards from December 2013 based on 2012 2013 QSR data.

Changes to Minimum Standards for 2013 to 2014

We intend to review the Minimum Standards each year and will notify the FE sector of any changes as soon as possible. For 2013 to 2014 this review will take into account:

- an impact assessment of the Minimum Standards as applied in 2012 to 2013
- the planned changes to the QSR for 2013 to 2014

The Minister has agreed to:

- include functional skills in classroom-based QSRs from 2013 to 2014
- a move away from long, short and very short, to the use of QCF categories in classroom-based QSR from 2013 to 2014

We are also currently considering a number of other possible developments for Minimum Standards which may involve:

- including OLASS-funded provision
- reviewing the requirement to apply Minimum Standards separately to classroom-based and workplace learning
- considering other performance measures as well as QSRs

We will make further information available later in the summer 2014.

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