

Regulatory case report for London Metropolitan University: Ongoing condition B3 investigation outcome

Summary

This report confirms that the Office for Students (OfS) has found London Metropolitan University ('the university') at increased risk of breaching ongoing condition B3 for the:

- continuation outcomes for its full-time, first degree students
- continuation outcomes for its full-time, postgraduate taught masters' students
- continuation outcomes for its part-time, postgraduate taught masters' students.

The OfS found that contextual factors submitted by the university justified its performance in relation to the:

- continuation outcomes for students studying part-time, other undergraduate courses
- completion outcomes for students studying full-time, first degree courses
- completion outcomes for part-time, other undergraduate courses.

Background

London Metropolitan University is a higher education provider based in London. The university was created in 2002 with the merging of London Guildhall University and the University of North London, the first merger between two universities in the UK. The university's academic structure is made up of six schools: the School of Art, Architecture and Design; Guildhall School of Business and Law; School of Computing and Digital Media; School of Human Sciences; School of Social Sciences and Professions; and School of the Built Environment. It offers a wide range of undergraduate and postgraduate degrees, research degrees, top-up degrees, short courses, apprenticeships, and international foundation programmes.

The university was selected for assessment of its compliance with ongoing condition of registration B3 (student outcomes) as part of the OfS's 2022-23 annual prioritisation cycle. As set out in 'Regulatory advice 20: Regulating student outcomes',¹ each year the OfS decides:

- which student outcome measures, modes and levels of study we wish to prioritise
- whether we should focus on any particular split indicators, such as subject of study or student characteristics, or on any other themes, such as partnership arrangements

¹ See www.officeforstudents.org.uk/publications/regulatory-advice-20-regulating-student-outcomes/.

- how many cases we will assess in that year.

We published the final prioritised categories for 2022-23 in a statement on the OfS website in November 2022.²

The university was one of 12 providers where the OfS opened an investigation in 2022-23. In selecting it, we placed particular weight on the number of students potentially affected by performance below our numerical thresholds, the statistical certainty we had about that underperformance, and the number of indicators or split indicators that were below a numerical threshold.

The indicators in scope of our investigation are in Table 1:

Table 1: Student outcomes dashboard data as of September 2022

Indicator/split indicator	OfS numerical threshold (%)	Provider indicator value (%)	Distance of indicator value from relevant numerical threshold (% points)	Statistical uncertainty distribution below numerical threshold (%)
Continuation				
Full-time, first degree	80	77.7	-2.3	100.0
Full-time, postgraduate taught masters'	80	64.3	-15.7	100.0
Part-time, other undergraduate	55	10.3	-44.7	100.0
Part-time, postgraduate taught masters'	65	56.9	-8.1	100.0
Completion				
Full-time, first degree	75	74.0	-1.0	99.3
Part-time, other undergraduate	55	6.0	-49.0	100.0

² See www.officeforstudents.org.uk/publications/condition-b3-prioritised-categories-for-the-2023-24-assessment-cycle/.

Outcome of investigation

In accordance with 'Regulatory advice 20: Regulating student outcomes', we engaged with the university and invited it to submit contextual information relevant to our assessment of its performance.

In its written submission to us, the university provided contextual information to explain its performance below threshold for the indicators in scope of investigation, covering the following themes:

- the university's student demographics
- first degrees with integrated foundation years
- the strategic actions put in place to address student outcomes
- historical data quality and reporting issues.

The OfS considered the extent to which this information satisfied us that the university's performance in relation to the indicators in scope was justified, despite being below the relevant numerical threshold.

Below we summarise some of the key submissions made by the university and the OfS's view of the issues, to illustrate our approach in reaching our decisions for this provider.

Student demographics

The university referred to its recent Teaching Excellence Framework (TEF) submission to set out the contextual information about its student demographics, particularly referencing that the majority of its students come from the most socioeconomically disadvantaged backgrounds. A review of the OfS's size and shape of provision aggregate data from September 2022 showed that the university has a high percentage of students from deprivation quintiles (IMD) 1 or 2, compared with the sector average. We also considered continuation rates for students with the particular characteristics outlined by the university and compared this to the sector.

The data shows that there are some observable differences in continuation outcomes for students with particular characteristics. For example, continuation for students from IMD quintiles 1 and 2 is three percentage points lower than for students from IMD quintiles 3, 4 and 5. However, the data also shows that similar differences occur across the sector, with observable performance gaps for students with particular characteristics of disadvantage. Analysis of the data did not identify any examples where the outcomes for students with a particular characteristic are sufficiently different to suggest that the university's performance is explained or justified by this factor. We concluded we had already adequately accounted for differences in student outcomes as a result of particular student characteristics in the following ways:

1. In setting the numerical thresholds underpinning condition B3, the OfS took account of observable differences in past student performance where analysis showed that particular student, course or provider characteristics have historically been associated with outcomes that are worse than those of other students, once we have controlled for a range of other characteristics. Where appropriate, the OfS made a downward adjustment in setting the

numerical thresholds, such that observable differences in student outcomes linked to particular student characteristics, which may otherwise contribute to a provider's underperformance, have been accounted for in setting the numerical thresholds against which performance is judged.

2. The OfS benchmark values³ are calculated as a weighted sector average to allow meaningful comparison between similar types of students on similar types of courses in the sector and a particular provider. Benchmarks therefore help interpret a provider's actual performance relative to the sector overall, once we have considered the mix of students at the provider or the provision being offered.

Although we agreed that the university does have a greater proportion of students with characteristics of disadvantage compared with others in the sector, we concluded that its student demographics did not offer sufficient justification for its underperformance. This was because:

- The university is performing both below our numerical thresholds and below its relevant corresponding benchmark values for all indicators in scope of assessment.
- We judged that the student characteristics outlined by the university in the submission had already been adequately accounted for in the setting of the numerical thresholds and benchmark values.

First degree with integrated foundation year

The university identified that the continuation rates of students studying on a first degree with an integrated foundation year have contributed to overall performance below the numerical threshold. The university highlighted that the continuation rate for students studying via an integrated foundation year is 71.4 per cent, but for students joining at Level 4, continuation outcomes are above the numerical threshold at 80.3 per cent. The OfS compared continuation outcomes for students who have and who have not joined a full-time, first degree programme via an integrated foundation year, and agree that outcomes for foundation year students are driving the university's performance below threshold for full-time first degree continuation.

We further considered continuation outcomes for students studying with and without an integrated foundation year with particular student characteristics outlined by the provider in the submission (age on entry, and sex). Although the university stated that one of the main reasons for performance below threshold was the effect of weaker outcomes for mature and male students, this was not supported by the data and therefore we did not agree that this was a relevant contextual factor that justifies the university's performance below threshold.

Having agreed with the university's assessment that weaker performance for courses with integrated foundation years are driving performance, we considered information supplied about courses that have been closed to understand the impact this had on performance. We noted that the university is phasing out first degrees with integrated foundation years in some subject areas over the next three years, following a portfolio review.

A review of the data indicated that the closure of these courses will have a negligible impact on the university's full-time first degree continuation indicator, because student numbers are small and

³ See www.officeforstudents.org.uk/data-and-analysis/benchmarking/.

when the courses are removed from the data, it does not affect the continuation indicator in any meaningful way. We noted that the university's largest foundation year courses with performance below the numerical threshold remained in operation, although under review. We therefore did not consider that closure of courses accounted for below threshold performance or would improve performance in the future.

We considered the university's argument that students dropped out of foundation-year provision due to non-standard finance arrangements or because they struggled to secure a four-year loan with the Student Loans Company given previous attempts at higher education. We are of the view that a proportion of students leaving for financial reasons is an ongoing factor for all providers and therefore will be accounted for in the way we set numerical thresholds as part of sector average performance. From our analysis, the university does not have significantly more students leaving for financial reasons or non-payment of fees than the rest of the sector, so we did not agree that more weight should be given to this factor in assessing the university's continuation outcomes for full-time, first degree students. In addition, we considered our statistical approach and placed weight on the fact that we observed compelling statistical evidence that the university's underlying performance is below threshold across each year of the modelled data, with the exception of the indicative data for 2021-22. We also had compelling statistical evidence that the four-year aggregate indicators for 2016-17 to 2019-20 and 2017-18 to 2020-21 are below threshold.

For these reasons, we did not consider that there was sufficient evidence of a material impact from contextual factors on the university's continuation outcomes that would justify performance below the numerical threshold, and the university was found to be at increased risk of breach.

Strategic actions to address student outcomes

We considered the actions that the university has taken, or will take, to improve its performance, and the extent to which those actions are credible.

The university described four strategic pillars it has put in place to improve continuation. These are: A Centre for Equality and Inclusion; The Education for Social Justice Framework; Course Enhancement Process; and Power BI. Although these provide a coherent strategic approach to improving outcomes, the plans for delivering improvement set out in the submission were not sufficiently detailed. It was not clear how the four pillars will improve performance, as they described processes and support as appeared to be standard operating processes and monitoring. However, we did notice some similarities between the strategic pillars and some of the strategic initiatives developed in response to the specific condition imposed by the OfS when the university was registered, and evidence of the pillars in the university's five-year strategy. We considered that this continuity between documents demonstrates that, at a high level, the university has developed a broadly consistent approach to its improvement plans.

We considered the two key workstreams set out by the university:

- **The Engagement Initiative.** Launched in 2021 to capture students deemed at risk of non-continuation. We noted the number of interventions the university has carried out and the areas of focus in relation to foundation-year students and in particular male students. However, we noted that because the engagement strategies started in 2021, we would not expect to see any material impact of these initiatives in the data before 2024. Therefore, we

have insufficient evidence to judge whether or not this initiative will lead to sufficient and sustained improvement.

- **The Portfolio Review.** This was launched on the arrival of the new deputy vice-chancellor in March 2022 and considered the size and shape of the university, trends in recruitment and the relative success of the portfolio in meeting employer needs and providing good student outcomes. We considered the list of decisions arising from the review, however, there was not sufficient detail, for example about targets, milestones and the nature of the work, to illustrate the likely impact on continuation outcomes.

Overall, there is not yet evidence within the available data that demonstrates the effectiveness of the actions taken by the university. The university's performance has not yet demonstrated a track record of improvement, and it is not clear that its plans will lead to sufficient and sustained improvement.

Historical data quality and reporting issues

We considered several historical data quality and reporting issues which the university presented as reasons for performance below the relevant numerical threshold, in relation to five of the indicators in scope:

Continuation, full-time, postgraduate taught masters'

The university stated that in 2022-23 it changed the way in which it returned students in their dissertation period where this extended or 'tipped over' into the next academic year. These students had historically been recorded as dormant in their second year of study which meant that they counted negatively in the continuation indicator, even though they were actively completing their dissertations. The university confirmed that this process has now been corrected and has resulted in an improvement in the most recent indicative data for 2021-22.

In addition to the data issues, the university also stated that it had identified a large number of awards missing from some of its past HESA submissions which had a significant impact on year 2 data (2017), and had closed a number of postgraduate taught masters' courses that historically had weak outcomes.

We considered all of the data quality issues, the missing awards and the closed courses, and analysed and modelled the data accordingly.

Modelling of the data showed that the particular way the university had been recording the students as dormant in year 2 had impacted the data because an improvement could be observed in the most recent indicative year of data. However, there was not evidence of sustained improvement of performance above the threshold.

Our analysis also considered data differentiating between courses on non-standard academic years and those that are on a standard academic year. Our analysis supported the university's statement about how these courses were reported previously, because there was evidence in historic years of poorer continuation rates for the courses with non-standard academic years. However, our analysis showed that, although in the most recent year we could see that continuation rates for courses with non-standard academic years improved, continuation rates for courses with standard academic years seems to have worsened.

We further considered the university's argument that a large number of awards were missing from some of the past HESA submissions, which significantly affected continuation data in 2017-18, and requested the data from the university to enable us to model the data the impact of the missing awards. Modelling showed a marked improvement in the data for 2017-18 and we agreed that the missing awards did impact continuation outcomes in that year. However, the indicator value still remains below threshold and we have compelling statistical confidence that the university's underlying performance is below threshold.

The university presented an argument in relation to its LLM Legal Practice course stating that it was not appropriate to include this course in the continuation measure. This was because it is counter to advice that was given by the OfS to return these students as dormant in year 2 and beyond in the HESA return until they are awarded. The university provided modelled continuation data to show the time series split indicators covering the years 2018-19 to 2021-22. Although OfS analysts were able to verify the data for the first three years, we identified a difference in the modelled data for 2021-22. Our analysis also considered the completion outcomes after four years for those entrants on the LLM Legal Practice course who started in 2018-19. Although this supported the university's argument that some students, while inactive at the continuation census date, do go on to have successful outcomes later on, outcomes remained below the relevant numerical threshold. We were therefore not satisfied that a sufficient number of students go on to successfully complete, and concluded that we should continue to consider continuation outcomes for these students.

We concluded that changes to data reporting and the closure of courses appeared to result in improvement in the data. However, we considered that there was not yet evidence of sustained improvement or compelling statistical evidence that performance is at or above the threshold and that the university remains at increased risk of breach.

Continuation, part-time, postgraduate taught masters'

We considered two data reporting issues presented by the university to explain performance below the relevant numerical threshold for this indicator, in relation to the part-time LLM Legal Practice course and miscoding of a Biomedical Science course.

We concluded that if we exclude both the LLM Legal Practice and Biomedical Science courses' provision from the continuation data, and consider the evidence that some students who take an extended break from their studies to complete their dissertations go on to achieve positive outcomes, continuation outcomes do improve and are above threshold. We therefore consider that this information justifies performance below the relevant numerical threshold for the part-time, postgraduate taught masters' indicator. However, there is not sufficient statistical confidence that the university's underlying performance is at or above threshold. We therefore concluded that the university's context does justify its performance, but there is increased risk of breach.

Continuation and completion, part-time, other undergraduate

The university stated that continued professional development (CPD) courses in Purchasing and Supply were erroneously included in its historical HESA submissions, and that this had impacted continuation and completion data. It further stated that these were 'closed off' as part of the Funding and Monitoring Data (FAMD) audit in 2017-18, and as a result there is no continuation data past year one. This will continue to impact the completion indicator for another three years because of the data lag.

We modelled the data to exclude this provision, and observed that there is some improvement in the continuation data where data is not suppressed. We were also able to observe that there are very few non CPD entrants on part-time, other undergraduate courses, and no new entrants on part-time other undergraduate courses in 2020-21, which may indicate that the university is phasing out this level and mode of study. The outcomes for the completion indicator are the same. When the completion data is modelled to remove this provision, some improvement can be observed, but outcomes remain significantly lower than the numerical threshold.

The number of students observed in the continuation indicator for this provision reduces dramatically after the university's FAMD audit in 2019, and the data refers to fewer than the minimum number of students that the OfS constructs indicators for. This supports the university's argument that these courses have been closed off.

We acknowledge that these CPD courses have affected the university's continuation and completion outcomes for part-time other undergraduate, and therefore performance is justified.

Completion, full-time, first degree

The university made two arguments relating to completion outcomes for full-time, first degrees.

First, it stated that the timeframe to measure completion of four years detracts students who enter on an integrated foundation degree, particularly if they are awarded late because their course length is four years. Analysis of the data showed that prior to 2019, the university offered a number of courses at Level 3 called 'Extended degrees'. The university explained that students on these courses would then transfer onto a three-year Level 4 course code in their second year of study. The change in 2019 to offer integrated foundation year courses and a single course code, was made so that the university was better able to track outcomes for these students and compare against their Level 4 counterparts. The data shows that a substantial number of programmes with integrated foundation years were introduced, with entrants from 2019 onwards. For the 2019 programmes, the first entrants would not have been expected to complete a four-year programme until at least summer 2023, and we therefore consider that neither the OfS nor the university (at the time of its submission) would hold evidence from student records data demonstrating that this would be a relevant contextual factor.

Second, the university stated that completion data is skewed by historical partnerships which are no longer active. Analysis of the available data identified 221 students who were subcontracted out in 2016-17. Modelling of the completion data to remove these students would bring the 2016-17 indicator up and increase the overall aggregate indicator by three percentage points to 74.3 per cent. We therefore concluded that the university's argument that historical partnerships have 'skewed' the data is supported by the available data that the OfS has been able to consider in relation to the taught population, and that this justifies its performance below the numerical threshold.

We therefore concluded that the university's underlying performance for this indicator was justified by its context.

Regulatory action

Consistent with our published approach, we have decided to impose a specific condition of registration on the university in relation to the indicators found to be at increased risk of breach of condition B3. This specific condition requires the university to review its performance in relation to these indicators and take targeted actions to improve or sustain outcomes within an appropriate timescale.