



# Good Practice Note on the Use of Outcome Indicators Within Single Outcome Agreements

This document accompanies the Menu of Local Outcome Indicators

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# Summary of key messages

- Version 4 of the Menu of Local Outcome Indicators has been produced through the Improving Local Outcome Indicators Project. The project is led by SOLACE and overseen by a Project Board which includes senior representation from all statutory Community Planning (CP) partners and other key stakeholders involved in the development and delivery of Single Outcome Agreements (SOAs).
- SOAs present major challenges in how the public sector manages and assesses performance concerning the delivery of outcomes. In particular, the shift from the traditional measurement of inputs, activities and outputs to a clear focus upon the achievement of outcomes requires the development of outcome-focused indicators for use across partnerships.
- The updated Menu focuses on the broad outcomes contained in SOAs and identifies the most relevant and robust outcome indicators currently available nationally for tracking progress of those outcomes.
- Version 4 of the Menu is a significant improvement on previous versions, with many gaps having been filled, more relevant outcome indicators having been identified and more comprehensive metadata provided for all indicators.
- The development of the updated Menu followed extensive consultation with over four hundred individuals, including senior managers, policy officers and analytical experts, drawn from a wide range of organisations.
- In developing version 4 of the Menu, decisions on the inclusion of indicators were based on how well they fitted a set of criteria agreed by the Project Board. The criteria included factors such as availability of data at local authority level, timeliness of data publication, statistical robustness, consistency over time and relevance, in terms of being genuinely outcome-focused.
- A number of indicators have been removed from the previous version of the Menu because they do not meet the agreed criteria. It is recognised that this means some important outcome areas are not adequately covered in this version of the Menu - essentially because robust local authority level outcome data is not currently available. This in no way implies that such areas are not important issues or that they should not be addressed in SOAs. A major priority for the next stage of the project is to develop measurement coverage for the gaps that have been identified.
- Where alternatives for those indicators considered unsuitable have yet to be developed, CPPs may wish to consider whether the removal of existing indicators will have an adverse affect on the delivery or focus of their SOAs. Equally, they may also wish to consider whether the retention of those indicators may be more detrimental than their removal. It is also the case that some of the indicators removed from the updated Menu may be of relevance in tracking progress of detailed plans, which underpin the SOA.
- The Menu of Local Outcome indicators is not prescriptive. There is no expectation that every SOA will use every indicator contained in the Menu. CPPs can select from the Menu those indicators that are most relevant to the outcomes that they have prioritised locally. CPPs can also use indicators not included in the Menu if they are considered appropriate to local priorities.

- In accordance with the SOA Guidance, SOAs should be high level, strategic documents, with a relatively small number of priority outcomes and a relatively small number of outcome indicators used to track progress. Such an approach will help to provide clarity of focus across the partnership, both on the priority outcomes sought and on the progress being made in achieving them.
- The Menu focuses upon high level outcome indicators. There is also an important ongoing role for a range of input, process, activity and output indicators. These include a range of detailed indicators that will continue to be useful for tracking underpinning strategies and plans that contribute to SOAs. (For example, many of the detailed community care performance indicators, HEAT targets, etc.). In accordance with the SOA Guidance, such detailed indicators and targets will tend to sit ‘below the waterline’ and underpin the delivery of outcomes. This means that they typically would not be included within the SOA itself. Where intended outcomes are very long-term in nature, however, it may be helpful to include within an SOA some interim milestones, which act as a measure of progress towards longer-term outcomes.
- In line with the SOA Guidance relating to continuous improvement, it is important that SOAs continue to develop and adapt, and are refreshed to take account of changing circumstances. As part of this, it is suggested that the indicators currently contained within SOAs should be reviewed by each CPP in light of the updated Menu. CPPs can select those indicators from the Menu that are most relevant to the outcomes that they have prioritised locally. Where appropriate, less robust / relevant indicators can be removed and replaced with indicators from the updated Menu.
- The development of robust local outcome indicators is an ongoing process and there is still more work to be done. The project has identified a number of gaps where there are currently no nationally available outcome indicators suitable for use in SOAs. The next phase of the Improving Local Outcome Indicators Project will include consideration of how such data gaps can best be addressed. Continued support and feedback from stakeholders in this process is extremely valuable. Suggestions for additional outcome indicators to be incorporated within future updated editions of the Menu the criteria are welcomed and can be sent to [listen@improvementservice.org.uk](mailto:listen@improvementservice.org.uk)
- The majority of the indicators contained within the Menu can be accessed via the Local Outcome Indicators reporting tool, contained within the Scottish Neighbourhood Statistics portal. [www.sns.gov.uk/Reports/PerformanceFramework.aspx](http://www.sns.gov.uk/Reports/PerformanceFramework.aspx) (Within SNS, click on ‘Performance Framework report’, then choose ‘Local Outcome Indicators’ from the drop down menu. A report on ‘Local Outcome Indicators by Equalities Characteristics’ is also available.)
- The Scottish Government has agreed to provide a help facility for queries about indicators, data, target-setting and wider analytical issues associated with SOAs. For assistance, please e-mail: [analysts.network@scotland.gsi.gov.uk](mailto:analysts.network@scotland.gsi.gov.uk)

# 1. Introduction/purpose of the Good Practice Note

Single Outcome Agreements (SOAs) present major challenges in how the public sector manages and assesses performance concerning the delivery of outcomes. In particular, the shift from the traditional measurement of inputs, activities and outputs to a clear focus upon the achievement of *outcomes* requires the development of outcome-focused indicators for use across partnerships.

This Good Practice Note accompanies the updated Menu of Local Outcome Indicators (V.4). The Menu and Note are intended to assist Community Planning Partnerships (CPPs) with identifying the most relevant and robust outcome indicators in order that they may be used within SOAs to track progress in achieving specified outcomes.

## 2. Context/background

Information on the context, background and approach taken by the 'Improving Local Outcome Indicators' project is set out within Appendix 1.

## 3. Key changes made in V.4 Menu of Local Outcome Indicators

The updated Menu represents a substantive improvement on the previous version of the Menu. Key areas of development include:-

- A significantly revised and rationalised list of outcome indicators, based upon agreed criteria;
- The inclusion of detailed metadata for each indicator;
- Improved presentation;
- The development of the Local Outcome Indicators reporting tool within Scottish Neighbourhood Statistics;
- The provision of a point of contact for technical data queries; and
- This accompanying Good Practice Note relating to the use of outcome indicators within SOAs.

These improvements are intended to be of practical benefit to CPPs in helping them to refine their SOAs and the indicators used to track progress in delivering outcomes.

## 4. Criteria applied in selection of indicators for inclusion in the Menu

Any indicator chosen to track performance of Single Outcome Agreements needs to be relevant and practical. The decisions to include and exclude indicators in Version 4 of the Menu were not based on the political importance of the indicator or outcome area. Rather, decisions were based on the availability, robustness and suitability of the data. The list below outlines the

criteria that all indicators were assessed against.

**A Relevant and unambiguous**

The indicator should be clearly and directly relevant to at least one of the high level outcomes that are being sought. It may not be a direct measure of the outcome but it should be a clear and unambiguous indicator of progress toward that outcome. The definition should allow for non-experts to understand the indicator and there should be no possibility of misinterpretation.

**B Harmonised with other frameworks and concepts**

The definition of the indicator should be harmonised with any similar measures being used in other frameworks, performance management systems, legislation or national or international conventions.

**C. Timely and accessible**

The data should be published regularly enough to tie in with the SOA reporting arrangements, the time-lag between recording and reporting of data should be minimal and the data should be easily accessible to all (i.e. available publicly).

**D. Statistically Robust and Consistent**

For data from surveys:

The data should be precise enough to measure change (i.e. the confidence intervals should be narrow enough that it can be reliably reported whether or not the target has been achieved at the relevant geography or for the given sub-group).

The data should be based on a sample that is representative of the relevant population and collected using recognised best practice in surveys.

The data should be consistent across time and place in terms of both the survey questions asked and the survey design and analysis methodology.

For data from administrative systems:

All bias and error in the data should be recognised and the implications assessed against the usefulness of the data. There should be minimal risk to changes in systems and recording practice over time and minimum inconsistencies between geographical areas. The data should be fully quality assured and auditable.

**E. Affordable**

The cost of collecting the data to a sufficient quality standard should be outweighed by the usefulness and utility of the data.

## 5. Indicators removed from previous version of the Menu

A number of indicators have been removed from the previous version of the Menu because they do not meet the agreed criteria. Appendix 3 sets out the indicators removed from the previous version of the Menu due to them being assessed as not meeting the criteria, together with a brief explanation of the criteria that was not met. It is recognised that this means some important outcome areas are not adequately covered in this version of the Menu - essentially

because robust local authority level outcome data is not yet available. This in no way implies that such areas are not important issues or that they should not be addressed in SOAs. A major part of the next stage of the project is to develop measurement coverage for the gaps that have been identified. The Project Board overseeing the work will continue to encourage stakeholders to engage and provide support and input to this next stage of the work.

Where alternatives for those indicators considered unsuitable have yet to be developed, CPPs may wish to retain indicators from the previous Menu, until such times as more robust outcome indicators have been developed. It is also the case that some of those indicators removed from the updated Menu may be of relevance in tracking progress of detailed plans, which underpin the SOA.

## 6. Indicators remaining from previous version of the Menu

A number of indicators remaining in the menu have been changed slightly. For example, details of the definition or a change from counts to rates or percentages. The Menu now contains metadata for each indicator so details can be clearly seen.

## 7. Assessment of outcome indicator data gaps

Part of the remit of the project has been about assessing the gaps and shortcomings of existing data (*e.g. Is it robust at the level of most Councils?; Is its publication timely?; Does it really capture what is important in outcomes?, etc*). As indicated, identification of key data gaps and detailed consideration of how they might be addressed will take place in the next phase of the project.

Where outcome indicator gaps have been identified, consideration will be given to how best these can be addressed. It is recognised that there is unlikely to be any significant additional resource available for this work, particularly given wider public sector finance constraints. However, there may be an opportunity for the public sector to reassess existing data collections and other priorities in light of the outcomes approach.

Appendix 4 sets out the initial assessment of the current data gaps with respect to local outcome indicators, which will be considered in detail in the next phase of the project.

## 8. The use of subjective indicators

Part of the project remit has included assessing the potential usefulness of using more subjective indicators in SOAs to complement objective data. This is seen to be a useful dimension as considerations of quality of life, wellbeing, and 'happiness' are at the heart of many local outcomes. Subjective indicators also lend themselves well to the way in which many National Outcomes have been expressed. (*e.g. '...attractive place to do business...', '...confident individuals...', '...resilient and supportive communities...', etc*).

Indeed, it is noted that subjective indicators already feature in many Scottish Government surveys. This workstream reviewed these issues and set out proposals for additional subjective indicators that may be of use in tracking delivery of outcomes. A separate report on the subjective indicators workstream has been published. The detailed findings of this work will feed into the consideration of gaps in the project's next phase and will also be passed to the Scottish Population Surveys Co-ordinating Committee for consideration.

## 9. Accessing the indicators in the Menu

The majority of the indicators contained within the Menu can be accessed via the Local Outcome Indicators reporting tool contained within the Scottish Neighbourhood Statistics portal. [www.sns.gov.uk/Reports/PerformanceFramework.aspx](http://www.sns.gov.uk/Reports/PerformanceFramework.aspx) (Within SNS, click on 'Performance Framework report', then choose 'Local Outcome Indicators' from the drop down menu. A report on 'Local Outcome Indicators by Equalities Characteristics' is also available)

In order to ensure that consistent data is used and to facilitate like for like comparison, it is suggested that this source be used in preference to others (where data on similar topics may be calculated differently or use other denominators).

## 10. Continuous improvement in the Menu

It is recognised that a Menu such as this will never be 'perfect' and that additional detailed work will be required in order to further strengthen the indicators used in measuring SOAs. (*For example, simply in terms of addressing the identified gaps.*) Suggestions for additional outcome indicators that fit the criteria are welcomed and can be submitted to [listen@improvementservice.org.uk](mailto:listen@improvementservice.org.uk)

## 11. Assistance with queries concerning local outcome indicators

The Scottish Government has agreed to provide a help facility for queries about indicators, data, target-setting and wider analytical issues associated with SOAs. For assistance, please e-mail: [analysts.network@scotland.gsi.gov.uk](mailto:analysts.network@scotland.gsi.gov.uk)

## 12. The use of indicators in monitoring SOAs

### a. Introduction

SOAs are the means by which CPPs agree strategic priorities for their local area and express these as outcomes that partners will work together to deliver. SOAs require to be actively monitored to ensure that the desired outcomes are fully realised. CPPs and individual partners need to develop and adapt existing performance management systems to accommodate the shift to an outcomes focus and align them with strategic outcomes agreed in the SOAs. A key element of the SOAs is the selection of a basket of indicators, which reflect the CPP's priority

outcomes, and for which robust and timely information can be compiled and monitored to assess overall progress. This information should then be used to inform strategic discussions, within both individual partners and across the partnership, about the actions and strategies required to achieve the outcomes set out in the SOAs.

**b. Definition of an outcome indicator**

The SOA Guidance referred to outcomes as the measurable changes that are sought within communities. In short, outcomes encapsulate the tangible difference that partners are seeking to achieve.

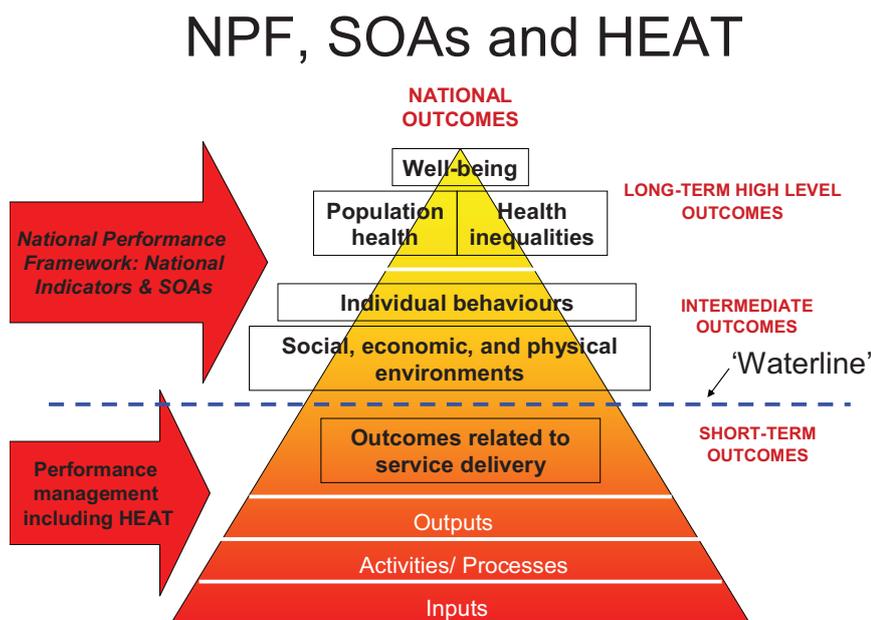
Outcome indicators are data that relate directly to those outcomes and allow an assessment to be made regarding the extent to which the desired outcomes are actually being achieved.

In selecting outcome indicators, the starting point ought to be a clear articulation of the outcomes that are desired. The outcome indicator should then flow from this and seek to encapsulate the essence of each particular outcome and be capable of acting as a measure of progress made.

**c. Strategic focus of SOAs - ‘Above and below the waterline’**

SOAs should focus clearly on the strategic outcomes that are desired for/by communities and/or users of public services. SOAs also need to define outcome indicators that will be used for monitoring progress towards these outcomes. Using the analogy in the SOA guidance, these high level, strategic outcomes and outcome indicators sit ‘above the waterline’. In Figure 1(below), which has been developed in relation to health improvement, strategic outcomes appropriate for inclusion in SOAs correspond to the intermediate and higher-level/longer term outcomes above the waterline.

*Figure 1.*



SOAs should contain a limited number of key indicators relating to the strategic outcomes agreed by CPPs. If an SOA contains too many nonstrategic indicators, it is unlikely to provide the

desired strategic focus for a partnership.

The SOA should also be supported by a range of underpinning plans, strategies, performance indicators and performance management arrangements to deliver and monitor progress towards the strategic outcomes in the SOA. These indicators sit ‘below the waterline’ as illustrated in *Figure 1*.

As an example, these include performance measures such as HEAT targets. HEAT targets typically reflect short-term outputs or outcomes, such as delivery of brief interventions to reduce individuals’ alcohol consumption. This is one of a range of contributions the NHS makes to tackle excessive alcohol consumption, either directly or working with other partners, to support achievement of the strategic outcomes that might appear in SOAs, such as reduced alcohol related deaths. Whilst Health Boards need to meet HEAT targets, as members of CPPs they also need to consider the wider contributions they make and demonstrate how they are working with partners to deliver them. This means that, in general, HEAT targets are not appropriate for inclusion in SOAs but they do support the delivery of some of the strategic outcomes that might be included in SOAs.

Although SOAs should have a strategic focus, other types of indicators should not be discarded. The effect of interventions to address many of the outcomes that might be in the SOA, such as reduced health inequalities, may not be seen for many years. Accordingly, it remains entirely appropriate to use indicators of activities, outputs, short-term outcomes or other milestones, within the underpinning performance management processes used to assess progress in implementing services or strategies designed to achieve the outcomes set out in SOAs. However, the main focus of SOA monitoring should be on progress made against the strategic outcomes agreed by the CP partners and set out within SOAs. The broad principle illustrated above for NHS HEAT targets, applies to the wider range of underpinning plans and strategies that support achievement of SOA outcomes. The actual indicators appropriate for inclusion within an SOA will, of course, depend upon the local priority outcomes identified.

Appendix 2 provides a worked illustration of input, activity, output and outcome indicators.

#### **d. Using the Menu of Local Outcome Indicators**

CPPs ought to consider a number of key principles in selecting indicators for use in tracking progress in implementing their SOA.

Firstly, indicators selected ought to be directly relevant to the priority local outcomes. It is not expected that CPPs will use all indicators from the Menu. Rather, only those outcome indicators that are most directly relevant to priority local outcomes should be selected.

Ideally, both the priority local outcomes and the outcome indicators selected ought to be capable of being influenced, at least to some extent, by the ‘levers’ available to local partners. There is little point in a partnership prioritising an outcome or selecting an outcome indicator that cannot be influenced in any way by the actions of partners.

Consideration also needs to be given to the focus of the outcomes and the outcome indicators selected. A focus on narrow or short-term outcomes and outcome indicators may prove detrimental to the achievement of longer-term outcomes. Likewise, a focus on the priority outcomes of one particular partner may undermine broader or longer term outcomes. For example, a short / medium term outcome in relation to community justice may include

increasing crime detection and conviction rates. However, the evidence base also tells us that reconviction rates for offenders currently sit at around 70% after two years. Therefore, a focus on crime detection / conviction alone is unlikely to ensure the achievement of long-term outcomes in relation to crime reduction and community safety. A more holistic approach may include complementary measures that address the underlying causes of crime, including early intervention, preventative or diversionary activities.

This example illustrates the need to draw on a range of partner perspectives when specifying the shared priority outcomes within the CPP, reflecting the contributions of different partners to those outcomes and the most appropriate indicators to use above and below the 'waterline'. This also links to the SOA Guidance, which clarifies the role and responsibilities of partners in signing up to an SOA. Each partner is expected to look at how they individually can contribute to outcomes and show clearly the links between the SOA and each partner's planning, resourcing and performance management processes.

#### **e. The use of proxy indicators**

Where relevant data that allows the direct measurement of the desired outcome is unavailable, it may be necessary to use proxy indicators. For example, a number of SOAs have prioritised enhanced biodiversity as a local outcome. As there is no single indicator that fully encapsulates this complex and multi-faceted outcome, it may be appropriate to use proxy indicators. In this example, potential proxy indicators may include the proportion of national priority habitats/ species in each Local Biodiversity Action Plan area which are under positive management.

Where it is necessary to draw upon proxy indicators, care needs to be taken to ensure that the choice of a proxy does not just drive interventions that help to make progress as measured by the proxy indicator without actually addressing the overall desired outcome for which the indicator acts as a proxy.

#### **f. Sub-Local Authority data.**

Whilst SOAs operate at the level of the Local Authority/ CPP, many partnerships will have priority outcomes that seek to target geographic communities or communities of interest. This may be the case, for example, with regard to tackling aspects of inequality. The Menu of Local Outcome indicators specifies the level of geographical disaggregation available for each indicator. The Menu also highlights data breakdowns that are available for specific interest groups or sub-groups (e.g. data split by gender, age, etc). There is a desire to further improve the range of equalities data available and the second phase of the project will seek to progress this.

Attention is also drawn to the Scottish Index of Multiple Deprivation (SIMD), an update of which has recently been published ([www.scotland.gov.uk/Topics/Statistics/SIMD/Publications](http://www.scotland.gov.uk/Topics/Statistics/SIMD/Publications)). Specific guidance on which SIMD to be used for analysis includes the following:-

##### Analysis at a point in time

i. The most deprived areas at the current point in time. Use SIMD 2009 as this highlights the most deprived areas based on the data available at the time of calculation (see SIMD technical note for details of data sources [www.scotland.gov.uk/simd2009technical](http://www.scotland.gov.uk/simd2009technical)).

ii. The most deprived areas in the past e.g. using survey data from 2005. Use the SIMD that uses data closest to the time period of the data source you are using, eg SIMD 2006

used 2004-05 data and 2004 population estimates.

### Analysis over time

iii. What has happened to the most deprived areas since 2004. Use the most deprived datazones highlighted in SIMD 2004 to see if there has been improvement in these areas, possibly in comparison with the 85% least deprived. Some of these datazones will have remained in the 15% most deprived in later versions of the index and some will have moved out.

iv. What has happened in the most deprived areas in the past. Use the datazones highlighted in the most recent SIMD and look back through time to see whether these areas have worsened, possibly in comparison with the 85% least deprived. Some of these datazones will have remained in the 15% most deprived in earlier versions of the index and some will have moved in.

v. What has happened to the most deprived areas over time. In this case, analysis needs to focus on the most deprived areas as a group within Scotland as defined by each update of the index, e.g. how do the most deprived areas in SIMD 2009 differ from those highlighted in SIMD 2004 and SIMD 2006.

### **g. Establishing a baseline, target-setting and reporting change**

In order to measure progress made by a SOA, it is, firstly, necessary to establish a baseline from which subsequent progress can be measured. Good practice in the setting of baselines, targets and reporting change include the following:-

i. Targets should be clearly defined to allow verification by others. The source of data and, if appropriate, a definition of the denominator ought to be given.

ii. Give the baseline level and date of baseline.

iii. It may sometimes be preferable to establish baselines that draw upon data from a number of years, presented as an average. This type of approach helps to smooth out annual data variations and results in a more reliable baseline from which to assess subsequent progress. It is always helpful to consider a time series of past data before establishing a baseline or setting a target.

iv. It is good practice to present indicators consistently over time. For example, if the baseline figure is presented as a percentage to 2 decimal points, then it is important that the latest data and the target are presented as percentages to 2 decimal points, and not as a rate, for example, or rounded to the nearest integer.

v. To set a stretching but obtainable target you need as much information as possible. You will need to look at previous trends so you can predict what is likely to happen (regression analysis can be a useful tool here). Disaggregating the data into population groups can be informative as it can highlight which sections of the population you will need to focus on in order to achieve the target.

vi. When setting a target which is comparative, exclude the target group from the comparator. For example, if the target is to increase the educational attainment of boys,

the comparator group should be girls, not all children. This is because, as boys' attainment improves, so too will the attainment of all children, making it more difficult to show whether the gap has been bridged.

vii. When targets relate to counts of people, use rates. This takes into account changes in the underlying population structure. For example, instead of 'reduce the number of people claiming unemployment benefits' use 'reduce the proportion of people claiming unemployment benefits' or 'reduce the number of people claiming unemployment benefits per 100,000'. Otherwise, the indicator will be affected by population increase/decrease.

viii. Instead of setting zero or 100% targets use <1% or >99%. Small blips or a single outlier should not mean that your target has not been reached.

ix. The uncertainty and variability of the baseline, subsequent year's data and the change between two values should be considered. It is good practice to set symmetrical 'thresholds' around indicators. These 'thresholds' are the criteria applied to assess whether 'real' change has occurred. Differences which do not meet this criteria are claimed as neither 'success' nor 'failure' as it is considered too likely that the change is due to something other than a genuine change in outcome. 'Thresholds' can be informed by historical variation in the data, confidence intervals, and knowledge about potential errors in the data, and are likely to be primarily formed by judgement of those most familiar with the data. It is important that the 'thresholds' used are clearly outlined within the report.

x. The level of uncertainty around data should be considered when setting targets. For instance with survey data, the confidence interval of the baseline should be considered alongside the likely confidence interval around subsequent years' data and the target should be such that the confidence intervals do not overlap. For example, if the baseline is 10%, with a confidence interval of 3 percentage points either side, there is little value in setting a target of 13%, as that level of change will be very difficult to measure with the given data source.

xi. Be aware of the effect that statistical disclosure control such as rounding may have on the data. You may not know if a zero is a true zero or if you are aggregating rounded counts from small areas there may be problems in picking up small changes.

xii. Look out for seasonal or other cyclical effects in the data as there may be a difference between quarters or months. If in doubt, always compare the same quarter or month in each year to monitor progress or use an average for the whole year or seasonally adjusted data.

xiii. It is good practice to provide an explanation for any indicators that have either been altered or removed since original agreements were signed off. The annual reports should therefore mention all indicators included in the SOA and not only those considered the 'most important'. The reports should provide a brief explanation if some indicators are not being reported on, have been altered slightly in their definitions or data sources, or if baselines have been reconsidered.

xiv. It is good practice to provide clarity in the use of ‘percent’ or ‘percentage points’. To avoid confusion, ‘pp’ or ‘percentage points’ should be used instead of ‘percent’ where a desired or achieved change refers to the difference in percentage points rather than a percentage change from the original value. i.e. A change from 50% to 55% is an increase of 5 percentage points or 10 percent (as 5 is 10% of 50).

xv. The source of data for every indicator should be clearly stated, alongside the data owner or the website via which data were accessed. The data source should specify the name of the survey or administrative source, data owner and year, including for denominators where appropriate. It is also good practice to avoid the use of acronyms or jargon. An example data source: Scottish Household Survey (2008), Scottish Government, accessed via Scottish Neighbourhood Statistics.

#### **h. The role of in-depth evaluation**

Collating and reporting routine monitoring indicators will only tell part of the story regarding the extent to which implementation of an SOA is successful or otherwise.

Many outcomes are typically influenced by a range of external factors, which public sector partners may have little direct influence over. Accordingly, in addition to routine monitoring, there will be a need to undertake more in-depth evaluation of the activities and strategies implemented to achieve the outcomes specified in SOAs. This, for example, can assist with attribution of outcomes/impact and can also help to improve understanding of which aspects of the SOA strategy work well and represent good value for money (and which aspects do not).

#### **i. Further reading**

Further reading relating to technical and other matters is set out in Appendix 5.

## Improving Local Outcome Indicators Project

### Context/background

The 'Improving Local Outcome Indicators' project is a national initiative, which has been led by SOLACE and has included input from a wide range of key stakeholders with an interest in SOAs.

The project emerged from analysis of the first phase SOAs, which identified that there were several thousand indicators used across the 32 SOAs. Some of those indicators were not outcome-focused, some were not statistically robust, some had only a weak correlation with the actual outcome they were supposedly tracking and some would require the development of new surveys. Subsequent analysis of the second phase SOAs indicated that only a marginal improvement had taken place in this overall situation, albeit that the second phase SOAs included the input of all CPP partners. SOLACE very much recognised that delivery of SOAs required robust management and reporting. At the same time, however, it was also recognised that there was a general desire to reduce administrative and reporting burdens within the public sector. As such, SOLACE was keen to avoid the creation of an unnecessary 'new bureaucracy' on the back of SOAs. The aim, therefore, was to ensure that a balance was struck and that SOA management and reporting was robust but proportionate.

Analysis of the SOAs also highlighted that, whilst there were, rightly, different emphases reflecting local circumstances, overall, there was a high degree of commonality in the broad types of outcomes that were prioritised across the 32 SOAs. Accordingly, SOLACE was also keen to facilitate appropriate benchmarking comparisons across similar areas, by promoting a rationalised set of outcome indicators and encouraging consistent use of data.

Overall, therefore, SOLACE was keen to streamline the large volume of indicators used in SOAs and significantly improve the merit of the indicators used to help manage and track delivery of SOAs. A key aim was to encourage good practice by identifying the most relevant indicators, which truly reflected the desired outcomes, whilst also ensuring they were statistically robust and suitable for use in assessing progress against local outcomes.

By working together across all of the key sectors, the project has sought to build consensus on what are the most robust and meaningful outcome indicators that are of genuine use in assessing progress made in the delivery of local outcomes. By undertaking this work as a joint national project, the project has also sought to make the most effective use of public sector resources by avoiding 're-invention of the wheel' across each of the CPPs.

In order to ensure cross-sector engagement, a Project Board was established to oversee the project, with membership drawn from across the major stakeholders involved in the SOAs (see *Appendix 1a*). The detailed work of the project was progressed by a Co-ordination Group (see *Appendix 1b*).

**Improving Local Outcome Indicators Project  
Membership of Project Board**

| <b>Name</b>        | <b>Representing</b>             | <b>Position</b>                         | <b>Organisation</b>                     |
|--------------------|---------------------------------|---|---|
| David Hume (Chair) | SOLACE                          | Chief Executive                         | Borders Council                         |
| David Martin       | SOLACE                          | Chief Executive                         | Renfrewshire Council                    |
| Lorraine McMillan  | SOLACE                          | Chief Executive                         | East Renfrewshire Council               |
| Jon Harris         | COSLA                           | Strategic Director                      | COSLA                                   |
| Mark McAteer       | Improvement Service             | Director                                | Improvement Service                     |
| Rob Wishart        | Scottish Government             | Chief Statistician                      | Officer of Chief Statistician, Scot Gov |
| Mary McAllan       | Scottish Government             | Head of Division                        | Public Service Delivery, Scot Gov       |
| Tim Davison        | NHS                             | Chief Executive                         | Lanarkshire Health Board                |
| Colin Menzies      | ACPOS                           | Assistant Chief Constable               | Grampian Police                         |
| David Wynne        | CFOAS                           | Chief Fire Officer                      | Dumfries & Galloway Fire Service        |
| Julian Taylor      | Enterprise Agencies             | Senior Director                         | Scottish Enterprise                     |
| Tina Yule          | Audit Scotland                  | Local Government Improvement Advisor    | Audit Scotland                          |
| Katie Hutton       | Skills Development Scotland     | Head of National & Local Govt Relations | Skills Development Scotland             |
| Roddy Fairlie      | Scottish Natural Heritage       | Operations Director (South Scotland)    | Scottish Natural Heritage               |
| Eric Guthrie       | Regional Transport Partnerships | Partnership Director                    | Tactran                                 |

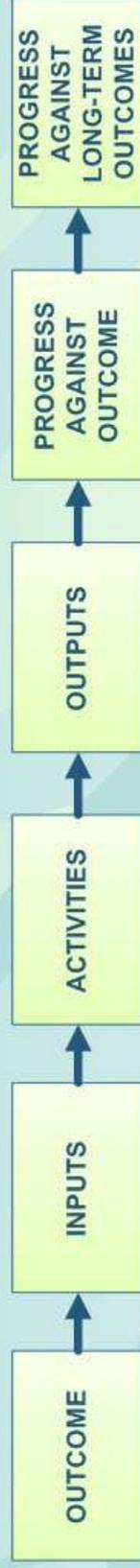
**Improving Local Outcome Indicators Project  
Membership of Co-ordination Group**

|                        |                         |
|------------------------|-------------------------|
| Andrew McGuire (Chair) | Improvement Service     |
| Dette Cowden           | Scottish Government     |
| Sara Grainger          | Scottish Government     |
| Beth Hall              | Audit Scotland          |
| Neil Craig             | NHS Health Scotland     |
| George Cordiner        | ACPOS                   |
| Bob Stead              | West Lothian Council    |
| Coryn Barclay          | Fife Council            |
| Fiona MacKay           | Perth & Kinross Council |

**Workstream on the use of Subjective Indicators**

|                   |                        |
|-------------------|------------------------|
| Christopher Doyle | South Ayrshire Council |
|-------------------|------------------------|

## A Simplified Worked Example: Economic Outcome



Our economy will be strengthened through an improved range and quality of businesses and increased economic participation

Inputs would include budgets and staff in Scottish Enterprise, Councils, etc that are both directly and indirectly supporting economic outcomes.

Those inputs enable the delivery of a range of economic development activities. e.g. running training courses to better equip unemployed people for the labour market.

The outputs generated as a result of these activities could include e.g. number of unemployed people gaining Vocational Qualifications.

Progress Against Outcome might include the unemployed trainees gaining jobs as a result of being better qualified, leading to increased income levels and a higher standard of living.

Achieving employment-related outcomes may also result in other beneficial outcomes over and above increased income for individuals and families. For example, this might include achieving positive health outcomes. (Because research evidence indicates that there is a positive link between employment and health - both mental and physical).

## Indicators Removed from V 3 of the Menu

*(Each indicator is listed with the reference no. it was given in V3 of the menu.)*

### A2 - % of working age population economically active

This indicator did not meet the criteria of being harmonised with other frameworks.

It is recommended that “employment rate” is used in place of this indicator which is directly linked to the National Performance Framework.

### A6 - Proportion of pre-school centres receiving positive inspection reports

### A7 - Proportion of schools receiving positive inspection reports

### B13 - Proportion of local authority areas receiving positive child protection inspection reports

The above three indicators based on inspection reports were considered not to meet the criteria of being statistically robust at CPP level.

### A13 - Life expectancy at age 65

Life expectancy at birth is based on mortality rates at every age whereas life expectancy from a particular age, such as age 65, depends only on mortality rates beyond that age, so life expectancy at birth is a more comprehensive summary measure of mortality experience. Local areas may still find life expectancy at age 65 useful if they are particularly interested in the mortality of their older populations. *The recommended alternative indicator is “Life expectancy at birth”.*

### A15 - Rate of alcohol related hospital admissions per 100,000 population

This indicator does not meet the criteria of being unambiguous. The appropriateness of admissions depends on the need of the individual and the availability of appropriate alternatives. Long-term the desired direction is down, driven by less alcohol-related ill-health and increased availability of appropriate alternatives, but short-term this indicator may create perverse incentives to reduce admissions even where they are appropriate.

*The recommended alternative indicator is “Deaths per 1,000 population from alcohol related diseases” as this is seen to better reflect the actual l-t outcome desired.*

### A16 - Deaths from coronary heart disease among the under 75s in deprived areas

This indicator does not meet the criteria of being statistically robust at CPP level. The indicator is appropriate at a national level but not CPP level because it defines deprived areas as the 15% most deprived datazones at a national level and many LAs do not have a large enough population in these areas to make the indicator meaningful or useable. Substituting it with <75 mortality in the 15% most deprived areas of the CPP area would not be appropriate as it would no longer be an inequality indicator and it would be very similar to the other CHD mortality indicator in the Menu: deaths per 100,000 population from coronary heart disease.

*The recommended alternative indicator is “Deaths per 100,000 population from coronary heart diseases”.*

### A17 - Rates of suicides per 100,000 population over 5 years

This indicator does not meet the criteria of being statistically robust at CPP level. The indicator is appropriate at a national level but at a local level, year-on-year or between-CPP comparisons are subject to wide random variation. For smaller areas this is the case even with 5 years aggregated data, although for larger areas this could still be a useful indicator.

## A22 - Incidence of home fires resulting in death and injury

This indicator has been removed as it is not currently available at local authority level, once the data is available this indicator may be reintroduced in the menu.

## A 26 - Council area's ecological footprint

This indicator does not meet the criteria of being statistically robust. Specific concerns include the lack of reliability/consistency of year on year comparisons (e.g. changes in data make-up between 2004 and 2006); the nature of the various estimates included in the indicator, including assumptions based on UK average consumption patterns by socio-economic group; the poor availability of Local Authority specific footprint data, some degree of uncertainty regarding future availability of data in the L-t; and the considerable time lag in data publication.

*The recommended alternative indicator is "CO2 emissions per capita".*

## B1 - VAT registered business stock per 100,000 population

This indicator does not meet the criteria of being available. The estimates for 2007 were the last data points for this series. The new Business Demography series published by Office for National Statistics does include a measure of active businesses but this is specifically provided to produce birth and death rates. It is not an appropriate measure of active businesses in its own right since it includes businesses that were active at any point in the year (including businesses that opened and closed within the same year). Changes in the number of active businesses are linked to business births, deaths and survival - it is, therefore, recommended that these indicators are used.

*The recommended alternative indicator is "Business Demography: Births, Deaths and Survival".*

## B2 - Business start up survival rates after 3 years

The underlying data source for this indicator has changed.

*The recommended alternative indicator is "Business Demography: Births, Deaths and Survival".*

## B3 - % of local businesses who are satisfied with the local authority area

This indicator does not meet the criteria of being available, as there are no consistent measures of business satisfaction currently available across Scotland's local authority areas.

## B5 - number and % of economically active working age residents with no qualifications

This indicator did not meet the criteria of being harmonised with other frameworks.

*The recommended alternative indicator is "Number and % of working age residents with no or low qualifications"*

## B7 - % of each household type with a net income of less than £10,000 per annum

This indicator does not meet the criteria of being statistically robust. The data do not consider the varying incomes required to achieve a comparable standard of living by households of different size and make-up.

*The recommended alternative indicators are "Number of claimants in receipt of out of work benefits per 1,000 population" and/or "Proportion of children living in households that are dependant on work benefits or child tax credit".*

## B8 - Number and % of children attending publicly funded schools and achieving appropriate levels for stages 5 - 14

This indicator does not meet the criteria of being available. The data are only available at Scotland level.

*The recommended alternative indicators are "Attainment of national qualifications by S4 pupils" and/or "Attainment of National qualifications by S5 and S6 pupils".*

**B15 - Percentage of people aged 65+ receiving personal care at home**

**B16a - Number of overnight respite weeks provided**

**B16b - Hours of daytime respite provided**

**B18 - Number of emergency bed days in acute specialities for people aged 65+ per 100,000 population**

**B19 - Number of people aged 65+ admitted as an emergency twice or more to acute specialities, per 100,000 population**

These indicators are no longer included in the menu because they do not meet the criteria of statistical robustness set for inclusion and are 'below the waterline'.

**B22 - Deaths per 100,000 population from smoking related diseases**

This indicator does not meet the criteria of timeliness or statistical robustness.

*The recommended alternative indicator is "Percentage of the adult population who smoke".*

**B23 - Mental health admissions**

This indicator does not meet the criteria of being unambiguous.

The appropriateness of admissions depends on need of the individual and the availability of appropriate alternatives. Long-term the desired direction is down driven by a lower incidence and prevalence of mental health problems and increased availability of appropriate alternatives, but short-term this indicator may create perverse incentives to reduce admissions even where they are appropriate.

**B25 - Estimated number of people being prescribed drugs for anxiety, depression or psychosis**

This indicator does not meet the criteria of being unambiguous. Nor is it a strategic outcome above the waterline suitable for inclusion in SOAs. Prescription rates are a measure of prescription practices, rather than mental health outcomes. Consultation feedback highlighted the difficulty of interpreting change since the indicator reflects underlying mental health state, available treatment options, and propensity to consult and to treat. It also highlighted concerns on the part of health care professionals that it would put downward pressure on appropriate as well as inappropriate prescribing and put patients at risk.

**B26 - % of smoking population who quit through cessation services (at 1 month post quit)**

This indicator does not measure a strategic outcome suitable for inclusion in SOAs. It is currently a HEAT target focusing on a short-term outcome of service delivery and as such is more appropriate 'below the waterline' rather than above the waterline in SOAs.

*The recommended alternative indicator is "Percentage of the adult population who smoke".*

**B27 - Number of reported racially motivated incidents**

This indicator does not meet the criteria of being unambiguous. It is generally held that positive performance in relation to this indicator would be an increase in incidents. This is due to the fact that police forces wish to demonstrate that they are accessible to minority ethnic groups and that these groups have sufficient confidence and trust in the police to report an incident. However, it is also recognised that the longer term outcome would be for the number of incidents to decrease. There would consequently be ambiguity in knowing the point at which a reduction in reporting was due to a reduction in incidence of crime. In addition, this indicator is a proxy measure of performance as it does not reflect the true scale of the problem due to under reporting.

**B28 - Number of persistent young offenders per 100,000 relevant population**

This indicator does not meet the criteria of being relevant, statistically robust or available. The concept of 'persistent young offender' is outdated and not widely accepted, recording methods differ between police forces reducing comparability and data may cease to be available shortly.

### **B29 - Rates of domestic abuse incidents per 100,000 population**

This indicator does not meet the criteria of being unambiguous. As with the number of racially motivated incidents indicator, positive performance in relation to this indicator is generally held to be an increase in incidents due to under-reporting. However, the long term outcome would be for a decrease in the number of incidents as the level of domestic abuse decreases. Again, this gives rise to ambiguity. Work is ongoing to develop a performance indicator derived from the Scottish Crime and Justice Survey which will consider respondents' experience of partner abuse and the level reported to the police.

### **B30 - % of criminal cases dealt with within 26 weeks**

This indicator is not relevant to national outcomes 9 or 11 as it is a proxy indicator of performance, (However, it may be deemed to be relevant for national outcome 15).

### **B32 - Number of unintentionally homeless households in settled accommodation**

This indicator does not meet the criteria of being relevant. It is 'below the waterline'.

*The recommended alternative indicators are "Homeless households in temporary accommodation as a percentage of all households" and/or "The proportion of homeless households assessed as priority homeless".*

### **B34 - Number of affordable homes**

This indicator has been replaced by the "Number of social sector housing completions" indicator which is more fully defined and robust.

### **B35a - % of potentially homeless who do not go on to become homeless**

### **B35b - Number of private rented and social rented tenants who become homeless**

These indicators do not meet the criteria of being relevant. They are 'below the waterline' and useful to measure the effectiveness of a key aspect of a council's prevention activity they are not appropriate for use in single outcome agreements.

*The recommended alternative indicators is "Homeless households in temporary accommodation as percentage of all households" and/or "The proportion of homeless households assessed as priority homeless".*

### **B36 - Proportion of working age adults on unemployment benefits**

This indicator is no longer included in the menu because there is a better alternative: "Number of claimants in receipt of out of work benefits per 1,000 population".

### **B38 - Tonnage of municipal waste collected per 1000 population**

This indicator has been replaced by the "Kilograms of municipal waste collected per capita" indicator.

### **B39 - Tonnage of municipal waste incinerated**

This indicator does not meet the criteria of being relevant. It is 'below the waterline'.

*The recommended alternative is "Kilograms of municipal waste collected per capita".*

## Initial Assessment of Gaps identified in Outcome Indicators Data

A range of gaps in robust outcome data has been identified through the project consultations in relation to the undernoted areas.

- Equalities
- Poverty
- Well-being/work-life balance
- Mental health
- Community cohesion (e.g. pride in neighbourhood; neighbourliness)
- Culture
- Anti-social behaviour
- Drug misuse
- Community Care
- Child protection / safety
- Children's achievement (as opposed to academic attainment)
- Looked After Children
- Natural environment (incl. biodiversity, clean air/water/land, green space)
- Historic environment
- Population

Potential ways of addressing the above gaps (and any others identified) will be considered under the next phase of the project.

## Recommended Further Reading

*Statistics Without Tears* (1981) by Derek Rowntree  
Published by Penguin. ISBN 978-0-14-013632-6

*Scottish Government information and guidance on measuring change and monitoring targets*  
[www.scotland.gov.uk/Topics/Statistics/scotstat/analystsnetwork/MCMTguidance](http://www.scotland.gov.uk/Topics/Statistics/scotstat/analystsnetwork/MCMTguidance)

*Scottish Government guidance on calculation of confidence intervals for point estimates and change*  
[www.scotland.gov.uk/Topics/Statistics/About/Methodology/confinv](http://www.scotland.gov.uk/Topics/Statistics/About/Methodology/confinv)

*The Royal Statistical Society Report on Performance indicators: good, bad, and ugly*  
<http://www.rss.org.uk/PDF/PerformanceMonitoring.pdf>

Or for a brief presentation on the RSS report see:

<http://www.scotland.gov.uk/Topics/Statistics/scotstat/analystsnetwork/MCMTRSS>

Analytical Guidance Library

<http://www.scotland.gov.uk/Topics/Statistics/scotstat/analystsnetwork/AnalyticalGuidanceLibrary>