

Literature Review: Performance Management Indicators



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Purpose

This literature review was conducted as part of the 'Improving Outcomes in Money Advice' (MAO) project. The aim of the review was to provide an overview of key indicators currently used by money advice services and the wider advice sector as well as other relevant local authority indicators. The second aim was to identify potential indicators that would be useful for councils in highlighting the contribution they make to the money advice sector in Scotland. This review in conjunction with an open call for evidence and stakeholder consultation forms the basis for developing a set of indicators to be included in a Money Advice Performance Management Framework for Local Authorities in Scotland.

Background

During its first phase, the MAO project examined the current provision of money advice services across Scotland and the role councils play as the key funder of money advice in Scotland¹. One of the main areas for improvement that was identified as part of the research was the need for more consistency in measuring the performance of money advice services in Scotland. Funding for the MAO project has since been extended for a further three years; a key output from this second phase being the development of a performance management framework which will allow councils to capture key indicators in money advice.

1 http://www.improvementservice.org.uk/documents/money_advice/money-advice-services-across-scotlands-local-authorities.pdf

Money Advice Indicators

Overview of money advice indicators

Many of the national money advice and debt advice providers are producing individual reports and research on their own service. These statistics are often based on performance indicators in their annual reports: StepChange; Money Advice Service; Citizens Advice Scotland; Money Advice Trust. Local authority money advice services also produce annual performance reports; however the indicators and reporting mechanisms are not consistent. As a result, there is currently no consistent collation of money advice indicators across Scotland.

This means that many of the performance indicators across the different services can vary. Lack of standardisation across services also means that it can be difficult for local authorities to collate data from the different services that they are funding. There has been some development in debt advice where the Money Advice Service (MAS) recently created an evaluation toolkit to measure the effectiveness of such services. The toolkit is intended to be used for MAS funded debt services, and they hope to utilise it in the wider debt advice sector².

Previous attempts at integrated collection across the sector

An attempt was previously made by the Scottish Government (SG) to collect data through local authorities (LAs) about people who were using publicly funded, face-to-face money advice services. The data was recorded by money advice services, collected by the corresponding local authority and then collated by the SG. Of the 32 LAs, two did not submit any data so were excluded from analysis. The SG also noted having trouble processing and analysing the collated data, stating that there were issues with incomplete and incomparable data across the LAs. SG collected data from 2006/07 until 2008/09, which provided them with two complete years worth of figures for analysis.

Scottish Government Indicators

- Total number of new clients
- Type of debt
- Debt strategy (strategy to resolve debt)
- Gender
- Family structure
- Age
- Economic status
- Tenure (social rent, owner occupier, etc)
- Income

² <https://www.moneyadvice.org.uk/en/tools/debt-advice-evaluation-toolkit-registration>

General data collected

Some of the data reviewed for this paper highlighted the importance of using an indicator which translates to performance (other than those which capture demographic data). Reports produced by several of the key funders highlight the use of particular services, i.e. Webchat, Leaflets, online 'tools'. The tendency appears to be for the services to report the number of visits to these services, or in the case of leaflets, the number of prints distributed. However, this is unlikely to purely reflect usage of a service; although a certain number of leaflets were distributed there is no indication of how many were actually read. In the case of online tools, there is no indication of how many visited the webpage and used the tool. Webchat does however present a reliable indicator of engagement with a service – as many money advice services providing this function also provide reports the same as if a client had entered their service and spoke to an advisor face-to-face.

Consistency of reporting

Although the majority of the money advice services in Scotland are publishing figures related to key performance indicators, there appears to be a lack of consistency in how this is achieved. Several reports that were found relied on clients self-reporting where others were utilising their advisor reporting systems. Sometimes customer self-reports can be very useful as performance indicators, for example 'customer satisfaction' can only be attained by asking clients how they felt about the service they received. Clearly though, for the purposes of consistently attaining key performance indicators for local authorities, in-house reporting systems would be the most reliable. As such it is important that each different service is reporting consistently. Within this it is necessary that the data collected is easily collated and not coded differently depending on which service data is collected from.

An example of the differences in reporting is that some services are reporting number of clients whereas others are reporting the number of cases per annum. These should ideally be seen as two different aspects of service provision. Where number of clients relates to the specific number of people coming through to a service (occasionally complicated where a couple approaches – are they definable as one 'customer' or two). Whereas when it comes to cases, one customer may represent several cases. Which is a more appropriate representation of performance, or are both better than just one?

Website usage can be difficult to quantify easily with any regional boundaries: the number of people using a web-tool from one particular local authority cannot be identified. This would make it difficult to include indicators around website usage in a performance management framework.

Demographics

Many of the indicators currently used across the advice sector include a group focused around demography. It is clear that such indicators can be useful for the current performance management framework for two reasons. Firstly, it helps to indicate the types of people who are using the service. Perhaps more importantly, it can also allow councils to see where they should be concentrating their services as well as comparing their data with other local authorities. The

majority of the reports reviewed here included similar demographic based data, but a good example comes from the review of fee paying debt advice services commissioned by the Debt Resolution Forum³.

Debt Resolution Forum Demography Indicators

- Age
- Gender
- Ethnicity
- Tenure
- Relationships
- Dependent children
- Region (*across the UK*)

Service and client outcomes

Some of the reports have focused on client outcomes, though these have all been as a result of post-service contact with commissioned companies contacting clients after they have used the service to ask questions. As such, the indicators do vary greatly between each study, with each service looking for information specific to their own service. For example, the Debt Resolution Forum report attained data on the experiences people had with creditors before and then after a solution had been agreed upon. They also looked to see why people had initially come to their clients for help, and where they first went for help.

Gain

Gain is an indicator that many of the services will report, whether it is financial gain or in moving away from unmanageable debt. Some of the reports reviewed were actively contacting service users months after they had used the services to assess how their situation had improved. A report by YouGov for the Money Advice Service⁴ used a regression model to isolate the relationship between debt advice and moving out of unmanageable debt. This allowed them to predict the time it would take to get out of debt after seeking advice compared with not seeking advice.

There is some reference to financial gain in some of the reports, with the MAS debt advice toolkit containing an indicator focusing on: "The client increases their household income". Research by Optimisa suggests that less than half of clients could recall receiving information on how to increase their income levels, with 12 percent of clients in total seeing their income improve⁵. Of those who saw an increase, the majority was as a result of securing higher levels of state benefits or tax credits. Of note are other services – which do not focus on debt advice – which focus more on financial gain, such as the National Association of Welfare Rights Advisers⁶. They have several indicators including: annual cash amount of ongoing benefit gained per case; and one-off benefit gained per case.

3 www.debtresolutionforum.org.uk/resources/provider-kpis.pdf

4 <https://www.moneyadviceservice.org.uk/files/research-oct12-effectiveness-of-debt-advice-from-yougov.pdf>

5 <https://www.moneyadviceservice.org.uk/en/static/optimisa>

6 http://www.nawra.org.uk/Documents/Performance_Indicators.doc

Resources

It would have been interesting to note the resources that service users can turn to, but such information is limited. Though, some information is provided about the resources that each service can turn to it is limited. There was little information provided on the numbers of staff and volunteers that the service could pool from. It was also difficult to find details on the systems that each service was using to record information about clients.

Referrals

Optimisa, commissioned by the MAS, highlight the use of referrals across several advice services. They were able to demonstrate the percentage of clients who received a referral, followed it up and wanted a referral but did not get one. The report suggests that particular groups of clients are more likely to want a referral but not receive one (for example, the CAB Disability project). They further state that they did not obtain reasons for people not following up on referrals, though admit that it would be an interesting area to explore. There is little mention of referrals as an indicator in the other reports reviewed here, though the MAS debt advice toolkit does have an indicator of: "If a referral is made, the client follows up and receives help from another organisation".

Combined sources of advice

Several of the services currently providing money advice are also providing other forms of advice. Citizens Advice Scotland, for example, provides an array of advice to clients beyond money advice. This makes it challenging to disaggregate money advice from more general advice. This means that collecting information specifically relevant to money advice can be challenging in such services which may not specifically record that the advice being given is 'money advice'.

Summary of indicators

Even though current recording and reporting is not consistent across the money advice sector in Scotland, there is significant overlap in the type of information that is being reported. This contains several standard demographic indicators which are typically used, which are useful for analysing the clients using the services.

Indicators used in recording money advice indicators

- Age
- Gender
- Ethnicity
- Tenure
- Relationships
- Dependent children
- Region
- Type of debt
- Debt strategy
- Reasons for seeking advice
- How advice was received/delivered
- Benefits currently received
- Income
- Type of advice

Other relevant indicators & performance management frameworks

Local outcome indicators

Councils in Scotland are collecting data on local outcome indicators as part of the Single Outcome Agreement, some of which may be useful context information that could be integrated in a Money Advice Performance Management Framework. These are not indicators that measure the delivery of a money advice service but some are useful as context indicators. Several of the indicators are relative to money itself but focus on demographics. These indicators could provide a good background to any other data collected directly from money advice services. This would enable councils to see whether their debt advice services are providing advice in the areas with greatest need.

Local Outcome Indicators

- Median earnings (£s) for residents living in the local area who are employed
- Median earnings (£s) for workforce based in the local authority area
- Percentage of the population (aged 16-64 years) in receipt of benefits
- Percentage of the population who are income deprived
- Percentage of children in poverty
- Percentage of households where respondent or partner has a bank, building society or credit union account
- Proportion of households that have some savings
- Proportion of households that are coping well or very well financially
- Fuel poverty

SLAED indicators

The SLAED Indicators Framework provides evidence of the contribution that local authorities make to Scotland's economy through their economic development activities. The Framework provides a basis for collating consistent data that can be used to better understand impact and identify areas for improvement. Over time, this will allow meaningful comparisons to be made on the comparative performance of areas and to assist in the ongoing monitoring of performance and overall resource allocation within councils. The consistent definitions and reporting of key economic indicators via the Framework also facilitates reporting on the aggregate effects of council delivery of economic development, and enables a broad assessment to be made of the significant contribution councils make to Scotland's economy.

A Guidance document is issued along side the Data Return Template to assist councils in completing their return. The Guide outlines the purpose and process involved in the Framework,

why the indicators are important and detailed definitions of each indicator. It also provides instructions to councils on how to complete their returns. The request for data is issued in May/June each year and covers the previous financial period. The deadline for returns is mid July, and this is followed by collation and analysis and publication of the final report in November.

Scottish National Standards for Information and Advice Providers

The Scottish Government has put into place national standards for information and advice providers; a quality assurance framework for agencies involved in areas of advice. The standards incorporate performance indicators, competencies for advisors and good practice examples. Organisations in Scotland which provide advice and information are invited to demonstrate that it meets the quality level defined by the standards. Parts of the standards are related to the documentation of client specific information. It mentions that, as a minimum, organisations should record the location of a service users home, their gender, age, family composition, housing tenure, ethnic origin, disability and income. Additionally, for those providing money advice, the amount of debt dealt with and the debt strategy chosen by the client.

The standards also stipulate that service providers should gather activity data, such as interventions by topic including a break-down of time spent in client contact to follow-up work. Within this, either the number of service users and/or the number of episodes of advice should be recorded. Advisors should also keep records of the advice and advocacy provided, along with the information above. Many funders and providers agree that the standards should be a mandatory requirement to be able to provide money advice. Currently, only five local authorities in Scotland are accredited for money advice, with most other authorities generally trying to work towards the standards.

Context indicators

The SG is also currently reporting on other relevant indicators that were considered as part of this review. The main projects that these come from are: Measuring Progression on Housing and Regeneration; Scottish Neighbourhood Statistics; and Scottish Index of Multiple Deprivation. Some of this data is collected through existing data sources within the public domain. These three projects provide statistics across many SG policy areas, identifying progress in key policy targets.

Summary of Context Indicators

- Repossessions
- Percentage of workless households
- Earnings
- Benefits by client group
- Adults receiving Jobseeker's Allowance
- Children dependent on a recipient of Jobseeker's Allowance
- Adults and children in Working Families Tax Credit whose income is below 60% of median

Wider Advice Services

Selections of indicators from the wider advice services area were also reviewed. This demonstrated quite a variety of indicators, focused similarly on consistent case-work reporting. Indeed, one such report (National Association of Welfare Rights Advisers⁷) notes that advisers should have a system for measuring their outputs and outcomes, and that these should use a common methodology to enable meaningful comparison to be made. The Housing Advice Performance Indicators⁸ also note an important aspect to performance indicator reporting: the agency must be able to demonstrate that the outcome was achieved as a result of the adviser's direct intervention.

Interestingly, of those sampled, the set of performance indicators tended to have a detailed guide attached, which set out explanations, definitions and examples for each indicator. Furthermore, some key performance indicator guides also come with a recommendation of what is expected for the indicator. It is clear that to achieve a more consistent and useful set of data for the performance indicators, a detailed guide is most useful to ensure everyone reports in a concise and consistent manner.

7 http://www.nawra.org.uk/Documents/Performance_Indicators.doc

8 <http://ahas.org.uk/oldsite/downloads/AHAS%20PI%20guidance.pdf>

Key findings

- Currently there is no consistent way of measuring and reporting money advice performance in Scotland; there are numerous examples of differences in reporting and defining performance indicators.
- Whilst local authorities in Scotland are major funders and providers of money advice, their contribution is not highlighted in any national statistics.
- There is however significant overlap in the type of information that is being reported especially in relation to demography.
- There is a lack of reporting on service and client outcomes.
- The MAO project has identified a growing appetite across the money advice sector in Scotland and amongst local authorities in particular to develop and agree on a common performance framework for money advice.
- Most performance frameworks reviewed included detailed guides including explanations, clear definitions and examples for each indicator.

For further information please refer to the paper *Evidence Review: Developing a Money Advice Performance Management Framework for Local Authorities in Scotland*

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