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Council to Homeless Persons position paper – May 2018
Preparing for Outcome Measurement

Contents

Summary

Achieving improvements in people's lives – or outcomes – is central to the work of the specialist homelessness service sector. Outcomes can be defined as the changes that happen as a result of providing programs and services – "the difference we make" for program participants, communities and others through our efforts. Achievement of positive outcomes is a foundational criterion of effective practice.

In 2013, in *A Framework for Ending Homelessness*, Council to Homeless Persons (CHP) articulated the value of moving towards an outcome-based approach to service system design, practice, and performance measurement. Although government and sector interest in outcomes has continued to increase since that time, this has not been matched with the development of a shared sector perspective on outcome measurement. Unless this gap is addressed, many service providers and participants will lack the tools to effectively measure outcomes, and will remain vulnerable to the imposition of external frameworks that are not fit for purpose in the sector context.

This paper aims to: build knowledge about outcome-based approaches and outcome measurement; support sector conversations about the most strategic and effective approaches to outcome measurement; and identify how these approaches could be developed and implemented.

Outcome-based approaches and outcome measurement

In outcome-based approaches, intended outcomes are the central reference point for program planning, practice and for gauging the success and value of services. Key questions for outcome-based approaches include: <u>what</u> programs, services or other activities are in scope; <u>who</u> they are intended to benefit or affect; and <u>which</u> outcomes are important.

The activities of specialist homelessness services may contribute to a wide range of housing and other outcomes, with beneficiaries at different levels. The primary intended beneficiaries of the specialist homelessness service sector are people experiencing or at risk of homelessness. Therefore, *participant outcomes* for these people are the main focus of this paper.

Individual participant outcomes contribute directly to *program outcomes*, and ultimately to *population outcomes* for whole communities or societies. However, the 'ceiling of accountability' for service providers sits at the level of program outcomes, while accountability for population outcomes sits with broader service systems and governments.

Within an outcome-based approach, outcome measurement may be part of performance measurement. Outcome measurement generally refers to a systematic process through which funders, service providers or evaluators:

- Collect data related to the outcomes of a program, service or other organisational activity
- Analyse this data to assess the extent to which the program, service or activity has achieved its intended outcomes, and
- Use the findings for oversight, planning, service improvement or advocacy.

Outcome measurement is typically implemented as part of a monitoring approach, which involves periodic analysis and reporting of a set of outcome indicators. Outcome measurement is most effective when used as part of a broader suite of reflective and evaluative processes, which draw on a range of qualitative and quantitative data to answer questions about service performance and to support quality improvement.

Outcome-based funding is sometimes confused with outcome measurement. Outcome-based funding arrangements are those in which all or part of the payment to a service provider for services delivered depends on the provider achieving outcomes specified by the commissioning/funding organisation. While outcome-based funding relies on some form of outcome reporting, outcome measurement is often carried out in programs funded through other mechanisms.

Benefits, risks and challenges of outcome measurement

Outcome measurement offers a range of potential benefits, including increased alignment among stakeholders; an improved outcome focus for service providers and funders; improved assessment, planning and review processes; improved morale; development of an evidence base for funding submissions and advocacy; service improvement; capacity for benchmarking; and broader knowledge building. It can provide the opportunity for services and sectors to move beyond anecdotal views of success, and to develop a stronger evidence base demonstrating the value of their work.

While outcome measurement can offer valuable information, it also presents a range of challenges and risks. Outcome measurement can be resource intensive; can become an imposition on staff and program participants; can have a poor fit with organisational culture; can provide negative results or a lack of significant results; and may be challenged by unreliable data, inflated reporting and service system complexity. There are also risks that need to be carefully managed in relation to incentives for soft-targeting, negative effects on service models and service delivery approaches, potential for reduction in sector diversity, and over-privileging outcomes monitoring data as a measure of program value.

The existence of these challenges is not a reason to dismiss outcome measurement outright, but it does indicate the need for a careful consideration of risks and benefits,

and an informed decision about how outcome measurement is resourced, designed and used.

Outcome-based funding models exacerbate some of these underlying risks in outcome measurement. Outcome-based funding is not suited to all contexts, and the sector needs to be prepared to critically examine outcome-based funding proposals where appropriate.

Outcome measurement in the homelessness service sector

Although there is general agreement with the premise that outcome-based approaches are important, there is currently not a consistent, widely accepted framework or approach for outcome measurement in the specialist homelessness service sector, neither within Victoria nor nationally.

Specialist homelessness service providers have experimented with various forms of outcome measurement. These have ranged from broad approaches such as Results Based Accountability^{TM}, to use of ready-made tools such as the Outcomes Star^{TM}, to bespoke sets of indicators and data collection tools tailored to service models. While some providers are actively implementing outcome measurement, others are uncertain of how to proceed and/or sceptical of its value.

Need for a shared view within the sector

Historically there have been few requirements of specialist homelessness service providers to report on program outcomes. However there are now strong signs within the funding and policy environment, that outcome measurement requirements are on the way. In Victoria, work is underway on a whole-of-government outcome-based management approach driven by the Department of Premier and Cabinet. The Department of Health and Human Services (DHHS) is in the process of developing a workplan for the embedding of outcome measurement on a sector-by-sector basis, with pilots in some sectors planned to commence in 2018. These initiatives are only beginning to impact the specialist homelessness service sector. It is likely that the next five years will see increased demands from funders for outcome reporting, and potentially further moves towards outcome-based funding regimes.

This scenario presents a range of risks for the sector, particularly if consultation is limited. Ignoring these developments will make it more likely that when outcome measurement does arrive, it will be imposed in ways that are under-resourced, burdensome and ineffective both for service providers and people experiencing or at risk of homelessness.

In this context, it is timely for specialist homelessness services in Victoria to take steps to more systematically engage with outcome measurement. This will make it more likely that the sector is equipped to understand and influence the development of outcome measurement processes, is better positioned to use these processes to

benefit individuals and communities, and is able to present workable and effective outcome measurement approaches to government.

Preparing for outcome measurement

To effectively influence the way in which outcome-based approaches and outcome measurement are introduced, the specialist homelessness service sector will need to take a proactive stance. Service providers will need to develop a collective position on outcome measurement, identify preferred approaches and frameworks, and commence a conversation with government about outcome measurement that will meet the needs of all stakeholders.

Sector capacity building will be needed to assist staff, management and sector leaders to deepen their understanding of outcome measurement and of the options available. Sector consultation will be important to the development of a collective view about how a shared approach to outcome measurement can be progressed. Identification of outcomes, indicators and data collection approaches that the sector believes are fit for purpose will place service providers in a much stronger position to influence the content of outcome measurement frameworks. However, to "go it alone" on outcome measurement as a sector is likely to be ineffective. Better results in terms of resourcing, support and consistent adoption of outcome measurement tools and processes are likely to arise from a partnership approach with DHHS.

There is potential for outcome measurement approaches designed in partnership by funders, service providers and people with lived experience of homelessness to provide an effective balance across the needs and interests of all three groups.

Over the next four years, CHP proposes to seek support from government, to enable the specialist homelessness service sector in Victoria to adopt a strategy of proactive engagement with outcome-based approaches and outcome measurement, incorporating the following five key actions:

1. Increase sector understanding of outcome-based approaches and outcome measurement, through convening forums and distributing information resources
2. Identify key elements of a fit-for-purpose outcome measurement approach for the sector, through consultation with service providers and people with lived experience of homelessness
3. Join DHHS in a partnership approach to develop an outcome measurement framework for the sector, through a consultative process led by government which builds on the knowledge, experience and needs of service providers and people experiencing or at risk of homelessness
4. Facilitate the sector's access to a suite of practical and functional outcome data collection tools; including pursuit of enhancements to SHIP to enable outcome data entry and reporting

5. Advocate for sufficient resourcing for the sector to undertake outcome measurement, including resourcing for training staff, in recognition of the time and skills required to collect and analyse outcome data.

The specialist homelessness service sector has a window of opportunity to engage with and to influence the introduction of outcome-based approaches to the sector, to identify the approaches best suited to benefiting individuals and communities, and to present workable and effective outcome measurement methods to government. This position paper intends to take this opportunity to contribute to outcome measurement that will be strategic, credible and practical, and that will help to end homelessness.

1
Introduction

Outcomes are the changes that happen as a result of providing programs and services – the difference that we make for participants, communities and others through our efforts. Along with provision of a high quality service, achievement of positive outcomes is recognised as the hallmark of effective practice. In this way, outcomes are central to the work of the specialist homelessness service sector.

In 2013, in *A Framework for Ending Homelessness*, Council to Homeless Persons (CHP) articulated the importance of moving towards an outcome-based approach to service system design, practice, and performance measurement. The framework noted the need for a process over time to build the outcomes architecture and culture that would make this possible.

A key component of an outcome-based approach is the articulation of an outcome model which identifies: <u>what</u> programs, services or other activities are in scope; <u>who</u> they are intended to benefit or affect; and <u>which</u> outcomes are important. An outcome model can play an important guiding role in service planning and practice.

Within an outcome-based approach, outcome measurement may be part of performance measurement. It assists both funders and service providers to assess the outcomes associated with programs and services, and to use this data for accountability, service improvement, advocacy and system reform. In conjunction with broader evaluation processes, outcome measurement can enable stakeholders to move beyond anecdote and to generate clear evidence on effectiveness.

Supporting a sector conversation on outcome measurement

In the five years since the release of *A Framework for Ending Homelessness*, the focus on outcome-based approaches by government and service providers has continued to increase. However, the specialist homelessness service sector in Victoria does not yet have a coherent shared perspective on outcome measurement. This exposes the sector to risk as pressures for measurement increase.

This position paper is intended to support a conversation within the specialist homelessness service sector in Victoria about outcome measurement. This conversation will assist the sector to move towards a shared view about the most strategic and effective approaches to outcome measurement, and to identify how these approaches could best be implemented. This conversation will also contribute to

capacity building within the sector, by increasing agencies' understanding of outcome measurement.

The paper does not put forward a specific outcome measurement framework or approach recommended for adoption. To develop a well-informed shared approach will require substantial consultation across the sector. This is yet to occur. Instead, the paper describes options, and proposes a process through which our sector can influence the introduction of fit-for-purpose outcome measurement. A condensed version of this paper is also available. The condensed version provides an overview of the evidence and issues with less detail.

We hope to engage all those involved with the specialist homelessness service system in Victoria in this conversation. People with lived experience of homelessness have important contributions to make to the discussion as 'experts of their own experience', as do frontline staff, management and board members of service provider agencies, representatives of relevant government departments, and workers in other service sectors that interface with the specialist homelessness service sector.

We look forward to hearing a range of feedback about the thinking put forward in this paper, and working with stakeholders to positively influence the future development of outcome measurement.

Guide to this paper

Outcome measurement is a broad and at times, highly technical field. Rather than attempt an exhaustive or academic coverage of this area, we have focused on the strategic context, key ideas and practical implications which we believe are currently of greatest relevance for the sector.

- Section 2 explains what outcomes are, and places them in the context of outcome-based approaches to service design, delivery and governance
- Section 3 explains outcome measurement, and Section 4 distinguishes outcome measurement from outcome-based funding
- Section 5 explores the benefits as well as the risks and challenges of outcome-based approaches and outcome measurement
- Section 6 examines the current status of outcome measurement in the specialist homelessness service sector
- Section 7 makes the case that in the current strategic environment, it is important for the sector to engage proactively with outcome measurement
- Section 8 describes a range of options for approaches and tools that can be used for outcome measurement
- Section 9 discusses what needs to be in place for outcome measurement to work well

- Section 10 concludes by presenting a strategy and a set of actions for our sector to take to move towards fit-for-purpose outcome measurement.

How this paper was developed

This paper was prepared for CHP by Mark Planigale of Lirata Consulting (www.lirata.com). Mark has substantial experience in outcome measurement in housing and homelessness services and other fields. Jenny Smith (CEO) and Kate Colvin (Manager Policy and Communications) CHP, oversaw the work and shaped the ideas presented here.

In developing the paper, Mark gathered input from people with lived experience of homelessness, from ten Victorian specialist homelessness service provider agencies, and from other researchers and consultants with specific expertise in outcome measurement. The paper is also informed by a range of Australian and international literature. We thank all those who contributed their time and thinking to this document.

2
What are outcomes?

In the human services context, outcomes are changes that happen for individuals, groups, communities, organisations or systems as a result of our work. Outcomes help to explain why we provide programs and services, and undertake projects and advocacy – they express "the difference we make" through our efforts.[1]

The activities of specialist homelessness services may contribute to a wide range of housing outcomes and other outcomes, for beneficiaries at different levels. The primary intended beneficiaries of the specialist homelessness service sector are people experiencing or at risk of homelessness. Figure 1 provides selected examples of outcomes which might be relevant both to these people, and to the services assisting them. The outcomes of relevance to program participants will vary from person to person, although the need for safety, suitable and sustainable accommodation, and access to basic material requirements (food, money, clothing, toilets and showers) are common themes.

Figure 1: Examples of outcomes to which specialist homelessness services may contribute

People who are experiencing or at risk of homelessness:
- Maintain an existing tenancy
- Access safe emergency accommodation / interim accommodation
- Access safe and sustainable long-term housing
- Are able to better manage health conditions
- Have improved mental health
- Are able to participate more actively in the community
- Have improved independent living skills
- Have less involvement with the criminal justice system
- Gain employment

People engaging in problematic substance use:
- Are able to reduce their substance use, and/or to manage it in ways that are less harmful to themselves and others

Women and children experiencing family violence:
- Have improved safety

Children:
- Are able to participate in school and early years learning opportunities

Families:
- Are able to remain together, or to reunify, where appropriate

There are a range of ways in which these outcomes might be tracked and measured – for example, data might be collected through case review processes, through participant questionnaires, through outcome forms completed by staff, or through routine entry of service data into SHIP or other databases. Section 8 discusses a range of possible approaches and tools for measuring outcomes.

The different life areas to which outcomes relate are often called *domains*.[2] Housing is the central domain on which specialist homelessness services focus. However many specialist homelessness services also work actively with participants on other life domains such as safety, physical health, mental health, substance use, economic wellbeing, employment education and training, living skills, justice issues, and social connection. Depending on the nature of the program or service provided, it may be relevant to measure outcomes across some or all of these domains.

At an individual or group level, outcomes are often about changes in people's capacity (knowledge, skills, confidence); attitudes and emotional state; behaviour; circumstances (for example, their level of health and wellbeing, financial situation, housing situation, whether they are in custody or in the community, their level of inclusion or exclusion); and their participation in and access to opportunities and resources.[3]

Outcomes can also occur at other levels. For example, the work of funders, service providers and other stakeholders may result in positive changes for communities (e.g. reduced rates of crime; more positive public attitudes towards people experiencing or at risk of homelessness), organisations (e.g. improved resourcing; more holistic service responses), or societal systems and structures (e.g. improved service system coordination and integration; less punitive laws for people sleeping rough). These outcomes may be important when evaluating sector development activities, advocacy efforts, community development programs, and when considering the overall structure and impact of service systems. However, this paper focuses mainly on individual and group outcomes for program participants.

For specialist homelessness services, the two outcomes most frequently discussed are *housing gained* and *housing sustained*.[4]

- **Housing gained**: A person who has experienced homelessness begins a secure tenancy in housing that is safe, suitable and affordable.

- **Housing sustained**: A person remains housed in housing that is safe, suitable and affordable. This may refer to a situation where:
  - People at risk of housing breakdown are able to sustain their housing, or
  - People who have previously experienced homelessness are able to remain housed, once they have gained safe, suitable and affordable housing.

As noted above, the relevance and level of priority of different outcomes varies from program to program, and person to person. There are also significant differences across *cohorts* of participants in the types of outcomes that are often emphasised, as well as differences in understandings of how and when these outcomes might be achieved. For example, a different service approach and a different pattern of outcomes might be expected for people entering homelessness for the first time, compared to those who have experienced chronic homelessness.[5] A 'one size fits all' approach to outcomes is usually a mistake.

Participant, program and population outcomes

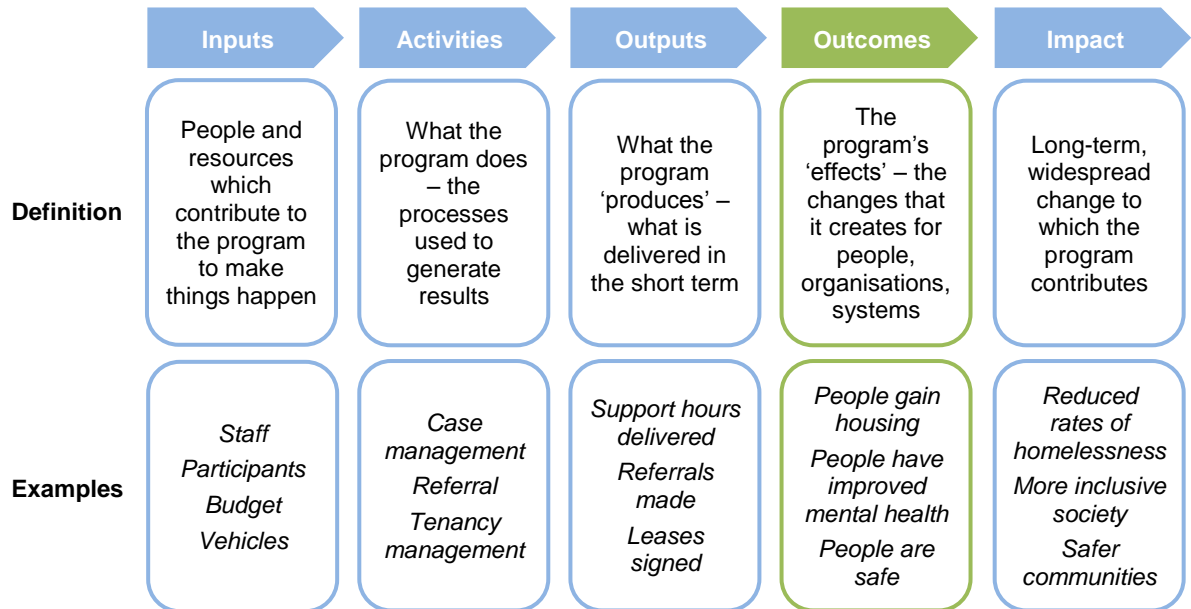It is useful to distinguish between *participant*, *program* and *population* outcomes.[6]

- **Participant outcomes** are those experienced by individual beneficiaries or stakeholders as a result of their engagement with programs and services. A change in housing status for a family experiencing homelessness is one possible example of a participant outcome.

- **Program outcomes** are the aggregate participant outcomes to which a program, service or other intervention contributes. Program outcomes reflect the work of programs, projects, agencies and service systems (while also being affected by other factors such as broader government policy or economic conditions).

- **Population outcomes** are conditions of wellbeing for whole populations. They reflect the situation across entire regions, states, or countries, or for entire cohorts of people. Although the work of programs or services may contribute to population outcomes, population outcomes reflect much broader societal trends and influences which are affected by a myriad of factors. Due to their broad and long-term nature, population outcomes are often better described as impacts.

Specialist homelessness service providers work directly with people experiencing or at risk of homelessness to try to achieve participant outcomes. The accumulation of many individual participant outcomes contributes directly to program outcomes, and ultimately to broader population outcomes. However, the 'ceiling of accountability' for providers sits at the level of program outcomes, within the scope of the programs or services delivered by the provider. Accountability for population outcomes sits with multiple service systems and government departments in partnership with other societal institutions and structures.

Outcomes as part of program logic

Programs and services can be described and analysed using program logic, which articulates the key elements which contribute to the design of a program or other intervention, and the ways in which these elements are related. Outcomes form one core element of program logic, as illustrated in Figure 2.[7]

Figure 2: Outcomes as a component of program logic

	Inputs	Activities	Outputs	Outcomes	Impact
Definition	People and resources which contribute to the program to make things happen	What the program does – the processes used to generate results	What the program 'produces' – what is delivered in the short term	The program's 'effects' – the changes that it creates for people, organisations, systems	Long-term, widespread change to which the program contributes
Examples	*Staff Participants Budget Vehicles*	*Case management Referral Tenancy management*	*Support hours delivered Referrals made Leases signed*	*People gain housing People have improved mental health People are safe*	*Reduced rates of homelessness More inclusive society Safer communities*

Outcomes over different timeframes

Outcomes can occur over short, medium and long timeframes.[8] For example, when a person who has been sleeping rough accesses good quality accommodation, they may experience short term outcomes linked to meeting basic needs for shelter, safety, food and hygiene. In the medium term, they may be able to build trusting relationships with service providers and community supports and increase their capacity for independent living. In the long term, they may sustain safe and suitable housing, address underlying health and wellbeing issues, and participate in the community in the way they want.

Different programs work with people over different durations. When designing outcome measures, it is important to consider what timeframes of outcomes can realistically be observed. For example, crisis services will most readily be able to assess short-term outcomes, while a program that provides ongoing case management may be able to observe short-, medium- and long-term outcomes. The line between outputs and short-term outcomes can be unclear; measuring outputs can sometimes be the most feasible way to monitor short-term outcomes.

Some outcomes are important steps towards other outcomes. For example:

- Approval of a social housing application is a precondition for later access to social housing
- Development of a trusting support relationship may facilitate better management of mental health issues

- Understanding of tenancy rights and responsibilities can be an enabler for sustaining an affordable housing tenancy.

Because outcomes for an individual participant may build on each other over time, it is often useful to be able to collect data at different points of the persons' journey – a longitudinal outcome measurement approach.

As we identify hypotheses and evidence about the ways in which outcomes are interconnected, we can articulate outcome chains which help to explain how some outcomes lead to others. This can help us to refine our program theory.[9]

Balancing a focus on outcomes with other aspects of service design

While outcomes are important, they are only one aspect of service design. When designing and managing human services programs, all of the elements of program logic are important. Alignment with community needs, sufficiency of resources, efficiency of processes, the delivery of outputs, and the experience of participants and staff are relevant considerations when assessing service quality and value.

Historically, monitoring and reporting regimes have focused more on the "front end" of program management (inputs, activities and outputs), than on the results (outcomes and impact). Outcome measurement has sometimes been seen as a solution that will provide more meaningful reporting and reduce the collection of administrative trivia by providing tools and processes for 'monitoring what matters'. While it is true that outcome measurement can offer benefits, it can also be challenging to design and implement, and may not always provide good informational value for the resources invested. Section 5 discusses these issues in more detail.

Positive and negative outcomes

Even programs that are well designed and well implemented do not provide a guarantee of positive results for every participant. There are many factors that affect outcomes, and it is to be expected that some participants will experience positive outcomes, others will experience negative outcomes, and some may experience a mix. While many human services programs do show an overall trend towards positive outcomes, it is also possible for programs on balance to be ineffective, to have mixed outcomes, or even to be actively harmful.[10] At times, the most beneficial outcomes of programs may be ones that were not intended or expected.

Outcome measurement normally focuses on monitoring the *intended, positive outcomes* of programs and services. Evaluation is also important in helping us identify any *unintended* and/or *negative* outcomes of our work.

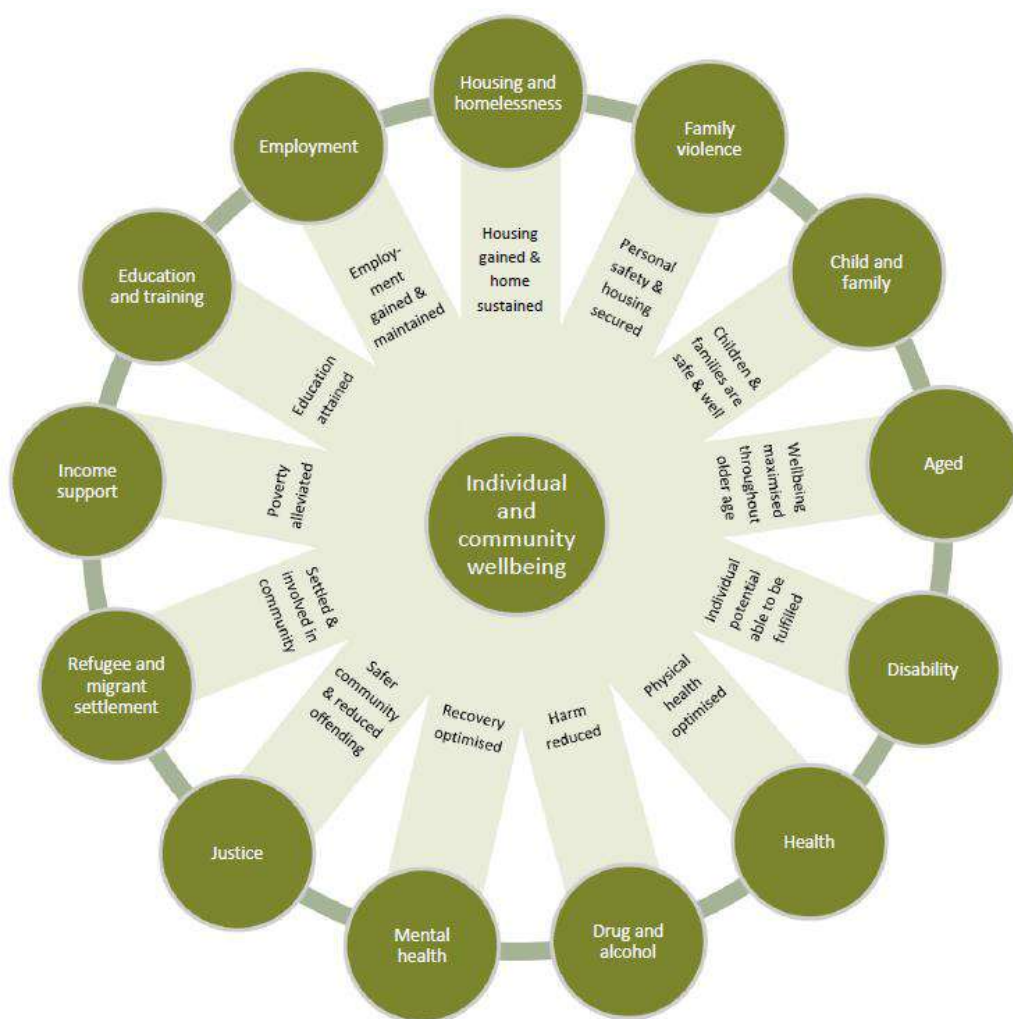## Attribution and contribution

Outcomes are defined as changes resulting from programs, services or other activities. When monitoring and evaluating outcomes, therefore, a crucial question is: how do we know that the observed changes result from our work rather than from other

factors? This is the question of *attribution*, which involves linking observed effects to specific interventions and other factors which contributed to their occurrence.[11]

In human services, it is unusual that a single intervention is the sole cause of a given outcome. It is more common that outcomes result from a range of factors including the efforts of the participant, a range of services or supports, and the context in which the work occurs. It is therefore often more useful to ask whether our work *contributed* to the outcomes observed, rather than whether it caused them.[12]

Specialist homelessness services can therefore be understood as contributors to a broader picture of individual and community wellbeing, to which many other services and sectors also contribute. Figure 3 illustrates the involvement of multiple sectors in enabling overall wellbeing outcomes.

Figure 3: Specialist homelessness services contribute to broader outcomes[13]

3

What is outcome measurement?

In the human services field, *outcome measurement* generally refers to a systematic process through which relevant parties:[14]

- Collect data related to the outcomes of a program, service or other organisational activity (generally with a strong focus on the intended beneficiaries of these activities)
- Analyse this data to assess the extent to which the program, service or activity has achieved its intended outcomes, and
- Use the findings for oversight, planning, service improvement or advocacy.

Outcome measurement is usually undertaken as part of a broader *outcome-based approach* to social service provision. An outcome-based approach uses the clear articulation of intended outcomes as the central reference point for program planning, practice and for gauging the success and value of services.

Outcome measurement is normally undertaken by service providers and/or funders, sometimes with the assistance of independent data collectors, analysts or evaluators. Service providers are usually involved, at a minimum, in the collection of outcome data, and may be involved in driving the full cycle of collection, analysis, reporting and use.

Outcome measurement typically takes a *monitoring* approach, which involves periodic analysis and reporting of a limited set of outcome indicators. For example, a service provider might decide to report quarterly on three key outcomes across a group of programs: the proportion of people experiencing homelessness who were able to access safe and sustainable housing; the proportion of tenancies at risk in which tenancy breakdown was prevented; and the proportion of people receiving case management support who had experienced positive change in one or more life areas.

Outcome measurement will usually form only one aspect of program monitoring. Input, output and process measures, for example participant profile, volume of service delivered, and participant and stakeholder satisfaction, also contribute to our assessment of how well a program is performing.
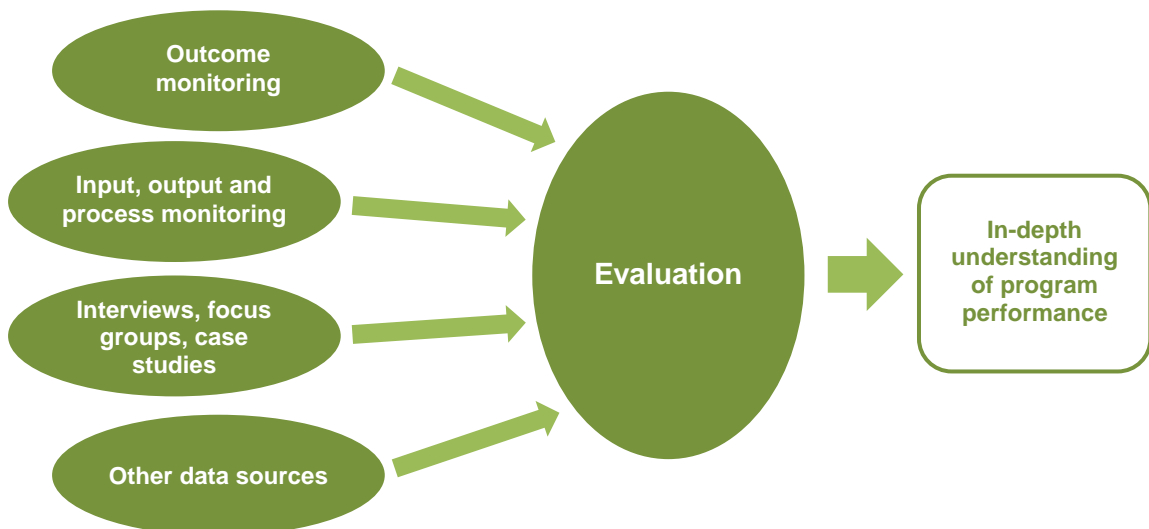
Monitoring provides a way to focus on a small set of data that is identified as being of high importance in gauging program performance. It generally produces quantitative information and is well suited to tracking trends over time. However, monitoring does not provide a rich picture of the ways in which programs and services work, and has

only limited ability to provide explanations of the reasons why outcomes have occurred (or not).

To fully understand human services outcomes and the factors that influence them, qualitative data from sources such as interviews, surveys, observation and case studies is also essential. Gathering and analysing this information tends to move beyond outcome measurement and falls into the field of *outcome evaluation* or *impact evaluation*.

Information produced through outcome measurement can often be a useful input to evaluation, however evaluation will also need to look to a range of other data to inform rigorous findings.[15] Figure 4 illustrates that outcome monitoring can contribute to program evaluation.

Figure 4: Outcome monitoring can form one input to program evaluation

Outcome measurement frameworks

An *outcome measurement framework* is a documented framework which provides a technical foundation or "blueprint" for outcome measurement. An outcome measurement framework includes a range of information which can be grouped into two main sections – the *outcome model* and the *measurement framework*.[16] It is possible to develop an outcome model without creating an entire measurement framework, and to use the outcome model to guide service planning and practice. However, without a measurement framework it will be difficult to assess the extent to which outcomes articulated in the model are being achieved.

Table 1 illustrates how an outcome model and a measurement framework combine to form an overall outcome measurement framework.

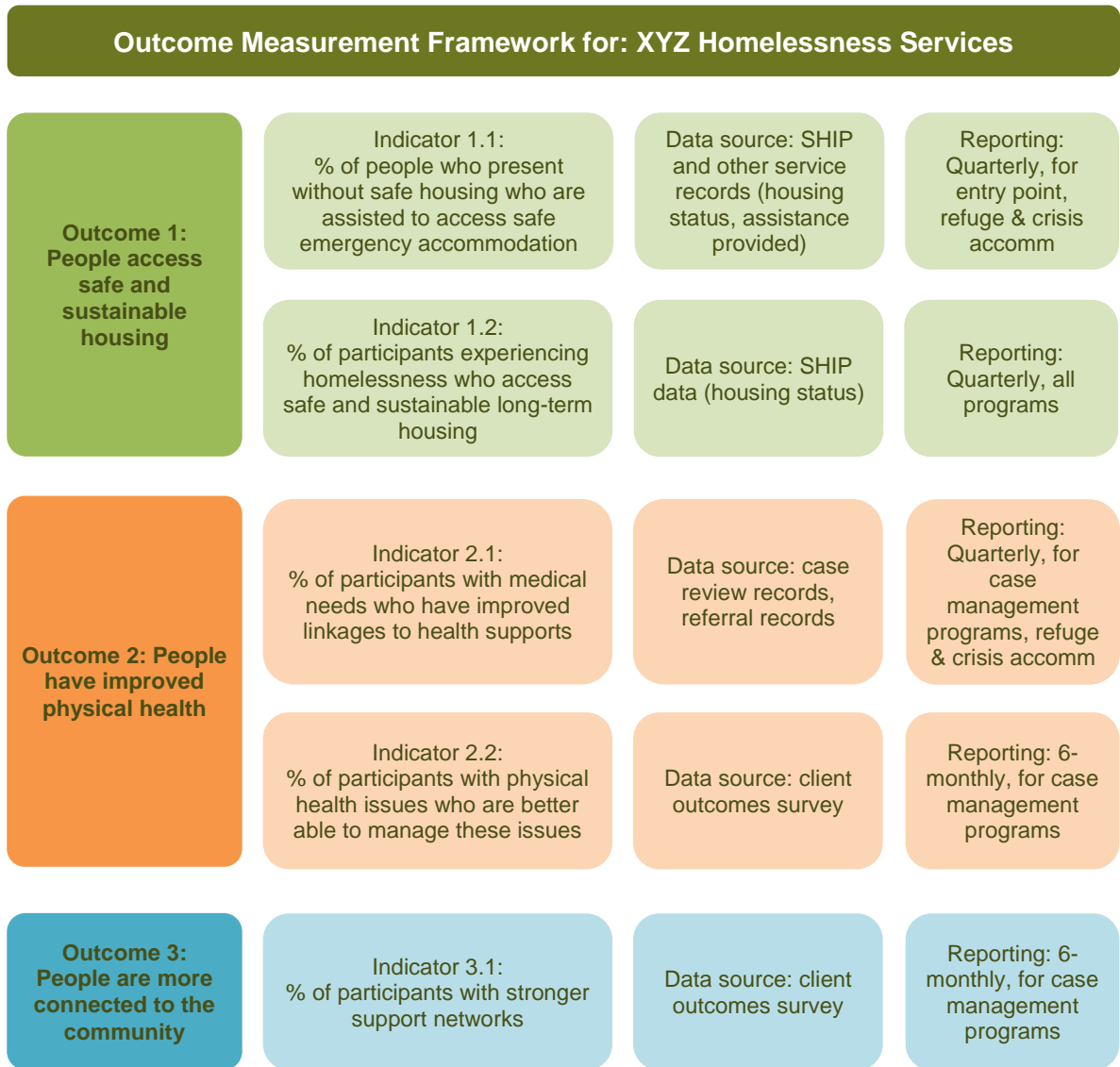Table 1: Typical components of an outcome measurement framework

Section	Identifies…
Outcome model	• The individuals, groups, communities, organisations or systems who are intended to experience the outcomes (most commonly the beneficiaries or participants of services) • The programs, services or other activities or structures for which outcomes are being measured • The set of outcomes which have been identified as important
Measurement framework	• The outcomes selected for measurement • The indicator(s) which will be used to assess achievement of each outcome • The data collection tools and processes which will provide data for the indicators • Technical guidance for valid and consistent analysis and reporting of data

Figure 5 below provides a simplified example of a part of an outcome measurement framework which might be used by a specialist homelessness service provider. This example is for a fictitious agency and may not necessarily be applicable to any particular homelessness service. For illustrative purposes, the example includes outcomes and indicators across three domains (housing, physical health, and community participation). The full outcome measurement framework would involve a clearer outcome model and a wider set of domains, outcomes and indicators, together with supporting detail about data collection, analysis and reporting.

The outcomes in this example emphasise benefits for individual program participants. While this will be a common focus of outcome measurement for specialist homelessness services, depending on the service type, an outcome measurement framework might also include outcomes for specific cohorts (e.g. youth, people experiencing family violence), groups (e.g. families), communities (e.g. people living in a particular Local Government Area or public housing estate), organisations or systems.

For an organisation providing multiple programs and assisting a number of different cohorts of participants, a measurement framework might include a matrix of outcomes and indicators organised by program type and participant group.

Figure 5: Example of partial outcome measurement framework

Outcome Measurement Framework for: XYZ Homelessness Services			
Outcome 1: People access safe and sustainable housing	Indicator 1.1: % of people who present without safe housing who are assisted to access safe emergency accommodation	Data source: SHIP and other service records (housing status, assistance provided)	Reporting: Quarterly, for entry point, refuge & crisis accomm
	Indicator 1.2: % of participants experiencing homelessness who access safe and sustainable long-term housing	Data source: SHIP data (housing status)	Reporting: Quarterly, all programs
Outcome 2: People have improved physical health	Indicator 2.1: % of participants with medical needs who have improved linkages to health supports	Data source: case review records, referral records	Reporting: Quarterly, for case management programs, refuge & crisis accomm
	Indicator 2.2: % of participants with physical health issues who are better able to manage these issues	Data source: client outcomes survey	Reporting: 6-monthly, for case management programs
Outcome 3: People are more connected to the community	Indicator 3.1: % of participants with stronger support networks	Data source: client outcomes survey	Reporting: 6-monthly, for case management programs

Development of an outcome measurement framework is an important step in implementing a systematic approach to outcome measurement. It could form part of a larger Monitoring and Evaluation (M&E) Framework for a program, service or organisation.

The outcome measurement framework provides guidance about what will be measured, but does not detail the steps required to implement outcome measurement. To embed outcome measurement in practice, organisations will need strong leadership, resourcing, and clear implementation plans for the contexts in which the framework is to be used. In addition to practical steps such as development of data collection tools, these plans should consider capacity building and organisational change requirements such as training and coaching of team leaders and staff, technical support, development of data reporting systems, accountability and incentive systems, and time for teams to reflect on results. These strategies are key to effective implementation and to improving data quality.
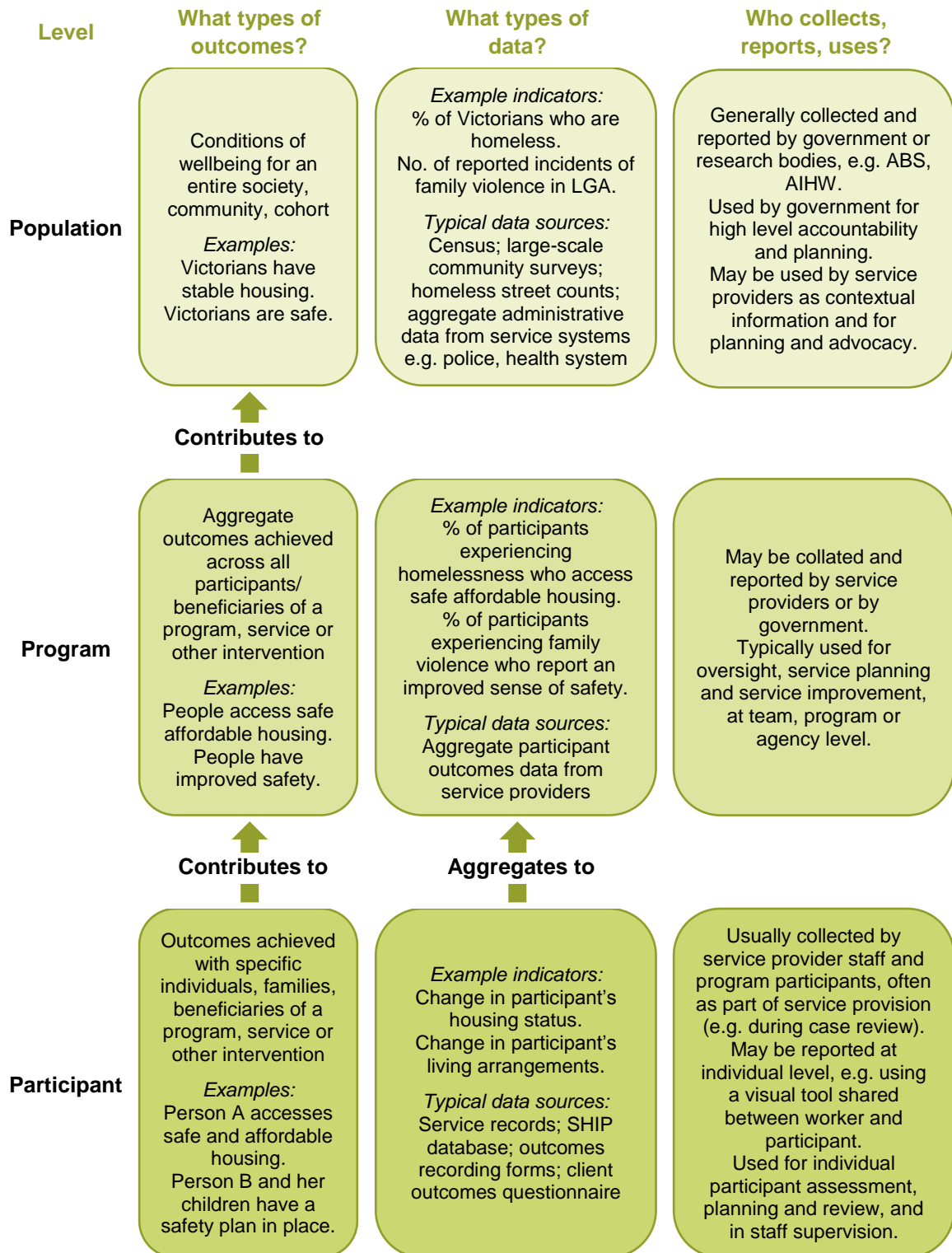
Reporting and using outcome information at different levels

Outcome information can be captured, reported on and used at different levels, ranging from the level of individual program participants through to entire service systems and populations.[17]

From a technical perspective, three main levels need to be considered: *participant*, *program* and *population*. Figure 6 below shows how these levels are connected. Funders tend to focus on the population and program levels, while service providers usually focus on the participant and program levels.[18]

The program level can include a number of different levels of aggregation, for example team, catchment or agency level aggregation of data. Aggregating and synthesising outcome data across an organisation providing multiple programs adds complexity, but does not fundamentally alter the three main levels shown here.

Figure 6: Three key levels of outcomes and measures

Level	What types of outcomes?	What types of data?	Who collects, reports, uses?
Population	Conditions of wellbeing for an entire society, community, cohort *Examples:* Victorians have stable housing. Victorians are safe.	*Example indicators:* % of Victorians who are homeless. No. of reported incidents of family violence in LGA. *Typical data sources:* Census; large-scale community surveys; homeless street counts; aggregate administrative data from service systems e.g. police, health system	Generally collected and reported by government or research bodies, e.g. ABS, AIHW. Used by government for high level accountability and planning. May be used by service providers as contextual information and for planning and advocacy.

↑ Contributes to ■

Level	What types of outcomes?	What types of data?	Who collects, reports, uses?
Program	Aggregate outcomes achieved across all participants/ beneficiaries of a program, service or other intervention *Examples:* People access safe affordable housing. People have improved safety.	*Example indicators:* % of participants experiencing homelessness who access safe affordable housing. % of participants experiencing family violence who report an improved sense of safety. *Typical data sources:* Aggregate participant outcomes data from service providers	May be collated and reported by service providers or by government. Typically used for oversight, service planning and service improvement, at team, program or agency level.

↑ Contributes to ■   ↑ Aggregates to ■

Level	What types of outcomes?	What types of data?	Who collects, reports, uses?
Participant	Outcomes achieved with specific individuals, families, beneficiaries of a program, service or other intervention *Examples:* Person A accesses safe and affordable housing. Person B and her children have a safety plan in place.	*Example indicators:* Change in participant's housing status. Change in participant's living arrangements. *Typical data sources:* Service records; SHIP database; outcomes recording forms; client outcomes questionnaire	Usually collected by service provider staff and program participants, often as part of service provision (e.g. during case review). May be reported at individual level, e.g. using a visual tool shared between worker and participant. Used for individual participant assessment, planning and review, and in staff supervision.

Process of implementing outcome measurement

When moving towards outcome measurement, it is essential to start by building the foundations of outcomes thinking. This involves advising stakeholders at all levels about the nature of outcomes as a central focus for service design, practice and evaluation. It involves identifying the participants and other individuals, groups or systems on which programs and services are intended to impact. Who will benefit from or be affected by the work of the program or service? What difference does the program or service intend to make for these people? Once the outcome model has been developed, issues of measurement can be considered.

A preliminary question is whether stakeholders wish to adopt a particular 'branded' performance measurement approach (such as Results-Based Accountability[TM], Balanced Scorecard or Targeting Outcomes of Programs), or instead prefer to work through the general thinking process outlined below to develop their own outcome measurement approach. This is a useful decision to make early, as it has implications for the ways in which frameworks are developed, documented and used. Regardless of what decision is made here, organisations will need to ensure they have the expertise to use their preferred approach. This may require capacity building for those leading the design process as well as those involved in implementing outcome measurement.

In broad terms, implementing outcome measurement involves seven steps.[19] These are outlined in Figure 7 below.

When commencing outcome measurement, it can be tempting to jump directly to step 4 (data collection). This can mean that data produced is not well connected to the outcomes that the intervention is trying to achieve. It can also mean that electronic systems for data collation are not well developed, making the analysis and reporting process very time consuming and inefficient. On the other hand, it can be easy to become bogged down in steps 1 and 2 (the conceptual stage of developing an outcome model and a measurement framework) without proceeding to practical implementation. Each of the seven steps is therefore important in developing an effective and sustainable approach to outcome measurement.

Stakeholder involvement will be important in each step to ensure that outcome measurement is relevant, practical and useful.

Designing and implementing outcome measurement can involve working through some complex questions and dealing with a range of challenges (see Section 5). Many organisations find that it can take three to five years to work through this process, make adjustments and implement a sustainable and effective outcome measurement system.

Figure 7: Key steps in implementing outcome measurement

1. **Outcome model**
   Develop an outcome model by identifying: <u>what</u> program, service or other activity is in scope; <u>who</u> it is intended to benefit or affect; and <u>which</u> outcomes are important. Developing a program logic/theory of change may assist with this.

2. **Measurement framework**
   Determine which outcomes will be measured, and the indicators, data collection tools and processes which will allow monitoring of these outcomes. These can be described in an outcome measurement framework.

3. **Tools and processes**
   Prepare and pilot the systems, tools and processes which will be used for data collection, data collation and analysis. This may involve development or customisation of data collection forms and electronic tools such as online surveys, databases, spreadsheets or mobile apps. It will usually involve providing instructions and training for those involved in data collection.

4. **Data collection**
   Collect the outcome data. It is usually important to monitor the extent and quality of data collection so that any process issues affecting data quality can be addressed.

5. **Analyse and report**
   Analyse and report on the results. Depending on the sophistication of the tools available, this step may be quite automated, or may require manual analysis. Technical expertise will be helpful in ensuring that statistical analyses are valid and that the conclusions are sound. Stakeholder input may be important in interpreting the data.

6. **Use the findings**
   Communicate and use the findings in service planning, service improvement and advocacy. Circulation of reports will usually be part of this step, however effective use of findings will involve discussions with relevant stakeholders, e.g. service delivery teams, managers, Board, and generation of action plans where appropriate. Findings may provide a useful input to organisational or service planning. This step may also generate further questions which could be explored through additional research or evaluation.

7. **Review and refine**
   Review the outcome measurement system and improve it so that it can become more efficient and effective.

4

What is outcome-based funding?

Outcome-based funding arrangements are those in which all or part of the payment to a service provider for services delivered depends on the provider achieving outcomes specified by the commissioning/funding organisation. Outcome-based funding is also known by various other terms, including 'Payment by Results'.[20]

Although not yet a common funding mechanism for specialist homelessness services in Australia, outcome-based funding has been used in other sectors, notably Commonwealth-funded employment programs.[21] It has also been used internationally to fund a range of programs in sectors ranging from family services to corrections and international development.[22] Outcome-based funding has the potential to offer service providers increased latitude to choose interventions to achieve the desired outcomes, but it also presents risks.

There are a variety of approaches to outcome-based funding. Some schemes provide payments based on outcomes for individual program participants, while others provide payments for achieving specified targets or performance levels across cohorts. Outcome-based funding schemes often involve additional non-outcome-based payment components, such as a per-participant base payment, or payments for delivery of certain specific units of service.

Although it is easy to confuse outcome-based funding with outcome measurement, they are separate processes and can occur independently of each other. Outcome-based funding does depend on some form of outcome reporting, however this may not necessarily involve rigorous outcome measurement. Conversely, outcome measurement can be implemented for a range of reasons, such as service improvement and advocacy, and may have no connection with funding arrangements. Introducing outcome measurement therefore is not necessarily a step towards outcome-based funding.

Outcome measurement carries a range of risks as well as potential benefits (cf. Section 5). Outcome-based funding increases the likelihood of occurrence of several of these risks, including the risk of 'soft targeting' of services, and the risk of inflated reporting of program performance.

Social impact investments

Social impact investment strategies are one variant of outcome-based funding approaches. These strategies occupy a middle ground between grant funding and commercial investment, and can involve a range of financing strategies including debt, equity and social impact bonds. Returns on investment in these schemes depend on

the extent to which the intended social impact outcomes of the initiatives occur.[23] Social impact investment schemes have been used in the United States and United Kingdom and in a number of Australian jurisdictions.

A social impact investment scheme is currently being piloted in Victoria. Two Social Impact Bonds are being jointly developed between government and service providers, each with a housing and homelessness focus.[24] These initiatives complement rather than replace other funded services, and as such do not have direct implications for outcome measurement in other homelessness programs. However, they have the potential to establish outcome measurement frameworks and approaches which might later be used more widely. They are therefore of strong interest as indications of possible future trends in outcome measurement.

5

What are the benefits and challenges of outcome measurement and outcome-based funding?

Outcome measurement offers a range of potential benefits, but also presents a range of challenges and risks. It is important to be aware of both sides of the equation in order to make an informed choice about whether and how to engage in outcome measurement.

Benefits and challenges of outcome-based approaches and outcome measurement

As with any approach to program delivery and management, outcome-based approaches and outcome measurement have enthusiastic supporters and strong claims as to their importance and effectiveness. While some of these benefits are visible in the practical experience of organisations engaging in outcome measurement, others are more elusive or may require more resourcing and capability in order to be realised.

While outcome measurement can provide valuable information, it can also be resource-intensive and in certain contexts can lead to negative consequences for the ways in which services operate. The experience of organisations engaged in outcome measurement suggests that it is often relatively easy to reach consensus on an outcome model, but it can be more difficult to design and implement a useful and practical measurement framework.

Table 2 below summarises some of the potential benefits of outcome-based approaches and outcome measurement,[25] while Table 3 notes some of their risks and challenges.[26]

Table 2: Potential benefits of outcome-based approaches and outcome measurement

Benefit	Description	Comments
Alignment	The process of identifying and agreeing on key outcomes can build shared understanding and alignment among stakeholders.	This benefit stems from development of an outcome model, which is an essential part of an outcome-based approach and may be further reinforced by outcome measurement.
Outcome focus for service providers	Identification, measurement and reporting of outcomes at participant and program levels drives a focus for staff on outcomes rather than throughput. "What gets measured gets done".	This benefit is reported by organisations using outcome measurement. It can take some time for this cultural change to occur. To achieve this, the outcome data needs to be meaningful and easily usable by staff in their work context.
Outcome focus for funders	An emphasis on outcomes can move conversations with funders towards service models that prioritise participant outcomes over service throughput. For programs where a primary focus on throughput is unhelpful, this can benefit people experiencing or at risk of homelessness, with flow-on effects on targets and compliance reporting.	There is evidence of increased appetite within government for outcome-focused conversations, however shifting prevailing debates about what counts as successful service delivery remains an ongoing task influenced by many parts of government and many drivers, including economic drivers. There are pressures to measure service volume to maintain accountability for appropriate use of public funds.
Improved assessment, planning and review	Outcome measurement tools that integrate well with practice support deeper engagement between workers and participants regarding goals, needs and issues. This also enables deeper reflection by participants on their journey and progress.	This benefit is often reported by organisations using tools such as the Outcomes Star™ which are designed to be used collaboratively between worker and participant.
Improved morale	Outcome measurement provides a way to recognise and celebrate successes. This can be positive for staff and participants and can support resilience and optimism.	Agencies using outcome measurement report this occurring at individual participant level. At program level, outcome measurement may show patterns of positive outcomes, or may show mixed or overall negative trends, so may not necessarily boost morale.
Evidence for funding and advocacy	Positive outcome measurement findings can be useful in building a case for refunding or extension of programs and services, as well as in general communication and marketing of the value of the work of a program, agency or sector. Evidence of outcomes is an important contributor to cost-effectiveness and cost-benefit analysis, which can demonstrate	This benefit has been reported by a number of agencies who have used outcome measurement in pilot programs. The more rigorous and credible the evidence of outcomes, the stronger the case. However, even with strong evidence, there is no guarantee that advocacy will be successful. Outcome measurement data collected by service providers will generally need to be supplemented with additional

Benefit	Description	Comments
	the value of investing in programs and services. Evidence of restricted ability to achieve outcomes can also potentially be useful in advocacy, to demonstrate the absence of resourcing or other enablers for program success.	data and analysis in order to support credible cost-effectiveness findings.
Service design and improvement; best use of public funds	Outcome measurement findings (positive or negative) allow funders and service providers to assess whether programs and services are achieving their objectives, and if not, to improve them. Outcome measurement also provides a tool through which to monitor the effects of changes to service design. It's possible for programs to be ineffective or actively harmful; outcome measurement provides a way to detect if this is occurring.	While outcome measurement can in theory support service improvement efforts, outcome measurement by itself may not provide sufficient information to enable this to occur. It can be difficult to translate outcome measurement findings into actionable intelligence that can guide change. In-depth evaluation is often required in order to properly understand how and why a program is working (or not), as a basis for adjusting service design. Outcome measurement results can, however, identify potential areas for improvement and provide motivation to keep investigating these.
Benchmarking	Outcome measurement findings can allow comparison between similar programs, enabling stakeholders to identify more effective models and to emulate or learn from their success.	It is rare that outcome measurement by itself enables rigorous benchmarking of program performance. There are many variables which affect outcome data – including data recording practices, differences in participant cohorts, local service system contexts, and more. It is difficult to adequately control for these factors in ways that enable outcome measurement to provide a valid comparison across services. Evaluation is usually required to unpack these factors. Benchmarking potentially also exacerbates some of the risks associated with outcome measurement, including the risk of inflated reporting of performance.
Knowledge building	Outcome measurement contributes to the pool of information available in relation to evidence based programs and services, and can contribute to cross-sector learning.	There is some evidence of this occurring through individual service providers sharing learnings from their outcome measurement efforts. To make a major contribution to a sector evidence base, outcome measurement would likely need to be consistent across multiple services, or incorporated within broader evaluation processes.

Table 3: Risks and challenges of outcome measurement

Challenge	Description	Comments
Differing agendas	There are a range of reasons why stakeholders pursue outcome measurement, including accountability, service improvement and knowledge generation.[27] Multiple agendas can arise within and across organisations, leading to conflict about the preferred focus and approach for outcome measurement.	When introducing outcome measurement, particularly if multiple partners are involved, it can be useful to openly discuss and develop a clear position on the primary purposes for which outcome measurement will be undertaken.
Resourcing	Outcome measurement can be a resource intensive process. Staff time is required to develop the measurement framework and tools; to collect data; and to analyse and report on the data. Outcome measurement often requires investment in data systems. There is a risk that funders or service providers will underestimate the costs involved, will over-invest in outcome measurement relative to the value of information produced, or that resourcing will not be sustained over time, leading to outcome measurement initiatives being discontinued. There is also a risk that outcome measurement processes will be rolled out without appropriate IT solutions in place.	There are potentially ways to reduce the resource burden of outcome measurement. Adopting ready-made tools substantially reduces development time, but may mean that the outcome measurement system is less tailored to the needs of the program or organisation. Developing sector-wide frameworks, tools and data systems requires significant initial investment but shares this investment across many agencies and potentially with government.
Imposition on staff and program participants	Many outcome measurement approaches require involvement of staff in collecting data. Where staff are working under pressure, especially in programs where there is already a significant data burden, this can create stress and can conflict with other service delivery demands. It may therefore be resisted or not prioritised by staff. This can reduce the quantity and quality of outcome data collected. Outcome measurement may also require significant input from participants (for example, through engaging in outcome conversations or completing questionnaires). Depending on how this occurs, it can impact negatively on participant experience. There is a risk of over-surveying.	Care is needed to ensure that: • Only data that is of importance is collected • Data collected is used, and the findings shared with staff and participants through good routine reports and discussion processes • Staff are adequately resourced for additional data collection demands • Data collection processes minimise imposition on program participants.
Poor fit with organisational culture	Some service provider organisations have yet to develop a culture that values monitoring and evaluation, or data more generally. Some sector staff or managers may see analysing service performance as a waste of time, and	Outcome measurement will be most effective when used within a context which values data and makes time for reflection. Organisations may need an integrated strategy to develop an

Challenge	Description	Comments
	may question whether outcomes can meaningfully be measured. Some organisations are yet to develop a culture that provides permission to "fail and learn from it," and some staff may feel threatened by the outcome measurement process. Some staff in high volume and/or crisis-driven service environments may require additional support to find time to reflect on and make meaning out of outcome data. It may be challenging to introduce outcome measurement and to use it well in these contexts.	overall culture of reflection and evaluation, which includes and supports outcome measurement.
Negative results or lack of significant results	Outcome measurement will at times identify program outcomes that are less positive than expected. There may be negative outcomes, mixed outcomes, or the absence of statistically significant patterns of outcomes. It may be difficult to gather data on more significant or longer-term outcomes. This can be deflating for staff and disillusioning for those who have invested time and resources in building outcome monitoring systems, potentially leading to discontinuation of the outcome measurement process.	It is important to approach outcome measurement with realistic expectations about the type of information it will produce, and to accompany outcome measurement with evaluation and other sources of evidence that can provide a fuller picture of outcomes achieved. Outcome findings should be communicated strategically and sensitively.
Unreliable data, invalid findings, inflated reporting	Outcome data that is incomplete or inconsistently recorded will lead to findings that are unreliable or invalid. Inter-rater reliability can be a major challenge in a diverse sector where data collection is undertaken by large numbers of frontline staff. Further, if those collecting the data feel that their personal performance (or that of their team or organisation) is being assessed, this creates strong incentives for 'inflated reporting' – overstating the outcomes achieved. This has been observed even in organisations with a strong social purpose and a general commitment to learning and transparency. This can severely undermine the usefulness of outcome measurement as a tool for learning and service improvement.	Improving data quality takes consistent effort over time, and is likely to be most successful where the data is regularly and actively used. Guidance and training for data collectors is important. It is impossible to entirely eliminate the risk of inflated reporting, but there are various strategies for reducing it, including use of non-staff rated data collection tools, triangulation of data sources, auditing, and avoiding linking outcome measurement to personal or team performance assessment.
Barriers to data sharing	A range of barriers can limit the sharing of outcome information and findings, ranging from privacy legislation to the limitations of data systems, organisational and sector cultures, and potential reputational risks of disclosing	Current reforms of the family violence service system in Victoria include the development of approaches for more extensive information sharing in appropriate circumstances. This

Challenge	Description	Comments
	data that reflects on service quality. These issues can restrict the ability of service providers to work together to track participants' journeys and outcomes across teams and agencies.	may hold implications for the specialist homelessness service sector. Anonymous benchmarking of outcome findings across agencies can help to manage reputational risks.
Complexity of service system	The specialist homelessness service system involves a diverse range of program types, from prevention to recovery and from brief crisis intervention to long-term support. Other service systems (e.g. Out of Home Care, Justice, Health and Mental Health, AOD) also interface with the specialist homelessness service sector and play a role with people both on the way into homelessness, and on the way out. While these programs may work towards related long-term goals, the applicable short- and medium-term outcomes may differ widely from program to program. Developing outcome models and outcome measurement frameworks that are fit for purpose across this range of programs is a complex task.	Outcome measurement frameworks designed to operate at agency or sector level need to combine high level shared outcomes, which are broad enough to span multiple diverse programs, with more specific outcomes and indicators that capture the focus of individual programs. Care is needed to ensure that programs are only measured against outcomes which they could reasonably be expected to achieve.
Reduction of sector diversity	Overly simplistic outcome models may create pressure to move towards 'one size fits all' service design, prioritising a small set of generic outcomes but failing to recognise the value of other outcomes to which unique service models contribute. For example, an outcome model focused on individual tenancy outcomes might not capture the value of the work done by an Aboriginal service provider organisation in cultural and community connection. There is a risk that smaller providers and those with localised service approaches may struggle to retain their place in the sector when measured against generic outcome frameworks.	Outcome models need to be designed and implemented in ways that recognise diversity of outcomes and approaches. Care should be taken to build a rich picture of service outcomes through evaluation, rather than relying only on outcome monitoring as evidence of effectiveness. Capacity building will be needed to ensure that organisations are able to effectively participate in outcome measurement processes and have a fair opportunity to demonstrate the value of their work.
Complexity of needs and issues; soft targeting	In setting outcome targets and assessing outcome performance, it is important to consider the level of difficulty involved in achieving outcomes. This is influenced by a range of factors including the level of complexity of the issues and needs of program participants. This creates challenges in benchmarking outcome performance across teams, sites and	It is important that outcome benchmarking takes into account not just outcomes achieved, but levels of complexity and need as well as contextual factors. This increases the technical difficulty of producing valid outcome findings, and the level of resourcing required to collect and use the data. It's possible

Challenge	Description	Comments
	programs, even where the intended outcomes are identical. If high outcome performance is rewarded without considering level of difficulty, this can create strong incentives for 'soft targeting' – services selecting participants who are easier to work with and who they know are more likely to achieve positive outcomes. This can have negative effects on service availability for those most in need.	that some data on complexity and need may already be available from other sources (for example, assessment records). This issue is less of a challenge when outcome measurement is focused on a single service and does not involve comparison.
Negative effects on service models and service delivery approaches	When outcome measurement narrowly focuses on certain outcomes to the exclusion of other considerations, this can at times lead to detrimental effects on service provision. For example, an outcome measurement framework that emphasised the achievement of private rental tenancy commencements might lead to program participants being pushed into the private rental market, even where this is unlikely to be affordable or sustainable for them. A focus on short-term outcomes or specific indicators can therefore sometimes undermine relational, holistic person-centred practice that is necessary for the achievement of sustainable long-term outcomes.[28] This risk is likely to be higher when outcome measurement is imposed from outside the service delivery environment.	Outcome measurement should not be undertaken in isolation, but as part of a suite of evaluative and quality improvement processes. Selecting a balanced set of indicators across a range of outcomes, processes and aspects of service quality can help to mitigate the risk of service distortion. In-depth evaluation can assist in detecting situations where outcome measurement is creating perverse incentives that degrade practice.
Over-reliance on outcome monitoring data as a measure of value	Outcome measurement can provide useful information about the operation of programs and services, but it is limited in scope and explanatory power. Over-reliance on this data as a measure of the performance of services or organisations can lead to decision-making that ignores other important aspects of merit and value.	When using outcome monitoring data, it is important to remain aware of its limitations, and to ensure that decision-making about programs and services also draws on other data including output and quality indicators and evaluation findings.

The existence of these challenges is not a reason to dismiss outcome measurement outright, but it does indicate the need for a careful consideration of risks and benefits, and an informed decision about how outcome measurement is resourced, designed and used. Building a more sophisticated understanding of outcome measurement among service providers and government stakeholders will assist in both recognising the challenges and developing strategies to navigate them.

Risks of outcome-based funding

Outcome-based funding can exacerbate some of the underlying risks of outcome measurement. Where resource allocation is linked to outcome performance, this significantly increases the incentives for soft-targeting and for inflated reporting of outcome data.[29] Outcome-based funding systems are usually designed by funders, raising the risk for the sector that the outcomes targeted may not align well with the sector's understanding of the nature of the problem and/or of the solutions that will lead to lasting and ethical change. Outcome-based funding therefore has potential to become a lever for imposition of economic approaches, values and service frameworks that may be at odds with the sector's philosophical base and/or practical experience of 'what works' to meet participants' needs.

Finally, in the specialist homelessness sector context, there is a real risk that outcome-based funding may set unrealistic expectations for the outcomes than can be achieved. Long-term, safe and sustainable housing outcomes are highly contingent on factors outside of the sector's control, including the operation of the housing market and a range of government policy which influences the availability of affordable housing. In this context, it is unreasonable to hold service providers accountable for achievement of long-term housing outcomes. However, if outcome-based funding focuses on short-term outcomes, this may reinforce a service system emphasis on managing rather than ending homelessness.

Outcome-based funding is not suited to all contexts.[30] The sector needs to be prepared to critically examine outcome-based funding proposals, and to argue the case against outcome-based funding where that approach is not appropriate.

6

What is the current status of outcome measurement in the specialist homelessness service sector?

There is currently not a consistent, widely accepted framework or approach for outcome measurement in the specialist homelessness service sector, neither within Victoria, nor nationally.

High level leadership from funders

Direction from the federal and Victorian governments on outcome measurement in the sector has been limited. The National Partnership Agreement on Homelessness[31] notes some very broad outcomes and indicators. These are primarily at population level, and measurement of these is not readily operationalised at provider level. A new National Housing and Homelessness Agreement is under development. It is possible that it may include increased performance reporting requirements, however further details are not yet publicly available.[32]

In Victoria, work is underway on a whole-of-government outcome-based management approach, which is being driven across the Victorian Government by the Public Sector Reform and Performance branch of the Department of Premier and Cabinet. This approach envisages that outcome frameworks will be progressively developed and embedded over time in funding, accountability and performance systems.[33]

The Victorian Department of Health and Human Services (DHHS) Strategic Plan 2016 includes an outcome framework and set of key intended results. A number of these are relevant to provision of specialist homelessness services, notably 'Victorians have suitable and stable housing' and 'Victorians live free from violence and abuse'.[34] These are articulated in more detail in Victoria's Public Health and Wellbeing Outcomes Framework, which adds population measures.[35] Other government departments in Victoria and nationally are also introducing outcome frameworks, as discussed in Section 7.[36]

The outcome statements and indicators embedded in these documents are pitched at the population level, and do not provide guidance for measurement of these or related outcomes at program or service level. DHHS' internal Outcomes, Performance and Risk

unit is developing a workplan for the embedding of outcome measurement on a sector-by-sector basis, with pilots in some sectors planned to commence in 2018. Work in the Child and Family services sector is already well underway. Potential timing for a DHHS focus on outcome measurement in the specialist homelessness service sector is not yet known.[37]
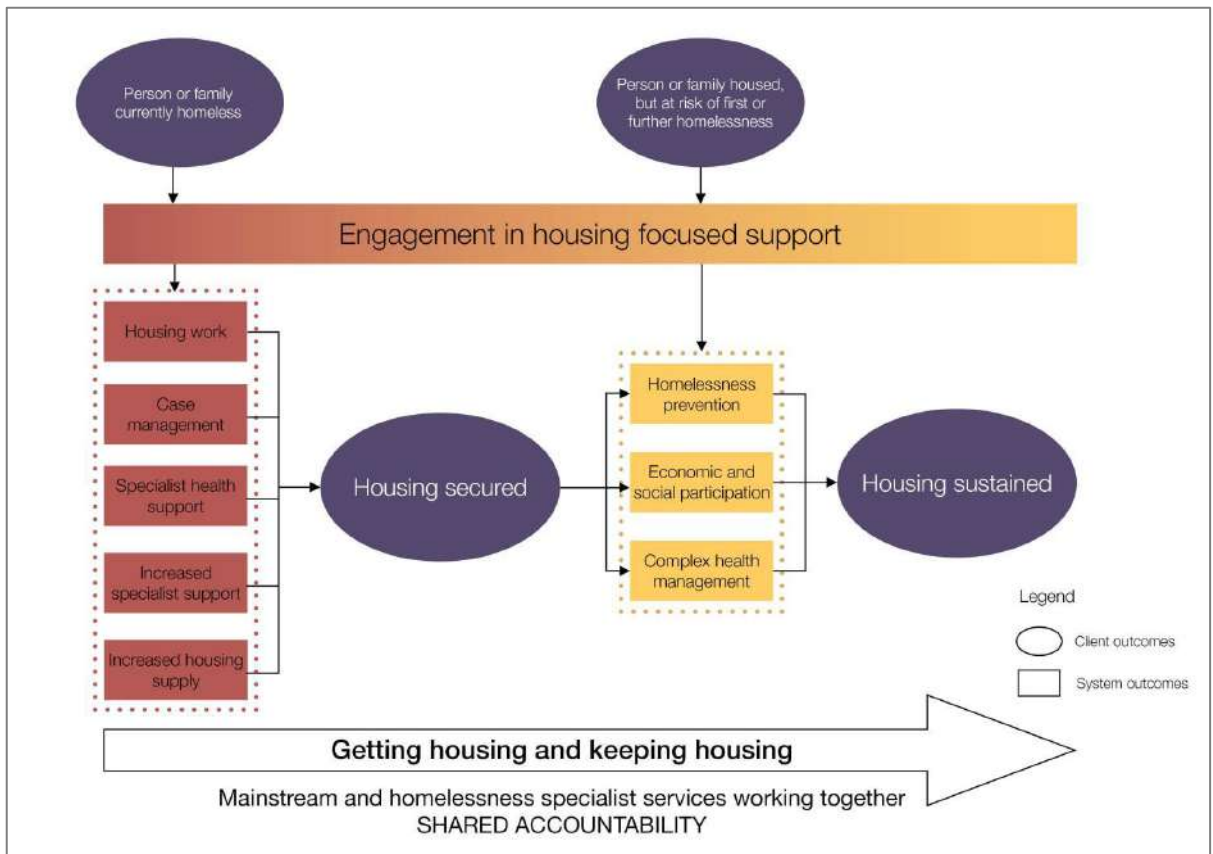
In 2011, the Victorian Department of Human Services (now DHHS) provided encouragement to a number of specialist homelessness service providers to commence pilots of the Outcomes Star™ family of tools for outcome measurement. The Outcomes Star™ was also adopted in other work of DHHS at the time, for example as part of the Services Connect support model.[38] The Outcomes Star™ appears to have had less emphasis from the Department recently.

National studies

Several Australian studies have explored measurement of specialist homelessness service system outcomes at national level. Early research by Baulderstone and Talbot[39] tested the applicability of outcome measurement tools across a range of Supported Accommodation Assistance Program (SAAP) services types. The study concluded that outcome measurement was possible with sufficient commitment, training and support, appropriate information systems, and integration with case management processes. However, the study noted that no one outcome tool was suitable for all service types. The authors concluded that this would prevent the implementation of a consistent national outcome data collection approach. However, subsequent experience suggests that more sophisticated outcome measurement frameworks may be able to deal with this challenge through more nuanced sets of indicators that are applied to program types where relevant.

The *What Makes a Difference* study,[40] led by the Australian Housing and Urban Research Institute (AHURI) in 2010-11, set out to develop a consistent national framework for measurement of specialist homelessness service outcomes. The study proposed two main participant outcomes (housing secured and housing sustained), and an accompanying set of system outcomes (housing work, case management, specialist health support, increased specialist support, increased housing supply, homelessness prevention, economic and social participation, and complex health management), which are argued to be necessary to enable the achievement of the participant outcomes. Figure 8 summarises this outcome model.[41] The study also suggested possible indicators associated with these outcomes.

Figure 8: 'What Makes a Difference' client outcome model diagram

The *What Makes a Difference* framework has gained little traction to date as a basis for specialist homelessness service sector outcome measurement. There may be a range of reasons for this, including a lack of political imperative (to date) for adoption of an overarching framework, the complexity of the report, the limited range of participant outcomes captured by the framework, and the absence of a readily implementable data collection tool to operationalise it. Despite these challenges, the framework remains a useful reference point.

In New South Wales, the Centre for Social Impact in collaboration with Homelessness NSW is currently conducting a project titled *Developing Shared Outcomes for the Housing and Homelessness Sectors*.[42] The project aims to identify key outcomes for homelessness services, together with relevant indicators, and to synthesise findings into a shared outcome framework. Consultation has been undertaken with many specialist homelessness service providers and other agencies working with people with lived experience of homelessness. Once complete the outcome framework may provide a useful resource for consideration by the specialist homelessness service sector in Victoria.

Providers piloting various approaches

In the absence of a mandated approach from government, specialist homelessness service providers in Victoria (and elsewhere in Australia) have introduced various approaches to outcome measurement. These have included broad approaches (e.g. Results Based Accountability[TM],[43] Social Return on Investment[44]), as well as use of ready-made tools (e.g. Outcomes Star[TM],[45] or standardised scales such as the K6 scale for psychological distress[46]), and bespoke sets of indicators and data collection tools oriented around service models. There have also been multiple in-depth evaluations of housing and homelessness programs and initiatives, which have undertaken rigorous analysis of participant outcomes.[47] Although these outcome evaluation approaches are too resource intensive for use in ongoing monitoring, they provide useful pointers to the types of outcomes that can be measured.

The four mini case studies below provide examples of different approaches that have been used by Victorian specialist homelessness service providers over the past few years. Each has its strengths and challenges, and they are not the only good examples of outcome measurement currently being utilised in the sector. They are presented here not as models to be followed, but as examples to illustrate the diversity in the sector's current approaches to outcome measurement.[48] Other Victorian providers also have their own approaches to outcome measurement and have valuable experience to share on this topic.

Case study 1: Beyond Housing
Beyond Housing use the Outcomes Star[TM] across selected programs including Sustaining Tenancies at Risk, Tenancy Plus, A Place To Call Home, and Indigenous Tenancies at Risk (ITAR). While most of these programs use the Homelessness Star, Beyond Housing found this not to be the best cultural fit for ITAR, and instead use an indigenous-specific star for that program. The Star tool is used at least twice (a few weeks into the support period, and again near the end of service), in a conversation format between worker and program participant. Data is entered to a spreadsheet which produces statistical reports on changes per participant, and across programs.   Beyond Housing also collects data on certain Key Performance Indicators (KPIs) such as tenancies sustained, for inclusion in its Annual Report, and undertakes 3- and 6-month post-exit follow-up phone interviews with some participants. These follow-up interviews are generally conducted by Team Leaders and focus on tenancy and personal stability.

Case study 2: Sacred Heart Mission

Sacred Heart Mission have developed their own outcome measurement framework which is structured around five high-level outcomes: sustained housing, improved health and wellbeing, improved independence, social inclusion/participation, and economic participation. Each outcome has 4 to 5 associated indicators which help to measure key aspects of the outcome.

Data is gathered using questionnaires which are completed in the context of a conversation between program participant and worker. Data is collected at baseline, case review and exit. Data is entered into an online survey system and downloaded for analysis into an outcomes system which runs on Excel. The system automatically produces individual participant and aggregated program reports. The individual reports are in a visual format which are shared with participants and integrated into the case management process. The aggregated program reports are used to be able to monitor program effectiveness.

The outcome measurement framework and data collection process was piloted with the Journey to Social Inclusion program, and has now being rolled out to all Sacred Heart Mission programs. Although the intent is to retain a consistent data collection tool across the organisation, some adaptation may be required for certain programs such as Aged Care.

Case study 3: VincentCare

VincentCare undertook a rigorous outcome measurement process for its Home Connect Hub program, which was funded as a homelessness Innovation Action Project. 120 quantitative indicators were grouped under domains such as housing, health, finance and others. Data collection involved a conversation between case worker and program participant, guided by a specific list of questions aligned with the indicators, and undertaken at baseline (shortly after service commencement) and where possible, at end of support period. Domains were only applied where relevant, e.g. domains regarding children were only used where the participant had children. Outcome data was entered to a custom MS Access database, which automatically generated outcome reports. Although onerous, the data collection provided a solid evidence base which was useful in supporting the refunding of the program.

VincentCare are now in the process of implementing a more streamlined set of 24 outcome indicators linked to their homelessness recovery service model. These indicators are expected to be applicable to all participants and across all VincentCare programs. Associated outcome fields are being incorporated in standard case management data collection tools, and in a new Client Management System which is currently being rolled out. Outcome reporting using the new tools is expected to commence in mid-2018.

Case study 4: Brotherhood of St Laurence

Over a period of several years, Brotherhood of St Laurence (BSL) developed a Results Based Accountability™ (RBA) approach to outcome measurement. This was initially piloted with four programs and then extended to others. Under this approach, each program identified five key outcomes that would be monitored (including at least three that could be measured in the first year of reporting), with associated indicators. Staff were involved in consultations about the outcomes and indicators, with the intention of subsequently involving consumers. Accompanying data collection forms were developed or revised. Outcome data fields were built into BSL's Client Management System where possible, allowing automated outcome reporting. For programs using other data systems, more manual processes were required for data collation and reporting. With practice, the staff leading the outcome measurement initiative evolved a structured eight-week process to design and introduce outcome measurement within a program.

Analysis of outcome data was completed in some cases by program staff, but more often by the Performance and Outcomes Measurement unit. Results were discussed with managers and teams, prompting robust conversations about data quality and the reasons for the outcome findings. The RBA data collection is currently paused while work is undertaken on program logic.

Sector overview

Research in Western Australia has found that the majority of community service providers see value in measurement of outcomes, and in 2017, around two thirds of surveyed organisations reported that they undertook some form of outcome measurement.[49] There has been no comparable survey of the specialist homelessness service sector in Victoria, so exact numbers of organisations engaged in outcome measurement or using particular approaches are unavailable. However, conversations with sector representatives suggest that:

- Most providers recognise outcomes as an important focus for delivery of services
- Some providers have been developing and piloting outcome measurement approaches over the past five years, and in a few cases, for longer. For most providers engaged in this activity, this is still a 'work in progress'. Frameworks are being developed and revised, data collection systems are being refined and rolled out, and systematic outcome reporting is still in its early stages. Few providers are yet at a point where they can say that they have had a fully functional organisation-wide outcome measurement system operating for an extended period
- Some providers see value in outcome measurement but have not yet implemented systems in this area – often due to lack of resources, competing priorities and/or a lack of clarity about what outcomes and indicators should be measured

- Some providers are sceptical of the value of outcome measurement and fearful that it could become a mechanism through which funders might exert additional influence over service design.

In summary, the current approach of the specialist homelessness service sector in Victoria to outcome measurement is characterised by diversity and inconsistency. Many different approaches are being trialled in disconnected ways, without consensus about which outcomes are important to measure across the sector, or about what tools and processes would be effective and practical to use to undertake the task of measurement. While this lack of consistency indicates that the sector is still at an early stage in the evolution of outcome measurement, it has some positive aspects: it has allowed space for creative experimentation with different approaches, and provided a considerable base of learning and experience which will support the sector's future engagement with outcome measurement.

7

Should the sector pursue a shared approach to outcome measurement?

A range of organisations within the specialist homelessness service sector in Victoria are already pursuing outcome measurement, using a variety of approaches and tools (cf. Section 6). Is there a case for the sector to more systematically develop a collective position around outcome measurement, to build its capacity and to implement more consistent or shared approaches to outcome measurement?

The answer to this depends on two main questions:

A. Are the benefits offered by outcome measurement sufficiently large, and do they sufficiently outweigh the challenges and the investment required, in order for outcome measurement to be something that the sector as a whole embraces of its own accord?

B. Are there indications in the strategic (funding and policy) environment that outcome measurement may be introduced by funders – and if so, is there capacity for the sector to influence this process so that the type of outcome measurement introduced is best fit for purpose?

These questions are explored in turn below.

A. Intrinsic value of outcome measurement to the sector

Outcome measurement offers a range of potential benefits (cf. Section 5). While these are significant, many of these come with caveats in relation to the extent of resourcing required, and the limitations on the level of rigour and insight possible through outcome measurement. Of the potential benefits, the two most widely attested in practice are:[50]

- **Improvements in assessment, planning and review practice** which result from collaborative use of well-designed outcome tools between staff and individual participants, as part of service delivery processes. Although not suited to all contexts, where these tools are used they can make assessment and review more systematic, assist participants to reflect on their experiences and progress, and help to identify goals. These benefits could be achieved through

more widespread use of tools that are brief, accessible, and cover life areas of importance to program participants, such as the Outcomes Star™ family of tools. However, these types of tools are less suited to providing a rigorous evidence base on program outcomes; and the benefits of more systematic assessment, planning and review can be pursued without necessarily requiring the introduction of outcome measurement.

- Development of **evidence which can be used strategically to support funding submissions and advocacy**. More rigorous approaches to outcome measurement will tend to produce more credible evidence, although they also are more resource intensive and tend to involve greater imposition on staff and participants. Currently, in a sector environment where many organisations have limited evidence of the impact of their work, the availability of high quality outcome data can be a significant strategic advantage. If outcome measurement becomes more routine across the sector, this will boost the sector's collective ability to advocate for the value of its work; however, it will also potentially dissipate the level of relative strategic advantage to any particular provider.

Some of the benefits of outcome measurement can be achieved through other processes including reflective practice, evaluation, and development of program theory.

Outcome measurement also presents a range of challenges and risks (cf. Section 5), including: technical challenges in design of robust systems; cultural and process challenges in implementation; and unintended effects on service models. There are strategies available that will potentially mitigate or overcome these challenges, however these take time, and require both resources and expertise. In general, simpler outcome measurement systems which focus on use at the participant level will be less subject to these challenges. However these systems will provide more limited and less credible information at the program level. Where outcome measurement is used to compare performance across teams or agencies, or where it is linked to funding allocation, the challenges will be considerably greater.

Overall, this set of considerations does not indicate a strong case that the sector should attempt to develop and implement a consistent outcome measurement approach for its intrinsic value. In general, evaluations will provide more robust and convincing evidence of service effectiveness, while also providing much stronger understandings of the factors that influence outcomes. Thorough evaluations that demonstrate the level of performance of a program will be resource intensive to implement, but may reduce the need for individual service providers to repeatedly prove the value of the program over time. This may reduce the need for allocation of resources to monitoring. If the primary aim is to assess and improve the effectiveness and quality of services offered to people experiencing homelessness, it may be

preferable for the sector to invest (and to build a case for funders to invest) more heavily in evaluation than in outcome monitoring.

B. Strategic environment and influence

At a strategic level, the picture is somewhat different. A range of considerations suggest that the specialist homelessness service sector would be wise to prepare itself proactively for outcome measurement.

There are indications that over time, there will be increasing demands from funders for outcome reporting. Over the past two decades, governments in the United Kingdom, United States, New Zealand and other countries have introduced outcome measurement and outcome-based funding frameworks using a variety of methodologies, including Results Based Accountability[TM].

Australian State and Federal government departments are moving to put in place health and wellbeing outcome frameworks. In some cases these are currently high-level frameworks without reporting implications for service providers; in other cases they have associated reporting requirements. For example:

- In 2014, the Australia Government Department of Social Services (DSS) introduced SCORE (Standard Client/Community Outcomes Reporting) as part of the optional extended data set for performance reporting under DSS grants[51]
- In 2014 the Tasmanian Department of Health and Human Services introduced a Community Sector Outcomes Purchasing Framework, which includes population and program outcomes. Outcome indicators based on this framework are being actively used in service commissioning, including in the specialist homelessness service sector[52]
- In 2016-17 Queensland's Department of Communities, Child Safety and Disability Services has introduced an Outcomes Framework for Out of Home Care services, and a broader outcome reporting framework for Child, Family and Community Services[53]
- In 2017, Western Australia's Department of Health introduced an Outcome Based Management Framework (a Department of Treasury mandatory requirement for all State Government agencies in Western Australia). The framework includes a detailed set of outcome-oriented Key Performance Indicators and targets applicable to WA Health providers[54]
- The Northern Territory government is about to commence a scoping project for the development of a Social Outcomes Framework, which is intended to support the measurement of the difference that social and human services and programs are making to the lives of Territorians.[55]

As noted in Section 6, the Victorian Government is also in the process of introducing a whole-of-government outcome-based management approach. DHHS is actively

working on operationalising the Public Health and Wellbeing Outcomes Framework through more specific outcome measurement approaches on a sector-by-sector basis.

Victoria's ten-year Community Services Industry Plan, currently being developed in partnership between DHHS, Victorian Council of Social Service and other key community sector bodies, includes a focus on strengthening outcomes as one of its ten key priority areas.[56] The consultations conducted by CHP in the development of the four-year specialist homelessness service Industry Transition Plan also identified outcome measurement as a priority focus for our sector in Victoria.

Consistent outcome measurement approaches are established or under development in a number of sectors in Victoria. In the mental health field, outcome measurement expectations have been in place for several decades, centring on a number of standardised psychometric tools.[57] In the child and family services sector, measuring effectiveness and outcomes has been identified as a cross-cutting theme of the Roadmap for Reform Research Agenda 2017-19.[58] In the community health sector, preliminary work has been done on developing a suite of clinical indicators, including outcome indicators, although these are not yet operationalised.[59] The Victorian community legal sector has recently developed a sector-wide outcome measurement framework and accompanying toolkit, and is in the process of developing an implementation and capacity building plan to support its use.[60]

The current Victorian Social Impact Bond pilots, both of which involve specialist homelessness service providers, are another indication of government's interest in pursuing outcome-based commissioning arrangements.[61]

None of these developments make it inevitable that funder-driven outcome measurement will be rolled out across the specialist homelessness service sector in Victoria. DHHS has not yet established a clear timeframe for the introduction of outcome reporting requirements within the sector. However, when these observations are considered together, they show a clear trend of government progressing the development of outcome-based approaches for designing, commissioning and managing human services. In this context, it appears more likely than not that some form of outcome measurement, if not outcome-based funding, will become an operational requirement within Victoria's specialist homelessness service sector within the next five years.

This scenario holds a range of risks for the sector, particularly if consultation is limited or tokenistic:

- Providers may be required to report on outcomes and indicators which are not well aligned with their work
- Data collection tools and processes may not be fit for purpose, and may be difficult to use in the context of service delivery

- Data collection burden may increase significantly, without any extra resourcing to support the additional tasks involved
- The outcome reporting available to service providers from these systems may be limited or unhelpful
- Outcome data may be used in poorly informed ways to compare programs and agencies, or to reach conclusions about performance based on insufficient evidence.

The sector will be best placed to influence outcome measurement approaches if it has a well thought through collective position about: how outcome measurement can be implemented effectively; the resources that will be required; and the types of reporting that are feasible. Ideally, this should be based on in-depth thinking and consultation about the outcomes that matter to both the sector and to people with lived experience of homelessness. It should also build on learnings from the sector's existing experience of outcome measurement. In the best-case scenario, outcome indicators and data collection approaches that have been developed by the sector and piloted to prove their usefulness may be adopted by funders.

The sector may need to be prepared to mount a sophisticated argument about outcome-based funding, and the contexts in which it is and is not useful.

In the context of this strategic environment, there is a strong case for the specialist homelessness service sector to develop a collective position on outcome measurement. There is a need to develop a position that identifies preferred approaches and frameworks, and proactively leads a conversation with government about the outcome measurement that will meet the needs of people experiencing or at risk of homelessness, service providers and funders.

Even with the best preparation and thinking, there is no guarantee that the sector's preferred approach will be taken up. However, there are recent examples (rough sleepers' initiatives, Crisis Supported Accommodation reform) where the sector has been able to play a substantive role in shaping new service responses. A proactive but collaborative approach in which the sector builds its thinking and then takes it to government, is likely to have the greatest chance of influence.

Development of a shared approach by the sector will not necessarily be easy. Service providers have limited resources and multiple priorities requiring their attention. Those who have put effort into developing their own outcome measurement initiatives may understandably be protective of their investment. Agencies may also have a deep attachment to certain types of outcomes, based on their history and values. The sector can be a competitive environment at times. These factors can get in the way of organisations considering alternative or shared approaches to outcome measurement.

These barriers are not insurmountable. The sector has demonstrated the ability to collaborate when needed to respond to a changing environment. The risks of not

developing a collective view on outcome measurement are considerable, and provide a strong incentive for the sector to work together to develop a position of influence in this space.

8

What approaches and tools could be considered for outcome measurement?

In developing a shared framework for outcome measurement within the specialist homelessness service sector, there are a variety of options to consider. Each has their pros and cons. It is worth considering these, on the journey to reach an informed decision about a preferred approach.

Outcome measurement is not a 'one size fits all' exercise. Different organisations will have varying combinations of programs and services, particular participant groups, unique strategic goals and their own preferred organisational processes into which outcome measurement will need to fit. A well-designed sector outcome measurement framework can support the collection of evidence about shared outcomes and indicators, while providing flexibility for each organisation to incorporate outcome measurement into its own systems in its own way.

Approaches, tools and methods

It is useful to distinguish between broad approaches to designing and implementing outcome measurement, and specific tools and measurement methods which may be used within these approaches.

Outcome measurement approaches provide overall conceptual guidance for designing and implementing outcome measurement, sometimes as part of a broader performance measurement process. There are a number of 'branded' outcome measurement approaches which can be adopted, for example:

- Results Based Accountability[TM] provides a process which assists stakeholders to identify key consumer outcomes, prioritise indicators, measure results and based on these, develop actionable strategies for change[62]
- Balanced Scorecard is a strategic planning and management system that can incorporate outcome measurement as part of a customer and stakeholder perspective, alongside financial, internal process and organisational capacity perspectives[63]
- Targeting Outcomes of Programs provides a seven-level hierarchy for program development and program evaluation, and a process through which

stakeholders can define outcomes and targets at these levels to measure performance.[64]

Although these different approaches use different terminology and present outcome measurement frameworks in different ways, they are underpinned by common elements. In broad terms, all of these approaches: use a systematic process which identifies key stakeholders and intended outcomes; develop indicators which can be used as proxies to assess the achievement of these outcomes; and identify data sources and data collection processes which will produce the data required to report on the indicators.

It is also possible to develop outcome models and measurement frameworks which incorporate these key elements without relying on a 'branded' approach, using the general process outlined in Section 3. There are numerous examples of service providers and government departments creating bespoke outcome measurement frameworks to suit particular programs, services, agencies, sectors or communities. For example, the Community Legal sector in Victoria recently used this generalist approach to develop a sector-wide outcome measurement framework.[65]

If any of these broad approaches were adopted by the specialist homelessness service sector in Victoria, it could build on previous work including outcome measurement approaches developed and piloted by service providers. The key outcomes and associated indicators put forward through research such as the *What Makes a Difference* report[66] or the current New South Wales project *Developing Shared Outcomes for the Housing and Homelessness Sectors*[67] could also provide useful input to development of such a framework.

An outcome measurement framework of this type may involve a range of different data sources, depending on the particular data that will be needed for the indicators. For example, it might draw on: SHIP data for some indicators; participant questionnaires for other indicators; and custom outcome recording sheets completed by staff for others. A framework which is capable of spanning a diverse sector will need to operate at several levels – broad shared outcomes which speak to the work of the entire sector, and more detailed outcomes and indicators which can be applied as relevant to particular program types.

Specific outcome measurement tools and processes are sometimes confused with broad overarching approaches. For example, organisations sometimes adopt one or more Outcomes Star™ tools as their outcome measurement system, without considering the broader outcome model and measurement framework within which these tools should sit.

To develop an outcome measurement system that aligns with strategic objectives and higher-level outcome priorities, it is usually worthwhile starting with development of an outcome model, and then selecting indicators and tools that are both practical and

aligned with the key outcomes identified. While this process involves a range of complexities and challenges, it provides the greatest flexibility and the strongest connection with strategic goals.

Four types of outcome measurement tools and processes are discussed next:

A. Custom built measurement tools focused on specific outcomes
B. Brief multi-domain tools integrated with service delivery processes
C. Psychometric instruments
D. Goal review.

A. Custom built measurement tools focused on specific outcomes

This method involves the development of bespoke outcome measurement tools which gather data related to specific indicators within an outcome measurement framework. The tools might include items within a range of domains (for example, housing, safety, mental health and others) but are driven primarily by the data needed to report on selected indicators, rather than by attempting to provide a comprehensive assessment of any particular area or a broad assessment of a participant's overall situation.

These tools might take a variety of forms, for example participant questionnaires, outcome recording spreadsheets completed by staff, or the incorporation of outcome-related fields within assessment or case review forms. Depending on the context in which data is being collected, these tools could be quite brief or quite lengthy.

This method is usually oriented to the program and/or participant levels of outcome measurement. It is unlikely to support measurement of population outcomes except in a research context.

Pros	Cons
• Provides greatest flexibility in design • Can be built to precisely target the outcomes of most relevance to stakeholders • Provides choice about the level of complexity and data collection burden created • Can be designed to integrate well with other organisational tools and processes	• Significant time and resources can be required to develop and pilot new tools • Risks of tools being poorly designed or difficult to use • The validity and reliability of bespoke tools is often unknown, meaning that results may have lower credibility than those from standardised tools • Less likely to enable comparison with data collected by other parties, or with normative data • May require development or modification of accompanying resources such as data systems, instructions and training modules

B. Brief multi-domain tools integrated with service delivery processes

This method typically involves the adoption of one main data collection tool which is used repeatedly with participants to assess change over time. The tool selected will normally cover a range of domains or life areas, which are known to be common areas in which participants may have needs, issues or goals. The tool will normally be completed at baseline (close to the commencement of service delivery), and on one or more occasions as a follow-up measure.

These tools are normally closely connected with practice, and are designed to support service delivery processes such as triage, assessment, case planning and review. They are often designed to be used in a conversational fashion between worker and participant, to provide information for staff and a chance for reflection for participants. Some, although not all, are designed to provide an attractive visual display of the responses and/or of change over time. The tools are often well suited to a 'distance travelled' approach to outcome measurement, in which the focus is less on the achievement of externally observable outcomes such as housing status, and more on the development of the participant's personal capability and wellbeing.[68]

The Outcomes Star[TM] family of tools is a well-known exemplar of this method,[69] and has been used successfully by a range of services although it has also been criticised as lacking rigour.[70] There are various other possibilities, for example the Scales and Ladders model.[71] Some service providers are also developing their own tools which are oriented towards this approach.

These tools are strong at the participant level, but depending on the tool chosen may be less robust at program level. They do not support population level outcome measurement.

Pros	Cons
• Quick and relatively easy to adopt – generally the data collection tool is ready-made, and there may also be a data collation and reporting tool available • The tools generally come with guidance material that can be useful in training • Because these tools are often widely used, there may be potential to compare results against other services using the tool • Tools are generally well tested and user friendly • Offer a good fit with service delivery practice	• Can be inflexible • Unlikely to capture data on all outcomes of interest to a program or agency; often provide limited depth of information (single measure per domain) • May tend to focus on 'soft' outcomes/ perceptions of progress, and be less useful for capturing 'hard' outcomes • Though useful at participant level, may have less validity when aggregated to program level • Depending on the tool, may be less credible than some other forms of outcome measurement, therefore less strong as evidence for advocacy, and potentially less acceptable for outcome reporting to funders

Pros	Cons
• Can potentially be used in a collaborative fashion between staff and participants	• For outcome measurement purposes, only suited to programs with sustained engagement with participants • Can lead to "lock in" to proprietary tools which in some cases have initial and/or ongoing costs such as license fees and training fees

C. Psychometric instruments

Psychometric instruments are standardised scales which are used to measure aspects of a person's health, wellbeing or situation. These tools have been formally tested and have known reliability and validity. There is a large array of standardised instruments available which cover domains such as health (e.g. SF-36), psychological wellbeing (e.g. BASIS-32, K-10), substance use (e.g. TOP), behaviour and relationships (e.g. SDQ), quality of life (e.g. WHOQOL), and many more.[72]

An outcome measurement framework can select psychometric instruments which are aligned with the outcome domains of importance to a program. For example, if a program targets outcomes around improved mental health, then one or more instruments related to psychological wellbeing could be selected to provide indicators of mental health status for participants over time.

This method is more common in sectors where there is a preponderance of well-validated tools, for example health, mental health, or increasingly in child and family services.

These tools tend to be strong at program level. The instruments used may provide quite detailed data at participant level, however it may not always be easy to integrate this with practice approaches. It is unusual for this approach to be used at population level, except in a research context.

Pros	Cons
• Quick and easy to adopt – the tool already exists – although some work may be needed to compare a number of potential tools and select the best fit • Often provide highly credible data due to the adoption of well-tested, widely-used tools with known psychometric properties • Support comparison across participant groups and with normative data	• Standardised instruments can be lengthy and inflexible; they may include items which are of low relevance to the program or service being monitored, but which cannot be removed without invalidating the tool • It can be difficult to find a psychometric instrument which provides the right fit for the service context and the specific outcomes of interest • Are often designed for the general population, may not capture the types of changes expected for participants with complex or severe issues

Pros	Cons
	• May be seen as overly clinical or intrusive by staff or participants
	• For outcome measurement purposes, only suited to programs with sustained engagement with participants
	• In some cases may require specialist expertise for data collection and interpretation of results
	• Can lead to "lock in" to proprietary tools which in some cases have initial and/or ongoing costs such as license fees and training fees

D. Goal review

Goal review methods provide a strongly consumer-driven model. Rather than attempting to measure whether a participant has achieved certain pre-defined or externally specified outcomes, goal review focuses on assessing the extent to which a participant has moved towards their own self-defined goals. It involves a participant identifying certain goals (for example, to increase their employment participation), and then the participant and/or worker subsequently reviewing the extent to which these goals were actually achieved. To be used for outcome measurement, the goal attainment data needs to be recorded in a systematic and consistent manner.

Goal review methods may include goal scaling, in which at the point of review a numeric rating (e.g. 1 to 5), or a categorical rating (e.g. not at all, a little, partly, mostly, completely) is given to each goal reflecting the extent to which it has been achieved at that time.

Goal review results may be reported within domains (for example, the percentage of participants with employment goals who mostly or completely achieved them), or may be reported content-free (e.g. the proportion of participants' goals which were partly achieved, mostly achieved etc.)[73]

As for option B, goal scaling can be used in ways that integrate closely with service delivery processes including case planning and review.

These methods naturally work at the participant level. They tend to be weak at the program level and not useful at the population level. There is potential to strengthen the ability of goal review methods to report at program level, using an aggregation strategy which maps participants' individual goals to a detailed outcome model covering multiple domains. This would allow common outcomes to be identified and reported across participants, but would require more expertise from data collectors to identify how individual goals relate to the overarching outcome model.

Pros	Cons
• Has a natural fit with service delivery processes, particularly case planning and review • Relatively simple – does not require development of complex indicators or data collection tools • Often preferred by participants • Can reinforce participant motivation through facilitating reflection on progress • Relatively easy for staff to understand and adopt • Very person-focused – flexibly focuses on whatever goals are of most importance to the individual participant	• Aggregated reporting may be somewhat content-free – it identifies the extent to which participants feel their goals have been achieved, but does not necessarily indicate what those goals were or what changes occurred • Validity and reliability tend to be low – there tends to be a high degree of subjectivity in ratings of the extent to which goals are met • Struggles to provide informative comparison across participants or programs; different people may have goals of very different magnitudes, so the full achievement of a minor goal may look more significant on paper than a partial achievement of a major goal • Unlikely to satisfy funders' outcome reporting requirements unless goal data can be mapped to a detailed outcome model

Potential to use existing service data

To minimise data burden on staff and program participants, there is a strong argument for making use of existing data where possible in monitoring and evaluation processes. SHIP is the standard Client Management System used by specialist homelessness service providers around Australia. Although not primarily oriented around outcome reporting, SHIP includes a number of fields that may offer some outcome information:

- When adding a support period on SHIP, fields are provided to record the household's housing situation (dwelling, tenure, conditions of occupancy, episodes of homelessness) one week before presentation, and at the time of presentation. These fields can be updated during and at the closure of support periods using the SHIP Status function. This potentially provides a mechanism for tracking changes in housing status, and at least one major specialist homelessness service provider in Victoria (Launch Housing) has further developed this element of SHIP as part of its outcome measurement approach

- Support periods and Status updates also provide the ability to record a limited set of data on income, employment and education status

- The Notes function on SHIP provides the capacity to record certain forms of housing and other assistance provided, or for which referrals have been made. While limited in detail and oriented to outputs rather than outcomes, this aspect of SHIP may nevertheless be relevant to certain indicators in outcome measurement frameworks

- The Plan function on SHIP provides the ability to add Actions, each of which can be rated on a scale from 1 (Goal not achieved) to 5 (Goal fully achieved). If used consistently, this could support a goal review approach to outcome measurement.

Several significant hurdles would need to be overcome in order to use SHIP effectively for outcome measurement. Data quality and availability for some of these fields is believed to be low at present. This is due to inconsistent data entry practices and differences in the understanding of data values between workers and agencies (or poor inter-rater reliability). A reporting mechanism would need to be added to SHIP that could analyse and aggregate individual change on these fields over time, and make the findings available to service providers. Outcomes may be recorded by different providers, making a true 'distance travelled' measure difficult to obtain.

Despite these challenges, better use of SHIP data remains an important consideration for future outcome measurement strategies. Of particular value is the potential to use longitudinal data from SHIP to explore people's pathways through the specialist homelessness service system, and the housing and wellbeing outcomes associated with these pathways over both short and long timeframes.

There is also potential to enhance the functionality of SHIP to enable it to capture and report on a broad range of outcome data associated with a sector outcome measurement framework. Significant investment would be required to enable this to occur. With any development of a sector outcome measurement framework, it would be both important and useful for the sector to initiate a conversation with government about resourcing for IT solutions to support improved outcome data capture.

Combining methods

The tools and methods described above are not mutually exclusive, and it is possible to combine elements of each into an overall approach. For example, an outcome measurement framework might involve staff recording housing pathways data using a custom form (method A), might draw on the Homelessness Outcomes Star (method B) as a source of data for a number of indicators, might incorporate a psychometric tool measuring psychological wellbeing (method C) in programs that work with people with complex needs, and might draw on SHIP data about participants' living situations.

As discussed elsewhere, to be most effective, outcome measurement needs to be part of a broader suite of evaluation, reflection and quality improvement processes that together provide a rounded picture of program performance and support learning and improvement. In the evaluation space there are approaches such as Social Return on Investment,[74] Outcome Mapping,[75] Most Significant Change[76] and others which are specifically focused on identifying and analysing outcomes. Although not described here, they can provide a very valuable complement to outcome monitoring approaches.

Key considerations

The following key questions need to be considered in selecting a shared outcome measurement approach:

- **How much resourcing is expected to be available for outcome measurement?** This will determine the level of complexity that can feasibly be pursued.
- **Is the primary purpose to support service delivery at the participant level, or to generate robust evidence at the program level?** Or a combination of the two?
- **What outcomes matter, and what tools and data sources will best allow these to be measured?** Are outcomes primarily considered for individual participants, or are organisational and system outcomes also considered? Are outcomes to focus primarily on safe and sustainable housing, or is a more holistic outcomes focus important? These content questions will determine the focus and breadth of the framework.
- **Whose perspectives on outcomes are to be emphasised?** If the participant's perspective is the primary focus, this may lead to different tool selection than if the service provider's perspective is the primary focus.
- **Who will collect the data, and how will it be entered and stored?** To what extent will data collection be integrated within standard service delivery processes, or undertaken as a separate process? Again, this will influence the types of tools which are appropriate.

Answering these questions will help to determine which of the above approaches, methods and tools will be most suitable for the sector, and what will be the most effective ways to introduce outcome measurement to Victoria's specialist homelessness service sector.

9

What are the enablers for effective outcome measurement?

Outcome measurement can be a complex undertaking, and it will work best if certain conditions are in place.

What constitutes effective outcome measurement?
Outcome measurement will be most effective when it meets three main criteria: it should be **strategic**, **credible**, and **practical**.

Figure 9 outlines some of the elements which contribute to these criteria.[77]

Figure 9: Elements of effective outcome measurement

Strategic
- Aligned with purpose e.g. service improvement, accountability, advocacy
- Focused on relevant, significant outcomes
- Involves and engages the right stakeholders – co-design processes
- Generates useful information
- Advances the interests of people experiencing or at risk of homelessness

Credible
- Technically sound
- Risks around data quality are managed
- Findings are reasonably valid and reliable
- Sufficiently detailed to provide robust insights
- Findings communicated clearly and persuasively

Practical
- Feasible within available resources
- Acceptable to key implementers (staff and participants)
- Workable, efficient processes
- High quality, fit for purpose tools and data systems
- Well managed across the outcome measurement life cycle

Outcome measurement involves a life cycle of planning, preparation, data collection, analysis, reporting, use, and review and improvement of the outcome measurement system. For outcome measurement to be effective, each of these stages needs to be well managed.

Enablers

Outcome measurement is much more likely to meet these criteria and to be effective if a set of enablers are present, including leadership and coordination, shared purpose, stakeholder engagement, resourcing, technical knowledge, a coherent framework, fit for purpose tools and processes, and functional data systems.[78] Table 4 describes these in more detail.

Table 4: Enablers for effective outcome measurement

Enabler	Description	Comments
Leadership and coordination	Given the potential barriers that will be faced in developing an outcome measurement system, strong and persistent leadership from people in senior roles is typically required to see the process through to completion. Coordination is also required to support the work of outcome measurement design and implementation to remain on track.	Outcome measurement leadership is present in individual service provider organisations, but not currently at a whole-of-sector level. DHHS has a clear leadership responsibility, but there is limited capacity at present to progress this work in the sector, as the supporting structures are not in place. CHP potentially has a role to play in this space. A sector working group could potentially play a coordinating and supporting role.
Shared purpose	Like any complex undertaking involving multiple stakeholders, outcome measurement is more likely to be successful if it has a clear shared purpose and stakeholders can see clear benefits that will follow.	Specialist homelessness service providers are used to working in partnership. As some sector agencies have already commenced their "outcome measurement journey" and made significant investments, there will understandably and inevitably be issues related to protecting IP, and attachment to in-house processes and tools. To proceed effectively in this context, the process of developing outcome measurement will need to identify common goals and benefits.
Stakeholder engagement	Outcome measurement systems will be best fit for purpose if all key stakeholders are involved in their development. A shared outcome measurement approach for specialist homelessness services will gain greatest buy-in and be most sustainable if it meets the needs of government, service providers and participants. Consultative processes with a co-design ethos will help to achieve this.	A strategic approach will be needed to maximise the chances of outcome measurement providing a balanced approach across the interests of different parties, and to avoid the interests of funders shaping the system to the detriment of other stakeholders. Specific attention will be needed to facilitate the involvement of people with lived experience of homelessness in defining the outcomes that matter.

Enabler	Description	Comments
Resourcing	Resourcing requirements of outcome measurement are frequently under-estimated. Even outcome measurement approaches that use ready-made tools and are most integrated with practice will require staff time to gather and reflect on data. Outcome measurement approaches that involve the development of new frameworks, tools and data systems will require significant investment in development, training, implementation and ongoing review and improvement of the system.	Specialist homelessness service providers in Victoria currently do not receive any funding specifically for use in outcome measurement. To be sustainable, a sector-wide approach will need resourcing. This is most likely to be made available if government is a partner in the development of the approach.
Knowledge	Designing effective outcome measurement requires technical knowledge of monitoring and evaluation, and practical experience in developing and implementing measurement systems. This helps to avoid common pitfalls. Following the design phase, implementation of outcome measurement systems requires a sound understanding of the basic principles. If analysis of outcome data is to be done manually, this often requires significant technical expertise.	The sector has a wide range of levels of knowledge of outcome measurement. Some organisations and individuals have a high level of expertise; others have only quite limited knowledge. To engage the whole sector in a well-informed discussion about outcome measurement, it is likely that some capability building will be required. External evaluators and consultants may provide a useful resource of technical knowledge to the sector.
Coherent framework	An essential step in outcome measurement is the creation of a coherent, agreed framework outlining what outcomes are important and how they will be measured. This work is particularly important at program level.	The sector's outcome measurement approach is currently inconsistent. A clear shared framework would place the sector in a stronger position to advocate to government about its preferred approach. This would need to span the diversity of the sector by including shared high level outcomes, and more specific outcomes and indicators for specific program types.
Fit for purpose tools and processes	A well designed outcome measurement framework can be unworkable if the supporting tools and data collection processes are inefficient, difficult to use or difficult to integrate with other service delivery processes. Tools and processes need to be tested and refined through piloting at least one full cycle of outcome measurement, prior to broad roll-out. People implementing processes will need clear guidance, training and supervision in order to use them effectively and consistently.	The sector will need to be cautious of rushing the design and implementation of data collection tools and processes. This will be less of an issue for outcome measurement that uses existing, well tested tools.

Enabler	Description	Comments
Functional data systems	An outcome measurement framework without a data system to collate and report on the results is like a car without an engine. Data collation and analysis can be a complex, time consuming and error-prone process, and is only possible at scale if it is automated. Data systems need to be efficient to use and support the extraction of data in useful formats. To allow for customised analysis, data should be extractable by service providers as well as by government. The ready availability of reports for program participants, workers, program managers, service leaders and funders is vital.	It will be important to ensure that any shared approach to outcome measurement across the specialist homelessness service sector is supported by shared access to accompanying data systems. Depending on the outcome measurement approach adopted, this may require significant investment. As the standard client database for the specialist homelessness service sector, SHIP is an obvious candidate as an IT solution for outcome data capture. However, it would require substantial enhancement to be able to collect and report data across the breadth of a sector-wide outcome measurement framework.

10

How can we move toward effective outcome measurement?

There are strong indications that government is moving towards increased outcome measurement requirements. While these are only beginning to impact the specialist homelessness service sector in Victoria, it is likely that the next five years will see increased demands from funders for outcome reporting, and potentially further moves towards outcome-based funding regimes.

Specialist homelessness service providers in Victoria will need to be prepared for these changes. Ignoring them will make it more likely that when outcome measurement does arrive, it will be imposed in ways that are burdensome and ineffective for service providers and for people experiencing or at risk of homelessness.

A proactive approach by the sector is likely to lead to the most effective engagement with outcome measurement. This will help maximise the likelihood that the sector is better equipped to engage with and influence outcome measurement processes, to use these processes to benefit individuals and communities, and to present workable and effective outcome measurement methods to government.

In order to reach this goal, the sector will need to deepen its understanding of outcome-based approaches and outcome measurement, and have a collective view about how a shared approach to outcome measurement can be progressed. If the sector has identified outcomes, indicators, data collection and reporting approaches that it believes are fit for purpose, it will be in a much stronger position to advocate to government about the content of outcome measurement frameworks that are introduced.

In the best case scenario, outcome measurement approaches designed in partnership, by funders, service providers and people with lived experience of homelessness, will provide an effective balance across the needs and interests of all three groups.

Strategies

To effectively exercise influence in relation to outcome measurement, a strategy is needed involving three main elements:

1. Sector capacity building to deepen understanding of outcome-based approaches and outcome measurement
2. Identification of key elements of a shared approach to outcomes

3. Proactive engagement to influence an outcome measurement design process, when led by government and including people with lived experience of homelessness.

Although these three elements are logically sequenced in this order, timing is likely to overlap and they are not necessarily distinct stages. Table 5 provides further information about proposed activities within each of these elements.

Table 5: Three elements of a strategy to influence the development of outcome measurement

Element 1: Build capacity	Goal: Increase the preparedness of the sector to engage in well-informed conversations about outcome measurement, by increasing the sector's understanding of outcome-based approaches and outcome measurement. • Distribute position paper and consider other information which could be useful for the sector on outcome measurement • Consult with a diverse range of providers about what capacity building would be useful on this topic • Explore the potential to share more information about current outcome measurement approaches in the sector • Gather further information about the Victorian Government's approaches to outcome measurement, including the current state of thinking within DHHS • Identify opportunities for service providers to attend forums or training sessions on outcome measurement where relevant.

Element 2: Identify shared approach	Goal: Identify key elements of a shared approach to outcome measurement that the sector believes will be strategic, credible and practical. This will need to consider content, process and resourcing. This will not aim to develop a full outcome measurement framework, but will identify key points to inform future conversations with government.
	
	 • Create a sector working group to coordinate outcome measurement efforts, and identify resourcing to support its work
	 • Hold consultation forums with specialist homelessness service providers, which will:
	     o Consider whether the sector has a preferred outcome measurement approach
	     o Articulate key outcomes towards which the sector works, with attention to how these vary across programs and for which outcomes the sector can fairly be held responsible
	     o Deepen a shared understanding of the sector's current outcome measurement practices
	     o Clarify the barriers and enablers for outcome measurement within the sector

	o Identify existing data collection that would support outcome measurement o Explore data collection processes, tools and reporting frameworks that would be feasible for the sector o Identify key messages to put forward to government. • Conduct initial consultations with people experiencing or at risk of homelessness • Conduct initial consultations with representatives of allied service systems • Review inputs from literature and from other projects • Document key proposed elements of shared approach, circulate for feedback • Provide channels for electronic input (e.g. online survey) for those who cannot attend forums.
Element 3: Influence design process	Goal: Join DHHS in a partnership approach to designing appropriate outcome measurement for the sector. Within this approach, meaningfully include people with lived experience of homelessness. Advocate to ensure that the outcome measurement approach is properly resourced and fit for purpose. • Build relationships with people in relevant roles within DHHS • Advocate to DHHS about the need for an approach that includes people with lived experience of homelessness • Confirm resources to be provided by DHHS for the process • Facilitate a process that is genuinely consultative and takes into account the sector's needs and interests • Identify appropriate technical expertise to assist with outcome measurement framework design • Review current approaches and existing knowledge, including frameworks and processes developed by service providers and sector projects • Participate in a series of consultation forums to identify key elements of outcome model and measurement framework. Ensure that consultations involve people with lived experience of homelessness, and a diverse range of service providers – large and small, metropolitan and regional, specialist and generalist – as well as other stakeholders • Strongly advocate for fit-for-purpose data collection processes and for the provision of high-quality IT tools to enable data capture and reporting; provide input to the design of these processes and tools • Contribute to drafting and revision of outcome model and measurement framework via working group including sector representatives and technical experts • Pilot aspects of the framework, data collection processes and tools to ensure that they are fit for purpose

	• Further consult, revise and finalise the outcome model and measurement framework along with associated tools and processes.

A consultation and design process of this type would be logically followed by development of an implementation plan which would need to consider the timing and sequencing of introduction of outcome measurement, training and resourcing required, and further development work needed (for example on fit for purpose data collection and reporting systems for outcome measurement).

Moving forward

The specialist homelessness service sector has identified outcome-based approaches and outcome measurement as significant priorities for sector development over the next four years. The sector's Industry Transition Plan is aligned with the broader Community Services Industry Plan. It addresses short-to-medium term reform implications, including a goal to 'build sector capacity in relation to outcomes'.[79] The three elements of the strategy outlined above will enable the sector to move towards this goal.

It is proposed that the specialist homelessness service sector take the following five key actions to progress outcome measurement over the next four years:

1. Increase sector understanding of outcome-based approaches and outcome measurement, through convening forums and distributing information resources
2. Identify key elements of a fit-for-purpose outcome measurement approach for the sector, through consultation with service providers and people with lived experience of homelessness
3. Join DHHS in a partnership approach to develop an outcome measurement framework for the sector, through a consultative process led by government which builds on the knowledge, experience and needs of service providers and people experiencing or at risk of homelessness
4. Facilitate the sector's access to a suite of practical and functional outcome data collection tools; including pursuit of enhancements to SHIP to enable outcome data entry and reporting
5. Advocate for sufficient resourcing for the sector to undertake outcome measurement, including resourcing for training staff, in recognition of the time and skills required to collect and analyse outcome data.

The most positive results will be achieved from these actions if they are pursued with the following principles in mind:

- Engage proactively with outcome-based approaches and outcome measurement
- Focus on the outcomes that matter most to people experiencing or at risk of homelessness
- Include people with lived experience, frontline staff, managers and senior leaders in conversations and capacity building about outcome measurement
- Value and draw on existing knowledge of outcome measurement, including the experience and insights of providers who have already implemented outcome measurement approaches
- Recognise the diversity of the sector and of the experiences, needs and goals of the people it serves, and maintain flexibility for providers to integrate outcome measurement in their organisational systems in ways that best fit their context
- Seek opportunities to exercise influence with government and other stakeholders to shape the design and implementation of outcome measurement
- Create outcome measurement processes that are practical and that minimise complexity
- Ensure that outcome measurement is well-resourced and supported by effective tools and training.

The specialist homelessness service sector in Victoria has a window of opportunity now to influence the introduction of outcome-based approaches for the future. It is timely to seize this opportunity to help design outcome measurement that is strategic, credible and practical, and that will advance the interests of people experiencing and at risk of homelessness.

Notes

1   The definition of outcomes presented here is synthesised from multiple sources including: Schalock (2001); Burns and Cupitt (2003); Baulderstone and Talbot (2004); W.K. Kellogg Foundation (2004); Spellman and Abbenante (2008); ARACY (2009); Funnell and Rogers (2011), and others. Some sources constrain outcomes to effects for individual participants or groups of participants, however here we take a wider view encompassing the effects of community-based and non-direct service activities of organisations working in the specialist homelessness service sector.

2   The term 'domain' has a wider use in outcome evaluation, to refer to a specific area of evaluation focus clustered around a core concept, for example participant safety, severity of symptoms or quality of life. See e.g. Morrissey et al. (2017).

3   Planigale (2011) and sources cited above.

4   CHP (2013); Gronda, Ware, and Vitis (2011).

5   See also discussion of homelessness pathways in Johnson, Gronda, and Coutts (2008).

6   For further discussion of distinctions between participant, program and population outcomes see Cook (2017); Friedman (2005); Weiss (1997).

7   Funnell and Rogers (2011). There are multiple approaches to program logic, which use different terms and different formats. This diagram presents one possible approach. Diagram adapted from NAO (2015); see also W.K. Kellogg Foundation (2004).

8   For discussion of outcome timeframes, and the ways in which interim outcomes may lead to long term outcomes, see e.g. Rossi (1997); Spellman and Abbenante (2008).

9   Outcomes chains and their place in theory of change models is discussed in detail by Funnell and Rogers (2011); see also Taplin and Rasic (2012).

10 A well-known example of a program shown to have net detrimental effects is Scared Straight (Petrosino et al. 2013).

11 The issue of attribution is widely discussed in the evaluation literature; see e.g. Leeuw and Vaessen (2009).

12 There are some contexts where it is necessary to attempt to establish with some precision the effects of a program or service; for example, when undertaking a rigorous impact evaluation. In these contexts the distinction between attribution and contribution is important, and establishing the degree of contribution of a program to observed outcomes may be required. However, this level of precision is seldom necessary or possible in routine outcome monitoring undertaken by service providers.

13 Outcomes wheel diagram reproduced from CHP (2013).

14 The term outcome measurement is used in a variety of ways in the literature and by practitioners. Some use the term broadly to describe any process through which qualitative and/or quantitative data is used in an organised way to reflect on or assess program outcomes; this usage could encompass a variety of qualitative evaluation approaches as well as quantitative methods. This paper adopts a more constrained use of the term, which reflects the way it is used in the main body of outcome measurement literature in the homelessness field. This sees outcome measurement as an aspect of performance measurement, which focuses on producing quantitative findings in relation to specified outcomes. For examples of this usage, see: Burns and Cupitt (2003); Spellman and Abbenante (2008); Homeless Link (2007).

15 Many sources discuss the differences between monitoring and evaluation; a useful example is Markiewicz and Patrick (2016).

[16] The Victorian Community Legal Sector Outcomes Measurement Framework (Planigale and Thwaites 2017) provides as example of an outcome measurement framework; it is available at: http://www.fclc.org.au/cb_pages/outcomes_measurement.php

[17] Some sources maintain a relatively simple distinction between population and program (performance) measures, e.g. Friedman (2005); others provide an elaborate set of levels of possible aggregation, e.g. Australian DoHA (2005). This paper steers a middle path recognising that outcome measurement at individual participant level has certain considerations distinct from program and population levels.

[18] Diagram adapted from QCOSS (2015).

[19] For discussion of outcome measurement implementation processes see: Planigale (2011).

[20] NAO (2015).

[21] ANAO (2009).

[22] NAO (2015).

[23] Muir et al. (2017).

[24] Victorian DTF (2017).

[25] For an overview of benefits and challenges of outcome measurement, see Planigale (2011). Many sources comment on the importance and utility of outcome measurement; see e.g. Burns and Cupitt (2003); MacKeith (2007); MacKeith and Graham (2007); Spellman and Abbenante (2008); ARACY (2009); Muir and Bennett (2014). The discussion here is also informed by the input of service providers and people with lived experience of homelessness, consulted during preparation of this position paper.

[26] Sources discussing the risks and challenges of outcome measurement (and in some cases, performance measurement more broadly) include: Rapp and Poertner (1992); Berman and Hurt (1997); Hudson (1997); Rossi (1997); Schalock (2001); Wells and Johnson (2001); Bevan and Hood (2006); Benjamin (2012); Cuganesan, Guthrie, and Vranic (2014). The discussion here is also informed by the input of service providers and people with lived experience of homelessness, consulted during preparation of this position paper.

[27] Lowe and Wilson (2015).

[28] See discussion in Benjamin (2012); Keevers et al. (2011); Lowe and Wilson (2015).

[29] An example of issues relating to inflated reporting to increase funding is the history of false claims lodged by Job Services Australia providers; see http://www.abc.net.au/news/2015-02-23/government-recovers-millions-after-rorting-of-jobs-scheme/6193022

[30] NAO (2015).

[31] COAG (2009).

[32] Australian Senate ELC (2018).

[33] Personal communication – Victorian DHHS staff, January 2018; more detailed information from Victorian Department of Premier and Cabinet presentation (Victorian DPC 2017).

[34] Victorian DHHS (2016a).

[35] Victorian DHHS (2016b).

[36] For example, the Victorian Department of Economic Development, Jobs, Transport & Resources Strategic Plan 2016 includes a set of ten year outcomes and headline indicators (Victorian DEDJTR 2016)

[37] Personal communication – Victorian DHHS staff, January 2018.

[38] ACIL Allen Consulting (2014).

[39] Baulderstone and Talbot (2004).

[40] Gronda, Ware, and Vitis (2011).

[41] Diagram from Gronda, Ware, and Vitis (2011: 137).

[42] Bennett and Etuk (2017). For general information on the project see
http://www.csi.edu.au/research/project/developing-shared-outcomes-housing-and-homelessness-sectors-project/. The project sits within a broader agenda of work by the
Centre for Social Impact; see Muir et al. (2015).

[43] Friedman (2005).

[44] Nicholls et al. (2009).

[45] Information on the Outcomes Star™ family of tools is available at:
http://www.outcomesstar.org.uk/. For a useful discussion of its implementation in a
Victorian service, see Harris and Andrews (2013).

[46] Furukawa et al. (2003); see also https://www.hcp.med.harvard.edu/ncs/k6_scales.php

[47] A few examples: Journey to Social Inclusion evaluation (Johnson et al. 2014); evaluation of
the homelessness Innovation Action Projects (KPMG 2015).

[48] Case studies in this section are based on interviews with service provider representatives
undertaken during preparation of this paper. The case studies included here have been
selected to illustrate a diversity of approaches to outcome measurement. Due to limitations
of space we have been unable to include all of the approaches described by providers.

[49] Callis, Flatau, and Seivwright (2017).

[50] Assessment of whether potential benefits of outcome measurement have been achieved in
practice are based on the observations provided by the ten service providers consulted
during preparation of this paper.

[51] Australian DSS (2014, 2015).

[52] Tasmanian DHHS (2014).

[53] Queensland DCCSDS (2017b, 2017a); QCOSS (2015).

[54] WA DoH (2017).

[55] NT Government (2017).

[56] HSHPIC (2017); see also chapter by Sharon Andrews in Ramcharan and Thompson (2018).

[57] https://www2.health.vic.gov.au/mental-health/practice-and-service-quality/service-quality/measuring-outcomes-in-mental-health

[58] Victorian DHHS (2017).

[59] See https://www2.health.vic.gov.au/primary-and-community-health/community-health/community-health-service-improvement/victorian-community-health-indicators

[60] Planigale and Thwaites (2017); for further information see:
http://www.fclc.org.au/cb_pages/outcomes_measurement.php

[61] Victorian DTF (2017).

[62] Friedman (2005).

[63] Kaplan and Norton (1996).

[64] Rockwell and Bennett (2004).

[65] Planigale and Thwaites (2017).

[66] Gronda, Ware, and Vitis (2011).

67 http://www.csi.edu.au/research/project/developing-shared-outcomes-housing-and-homelessness-sectors-project/

68 WEFO (2003).

69 http://www.outcomesstar.org.uk/

70 Johnson and Pleace (2016).

71 DHCD (n.d.).

72 SF-36: https://www.rand.org/health/surveys_tools/mos/36-item-short-form.html; BASIS-32: http://www.ebasis.org/basis32.php; K-10: https://www.hcp.med.harvard.edu/ncs/k6_scales.php; TOP: https://www.gov.uk/government/publications/drug-and-alcohol-treatment-outcomes-measuring-effectiveness, see also Lintzeris et al. (2016); SDQ: http://www.sdqinfo.com/; WHOQOL: http://www.who.int/mental_health/publications/whoqol/en/

73 For discussion of several approaches to goal scaling see Baulderstone and Talbot (2004).

74 Nicholls et al. (2009).

75 Earl, Carden, and Smutylo (2001).

76 Davies and Dart (2005).

77 Diagram synthesised from multiple sources; see Planigale (2011). Ideas in the diagram were also influenced by discussions with service providers and people with lived experience of homelessness, consulted during preparation of this position paper.

78 Many sources discuss enablers and barriers to outcome measurement and provide recommendations for the implementation process; see for example Wells and Johnson (2001); MacKeith and Graham (2007); Hatry and Lampkin (2003); Burns and Cupitt (2003); ARACY (2009).

79 SHSS Industry Plan – in press (CHP 2018); see also HSHPIC (2017).

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