

# Approaches to Evaluation in Community Regeneration

# **Approaches to Evaluation in Community Regeneration**

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## Abbreviations used in the report

BNSF	Better Neighbourhood Services Fund
CPP	Community Planning Partnership
CRF	Community Regeneration Fund
CtOG	Closing the Opportunity Gap
DCLG	Department for Communities and Local Government
LOA	Local Outcome Agreement (BNSF Programme)
ODPM	Office of the Deputy Prime Minister
PMF	Performance Management Framework (CRF Programme)
ROA	Regeneration Outcome Agreement
SIP	Social Inclusion Partnership
SIMD	Scottish Indices of Multiple Deprivation
VfM	Value for Money

# **1 Executive summary**

## **1.1 Introduction and research aims**

This document reports the findings of research on approaches to evaluation in community regeneration. It was conducted by the Employment Research Institute (ERI) at Napier University on behalf of Communities Scotland.

The Scottish Executive and Communities Scotland are committed to 'Closing the Opportunity Gap' (CtOG), the Executive's main strategy for tackling poverty and disadvantage in Scotland, by seeking to: prevent individuals or families from falling into poverty; provide routes out of poverty for individuals and families; and sustain individuals and families in a lifestyle free from poverty. Over the period 2005-08, the Community Regeneration Fund (CRF) provides a key mechanism for Scotland's 32 Community Planning Partnerships (CPPs) to develop services promoting the regeneration of the most deprived neighbourhoods, in line with the Closing the Opportunity Gap (CtOG) objective of "regenerating the most disadvantaged neighbourhoods, so that people living there can take advantage of job opportunities and improve their quality of life".

Given this context, it is timeous to review current and previous approaches to evaluating community regeneration programmes in Scotland and elsewhere in the UK. The main aim of this research was therefore to examine approaches and methodologies adopted by evaluations of regeneration and inclusion programmes in Scotland and other parts of the UK, in order to identify good practice, and lessons and recommendations for future approaches to programme evaluation in Scotland.

Evaluation is the means of assessing the components of a strategy as well as the strategy in total. It involves monitoring and assessing the impacts and operations of policies, programmes and projects. This report focuses on formative and summative evaluations (sometimes called 'on-going' and 'ex-post' evaluations), but not on programme or project appraisal. The term 'policy', as used in the report, is widely defined to also include, where relevant, individual programmes or projects (unless otherwise specified).

The research involved desk-based and web-based reviews of guidance and previous approaches to the evaluation of major regeneration and social inclusion programmes (Phase One of the research). Emerging issues were then followed up through further detailed analysis of evaluation practice, key stakeholder interviews and a 'workshop forum', which brought together national stakeholders and representatives of a diverse sample of local Community Planning Partnerships (Phase Two).

## **1.2 Findings: Review of evaluation guidance for community regeneration programmes**

Guidance from government bodies such as HM Treasury, the Audit Commission and Department for Communities and Local Government (DCLG,

formerly Office of the Deputy Prime Minister (ODPM)) suggests that evaluation systems must produce data that are: meaningful; reflect what it is intended to measure (and are not open to manipulation); consistent; and measurable without excessive costs.

Having encountered problems in ensuring the consistency of evaluation methods and data within the Social Inclusion Partnerships (SIPs) programme, Communities Scotland and the Scottish Executive sought to promote more consistent monitoring and evaluation within 'new' and thematic SIPs and the Better Neighbourhood Services Fund (BNSF) programme (and more recently within the CRF), informed by a number of key themes, including:

- the need to develop common definitions and understandings of inputs, outputs and outcomes;
- defining and capturing data around 'soft' outcomes;
- defining and capturing data around 'process' and implementation issues;
- the need for support at the local level to implement monitoring and evaluation structures;
- the need for guidance quantifying resources to be allocated to monitoring and evaluation, and setting parameters for how evaluation budgets should be deployed (for example, the balance between resourcing baseline and distance travelled/outcome measuring; the use of dedicated monitoring staff and research consultancy).

Scottish Executive guidance has similarly noted the importance of monitoring and evaluation structures that provide adequate data on outputs and outcomes (and the connection between the two); are able to capture 'soft' outcomes; and identify 'what works' in terms of delivery. Research reviewing previous evaluations in Scottish regeneration has highlighted the need for:

- a high quality project expenditure and output system;
- a clear set of priorities for intervention with measurable objectives;
- a robust baseline with data relevant to the objectives being pursued.

A number of other important themes emerged from a review of key guidance documents and previous and existing practice.

- Key guidance documents published by the UK government and Scottish Executive highlight the need for consistent and meaningful baseline and outcome indicators in the evaluation of regeneration programmes. The Regeneration Outcome Agreement (ROA) processes associated with the Community Regeneration Fund (CRF) have sought to promote a consistent approach to baseline reporting. It is important that Communities Scotland and partners work together to ensure that baseline and outcome data used within future evaluation frameworks are fit for purpose.
- Key guidance documents emphasise the need for robust, consistent and commonly applied indicators. It is important that regeneration practitioners work with Scottish Neighbourhood Statistics and data providers to agree shared approaches to addressing gaps in local data. Where gaps in baseline and outcome data cannot be easily resolved, shared guidelines should detail approaches to identifying acceptable 'proxies' (e.g. data that are available at a different geographical level, or output rather than outcome data).

- UK government and Scottish Executive guidance emphasises the value of formative, as well as summative, evaluation procedures. *Summative* evaluation (reviewing practice, outputs and outcomes after the completion of a programme) is useful in providing an overview of performance and placing results in context, so as to inform future policy. However, *formative* procedures (assessing interventions during their implementation) form a crucial element of any effective evaluation framework. Formative evaluation can help inform on-going adjustments and corrections and spread good practice, improving programme performance. These practical benefits can also help to gain the 'buy in' of local stakeholders required to participate in evaluation activities.
- Lessons from the Social Inclusion Partnership (SIP) programme similarly highlight the problems associated with post-activity assessments that are not supported by consistent formative monitoring and evaluation systems. While valuable SIP-level evaluation activities helped local and (eventually) national stakeholders to gain some insight into the impact of different approaches, the capacity of evaluations to inform policy within and across SIP areas (and between SIP and other areas) was severely restricted by the absence of consistent, timeous and well-resourced procedures for analysing outcomes, and sharing good practice.
- Lessons from the evaluation of new/thematic SIPs and the Better Neighbourhood Services Fund (BNSF) suggest that major regeneration programmes need a consistent approach to gathering and reporting data, with systems that 'leave no room for doubt' about the essential data that are required. The BNSF evaluation, building on approaches adopted by Communities Scotland to assess the impact of new/thematic SIPs, provided detailed guidance on an evaluation structure that covered the reporting of programme impacts; value for money and additionality; partnership working; community engagement; and sustainability/mainstreaming. While the SIPs/BNSF evaluation models offer a useful starting point, variations in their application suggest that more detailed advice, guidance, and training may be required under future programmes.
- One way forward for the evaluation of future programmes may involve the rollout of a similar evaluation structure as was provided under BNSF, but with much more support and detailed guidance. An evaluation 'research methods toolkit' could provide guidance and research tools, promoting a consistent approach to evaluation through: standardised survey, interview, and 'soft' outcome measurement tools; detailed guidance/standardised methodologies on measuring value for money and approaches to options appraisal; detailed guidance/standardised methodologies on conducting research on partnership working and community engagement; and practical guidance on commissioning and managing evaluation research.
- Lessons from previous programmes point to the potential importance of project management information in informing the basic elements of evaluation. Future evaluation frameworks for regeneration programmes should seek to link to basic descriptive information provided through project management systems (for example, on spending, project aims and activities, and outputs) – these basic data can provide a valuable insight into the aims of interventions and 'what's happening on the ground'. Additional data gathering for evaluation should therefore seek to add value to, rather than duplicate, project management reporting. This should be more efficient, avoid duplication of data gathering, be higher



quality (as the information is being used by the programme managers for on-going decisions) and be available in a timely manner. Independent auditors and evaluators should ensure the quality of the data, with the latter, for instance, focusing on testing the reliability of the data and gathering additional necessary information.

- Key guidance documents highlight the need for 'local ownership' of the evaluation process. Only by ensuring that evaluation data are gathered and fed back in an appropriate and useful way will national funders and evaluators be able to gain the 'buy in' of local stakeholders, thus adding value to the process. Locally commissioned evaluations, which are flexible enough to respond to local priorities, but based on detailed and consistent central guidance, would appear to provide a potentially effective way forward.

### 1.3 Findings: Interviews with key stakeholders

A more in-depth review of policy and practice on evaluation, and research with key stakeholders, reveals a number of crucial issues that need to be addressed by an effective evaluation framework.

#### **What is measured, how it is measured, when it is measured.**

- Reviews of previous Scottish regeneration programmes have emphasised the need for a high quality project expenditure and output system, and robust baseline and outcome data monitoring systems (including data on demographic and socio-economic circumstances of areas and individual beneficiaries; and detailed qualitative and quantitative data on outcomes and changes in circumstances and characteristics). Effective evaluation frameworks require the establishment of consistent baseline and outcome measures (and agreed proxies and procedures where consistent measures are difficult to establish), and a standardised approach to what and how data are gathered and measured. Communities Scotland has sought to encourage the use of consistent baseline data to inform ROAs under its new CRF programme. A continued commitment to promoting the consistent use and effective analysis of baseline and outcome measures under the CRF and future programmes should remain a priority for Communities Scotland and the Scottish Executive.
- Previous evaluations have experienced some difficulty in seeking to identify the value for money and additionality of programme expenditure. A lesson for future programmes would appear to be that it is important that there is clear central guidance informing a consistent approach to estimating value for money and additionality at the local level.
- A key element of any future evaluation framework should involve the agreement of consistent tools and indicators in relation to the measurement of 'soft' outcomes (including changes in attitudes within communities or 'distance travelled' by project participants).
- Detailed guidance and support is required in order to assist local stakeholders to adopt a consistent approach to estimating and quantifying the leverage of resources from elsewhere achieved by the funding provided as part of major regeneration programmes. In addition, evidence of longer-term changes to mainstream funding due to the programme should be identified (although these often only appear at the end of a programme or project).

- Research with key stakeholders highlighted the importance of timing. The effectiveness of evaluation depends upon the early establishment of consistent baseline and outcome measures. The timeous reporting of outcomes, and establishment of effective feedback mechanisms, are essential to facilitating policy appraisal and sharing of good practice – among the most valuable benefits associated with any evaluation.
- There is a need to move towards a full ‘policy cycle’ approach (involving, first challenging the assumptions of policies; then deciding upon the most effective interventions; monitoring and evaluating outcomes; and finally feeding results into future policies). An effective data-gathering framework for future programmes will also need to integrate the information needs of project management, formative evaluation and summative evaluation functions, so as to avoid duplication and ensure that appropriate data are collected in a systematic and consistent manner. Under the CRF, with the establishment of a consistent Performance Management Framework and agreed ROAs, Communities Scotland and partners have led moves towards a ‘policy cycle’-type approach.
- In general terms, future programmes would benefit from a clear evaluation framework, and detailed advice and guidance on methodologies, research tools and approaches to: reporting programme impacts; estimating value for money, additionality and leverage; evaluating the impact of different approaches to community engagement and partnering; learning from the policy development, administration and implementation process; and assessing impacts in terms of sustainability and mainstreaming.

**Who owns, oversees and leads the evaluation.**

- Any evaluation of a large and complex regeneration programme requires localised delivery, but also central leadership and analysis – it is crucial that national funders and policy makers are able to draw lessons from across programmes, but also that findings are presented in context, accounting for different areas’ ‘starting points’ and social, economic, physical, legal, financial and organisational constraints. Simplistic comparisons and ‘league table’ reporting are inappropriate, but a centralised analysis function with oversight of the different approaches adopted and progress made within future regeneration programmes would be of value.
- Any future evaluation framework and toolkit for regeneration programmes should enable local stakeholders to consider trade-offs in relation to whether better outcomes could be obtained using a different approach; whether the same outcomes could be achieved for less cost; and how much more could be achieved with additional resources. Practitioners should consider how ‘logical framework’ tools for considering project objectives and assumptions, and evidence and indicators, can best inform options appraisal methodologies.
- A review of previous approaches to evaluation highlights the importance of feedback mechanisms – which may include newsletters, thematic reports and discussion forums. Under a number of programmes, such feedback mechanisms have emphasised the sharing of good practice and reflexive policy learning. Through practical, useful feedback mechanisms and regular consultation, a sense of ownership can be encouraged among local stakeholders. If analysis and reporting are

useful, relevant and timeous, then local stakeholders are more likely to buy in to, and support, the data gathering necessary to make the system work well.

- Finally, in general terms, the need for a 'simpler, more focused and more centralised approach' to evaluation was one lesson from the SIP and BNSF programmes. Although the complexity and diversity of major regeneration programmes means that local or project-level delivery of evaluation will be important, a consistent and focused approach is likely to be achieved only through strong leadership and support provided by a central, relatively well-resourced evaluation service. There is a need for such a service to provide extensive guidance, advice and direction on locally commissioned evaluation activities. Such a service could ensure the consistent deployment of an agreed set of evaluation tools within future national regeneration programmes, and might also be used to pool and feedback data through regular, thematic analyses.

## 1.4 Key findings and concluding remarks

The most consistent themes emerging from the review of current and previous practice would appear to be:

- That it is essential that future evaluations establish clear central or common guidance and detailed advice on identifying baseline, input and outcome indicators (and crucially, agreed proxies to be used where there are gaps in information) at or before the start of the programme.
- That a clear framework for evaluation, and format for reporting, needs to be provided, covering: reporting programme impacts; estimating resource inputs, value for money, additionality and leverage; evaluating the impact of different approaches to community engagement and partnership working; learning from the policy development, administration and implementation process; and impacts in terms of sustainability and mainstreaming of provision.
- That evaluation frameworks developed for major regeneration programmes should seek to compliment, rather than replicate, project management reporting systems, and that project management data should generally provide the starting point for tracking the outputs and outcomes achieved by projects and programmes.
- That detailed guidance and formalised advice (including a toolkit of research instruments and unambiguous guidance on research methods to be deployed in specific circumstances and programme areas) needs to be provided if the local evaluation work undertaken within major regeneration programmes is to be of high quality and consistent, assisting learning between projects.
- That evaluation should generally happen locally, with research resources targeted to maximise benefits for local stakeholders, in terms of informing policy choices, improving management and identifying good practice.
- That the reporting of outcomes across areas should also emphasise local stakeholders' needs, and that results should be analysed and presented in context, avoiding over-simplistic 'league table'-type comparisons.

- That the reporting mechanisms should be designed to effectively feedback to stakeholders on the ground in a timeous manner so as to help them improve practice.
- That the above measures imply the need for local flexibility, but also a central support and co-ordination service for the evaluation of regeneration programmes.

The review of former approaches presented above, and the findings of discussions with key stakeholders, have highlighted the need for evaluation arrangements that are usable, relevant, timeous, robust, and both formative and summative – informing policy appraisal and choices, identifying and spreading good practice, and allowing local and national stakeholders to identify and support 'what works'.



## 2 Introduction

This document reports the findings of research on approaches to evaluation in community regeneration. It was conducted by the Employment Research Institute (ERI), Napier University, on behalf of Communities Scotland.

The Scottish Executive is committed to 'Closing the Opportunity Gap' (CtOG), which is the Executive's main strategy for tackling poverty and disadvantage in Scotland. CtOG seeks to prevent individuals or families from falling into poverty; provide routes out of poverty for individuals and families; and sustain individuals and families in a lifestyle free from poverty. Over the period 2005-08, the Community Regeneration Fund (CRF) will provide a key mechanism for Scotland's 32 Community Planning Partnerships (CPPs) to develop services promoting the regeneration of the most deprived neighbourhoods, in line with the CtOG objective of "regenerating the most disadvantaged neighbourhoods, so that people living there can take advantage of job opportunities and improve their quality of life".

Given this context, it is timeous to review current and previous approaches to evaluating community regeneration programmes in Scotland and elsewhere in the UK. Evaluation is the means of assessing the components of a strategy as well as the strategy in total. It involves monitoring and assessing the impacts and operations of policies, programmes and projects. Evaluation can play a crucial role in advancing policy and improving its implementation. Therefore evaluation needs to be integrated within the policy development and implementation process, so that it forms an intrinsic part of the strategic decision making process. In the context of this report, evaluation is taken to include formative and summative evaluations (sometimes called on-going and ex-post evaluations), but not a priori programme or project appraisal. The term 'policy' as used in the report is widely defined to include, where relevant, individual programmes or projects (unless otherwise specified).

### 2.1 Aims of the research

The main aims of the research were to examine current and previous approaches to the evaluation of the major regeneration and inclusion programmes:

- To examine approaches and methodologies adopted by evaluations of regeneration and inclusion programmes in Scotland and other parts of the UK.
- To identify good practice, and lessons for the evaluation of community regeneration activities in Scotland.

### 2.2 Methodology

The research reported in this document draws upon desk-based analyses of policy and practice, a review of evaluation methodologies, and interviews with key policy actors and stakeholders, to investigate current and previous approaches to the evaluation of regeneration and inclusion programmes. The research was carried out in two phases.

**Phase One** of the research (Section 3 of this report) involved a critical analysis of existing approaches to evaluation research, and a review of relevant

literature on impact assessment in regeneration and inclusion policy. A document and web-based review examined evaluation models previously deployed to assess regeneration activities across the UK (including Social Inclusion Partnerships and the Better Neighbourhood Services programme in Scotland, and the New Deal for Communities England in England). This review sought to identify lessons that can be learned from these evaluation models, as well as frameworks developed in related policy fields, such as lifelong learning and employability (including current and recent Scottish programmes such as Working for Families Fund and New Futures Fund). Finally, practice and experiences from the evaluation of EU-funded programmes (based on European Commission guidelines and approaches) were reviewed and appropriate lessons drawn.

Phase One of the research also reviewed existing Scottish and UK government guidance on the priorities for evaluation methodologies. The objective was to identify examples of good practice, and to develop recommendations for future policy (while remaining aware of potential barriers to, and limitations on, the successful transfer of good practice).

**Phase Two** of the research (Section 4 of this report) sought to draw upon and extend the preceding desk-based analysis to discuss the application of specific evaluation and monitoring measures within national evaluation frameworks. This phase of the research involved further, in-depth analysis of existing methodologies (including the results produced by evaluation exercises). It also involved a series of telephone and face-to-face interviews with key stakeholders and policy officers within: the Scottish Executive; Communities Scotland; regeneration bodies such as the Coalfields Regeneration Trust; evaluators of major regeneration programmes in Scotland; and five representatives of Community Planning Partnerships.

### 2.3 Structure of the report

The research involved desk-based and web-based reviews of guidance and previous approaches to the evaluation of major regeneration and social inclusion programmes (Phase One of the research). Emerging issues were then followed up through key stakeholder interviews and a 'workshop forum', which brought together national stakeholders (the Scottish Executive and Communities Scotland) and representatives of a diverse sample of local Community Planning Partnerships (Phase Two of the research). This report discusses the findings of these two phases of research, and provides detailed guidance on the issues and questions that must be addressed in the development of evaluation systems for future regeneration programmes.

### 3 Findings: Review of evaluation guidance for community regeneration programmes

#### 3.1 Issues in the evaluation of regeneration programmes

Any framework for the evaluation of a major regeneration programme will need to address a number of key issues:

- What are the objectives of the evaluation, and who are the end users?
- What information is required, and in what format?
- How should information be collected, so as to help both local stakeholders and national funders/policy makers to make decisions?
- How do we ensure consistency between projects and between existing methods and new methods of data collection and evaluation?

#### 3.2 Guidance on the evaluation of regeneration programmes

A considerable body of work has been undertaken on good practice in measuring the impacts of regeneration and social inclusion policies, with reference to both formative and summative approaches to evaluation. The next sub-section (3.3) of the report deals with general, key themes for evaluation that have been highlighted by both Scottish and UK policy stakeholders. The sub-sections that immediately follow specifically address the model advocated by the so-called 'Treasury Green Book/ROAMEF' approach<sup>1</sup> (3.4) and the approaches adopted in the evaluation of regeneration programmes in Scotland (3.5).

#### 3.3 General issues concerning evaluation

In general terms, UK policy stakeholders have emphasised the need for evaluation procedures that are clearly focused, consistent and robust. The Audit Commission notes that indicators must be meaningful; must reflect what it is intended to measure (and not be open to manipulation); must be consistent and replicable (if monitored over time); and must be measurable without excessive costs. The Audit Commission emphasises the importance of the right things being measured and inappropriate things being left out: 'If an organisation does not measure what it values, it will end up valuing only what can be measured'<sup>2</sup>.

This advice is echoed by HM Treasury<sup>3</sup>, which also recommends that evaluation information needs to:

- be focused on the aims and objectives of the organisations involved;
- be appropriate to and useful for the stakeholders who are likely to use it;
- give a balanced picture covering all areas of activity;
- be robust and integrated into business management/planning processes.

<sup>1</sup> HM Treasury: The Green Book: Appraisal and Evaluation in Central Government, 2003

<sup>2</sup> Audit Commission: On Target: The Practice of Performance Indicators, 2000.

<sup>3</sup> HM Treasury: Choosing the right FABRIC: A Framework for Performance Information, 2001.



The HM Treasury advice goes on to recommend that performance evaluation measures for policy interventions should be:

- relevant – directly aimed at measuring success in achieving a given objective;
- avoid perverse incentives – i.e. avoid creating changes in behaviour to meet a target rather than improving the actual service that is delivered;
- attributable – capable of being influenced by actions which can be attributed to the organisation, even if the degree to which its activities influenced that outcome is unclear;
- well-defined – have a clear and unambiguous definition so that data can be collected consistently and the measure is easy to use and understand;
- timely – data needs to be produced frequently enough to track progress and quickly enough for the data to be useful;
- reliable – accurate for its intended use and responsive to change;
- comparable – either with past periods or similar programmes elsewhere;
- verifiable – have clear documentation behind it so that the processes which produce the measure can be validated.

HM Treasury has also pointed to the importance of keeping programme evaluation focused on implementation and delivery issues. In policy evaluation the general assumptions underpinning the policy should be investigated, but the evaluation of a project (or a programme of projects) should be more narrowly concerned with approaches to implementation and the means of delivery<sup>4</sup>. Treasury guidance therefore emphasises that programme evaluation tools and performance measures need to be 'owned' by those who are using them. It recommends that this can best be achieved by involving stakeholders in setting the measures so that they understand how their actions impact upon them, and also, where possible, by trying to ensure that the information gathered is useful for the stakeholders to help plan and manage their own activities.

This general advice reflects the view of these issues held by HM Treasury and the Department for Communities and Local Government (DCLG)/Office of the Deputy Prime Minister (ODPM)<sup>5</sup> – that in developing approaches to the evaluation of major national programmes, there is a balance to be struck between gathering data that will facilitate a rigorous assessment of outputs and outcomes and ensuring that reporting is not over-burdensome on service providers. This involves:

- only necessary information being collected;
- information being collected in a format that is consistent and usable for evaluation and
- ensuring that there is compatibility/consistency between current approaches to data collection, monitoring and evaluation of existing projects, and any new approaches.

The Scottish Executive's guidance on the evaluation of the Better Neighbourhood Services Fund (BNSF) has similarly noted the importance of a monitoring and evaluation structure that provides adequate data on outputs and outcomes (and the connection between the two); is able to capture 'soft' outcomes; and identifies 'what works' in terms of partnership working and delivery structures. Research reviewing the monitoring and evaluation of BNSF<sup>6</sup> has identified a number of key themes:

- the need to develop common definitions and understandings of inputs, outputs and outcomes;

<sup>4</sup> HM Treasury: Appraisal and evaluation in central government: Treasury guidance, 1997.

<sup>5</sup> In 2006, the responsibilities of the ODPM were transferred to the Department for Communities and Local Government (DCLG). Guidance referred to in this report was published under the ODPM banner.

<sup>6</sup> DTZ: Early Approaches to Monitoring and Evaluation of the Better Neighbourhood Services Fund, 2004.

- defining and capturing data around 'soft' outcomes;
- defining and capturing data around 'process' and implementation issues;
- the need for support at the local level to implement monitoring and evaluation structures;
- the need for guidance quantifying resources to be allocated to monitoring and evaluation, and setting parameters for how evaluation budgets should be deployed (for example, the balance between resourcing baseline and distance travelled/outcome measuring; the use of dedicated monitoring staff and research consultancy).

The 2001 review of previous major regeneration programmes in Scotland – the *"National Evaluation of Former Regeneration Programmes"*<sup>7</sup> – notes that any assessment of the outcomes achieved by interventions requires:

- a high quality project expenditure and output system;
- a clear set of priorities for intervention with measurable objectives;
- a robust baseline with data relevant to the objectives being pursued

A later review of monitoring and evaluation as part of Communities Scotland's "Developing a transition framework for SIPs" research<sup>8</sup>, emphasised the need to 'get the basics right' in terms of:

- establishing a database of core project information relating to area and target group definitions, aims and objectives, and financial and other resources being deployed within each activity;
- providing clear, detailed guidance of the mandatory aspects of project monitoring, including "a database template that leaves no room for doubt" providing information on: project objectives; core and matched funding; basic activity descriptions (drawn from a centralised menu); basic output measures; qualitative 'attribution' information on how the activities have contributed to outcome changes; and a small set of core baseline and outcome indicators relating to target areas and groups.

It is noted that the establishment of such an approach requires the streamlining of core compulsory indicators. The development of SIMD have provided local authorities and others with more robust, consistent and accessible data with which to populate a core indicator database. However, there is also a realisation in "Developing a transition framework for SIPs" that an emphasis on mainstreaming service delivery and added value through partnership working requires a more qualitative approach (in the broadest sense) – involving clearer baseline and progress data on the demand, take-up and quality of services. Given the innovative, partnership-based approach to resource deployment under SIPs, BNSF and now especially the CRF, it will be essential to have monitoring and evaluation systems that can analyse patterns of spending and service delivery, benchmarking with good practice elsewhere.

Research carried out for Communities Scotland reviewing the monitoring and evaluation procedures for 'Regeneration Partnership' and 'Priority Partnership Area' SIPs found some important problems with evaluation and monitoring guidance, including 'overly ambitious' demands for baseline data at a time when Census data were ageing<sup>9</sup>. The additional data provided by the SIMD offer an opportunity to access additional supporting information. However, there remains an important lesson here regarding the need for realistic and practical requirements on data gathering, and the need to ensure that data are up-to-date and of value.

<sup>7</sup> CEA: National Evaluation of Former Regeneration Programmes, report to Scottish Executive, 2001.

<sup>8</sup> CEA: Developing a Transition Framework for SIPs, report to Communities Scotland, 2003.

<sup>9</sup> CEA: National Evaluation of Former Regeneration Programmes, report to Scottish Executive, 2001.

Communities Scotland has since reviewed and refined its requirements regarding the reporting of key indicators for CPPs in response to the problems encountered under the SIP programme, where it was noted that “the list of core indicators was so long that virtually every SIP found that it had to collect some data that had little or no relevance to its strategic objectives.”<sup>10</sup> However, the same review found that financial monitoring was not sufficiently enforced, and that guidance on gathering information on mainstreaming was fragmentary, so that valuable data on matched funding and leverage, and the influence of SIP funding on mainstream policies, was lost. Clearly, the development of consistent and reliable – but also user-friendly – systems to record these data in relation to future programmes is a priority.

These messages were reinforced during a open discussion event organised by the Scottish Urban Regeneration Forum in 2005 and attended by more than 60 delegates from SIPs. The discussion noted that in the experience of Partnerships, the selection and number of intended outcomes to be contained within ROAs was crucial – in developing their own ROAs, many participants had taken the view that “it’s better to select fewer outcomes with the aim of better achieving them.”<sup>11</sup> This ‘operational’ concern was also linked to issues of monitoring and evaluation, with partners drawing attention to the absence of easily accessible baseline data (such as SIMD statistics) in a number of areas of activity. However user-friendly the evaluation system, both the funder and the organisation leading evaluation will inevitably be required to provide leadership, advice and support. The need for strong, formalised central support for monitoring and evaluation has been noted in relation to SIP evaluations, and is discussed in detail below.

### 3.4 Treasury Green Book and ‘ROAMEF’ models

The Treasury ‘Green Book’ guidance<sup>12</sup> provides an overview of appraisal and evaluation procedures. The Green Book summarises the process for appraisal and evaluation, provides guidance on presenting results and managing processes, lists relevant frameworks and summarises the issues common to all appraisals and evaluation. (Chapter 7 of the Green Book provides detailed guidance on policy, programme and project evaluation.)

#### Overview of appraisal and evaluation

The appraisal and evaluation process are summarised in what the Treasury terms the ROAMEF (Rationale, Objectives, Appraisal, Monitoring, Evaluation and Feedback) model as shown below. It is worth noting that the ROAMEF process treats the processes of monitoring and evaluation separately, and that evaluation refers to the process conducted after implementation of the policy, programme or project in question. The Green Book describes ‘evaluation’ as differing from ‘appraisal’ in that evaluation uses historic (actual or estimated) rather than forecast data and is conducted after the event (but in the case of formative evaluation, during the life of the project or programme). The Green Book summarises the purpose of evaluation as: “to ensure that lessons are widely learned, communicated and applied when assessing new proposals.”

This ensures that lessons are fed back into the decision making process and that the actions of governments are continually adapted to reflect good practice. It is recommended that all policies, programmes and projects are evaluated when they are completed to a sufficient degree. In particular, it is stated that major programmes should be subject to a number of smaller ex post evaluations during their lifetime.

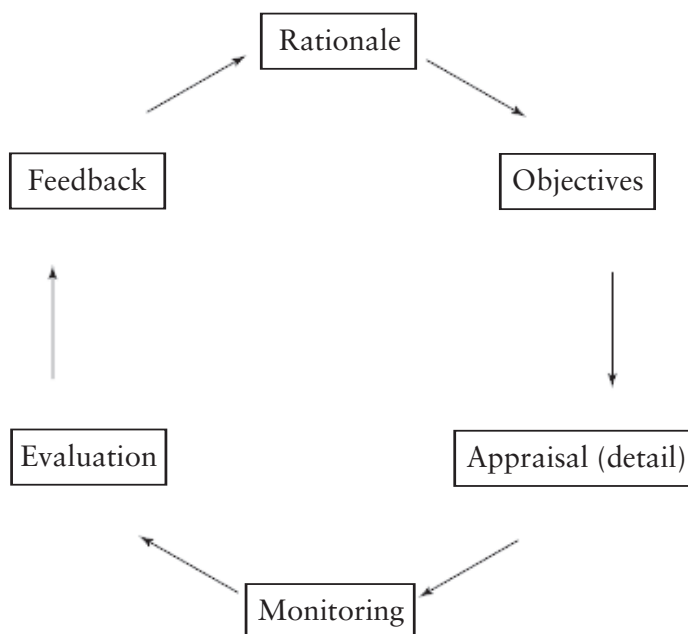
<sup>10</sup> CEA: Developing a Transition Framework for SIPs, report to Communities Scotland, 2003.

<sup>11</sup> SURF Open Forum: Achieving Regeneration Outcome Agreement Targets, September 2005.

<sup>12</sup> HM Treasury: The Green Book: Appraisal and Evaluation in Central Government, 2003.

### The evaluation process

The Green Book states that evaluation should be conducted in the same manner as an appraisal, focusing on cost benefit analysis in the knowledge of what has actually occurred. The evaluation should assess the success of an activity in terms of its objectives and wider outcomes. The Green Book's guidance in this document summarises the evaluation in six key stages (see Figure below).



- 1) The first stage is to draw up an outline evaluation plan consisting of:
  - Questions to be answered
  - Resources available
  - Timing and cost
  - Who should be consulted?
- 2) Establish what is to be evaluated. This involves clearly specifying the activity to be evaluated, precisely quantifying outputs, outcomes, targets and objectives and assessing the availability of monitoring data.
- 3) Choosing alternatives. The Green Book acknowledges that outturns of the activity will not be exactly as predicted at appraisal stage. This may be due to external factors, the operation of the activity or errors in forecasting. Counterfactuals should therefore be chosen to reflect alternative states of the world or management decisions.
- 4) Comparing the outturn with targets. As an evaluation is based on actual rather than forecast data it is recommended that it should include: an assessment of what happened; a comparison with the target outturn; and comparison with alternative counterfactuals (see point 2 above). One of the counterfactuals should be a control group that did not experience the programme/project, the others should be alternatives considered at the appraisal stage.

- 5) Presentation of results and recommendations. This should cover: how the outturns differed from those anticipated at appraisal; how effective the activity was in terms of objectives and why; whether it was cost effective; and the implications for future activities. In the case of formative evaluation these implications would apply to the ongoing activity and could lead to changes in procurement practice, delivery or modification of a programme.
- 6) Dissemination of results and recommendations. To ensure that the results of the evaluation are effective in informing decision making at a senior level, summaries of the main points should be produced, and where relevant combined with results of other evaluations. Where possible the results should also be in the public domain.

### Management

The Green Book offers the following advice regarding managing appraisals and evaluations. Firstly, assessments should be conducted collaboratively between stakeholders where possible, to minimise use of scarce resources. Secondly, assessments should be integrated within existing decision making processes and structures, for example by establishing formal assessment units, access to auditors and discussing methodology with the Treasury or the National Audit Office. Thirdly, consideration should be given to availability and cost of financial and specialist resources, the need for quality assurance, dissemination of findings, deferring pending further research and establishing a project plan.

### The ODPM/‘ROAMEF’ model

Guidance from the ODPM (now DCLG) on 3R (regeneration, renewal and regional development) activities emphasises the need for a holistic process, informing practice from the development of project rationale and objectives to the reporting and feedback of evaluation results.<sup>13</sup> The ODPM’s guidance is grounded in the ROAMEF (Rationale, Objectives, Appraisal, Monitoring, Evaluation and Feedback) approach (as advised by the Green Book).

ODPM guidance suggests that a good evaluation framework should enable the outputs or benefits of a policy to be compared with the inputs or the costs. It is only with information of this kind that an assessment of value for money can be made.<sup>14</sup> Outcomes need to be assessed in relation to timing and quality, as well as volume effects. In addition to identifying the direct effects of the incentives on those economic agents on which they have been targeted, it is also important to consider the wider effects that may arise and synergies with other measures designed to achieve regeneration policy goals.

The evaluation of the New Deal for Communities (NDC) – ODPM/DCLG’s key regeneration programme – has built upon this approach, and deployed considerable resources to measure the overall impact of the programme in target areas, with methods including:<sup>15</sup>

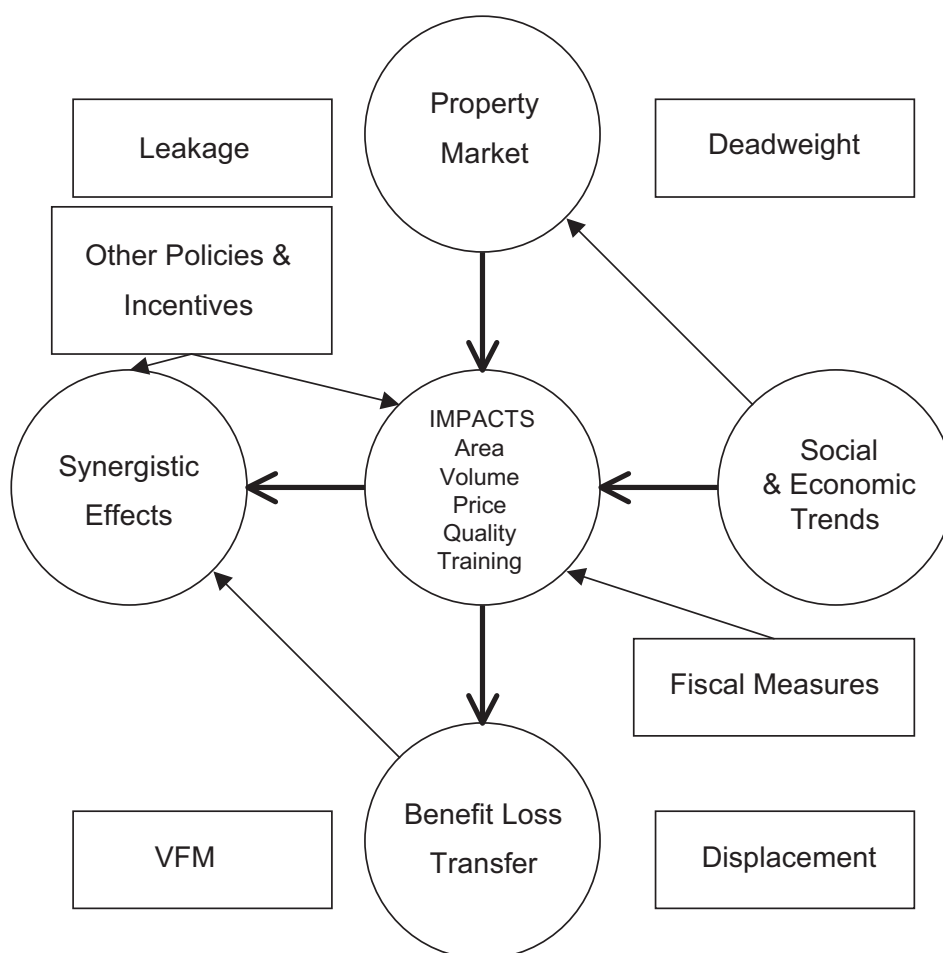
- a household survey covering almost 20,000 individuals across the 39 target areas;
- the collation and analysis of administrative/management output and outcome data across the target areas;
- the analysis of annual reports provided by each delivery partnership;
- a comprehensive ‘case study’ report produced by all delivery partnerships, describing structures, approaches, outputs and outcomes;

<sup>13</sup> ODPM Guidance on Assessing the Impacts of Spatial Interventions, 2003.

<sup>14</sup> ODPM: Evaluation Issues for the Urban White Paper: Fiscal Measures, 2002.

<sup>15</sup> Sheffield Hallam University: Evaluating the New Deal for Communities Programme, 2003.

- targeted business surveys in selected delivery areas;
- targeted thematic case studies of practice, outputs and outcomes delivered by five 'theme teams' (e.g. teenage pregnancy prevention);
- policy studies focusing on unintended and/or long-term outputs and outcomes (for example, in relation to the interaction between health and socio-economic variables).



The relatively limited resources available for community regeneration programmes in Scotland means that there will not be the opportunity to establish a similarly detailed methodology for current and future programmes, but the issues addressed by the NDC evaluation are similar to those concerning programmes such as the CRF in Scotland. Communities Scotland and partners will need to work together to establish a methodology for the evaluation of these measures that provides a detailed picture of outputs, outcomes and the link between the two, comparing across themes and geographical areas. Regeneration planners and practitioners in Scotland will need to consider how best to plan and resource evaluation systems that can deliver the kind of policy-focused analysis that has been of considerable value to stakeholders involved in the delivery of NDC-funded projects in England.



### 3.5 Approaches adopted by previous Scottish programmes

Independent studies commissioned to assess the impact of the SIP programme as a whole across Scotland encountered significant difficulties associated with inconsistencies in data gathering and differences in the conceptual foci of locally developed monitoring and evaluation systems<sup>16</sup>. With the SIP programme arguably lacking a sufficiently robust national framework for monitoring and evaluation (in part reflecting the incremental nature of the development of projects within the national programme), national level research exercises tended to take place following substantial periods of funding and activity, with a view to identifying 'what has been achieved'. This essentially summative approach was limited in the conclusions that it could provide by the absence of consistent baseline and outcome data. Furthermore, the impact of this evaluation model was restricted by its devolved and summative nature – without consistent evaluation systems providing timeous feedback based on commonly agreed indicators, there were limited opportunities to identify and spread good practice across different local authority and SIP areas (although it should be acknowledged that a number of useful evaluation procedures were put in place by local stakeholders).

Given this context, it is unsurprising that recent reviews of lessons from the SIP monitoring and evaluation model have emphasised the need to 'get the basic rights' in terms of establishing a consistent evaluation framework for regeneration activities, including robust procedures and tools for reporting activities and outcomes, and a clear strategy for ensuring that local stakeholders are provided with data and analysis that can inform project development and policy choices<sup>17</sup>. While summative national reviews of local SIP evidence were able to identify a number of important lessons for future programmes, the absence of a consistent, formative approach to evaluation severely limited opportunities to compare and learn from local approaches.

During 2003-5, Communities Scotland worked closely with thematic and new SIPs to address these issues. In particular, a central evaluation team at Communities Scotland provided SIPs with an evaluation framework, support and guidance. Guidance on commissioning evaluation research and a series of 'templates' detailing potential approaches to assessing additionality, value for money and mainstreaming impacts were provided. As a result, a number of SIPs developed a similar evaluation research brief (reflecting a Communities Scotland template), producing relatively consistent data. Nevertheless, Communities Scotland stakeholders accepted that the devolved nature of the evaluation process had meant that there remained considerable differences in approach and implementation between SIPs, while individual research contractors had continued to emphasise particular research questions and methodologies.

The evaluation of the Better Neighbourhood Services Fund (BNSF) similarly sought to address some of these problems by providing a consistent reporting framework and commissioning policy-focused topic reports – although delays in providing the latter limited the impact of the evaluation in informing policy and practice, and again highlighted the need for clearly defined, timeous and well-resourced feedback mechanisms as a key component of evaluation. Indeed, reviewing the operation of the evaluation highlights the need for a strong central mechanism for gathering, analysing and feeding back outcome data and information on policy and practice.

<sup>16</sup> CEA: National Evaluation of Former Regeneration Programmes, report to Scottish Executive, 2001.

<sup>17</sup> CEA: Developing a Transition Framework for SIPs, report to Communities Scotland, 2003.

More general lessons can be drawn from the evaluation of the BNSF programme<sup>18</sup>. The BNSF was an important predecessor programme for CRF, focusing on the improvement of community-level service interventions. The £90 million programme operated across twelve local authority 'Pathfinder' areas, with Local Outcome Agreements (LOAs) governing the delivery of funded activities. The main impact monitoring mechanism for BNSF involved the delivery of detailed annual reports and commissioned external evaluations by participating local authorities. The evaluation of the BNSF allowed local authorities to contract with evaluators on an individual basis, but within a research specification provided by the Scottish Executive. The Scottish Executive research specification calls for a report that summarises the policy and labour market context for each BNSF programme area, and provides a service-by-service description of local initiatives and their inter-relationships. The specification also provides standardised research areas under the broad headings of:

1) Programme impacts

- achievement of outputs and outcomes detailed in the LOA, achievement of targets within timescales, and linkages with national policy targets;
- questions of attribution – how and to what extent have the outputs of the programme contributed to the outcomes?;
- numbers and characteristics of beneficiaries, and end user perceptions;
- synergy between different services/projects;
- changes to the planning, quality, reach of services as a result of BNSF.

2) Value for Money

- value for money of BNSF expenditure in terms of the quantity and/or quality of services/projects and associated outputs and outcomes;
- effectiveness of BNSF outputs as a way of delivering target outcomes;
- evidence of additionality, substitution and displacement of staff and resources from other areas;
- evidence of displacement of problems to other areas or groups;
- patterns of, and foci for, expenditure;
- evidence of funding leverage.

3) Partnership Working

- roles and responsibilities of individual partners and partnership working in shaping and influencing delivery;
- influence of CPP structures as a partnership model.

4) Role of Communities

- evidence of community involvement in design and delivery of services;
- effectiveness of methods of community involvement;
- impact of community involvement on design and delivery of services.

<sup>18</sup> Scottish Executive: BNSF Guidance on the Evaluation of Individual Pathfinders, 2004.



5) Sustainability and mainstreaming

- extent and level of funding required by BNSF services/projects to ensure their sustainability;
- extent and sources of funding for services/projects previously funded through BNSF;
- mainstreaming of BNSF approaches to planning and service delivery beyond BNSF target areas or groups.

These general headings and research areas appear to be appropriate, given the content of the BNSF programme. However, some problems resulted from the decision to devolve the commissioning and specific design of research instruments to local authority level. A lack of clarity during the initial reporting provided by BNSF Pathfinders resulted in anomalies between the level and detail of data produced by different local authority areas. More detailed guidance sought to address this problem, while a 'three stars' rating system has been introduced to highlight crucial items of data to be collected (designated by the Scottish Executive as three stars: \*\*\*) and less important data (designated \*\* or \*). But the above guidelines still allow for considerable variation in how different programme areas commission evaluation research, and how evaluators choose to pursue data collection.

It is also notable that under the BNSF evaluation, existing management systems provided an important source of descriptive data on outputs, outcomes and the detail of practice at the local level. LOAs, combined with regular activity reports, therefore provided a key source of baseline and progress data for evaluators. A similar approach has been used in the recent evaluation of Careers Scotland's Inclusiveness interventions. The Inclusiveness Projects evaluation team relied heavily upon local level monitoring data and 'Local Area Toolkits' (providing individual project descriptions) generated by Careers Scotland's own Programme Management Framework<sup>19</sup>. Project-related issues were then followed up through case studies of individual initiatives which reflected a range of different approaches, with subjects for case study research identified through an initial analysis of Local Area Toolkits. The value of these mechanisms in providing basic project and client data, and therefore minimising the impact of the evaluation on local service professionals, provides useful lessons and again highlights the need to ensure complementarity between programme management frameworks (gathering basic project management data) and evaluation frameworks.

A review of practice in the evaluation of ESF EQUAL Projects also points to the value of existing management and monitoring data as a source of information for evaluators. Independent evaluators assessing the outputs and outcomes of the ESF EQUAL Development Partnerships (DP) on employability ('Equal Access', evaluated by Rocket Science in 2005)<sup>20</sup> and lifelong learning ('SWELL', evaluated by the Employment Research Institute in 2005)<sup>21</sup> relied upon DP Lead Partner monitoring data on expenditure, project content, and client engagement (which allowed an assessment of beneficiary engagement and outcomes by age, gender, and a range of other relevant target group characteristics). The experience of these ESF Partnerships, like Careers Scotland's Inclusiveness projects, suggests that management data and linked monitoring systems can provide useful context data for programme evaluation.

<sup>19</sup> SQW: National Evaluation of the Careers Scotland Inclusiveness Projects, 2005.

<sup>20</sup> Rocket Science: Equal Access Development Partnership Evaluation, 2005.

<sup>21</sup> Employment Research Institute, Napier University: Evaluation of the ESF EQUAL SWELL Project, 2005.

### 3.6 Key issues from the review of evaluation guidance

- Key guidance documents published by the UK and Scottish governments highlight the need for consistent and meaningful baseline and outcome indicators in the evaluation of regeneration programmes. The ROA and PMF processes associated with the CRF have sought to promote a consistent approach to baseline and outcome reporting.
- Key guidance documents emphasise the need for robust, consistent and commonly applied indicators. Communities Scotland is currently undertaking research on the availability and use of data for community regeneration in Scotland. Where gaps in baseline and outcome data cannot be easily resolved, shared guidelines should detail approaches to identifying acceptable 'proxies', in terms of data at different geographical levels, or output rather than outcome data (for example, where health or other interventions are unlikely to report positive outcomes in the short-term).
- A review of national guidance documents, and the problems encountered under previous programmes, points to the importance of formative evaluation procedures as part of any broader evaluation framework. Formative evaluation is able to help identify adjustments and corrections that can improve programme performance during the life of programmes. Formative approaches therefore offer considerable practical benefits in facilitating options appraisal, informing the continuous development of interventions and spreading good practice – these practical benefits can also help to gain the 'buy in' of, and create a sense of 'ownership' among, local stakeholders required to participate in evaluation activities.
- Lessons from the SIP programme similarly highlight the problems associated with post-activity assessments that are not supported by consistent monitoring and evaluation systems. While valuable SIP-level evaluation activities helped local and (eventually) national stakeholders to gain some insight into the impact of different approaches, the capacity of evaluations to inform policy within and across SIP areas was severely restricted by the absence of consistent, timeous and well-resourced procedures for reporting and analysing outcomes, and sharing (and learning from) good practice.
- Lessons from the evaluation of new/thematic SIPs and the BNSF suggest that major regeneration programmes need a consistent approach to gathering and reporting data, with systems that 'leave no room for doubt' about the essential data that are required for evaluation. The BNSF evaluation, building on approaches adopted by Communities Scotland to assess the impact of new/thematic SIPs, provided detailed guidance on an evaluation structure that covered the reporting of programme impacts; value for money and additionality considerations; partnership working; community engagement; and sustainability and mainstreaming. While the SIPs/BNSF evaluation models offer a useful starting point, variations in their application suggest that more detailed advice, guidance, support and training may be required on how to commission and manage evaluation; methodologies; and measuring impacts and 'distance travelled'.

- One way forward for the evaluation of future programmes may involve the rollout of a similar evaluation structure as was provided under BNSF, but with much more support and detailed guidance on methodologies such as measuring value for money; assessing the progress of project participants using 'soft' indicators; and investigating partnership and community engagement. An evaluation 'research methods toolkit' could provide guidance and research tools, promoting a consistent approach to evaluation through: standardised survey, interview, and soft outcome measurement tools; detailed guidance/standardised methodologies on measuring value for money and approaches to options appraisal; detailed guidance/standardised methodologies on conducting research on partnership working and community engagement; and practical guidance on commissioning and managing evaluation research. It is also important that all key national and local stakeholders agree a set of data that are essential to the evaluation, and which must be gathered.
- Lessons from previous programmes point to the potential importance of project management information in informing the basic elements of evaluation. Future evaluation frameworks for regeneration programmes should seek to link to basic descriptive information provided through project management systems (for example, on spending, project aims and activities, and outputs) – these basic data can provide a valuable insight into the aims of interventions and 'what's happening on the ground'. Additional data gathering for evaluation should therefore seek to add value to, rather than duplicate, project management reporting.
- Key guidance documents highlight the need for 'local ownership' of the evaluation process. Only by ensuring that evaluation data are gathered and fed back in an appropriate and useful way will national funders and evaluators be able to gain the 'buy in' of local stakeholders. Locally commissioned evaluations, which are flexible enough to respond to local priorities, but based on detailed and consistent central guidance, would appear to provide a potentially effective way forward.

## 4 Key issues in the evaluation of community regeneration

### 4.1 Evaluation of regeneration programmes: lessons from the literature

The previous Section of this report describes the key features of the evaluation guidance provided by Scottish and UK policy makers. A more in-depth review of policy and practice on evaluation is provided below, and reveals a number of crucial issues that need to be addressed by any effective evaluation framework.

#### **Focusing on outcomes and establishing a baseline**

A review of previous monitoring and evaluation systems points to key lessons in relation to the need for simple, outcome-oriented frameworks developed and piloted in close collaboration with practitioners. In recent years, concerns regarding the project- and output-focused approach to the monitoring of programmes such as the Single Regeneration Budget (SRB) have led to renewed interest in the quality of outcomes achieved. The SRB, which began in 1994, and is now subsumed into the Regional Development Agencies Single Programme, brought together a number of programmes from several Government Departments with the aim of simplifying and streamlining the assistance available for regeneration. Despite attempts to introduce a simplified 'input-activity-output-outcome' monitoring regime, the lack of a systematic reporting system for SRB outputs and outcomes meant that performance measurement was largely restricted to tracking programme expenditure (to identify activity) and secondary data analysis (as evidence of outcome change). Given the complexity of the factors involved in producing changes in the socio-economic position of target groups and areas – and the time required to see change filter through – there has been considerable interest from government in establishing mechanisms to address “important questions relating to progress, and how programme output might be contributing to outcome change”<sup>22</sup>.

These concerns have informed the development of systems to establish consistent baseline and outcome indicators for the New Deal for Communities programme in England. Similarly, the initial difficulties encountered by evaluators and policy makers in establishing a consistent approach to measuring outcomes achieved by SIPs influenced the development of a more consistent evaluation framework first for new and thematic SIPs, and then the BNSF. Under the CRF, Communities Scotland and the Scottish Executive have also been interested in the establishment of consistent baseline measures for targeting (with SIMD used to identify target areas) and progress measurement (with a range of official statistics and project monitoring statistics used to track impacts and outcomes).

Despite the problems of resourcing more detailed, project-level client baseline survey work, there may also be value in the targeted deployment of such an approach. The 2005 evaluation of 'Beattie' Inclusiveness Projects deployed by Careers Scotland involved a core methodology that sought to establish a clear client baseline (although original baseline survey tools were simplified in response to concerns from Careers Scotland staff that they were burdensome);

<sup>22</sup> CEA: Developing a Transition Framework for SIPs, report to Communities Scotland, 2003.

and data on clients' progress and perceptions of the programme (achieved through monitoring data and longitudinal survey research with a random sample of 600 Inclusiveness participants).<sup>23</sup> Extensive client baseline survey work has also provided the foundation of the evaluation of the Scottish Executive's Working for Families Fund.<sup>24</sup>

### Placing the findings in context

There will inevitably be a desire among funders to understand the progress made as a result of policy interventions in comparison with underlying social and labour market trends. The 2001 "National Evaluation of Former Regeneration Programmes" commissioned by the Scottish Executive provides a general description of change in the target areas against trends across their wider 'regions'. Using existing national and local datasets and reviewing the resources and strategies deployed by Partnerships, the evaluation sought to estimate the contribution of regeneration programmes to progress, using a very broad 'high-medium-low' continuum<sup>25</sup>. The comparison of trends within target areas against other 'control' local areas or client groups and regional and national comparators would appear to be a basic requirement of any approach to the evaluation of future regeneration programmes.

However, it is crucial that comparative data are not presented without full reference to local circumstances, and changes therein, and constraints on policy and progress. A wide range of constraints may affect the options that are feasible within regeneration programmes, and the outcomes that are achievable. Future evaluation frameworks will need to consider the full range of constraints, whether: physical; legal/statutory; financial; and/or cost/market-based. In terms of policy option appraisal, the role of such constraints should be clearly identified and discussed. In terms of understanding the outcomes achieved by certain interventions, the same factors may need to be considered as vital 'context' information.

Any evaluation therefore has to take a realistic view of how 'inter-dependence' and 'irreversibility' issues limit the freedom of policy makers to consider different approaches. Often the outcomes associated with an option will depend critically on some condition or policy that is outwith the control of the project in question. The impact of these factors on potential and implemented policy scenarios must be understood. At the same time, major regeneration interventions can produce irreversible effects. The best evaluation models are able to unpick the potential risks and long-term impacts associated with specific interventions.

The need for sophisticated analyses of evaluation data is highlighted by the New Deal for Communities approach in England.<sup>26</sup> There, evaluation data have been deployed to facilitate exploratory and qualitative analysis (e.g. to describe the characteristics of, and change experienced by, target groups and areas), but researchers have also used logistic and multi-level modelling to untangle the degree to which changes in key attributes of NDC areas are due to the composition of individuals in an area, change occurring in the wider area (perhaps local authority or regional level) or as a result of NDC intervention. This type of research also highlights the need for a longitudinal approach. The evaluation of the New Life for Urban Scotland initiative<sup>27</sup> also drew heavily upon a longitudinal approach – evaluating the initiative over a period of 19 months enabled the researchers to track the development of the New Life Partnerships, their implementation, and their influence on the emergence of successor arrangements.

<sup>23</sup> SQW: National Evaluation of the Careers Scotland Inclusiveness Projects, 2005.

<sup>24</sup> Employment Research Institute, Napier University: Working for Families Fund Evaluation Guidance, 2004.

<sup>25</sup> CEA: National Evaluation of Former Regeneration Programmes, report to Scottish Executive, 2001.

<sup>26</sup> Sheffield Hallam University: Evaluating the New Deal for Communities Programme, 2003.

<sup>27</sup> CEC: Evaluation of the New Life for Urban Scotland Initiative, 1999.

## Value for money

Any robust evaluation will need to consider value for money (VfM). HM Treasury EGRUP Guidelines have traditionally provided the starting point for such considerations (see Section 3.4, above). In practice, there are a number of examples of how the complex issues around measuring VfM have been addressed. The VfM strand of ODPM's New Deal for Communities (NDC) programme has involved two principal components<sup>28</sup>. The first has been an analysis of "macro" data concerning NDC expenditure and matched funding across the programme as a whole, and associated information on the quantifiable outputs generated by the projects. In the early years of the evaluation this required substantial fieldwork with all of the 39 NDCs. However, more recently it has proved possible to draw upon a bespoke, nationally agreed monitoring database that came on stream in 2004.

The second element of the NDC approach to addressing VfM has also involved a micro-level analysis of costs and benefits, based largely on extensive household survey research. A beneficiaries survey, encompassing some 1008 beneficiaries in 23 NDC areas, was targeted on selected projects and sought evidence on the resident's appreciation of the quality of life in the NDC area, their involvement with the project and what they felt NDC had been able to achieve. There were also questions that probed on a theme by theme basis how the project had changed the status and improved the quality of life of the resident, whether they believed this to be additional and where, if at all, they felt that they might have acquired access to similar provision either in or outside of the NDC area. The survey research appears to have enabled an in-depth analysis of how projects have changed the status and attitudes of residents. However, the extensive evaluation budget afforded to the NDC programme is unlikely to be replicated for future Scottish programmes: there is thus a need to develop a rigorous, but cost-effective, VfM evaluation model. It may be that consistent, centralised guidance on measuring the VfM of specific, project-level interventions will provide the main focus for this element of activity under the future evaluations.

It is important that, wherever possible, any evaluation is able to establish the difference between the gross outcomes reported by an intervention, and what would have been achieved anyway (i.e. 'deadweight'), as well as any diversion of resources from economic agents ('displacement') or replacement of existing activity or opportunities ('substitution'). These issues, combined with the complexity of the range of benefits that regeneration programmes seek to deliver, raise considerable challenges to an attempt to arrive at an aggregate 'benefit per unit cost of expenditure' measure. One approach, adopted in both the evaluation of the New Life for Urban Scotland initiative and the "National Evaluation of the Former Regeneration Programmes"<sup>29</sup>, is to present a range of benefits that flow from a unit of expenditure in a 'basket'. Clearly, in order to arrive at an accurate analysis of costs and benefits, best estimates of additionality must be agreed and net outcomes calculated. Treasury guidance offers detailed methodological advice on these issues.

A more basic (but nonetheless valuable) understanding of the cost effectiveness of specific interventions can be provided by matching costs to outputs, outcomes and target groups/areas. The evaluation of the New Futures Fund Initiative uses simple measures of 'cost per start', 'cost per outcome' (using a pre-agreed three-level outcome indicator), and 'cost per closure' (clients leaving the programme to positive outcomes).<sup>30</sup> Analyses of costs are then provided by client group, type of project, size/spend of project, type of delivery body, and reliance on New Futures funding (i.e. limitations on mainstreaming).

<sup>28</sup> CEA: National Evaluation of the New Deal for Communities: Value for Money Strand, 2005.

<sup>29</sup> CEA: National Evaluation of Former Regeneration Programmes, report to Scottish Executive, 2001.

<sup>30</sup> TERU: Evaluation of the New Futures Fund Initiative, 2005.



## Additionality

With any new funding stream, additionality of impacts, and issues arising from the deployment of additional resources are bound to be key themes. Careers Scotland's recent review of its Inclusiveness projects reflected these concerns, focusing on the following aims:<sup>31</sup>

- identifying the added value obtained as a result of the additional 'Beattie' Inclusiveness funding;
- identifying the key issues which arose in the development, planning, negotiation and implementation of the additional provision;
- assessing the relative effectiveness of different approaches in addressing these issues and for the achievement of particular national or local objectives;
- considering the extent to which the programme could be said to have achieved greater inclusiveness for clients and service providers;
- considering how the programme could be further developed to achieve greater benefits for clients.

Evidence of additionality is relatively easy to gather, but often as difficult to quantify. Evaluations of ESF EQUAL projects have pointed to partners' beliefs that EU funding has facilitated additional work and added value to existing activities. Qualitative interviews with partners in the ESF EQUAL 'SWELL' (lifelong learning) Partnership found varying degrees of consensus that EQUAL funding had enabled partners to: undertake entirely new activities; adapt existing practice through the development of innovative content and approaches; improve the scope, reach and quality of existing services; deliver planned interventions significantly sooner<sup>32</sup>. However, the same research acknowledges the problems in measuring the specific impact of particular funding streams in facilitating progress and the complexities involved in quantifying additionality.

## The need for comparators – considering the counterfactual

A crucial issue in discussing the additionality of interventions involves the need to compare – at least theoretically – the benefits delivered by a programme against alternative scenarios. ODPM/DCLG guidance on evaluating spatial interventions suggests that the generation of alternatives or comparators (or 'controls') lies at the heart of assessment and evaluation activities: "The basic principle in defining a set of alternative options/actions is to identify the range of feasible scenarios that illustrate the true trade-offs implied by an intervention"<sup>33</sup>. There is a need for formal processes to inform the consideration of intervention options – an effective evaluation will consider 'what did happen in the context of what would have happened in the absence of the intervention'. Ideally, the potential impact of alternative actions should also be considered. The 'no intervention' case, or 'counterfactual' case scenario as it is known, is often considered the starting point for in-depth analyses of the 'real' impact of interventions.

Defining the counterfactual in evaluation involves looking backwards to estimate 'what might have happened' (without the impact of the policy action or the impact of other contextual changes). The 'policy off' scenario (what would have happened if the intervention had not occurred) is often of particular interest to policy makers – it is a core activity in identifying the actual impact of

<sup>31</sup> SQW: National Evaluation of the Careers Scotland Inclusiveness Projects, 2005.

<sup>32</sup> Employment Research Institute, Napier University: Evaluation of ESF EQUAL SWELL Project, 2005.

<sup>33</sup> ODPM: Guidance on Assessing the Impacts of Spatial Interventions, 2003.

an intervention. In all cases the process of defining the counterfactual should be clearly described, the reliability of the available evidence should be considered carefully, and the implications for the evaluation recognised. The use of a range of different data/datasources may be required to minimise bias, and a number of scenarios considered. The ODPM/DCLG guidance on evaluating 3R interventions discusses a number of different methodologies that are typically used for defining counterfactuals in evaluation. It emphasises the need for an approach that gives the most rigorous results (arguing that randomised control sample or trials and 'matched sample' analysis are particularly valuable here). However, the same guidance notes that there are numerous limitations on such approaches in the 3R field for cost, practical and ethical reasons.

Guidance published by the Department for Work and Pensions (DWP)<sup>34</sup> offers detailed advice on approaches to defining the counterfactual, including:

- before/after comparisons, which simply comparing the pre- and post-intervention situations;
- longitudinal/interrupted time-series analysis – measuring outcomes over a prolonged period before and after an intervention to establish a better idea of impact;
- qualitative retrospective analysis – estimating impacts by asking key players and those affected what might have happened otherwise;
- randomised control trials (experimental approach) – employing scientific controls to enable pre/post comparisons between randomly assigned treated and untreated groups;
- matched comparison groups – comparing policy on/off outcomes for closely matched individuals;
- matched area comparisons – comparing policy on/off outcomes for closely matched areas;
- modelling – comparing outturns with counterfactuals modelled at the time of the original appraisal; or updating models/developing new models that seek retrospectively to reflect what might have happened otherwise.

The DCLG/ODPM guidance acknowledges the complexities involved in gathering appropriate data and executing research to inform counterfactual analyses. A range of relevant factors could be considered, including:

- changes in social, economic and environmental variables under a policy-off scenario (projected trends from the end year of baseline indicators);
- the impacts of investment or actions that the partners in the proposed intervention are required to carry out in any case;
- the impacts of existing investments or actions by other public or private sector organisations;
- planned investments or actions by public or private sector organisations;
- reactions of other parties to actions being considered (i.e. actions taken by other organisations as a result of the particular option being pursued).

The DWP guidance again similarly acknowledges that the quality and availability of data will throw up challenges to the use of formal modelling approaches. In these cases, survey-based methods are likely to play a major role.<sup>35</sup> The practical and resource implications of conducting appropriate

<sup>34</sup> DWP: Research Methods for Policy Evaluation, 2001.

<sup>35</sup> <http://www.dwp.gov.uk/asd/asd5/WP2.pdf>



counterfactual research will form an important consideration for Communities Scotland and partners involved in the evaluation of the CRF. It may be that CRF offers the opportunity to carry out national level random samples (subject to the issues discussed above) although these are likely to be at a scale that contribute to national but not local additionality measures.

### Options appraisal

A specific element of counterfactual analysis refers to the comparison and appraisal of different policy options. Research on the identification of appropriate policy options is considered a key theme of evaluation and monitoring in regeneration by government departments such as the DCLG (formerly ODPM).<sup>36</sup> The need for appropriate options appraisal also emerged as a key theme during interviews with key stakeholders involved in BNSF and CRF. At the centre of options appraisal is the need to provide a clear picture of the 'trade-off' implied by an intervention. General trade-offs to be considered include:

- whether better outcomes could be obtained using a different approach;
- whether the same outcomes could be achieved for less cost;
- how much more could be achieved with more resources;
- whether the expected pay-off is adequate given the risk of the policy.

In social inclusion and regeneration projects a number of issues may provide the focus for options appraisal, such as:

- the appropriateness of targeting in terms of specific areas or groups;
- the intensity, quality and resourcing of interventions;
- the timing of interventions.

There are clear benefits associated with the establishment of standardised, logical systems for options appraisal, which can be seen as an important element and benefit of formative evaluation structures. European-funded projects in the UK have tended to follow EU guidance on deploying 'logical framework' tools to design, implement, assess and evaluate projects. Logical framework toolkits developed by the ESF Equal Programme (for example) have provided local stakeholders and evaluators with guidance on considering the critical assumptions and risks potentially affecting the implementation and impact of projects, and defining the evidence and indicators used to plan activities and monitor progress.<sup>37</sup> For overseas aid projects, the EU has long used a form of logical framework (setting out, for example: Description, Timetable, Results, Objectively Verifiable Indicators, Sources Of Verification, Assumptions, Resources Required, Budget) and which explicitly analyses the distribution of benefits.<sup>38</sup> A logical framework matrix helps project planners to analyse why, how and when activities will be developed and outputs and outcomes achieved, by first considering project objectives and their assumptions regarding the internal and external factors affecting success, and then reviewing the indicators and evidence required to assess progress and evaluate impacts.

ESF guidance on deploying a logical framework approach highlights the need to consider a range of factors when selecting indicators for monitoring and evaluation: quantity (how many and how much detail?); time (when?); quality; target groups/distributional issues (who?); and location (where?). The same guidance reflects on the practical issues relating to the evidence supporting

<sup>36</sup> ODPM: Evaluation Issues for the Urban White Paper: Fiscal Measures, 2002.

<sup>37</sup> ESF EQUAL GB Support Unit: A Project Cycle Management and Logical Framework Toolkit, 2005.

<sup>38</sup> [http://europa.eu.int/comm/echo/pdf\\_files/partnership/guidelines/logical\\_framework\\_guidelines\\_en.pdf](http://europa.eu.int/comm/echo/pdf_files/partnership/guidelines/logical_framework_guidelines_en.pdf)

indicators that should be considered as part of the logical framework process: including the cost of data gathering; whose responsibility it is to gather and analyse data; and the relevance of the evidence to the defined indicators, and its practical value for monitoring and evaluation<sup>39</sup>.

In many regeneration programmes preferred options are identified at an early stage. These emerge from deliberative partnership processes, community engagement exercises and baseline research, informed by analyses of relevant data relating to key policy themes. However, it is important that alternative policy responses remain under consideration as part of the evaluation process. 'Unbundling' preferred options into component parts and then reconstructing them, having discussed alternatives, can provide insights into the potential impacts of different approaches. At a practical level, future evaluation frameworks in Scotland should consider integrating elements of the logical framework approach, and provide detailed guidance for local stakeholders on logical tools for options appraisal.

### **Mainstreaming and leverage**

An assessment of the capacity of regeneration programmes to leverage funding and resources from Partners and other sources (and particularly the 'bending' of mainstream funding to contribute to agreed objectives) will form an important element in any formative evaluation framework. Previous evaluations have largely relied upon self-reporting of cash and in-kind (for example, time) contributions. Accurately measuring the extent and impact of these contributions has proved difficult. Communities Scotland's 2006 review of lessons from thematic SIPs<sup>40</sup> raises a number of issues that may need to be addressed by future evaluations, particularly:

- the source and amount of any leveraged resources, and the effectiveness of different approaches to promote the leveraging of funding from different stakeholder budgets;
- the effectiveness of strategies to 'bend' spending (for example from core services provided by local authorities or the NHS), and barriers to accessing mainstream budgets;
- examples of the use of Partnership funding to 'pump prime' new initiatives and the impact and sustainability of such initiatives.

The evaluation of the New Deal for Communities has also deployed a number of approaches to addressing mainstreaming<sup>41</sup>. A key component of the research focuses on agencies' involvement and role in NDC, the impact of NDC on the strategies and practices of organisations, and constraints on mainstream agency involvement. Evidence is gathered through standardised evaluation templates, and project and area-based case studies carried out by the evaluation research team (the former based on standardised 'workbooks').

### **Mixed methods and capturing 'soft' outcomes**

"If policy makers and programme managers are to use evaluation as a serious tool to identify the contribution of programmes to changing outcomes, more in depth evaluation approaches are required, including household and service user surveys, semi-structured interviews and focus groups with service providers, and secondary data acquisition relating to service provision."<sup>42</sup>

As policy makers have become more interested in measuring the outcomes achieved by regeneration funding (rather than just outputs), and as the aims of regeneration programmes have become more complex, so the need to capture

<sup>39</sup> ESF EQUAL GB Support Unit: A Project Cycle Management and Logical Framework Toolkit, 2005.

<sup>40</sup> Communities Scotland: Learning Lessons from Thematic SIPs: A Comparative Review of Evaluation Reports, 2006 (forthcoming).

<sup>41</sup> Sheffield Hallam University: New Deal for Communities Programme, 2001-2005: An Interim Evaluation, 2006.

<sup>42</sup> CEA: Developing a Transition Framework for SIPs, report to Communities Scotland, 2003.

'soft' outcomes has been acknowledged. 'Soft' outcomes are changes in individual or area characteristics and attitudes that cannot easily be evidenced by 'hard' data on qualifications, health or other indicators. Guidance on evaluation increasingly acknowledges the need for both 'hard' outcome data (e.g. How many people have improved their health or found a job?) and 'soft' outcome data (e.g. How have people's perceptions changed? What progress in terms of confidence has been made by people attending courses? How has awareness of health risks changed?). Accordingly, 'mixed' methods, providing both quantitative and qualitative data will be required.

'Soft' indicators are of particular value in the evaluation of regeneration programmes because the problems that are being addressed are often complex and multi-dimensional, and the outcomes sought may be similarly multi-faceted – for example, community safety interventions seek to reduce crime (measurable by 'hard', quantitative statistics) and reduce fear of crime (measurable by 'soft', qualitative, attitudinal data). Given the complexity of the aims of regeneration programmes, it may also take long time periods before 'hard' outcomes are measurable (for example, in relation to improving public health) – softer 'distance travelled' measures can therefore be of value as an intermediate measure of progress.

Recent Scottish Executive guidance on BNSF has stressed the need for a 'multi-method approach' involving quantitative and qualitative research methods<sup>43</sup>. Suggested methods included an analysis of existing data and documents held by Pathfinders, taking in strategy and policy documents linked to the development of LOAs, results from baseline mapping exercises, project monitoring information and data from annual reports to the Scottish Executive (which provide information on progress against targets on outputs, outcomes and community engagement).

A number of BNSF Pathfinders deployed the 'Rickter Scale' tool to measure distance travelled (for example, in terms of confidence) by clients. Other major Scottish Executive programmes have similarly emphasised both 'hard' and 'soft' evaluation methods. As a core element of the evaluation of the Working for Families Fund, client interview tools have been developed to establish a comprehensive baseline on individual barriers (related to skills and personal circumstances), and attitudes to/aspirations around work. In line with UK government guidance on measuring 'soft' outcomes (see for example DfES's 2000 report)<sup>44</sup> ten-point scales have been deployed to establish clients' level of confidence with regard to accessing services and entering the labour market. Similar review tools – to be deployed at six-monthly intervals or at 'transition points' – seek to measure distance travelled, and changes in attitudes and circumstances<sup>45</sup>.

A review of the update to the mid-term evaluation of the UK EQUAL Initiative also reveals a strong commitment to mixed methods approaches, deployed through national level evaluations of the ESF programme's DPs<sup>46</sup>. The research team combined national stakeholder and DP lead partner interviews with case studies of specific interventions (reviewing the detail of policy content through strategic documents and interviews with delivery agents, and assessing impacts against action plans). Data gathered from monitoring of all DPs allowed spend to be compared against clients engaged/benefiting in policy areas such as employability and lifelong learning. At the individual project level, indicators on changes in clients' confidence, sense of empowerment and awareness of opportunities were gathered.

<sup>43</sup> Scottish Executive: BNSF Guidance on the Evaluation of Individual Pathfinders, 2004.

<sup>44</sup> Department for Education and Skills: Measuring Soft Outcomes and Distance Travelled: A Review of Current Practice, 2000.

<sup>45</sup> Employment Research Institute, Napier University: Working for Families Fund Evaluation Guidance, 2004.

<sup>46</sup> GHK: Update to the Mid-term Evaluation of the UK-GB Equal Community Initiative, 2006.

Within ESF EQUAL Development Partnerships, a range of approaches has been deployed to capture the 'distance travelled' impacts of project activities. The evaluation of the EQUAL programme's Round 1 lifelong learning DP in Scotland ('Scottish Workforce Empowerment for Lifelong Learners' or 'SWELL') involved the extensive use of Likert scales to provide baseline data on barriers to learning ranging from gaps in confidence and knowledge of services to practical problems around balancing work, family commitments and learning. Post-intervention survey research then used similar tools in an attempt to measure participants' progress in terms of confidence, awareness of opportunities and skills development<sup>47</sup>. These tools proved sufficiently sensitive to identify learners' perceptions of differences in the 'soft' impacts delivered by specific interventions (for example, with learners rating certain interventions more valuable in "delivering skills of immediate value in the workplace" and certain forms of learning more effective in assisting them to "balance work/family commitments with learning"). A similar approach was adopted in the evaluation of the EQUAL programme's Round 1 employability DP in Scotland ('Equal Access') with client baseline and distance travelled scales measuring progress in confidence and awareness of labour market/training opportunities<sup>48</sup>.

The Scottish Executive's Working for Families evaluation similarly uses ten-point scales to establish baseline and 'distance travelled' measures to track changes in clients' attitudes, confidence and aspirations<sup>49</sup>. In all three of these cases scale measures have been supplemented with extensive case study research on individual projects, involving in-depth qualitative interviews with service providers and service users. It should also be noted that programme monitoring framework data supplied by ESF project Lead (managing) Partners provided crucial context and narrative information on how services were delivered.

Finally, the recent evaluation of Careers Scotland's 'Beattie' Inclusiveness Projects drew on longitudinal client progress surveys, which involved clients' self-assessment of their own skills, and of skills improvements flowing from their engagement with Careers Scotland key workers. Five point Likert Scales were deployed to identify progress. Similar Likert Scales (using an 'agree-disagree' dichotomy) proved particularly effective in identifying the at times limited gains in confidence and motivation achieved by clients. Clients were asked the extent to which they agreed or disagreed with key statements, such as 'When I work at something I do well'. Analysing baseline survey responses (from interviews undertaken at the outset of the intervention) alongside responses from identical 'second wave' surveys (gathered following a period of intervention) it is clear that in many areas, clients self-assessed employability scores remained static or declined. The evaluation team were therefore able to identify where 'significant improvements' or 'significant decreases' had occurred in clients' self-assessed attributes<sup>50</sup>.

These findings need to be, and were, analysed in the context of data gathered on the barriers faced by respondents at the outset of the process. Careers Scotland also presents the findings alongside qualitative data from in-depth interviews with clients and service providers, reflecting the range of clients' barriers and progress. These survey responses were also balanced by more objective data on outcomes achieved by clients, and the sustainability of those outcomes (drawing on monitoring information gathered by Careers Scotland).

<sup>47</sup> Employment Research Institute, Napier University, Edinburgh: Evaluation of ESF EQUAL SWELL Project, 2005.

<sup>48</sup> Rocket Science: Equal Access Development Partnership Evaluation, 2005.

<sup>49</sup> Employment Research Institute, Napier University, Edinburgh: Working for Families Guidelines, 2004.

<sup>50</sup> SQW: National Evaluation of the Careers Scotland Inclusiveness Projects, 2005.

## The impact of partnership working and community engagement

As noted above, the Scottish Executive and other key agencies share a commitment to gathering data on 'soft' outcomes, reflecting an awareness that some projects benefit individuals whose degree of disadvantage nonetheless means that they are unlikely to quickly achieve a 'hard' outcome such as job entry. There is also an acceptance that part of the remit of programmes like CRF (and the BNSF and SIP programmes that preceded it) is to foster community engagement, partnership working and other benefits that are impossible to pick up through 'hard' statistical data.

**Partnership** is a key theme for many regeneration programmes, including the CRF in Scotland, but capturing data on progress in partnership working can be extremely difficult. The evaluation of the New Deal for Communities in England highlights three key themes: structures (e.g. how do partnerships organise themselves and engage with the community?); processes (e.g. what systems to partnership use to manage and assess their activities?); and delivery (linkages with other local and national initiatives, constraints and facilitators on the engagement of key stakeholders; the use of evidence in the targeting and delivery of interventions)<sup>51</sup>. The main sources of evidence used by the NDC Evaluation Team include:

- standardised evaluation templates (providing descriptive information on partnership activity) completed by the national NDC Evaluation Team in collaboration with local partnerships;
- standardised case study 'workbooks' exploring objectives, funding, management and outcomes;
- standardised 'system K' database outputs on partner spend.

Communities Scotland's 2006 review of lessons from thematic SIPs<sup>52</sup> highlights the importance of a number of dimensions of partnership working, which will be required to be addressed by any evaluation of successor initiatives:

- participation: where some thematic SIPs were able to successfully bring together a wide range of partners, including senior agency representatives, with consistent and active membership over time.
- inclusiveness: where SIPs had involved a range of partners, inclusive of most interests, and with a clear focus on social inclusion issues.
- promoting better working practices: with the partnership structure both focusing on how partners could work more efficiently and effectively and from this recognising that partnerships offered an appropriate vehicle for taking forward shared concerns.

The same review identifies benefits accruing from thematic SIP partnership working in terms of: bringing partners together around a common agenda; encouraging greater linkages between individual partners; joint working on social, economic and physical/environmental priorities; and improved linking to other policy and practice developments at neighbourhood, local authority or national level.

However, in seeking to draw together messages from diverse evaluation methodologies across different thematic SIPs, the 2006 review is unable to do more than raise key issues around partnership working (such as those discussed above). There will be a clear need for future evaluation structures to

<sup>51</sup> Sheffield Hallam University: New Deal for Communities Programme, 2001-2005: An Interim Evaluation, 2006.

<sup>52</sup> Communities Scotland: Learning Lessons from Thematic SIPs: A Comparative Review of Evaluation Reports, 2006 (forthcoming).



address a range of issues around partnership working in a consistent way, including:

- the nature and extent of the added value provided by both strategic and operational level inter-agency co-operation;
- the effect of different approaches to the leadership of partnerships;
- the impact of different partnership structures, arrangements and memberships (including differing levels of engagement from public, private and third sector actors), in terms of minimising administrative burdens and maximising added value for partners;
- the value of collaboration between partners and external agencies, in terms of the development of services and the leverage of funding.

A 2003 evaluation of the activities of the Coalfields Regeneration Trust (which is core funded by Communities Scotland) involved the extensive use five-point Likert Scales in survey research with delivery organisations. While a somewhat simplistic tool – which in this case was heavily supplemented by the use of in-depth interviews and case study research – these scales were able to flag up perceived problems with the Coalfields Regeneration Trust's performance as a strategic partner and link facilitator (both roles that the Trust remains required to deliver)<sup>53</sup>. Recent evaluations of ESF EQUAL DPs were also required to focus strongly on the effectiveness and impact of partnership working. The evaluations for both the employability and lifelong learning strands (see above for discussion) reflect the difficulties on quantifying the extent and impact of partnerships, and rely heavily upon qualitative interviews conducted with participating organisations. Both evaluations also raise issues around the quality of data provided by interviews on partnership working (within EQUAL DPs, partners have also been required to comment and evidence progress on a range of other broadly-defined themes such as 'empowerment'). A lesson would appear to be the need to keep evaluation questions focused on objective data and easily understandable concepts.

Nevertheless, Likert scales were also deployed in the evaluation of the ESF EQUAL Access DP, and appear to have been useful in providing some structure and evidence base for the evaluation's discussion of a range of partnership issues, including: issues of shared responsibility; knowledge of the roles and responsibilities of other partners; the nature and outcomes of practical partnership engagement; the inclusiveness of partnerships; ownership and accountability in relation to policy initiatives; and good practice in sharing information, resources and skills. However, there is again less clear evidence with regard to the outcomes achieved by effective partnership working.

**Community engagement** is also a key theme for area-focused regeneration. Communities Scotland's 2006 review of lessons from thematic SIPs highlights the diversity of approaches to community engagement adopted by different Partnerships<sup>54</sup>. Again, the review reports general themes from diverse evaluation exercises, rather than seeking to offer guidance on the development of a consistent approach to assessing strategies for, and related outcomes from, community engagement. A reading of the review raises a number of issues related to community engagement, with potential questions for the evaluation of future programmes emerging, including:

- What have been the impacts of different approaches to engagement, ranging from community forums to the appointment of dedicated staff within local authorities or other partners?

<sup>53</sup> Employment Research Institute, Napier University: Evaluation of the Activities of the Coalfields Regeneration Trust in Scotland, 2003.

<sup>54</sup> Communities Scotland: Learning Lessons from Thematic SIPs: A Comparative Review of Evaluation Reports, 2006 (Forthcoming).

- What structures, policies and practices have been put in place to ensure effective community engagement, and 'what's worked' in achieving this?
- How have communities been engaged, how has the rationale and purpose for community engagement been articulated, and which groups have been engaged and/or excluded?
- How (and to what extent) has community engagement: impacted on the direction of policy, influenced the content/shape of service provision, helped build capacity among stakeholders, and provided a voice for service users?

In terms of approaches to evaluating community engagement, the New Deal for Communities evaluation in England has sought to address a range of issues including: the success of community engagement; constraints on community participation; and the link between community engagement and positive outcomes<sup>55</sup>. Its main sources of evidence have been extensive, repeated household and business surveys, standardised templates completed by partner agencies on their engagement with communities, and thematic and project case studies. The survey and case study research explore the relationship between stakeholders and communities (from both perspectives), awareness of and attitudes towards the NDC, and social capital within communities (and any evidence of NDC impacts on social capital).

### Equality proofing and diversity issues

The different experiences of equalities groups have perhaps been an under-researched area in the evaluation of regeneration programmes, to some extent reflecting the gradual progress towards a consistent approach to promoting equalities reported by service providers.

Communities Scotland's review of lessons from thematic SIPs highlights the manner in which data on equalities issues can be particularly difficult to gather, and the perceived resource issues around dealing with what are perceived by many local stakeholders to be 'marginal' issues<sup>56</sup>. Rather than national funders such as Communities Scotland insisting upon arduous research and reporting on equalities issues, it is perhaps more important that local strategies have been equality proofed (i.e. that potential equal opportunities and discrimination issues have been systematically considered and addressed). Research on the concept of equality proofing is available from the Scottish Executive,<sup>57</sup> and there may be a case for the provision of further assistance and guidance on the equalities implications of future evaluations.

### Resourcing and supporting the evaluation process

The resource implications of carrying out any evaluation process are a major, and very practical, concern for funders and service providers alike. In many cases, such as the evaluations of the NDC in England and the Working for Families Fund in Scotland, central contracts have been agreed with national evaluation consultants, based on a small proportion of funding retained from the overall budget. In cases where a devolved approach has been adopted, local authorities have been free to allocate a proportion of their budgets to commissioning research or hiring their own monitoring staff.

The evaluation requirements that were laid down for BNSF Pathfinders meant that the majority of local organisations had appointed monitoring and evaluation staff. In around half of cases, external consultants were appointed to facilitate

<sup>55</sup> Sheffield Hallam University: Evaluating the New Deal for Communities Programme, 2003.

<sup>56</sup> Communities Scotland: Learning Lessons from Thematic SIPs: A Comparative Review of Evaluation Reports, 2006.

<sup>57</sup> Scottish Executive: Equality Proofing Procedures in Drafting Legislation, 2001.

community engagement through survey research, gather and/or organise primary or secondary baseline data, or inform the development of monitoring frameworks<sup>58</sup>. The Scottish Executive paid for twelve days per annum of consultancy research support in order to facilitate this process.

Irrespective of the additional resources available to pursue the evaluation of community regeneration programmes in Scotland, the evidence from previous experience is that there is a need to provide a strong central support and guidance. However user-friendly evaluation systems are, funders and organisations leading evaluation will inevitably be required to provide leadership, advice and support. The need for strong, formalised central support for monitoring and evaluation has been noted in relation to SIP evaluations.<sup>59</sup> A single point of contact for advice on 'how to' issues, and clear guidance on evaluation research methods and practices, are also characteristics of the Working for Families Fund evaluation in Scotland and NDC evaluation in England.

### **Engaging partners and communicating 'evaluation values'**

Finally, a review of past experience reflects the importance of gaining the 'buy in' of local stakeholders. Local regeneration officers and service providers will be required to implement – or at least facilitate – the evaluation of regeneration activities, and it is essential that local stakeholders are clear that there are benefits for them in engaging in the evaluation process.

Research reviewing the BNSF Pathfinder evaluation process has noted the need for monitoring and evaluation systems to fulfil, and be seen to fulfil, a number of internal and external functions. In terms of internal functions, it is important that monitoring and evaluation arrangements are seen to positively contribute to delivery partners' activities towards the achievement of set outcomes. BNSF Pathfinders valued the manner in which monitoring data allowed for the early identification of problems and informed corrective remedial action<sup>60</sup>. External functions were seen as focusing on the reporting of progress to the Scottish Executive (in its role as key funder). For some BNSF Pathfinders, the annual reporting regime imposed by the Scottish Executive was seen as meeting the Executive's rather than Pathfinders' needs, and gathering the detailed data required for reporting created some workload problems. A clear lesson relates to the need to achieve 'buy in' among delivery partners on the need for, and purpose of, evaluation data.

The evaluation of the Scottish Executive's Working for Families Fund has attempted to achieve this by integrating client monitoring and evaluation procedures. Importantly, WFF monitoring and evaluation tools were developed following extensive consultation with local service providers. The result has been the establishment of a joint client monitoring and evaluation database, which can be used by local service providers to register clients and assess their progress (informing interventions and flagging up individuals' problems and progress), but which also provides data that can be anonymised and uploaded by evaluators, providing the basis for national-level, comparative evaluation reporting (see [www.napier.ac.uk/wffe](http://www.napier.ac.uk/wffe) for detail on systems and research tools)<sup>61</sup>. Initial problems establishing such integrated monitoring and evaluation procedures have been identified as affecting the assessment of BNSF Pathfinders.

For funders and strategic policy actors the aims of monitoring and evaluation procedures are likely to focus on the assessment of outputs and outcomes

<sup>58</sup> DTZ: Early Approaches to Monitoring and Evaluation of the Better Neighbourhood Services Fund, 2004.

<sup>59</sup> CEA: Developing a Transition Framework for SIPs, report to Communities Scotland, 2003.

<sup>60</sup> DTZ: Early Approaches to Monitoring and Evaluation of the Better Neighbourhood Services Fund, 2004.

<sup>61</sup> Employment Research Institute, Napier University: Working for Families Fund Evaluation Guidance, 2004.



achieved according to spending, and the identification of 'what works'. But it is crucial that a shared set of values is established between funders and local delivery agencies. The only way to achieve this is for local stakeholders to understand that they have a stake in, and ownership of, the evaluation process. Evaluation frameworks must therefore focus on feeding back information of value to local stakeholders, so that they can make judgements on the effectiveness of interventions and plan future strategies. Mechanisms to transfer information about the content of effective interventions are also likely to be important. Finally, local stakeholders will need to be convinced that additional data gathering activities are about identifying what works and enabling the more effective targeting and delivery of services, rather than facilitating simplistic 'league table' comparisons between areas. Consultation to discuss how outcome data can best be presented in context should provide an important focus for the preparation of any evaluation framework.

There are a number of examples of good practice in the establishment of feedback mechanisms, delivering information valued by local stakeholders and facilitating the sharing of good practice. The evaluation of the BNSF involved the publication of topic reports, drawing together findings on a thematic basis (for example, on employability initiatives) in an attempt to compare approaches across areas.<sup>62</sup> Unfortunately, the timing of the publication of some reports left little opportunity for local stakeholders to act in response to emerging findings, but the thematic approach adopted by the research appears to have enabled a useful discussion of common problems and different policy responses across a range of Pathfinder contexts.

In England, the NDC evaluation has gone further, establishing 'theme teams' of practitioners and researchers in a specific attempt to deploy a range of methods to investigate different intervention options in particular policy areas<sup>63</sup>. Returning to Scottish practice, in the aforementioned evaluation of the Working for Families Fund, the research team publish regular newsletters, disseminating up-to-date evaluation findings and reporting on innovative practice within local authority areas. The same evaluation involves the dissemination of regular quarterly reports providing more detailed client recruitment and outcomes analysis<sup>64</sup>. Throughout, the emphasis is on a constructive discussion of outcomes and practice, taking account of local economic, social and policy contexts.

Effective evaluation should be about promoting policy learning, improving management and informing policy choices. It is therefore essential that future evaluations put in place reporting and feedback mechanisms that provide, useful, timeous information for funders and policy makers, but also those involved in the delivery of local services. Similar themes emerged, and were addressed in greater detail, in primary research undertaken with key stakeholders, to which we now turn.

## 4.2 Findings from research with key stakeholders

In order to further investigate some of the above issues, and their potential implications for the evaluation of Scottish regeneration activities, a series of interviews were undertaken with representatives of Communities Scotland, the Scottish Executive, Audit Scotland, consultancy organisations involved in the evaluation of major regeneration and social inclusion programmes, and representatives of CPPs (these latter interviews were supplemented by feedback provided by CPP representatives during a 'workshop forum').

<sup>62</sup> Tribal HCH: Employability Initiatives in the BNSF, 2006.

<sup>63</sup> Sheffield Hallam University: Evaluating the New Deal for Communities Programme, 2003.

<sup>64</sup> <http://www.scotland.gov.uk/Topics/People/Social-Inclusion/17414/WFF/QSR#top>

All the stakeholders agreed on the need for a consistent approach to evaluating the impact of the community regeneration programmes, but also that strong central support would be required for evaluations to be effective. For those involved in the delivery and evaluation of BNSF and new and thematic SIPs, there was an awareness that – despite efforts to provide a clear framework for evaluation and reporting – there remained substantial inconsistencies in how systems had been implemented. As a result, Scottish Executive and Communities Scotland officers struggled to compare progress and good practice across different SIP projects and BNSF Pathfinder areas. A stronger central support function, assisting and advising on the commissioning of evaluation and the reporting of outcomes was considered to be one route to ensuring greater consistency within future evaluations.

There was a consensus that the ‘central guidance/framework; local commissioning/implementation’ model developed for Communities Scotland’s SIPs evaluation and then the BNSF evaluation was sound, but that there was a need for clearer guidance on what Communities Scotland and the Scottish Executive expected from local evaluations. BNSF Pathfinder evaluations differed in scale, funding and scope. Issues of particular interest to the Scottish Executive, such as value for money, were addressed in some depth by a number of local evaluations, but all but ignored by others. In general, the quality of evaluation work was considered acceptable but variable. The Scottish Executive’s attempt to indicate which data it particularly valued (through the establishment of ‘star rating’ guidance, with three stars awarded to the most important data) had limited impact, although Executive representatives remain convinced of the value of an approach that indicates which data are ‘absolutely essential’ to the evaluation. The lesson would appear to be that as well as considering the development of “a database template that leaves no room for doubt”,<sup>65</sup> and offering a draft framework for any evaluation report,<sup>66</sup> funders should provide detailed advice and guidance on evaluation priorities, methods and tools. An additional point made by previous evaluators and the Scottish Executive related to the potential value of training for local stakeholders on designing, implementing and interpreting evaluation.

Indeed, a ‘simpler, more focused and more centralised approach’ for the evaluation of future programmes was considered to be essential by those involved in the evaluation of the BNSF. Although it was acknowledged that the complexity and diversity of major programmes meant that local delivery of evaluation was important, a strong case was made by some stakeholders for a well-resourced, centrally co-ordinated analysis and reporting function. It was suggested that this might most effectively involve a national evaluation team commissioned by, or operating within, Communities Scotland providing extensive guidance, support, advice and direction on locally commissioned evaluation activities (and also gathering, analysing and integrating local reports, and presenting analyses to facilitate policy learning and options appraisal). A similar approach has been developed under the Scottish Executive’s Working for Families programme<sup>67</sup>. It was considered important, however, that local stakeholders retain ownership of evaluation activities at the project and local level, and that any national support systems are not seen as ‘policing’ the process. Despite concerns over consistency, all stakeholders considered it important to retain a local focus for future evaluations. Implementing a centralised evaluation framework was considered impractical given the complexity and diversity of major regeneration programme activities.

In terms of the content and timing of evaluation activities, both local and national stakeholders agreed that data should be analysed and presented at a

<sup>65</sup> CEA: Developing a Transition Framework for SIPs, report to Communities Scotland, 2003.

<sup>66</sup> Scottish Executive: BNSF Guidance on the Evaluation of Individual Pathfinders, 2004.

<sup>67</sup> <http://www.scotland.gov.uk/Topics/People/Social-Inclusion/17414/WFF/Evaluation>

time and in a way that would allow local stakeholders to learn and make decisions about the direction of future activities. For representatives of Audit Scotland and Communities Scotland, facilitating policy option appraisal and scenario planning was an important aim for any evaluation – it was suggested that specific training in how best to use evaluation and baseline data to inform policy decisions may be a useful additional service for local stakeholders.

A recurring, linked theme related to how best findings could be reported in order to facilitate policy learning. Those involved in the BNSF evaluation thought that the ‘topic reports’ which focused on lessons from specific policy areas provided a good model. The timing of the reports under BNSF was not always appropriate, failing to provide sufficient time for local stakeholders to consider their implications. But in general terms, it was agreed that tightly focused, timeous research reports, drawing on outcomes and good practice from within a specific policy area (e.g. ‘getting people back to work’; ‘engaging young people’) are helpful. Local stakeholders and Communities Scotland representatives particularly noted the value of evaluation feedback that focused on ‘what works’, providing some detail on how specific interventions produced positive results.

Finally, all stakeholders agreed on the need for future evaluation frameworks to be sensitive to the ‘legacy’ of previous and current regeneration and social inclusion programmes. There was an acceptance that SIPs, BNSF Pathfinders and individual projects had established approaches to client monitoring and evaluation, and that ‘reinventing the wheel’ by imposing entirely new systems would be of limited value and risked disrupting services. There was also, however, an acknowledgement that ineffective evaluation and monitoring systems offered little benefit for either national funders or local providers – there was consensus that additional work was required to ensure that the ‘best of the legacy’ was built upon and complimented, while (where necessary) new, robust and consistent evaluation procedures should be supported by funders and implemented at the local level.

## 5 Conclusions and implications for policy

The Scottish Executive and Communities Scotland are committed to the 'Closing the Opportunity Gap' (CtOG) strategy, and the Executive has committed resources through the Community Regeneration Fund (CRF), to assist Scotland's 32 Community Planning Partnerships (CPPs) to address the strategy's objective of "regenerating the most disadvantaged neighbourhoods, so that people living there can take advantage of job opportunities and improve their quality of life".

Given this policy context, it is timeous to consider the way forward in the evaluation of regeneration programmes in Scotland, and to reflect upon lessons from current and previous practice. The preceding review of approaches to evaluation in regeneration has identified a number of key issues for consideration and implications for policy.

### 5.1 Key issues for consideration

#### What is measured, how it is measured, when it is measured

- Robust and consistent evaluations provide a range of positive benefits for regeneration policy makers and local delivery stakeholders. Crucial among these are: the facilitation of policy options appraisal and the opportunity to redirect resources based upon reliable evidence; the early identification of 'what works' (and what does not work); the attribution of progress to specific policy interventions; the identification of additionality and value for money delivered by different policy options; and the opportunity to promote policy learning and good practice across geographies and institutions.
- National guidance documents emphasise the value of formative, as well as summative, evaluation procedures. Summative evaluation (reviewing practice, outputs and outcomes after the completion of a programme) is useful in providing an overview of performance and placing results in context, so as to inform future policy. However, formative procedures (assessing interventions during their implementation) form a crucial element of any effective evaluation framework. Formative evaluation can help inform on-going adjustments and corrections and spread good practice, improving programme performance. These practical benefits can also help to gain the 'buy in' of local stakeholders required to participate in evaluation activities.
- Lessons from the SIP programme in particular highlight the problems associated with post-activity assessments that are not supported by consistent, formative monitoring and evaluation systems. Attempts to draw national, programme-level lessons from SIPs, and to identify 'what works' and share good practice (and therefore inform the development of policy within and across SIP areas) were severely restricted by the absence of consistent, timeous and well-resourced evaluation procedures. Although locally delivered evaluations provided some useful data for individual SIPs and national policy makers (especially after the establishment of a consistent framework for SIP evaluation by Communities Scotland) there is a need for future programmes to provide

clearer guidance on the aims, methods, timing and data requirements associated with the evaluation process.

- Effective evaluation frameworks require the establishment of consistent baseline and outcome measures (and agreed proxies and procedures where consistent measures are difficult to establish); and a consistent approach to what and how data are gathered and measured. Previous programmes such as SIPs, and to a lesser degree BNSF, have relied upon locally organised evaluation. While these activities produced some valuable data, especially for actors at the local level, the lack of consistent measures and approaches meant that broader evaluation was more problematic. Communities Scotland has sought to encourage the use of consistent baseline data to inform ROAs under its new CRF programme. A continued commitment to promoting the consistent use and effective analysis of baseline and outcome measures under the CRF and future programmes should continue to be a priority for Communities Scotland and the Scottish Executive.
- Reviews of previous Scottish regeneration programmes have emphasised the need for a high quality project expenditure and output system, and robust baseline and outcome data monitoring systems (including data on demographic and socio-economic circumstances of areas and individual beneficiaries; and detailed qualitative and quantitative data on outcomes and changes in circumstances and characteristics). In the context of the CRF, ROAs have been effective at focusing the efforts of CPP partners on achievable, specific outcomes. However, Communities Scotland and other stakeholders have acknowledged the need for additional effort to ensure that all the outcomes achieved by CPPs (using CRF resources) are accounted for, and to facilitate continuous improvement, reflexive policy learning, and the sharing of good practice during the life of, and after, the CRF programme.
- In-depth analysis of previous practice in regeneration evaluation, and research with key stakeholders, has highlighted the need for a consistent approach to establishing baseline and outcome indicators. Clear, formalised guidance is required to ensure that the best indicators are consistently used, and to assist local stakeholders to use consistent 'proxies' where there are gaps in data. A central support mechanism or service, and a 'toolkit' of research instruments and guidance on data gathering and analysis, will be required to ensure the effective and consistent gathering and reporting of baseline and outcomes data within future regeneration programmes. Continuing training, guidance and advice services, supporting the localised implementation of evaluation and outcome reporting, would also be of value.
- In general terms, future programmes would benefit from a clear evaluation framework, and detailed advice and guidance on methodologies, research tools and approaches should be provided in relation to: reporting programme impacts; estimating value for money, additionality and leverage; evaluating the impact of different approaches to community engagement and partnership working; learning from the policy development, administration and implementation process; and assessing impacts in terms of sustainability and mainstreaming of provision. Communities Scotland and the Scottish Executive should

consider how best to work with other stakeholders to agree an evaluation 'research toolkit' for future programmes, which could provide guidance and research tools, promoting a consistent approach to evaluation through: standardised survey, interview, and soft outcome measurement tools; detailed guidance/standardised methodologies on measuring value for money and approaches to options appraisal; detailed guidance/standardised methodologies on conducting research on partnership working and community engagement; and practical guidance on commissioning and managing evaluation research.

- Previous evaluations have experienced some difficulty in seeking to identify the value for money (VfM) and additionality of programme expenditure. A lesson for future programmes would appear to be that it is important that there is clear central guidance informing a consistent approach to estimating VfM and additionality at the local level.
- Those involved in the delivery and evaluation of major regeneration programmes acknowledge that the complexity of their aims and outcomes requires the use of both hard and soft indicators to gauge progress. A key element of any future evaluation framework should therefore involve the agreement of consistent tools and indicators in relation to the measurement of soft outcomes (including changes in attitudes within communities or 'distance travelled' by project participants). The development of clear national guidance and consistent research tools to gather and analyse such data should be a priority. Similar tools and methods are likely to be most effective in capturing the dynamics and impacts of partnership working and community engagement.
- Research with key stakeholders highlighted the importance of timing. The effectiveness of evaluation depends upon the early establishment of consistent baseline and outcome measures. The timeous reporting of outcomes, and establishment of effective feedback mechanisms, are essential to facilitating policy appraisal and sharing of good practice – among the most valuable benefits associated with any evaluation. Thematic reporting of evaluation findings can also be of considerable value – a number of major evaluations have drawn together analyses of approaches and outcomes in thematic policy areas in order to share good practice.

#### **Who owns, oversees and leads the evaluation**

- Any evaluation of a large and complex regeneration programme requires localised evaluation delivery, but also central leadership and analysis – it is crucial that national funders and policy makers are able to draw lessons from across programmes, but also that findings are presented in context, accounting for different areas' 'starting points' and physical, legal, financial and organisational constraints. Simplistic comparisons and 'league table' reporting are inappropriate, but a centralised analysis function with oversight of the different approaches adopted and progress made within future regeneration programmes would be of value for all stakeholders.
- Detailed guidance and support is required in order to assist local stakeholders to adopt a consistent approach to estimating and



quantifying the leverage of resources from elsewhere achieved by the funding provided as part of major regeneration programmes such as the CRF. Guidance informing a consistent approach to reporting how resources from major programme funds have been used to lever in additional funding, or 'bend the spend', and the outcomes achieved, should be provided as part of any central support services developed within the evaluation of future regeneration programmes.

- Any future evaluation framework and toolkit for regeneration programmes should enable local stakeholders to consider trade-offs in relation to whether better outcomes could be obtained using a different approach; whether the same outcomes could be achieved for less cost; and how much more could be achieved with additional resources. Funders and planners should consider how 'logical framework' tools for considering project objectives and assumptions, and evidence and indicators, can best inform options appraisal methodologies.
- A review of previous approaches to evaluation highlights the importance of feedback mechanisms – which may include newsletters, thematic reports and discussion forums. Under a number of programmes, such feedback mechanisms have emphasised the sharing of good practice and reflexive policy learning. Through practical, useful feedback mechanisms and regular consultation, a sense of ownership can be encouraged among local stakeholders. If analysis and reporting are useful, relevant and timeous, then local stakeholders are more likely to buy in to, and support, the data gathering necessary to make the system work well.
- The need for a 'simpler, more focused and more centralised approach' to evaluation was one lesson from the SIP and BNSF programmes. Although the complexity and diversity of major regeneration programmes means that local or project-level delivery of evaluation will be important, a consistent and focused approach is likely to be achieved only through strong leadership and support provided by a central, relatively well-resourced evaluation service. There is a need for such a service to provide extensive guidance, advice and direction on locally commissioned evaluation activities. Such a service could ensure the consistent deployment of an agreed set of evaluation tools within future national regeneration programmes, and might also be used to pool and feedback data using both regular and thematic analyses (with a specific remit to communicate good practice and provide the vital context-based analysis that allows stakeholders to 'make sense' of outcome data).
- Within any area-focused regeneration programme, it is important that local stakeholders retain a sense of ownership of the evaluation at the local level. Effective evaluation frameworks are characterised by an agreed set of 'core' evaluation indicators that are essential and must be reported by all local partnerships, but allow local stakeholders to opt in or out of additional evaluation research. Such flexible approaches to outcome monitoring help to ensure local buy-in while minimising the burden on local partnerships that lack the resources to engage in extensive evaluation activities.



## 5.2 Key findings and implications for policy

The most consistent themes emerging from the review of current and previous practice would appear to be:

- That it is essential that future evaluations establish clear central guidance and detailed advice on identifying baseline and outcome indicators (and crucially, agreed proxies to be used where there are gaps in information) at or before the start of the programme.
- That a clear framework for evaluation, and format for reporting, needs to be provided by funders, covering: reporting programme impacts; estimating resource inputs, value for money, additionality and leverage; evaluating the impact of different approaches to community engagement and partnership working; learning from the policy development, administration and implementation process; and impacts in terms of sustainability and mainstreaming of provision.
- That evaluation frameworks developed for major regeneration programmes should seek to compliment, rather than replicate, project management reporting systems, and that project management data should generally provide the starting point for tracking the outputs and outcomes achieved by projects and programmes.
- That detailed guidance and formalised advice (including a toolkit of research instruments and unambiguous guidance on research methods to be deployed in specific circumstances and programme areas) needs to be provided if the local evaluation work undertaken within major regeneration programmes is to be consistent.
- That evaluation should generally happen locally, with research resources targeted to maximise benefits for local stakeholders, in terms of informing policy choices, improving management and identifying good practice (although measures to maximise economies of scale also need to be considered).
- That the reporting of outcomes across areas should also emphasise local stakeholders' needs, and that results should be analysed and presented in context, avoiding over-simplistic 'league table'-type comparisons.
- That the reporting mechanisms should be designed to effectively feedback to stakeholders on the ground so as to help them improve practice.
- That the above measures imply the need for local flexibility, but also a central support and co-ordination service for the evaluation of regeneration programmes.

Finally, the discussion above highlights some principles of evaluation systems that are useful, effective and offer value for money.

**Who?** – Who gains and who is responsible? Where practical, the information should be useful for all contributors and users, i.e. at national, local and project levels. This will help provide an incentive to ensure the data collected at all

levels is of high quality, and make the collection, analysis and use of information be seen as a value-adding management process rather than an 'overhead' or relatively valueless 'cost'. There needs to be a clear responsibility for ensuring that the evaluation is carried out effectively, on time and consistently. National funders are best placed to provide (perhaps indirectly through outside evaluators so as to avoid the problem of them being funders and evaluators) the support services that are necessary to ensure a consistent approach to evaluation at the local level.

**What?** – It is essential that the information gathered is consistent and meaningful to users, and clear guidelines are required. This is particularly important if lessons on improving practice and effectiveness are to be learned between projects (e.g. those dealing with similar issues or themes in different parts of the country) and between local stakeholders and partnerships.

**How?** – It is important that the information is collected, analysed and distributed in an efficient and effective way. Gaining local buy in by ensuring that stakeholders benefit and learn from the evaluation (and therefore have a sense of ownership over the process) is essential. Where appropriate, future evaluation frameworks should also seek to integrate programme management and evaluation data gathering. Although these are different activities, they require some of the same data. Access to project and programme management data/databases for evaluators may mean that there is an opportunity to eliminate unnecessary duplication in data gathering.

**When?** – Evaluation data must be analysed and results distributed timeously, so as to feed into decision making, and to allow improvements and the refocusing of projects on an on-going basis. The prompt and consistent dissemination of findings can incentivise local stakeholders to 'buy in' to the evaluation process, if they are enabled to track the progress of their projects and learn from good practice.

**The Future** – Future approaches to evaluation should seek to provide a high quality system of data analysis and reporting that will help future, as well as current policy makers and practitioners, to improve the effectiveness and efficiency of interventions. There is a need to move towards a full 'policy cycle' approach (involving, first challenging the assumptions of policies; then deciding upon the most effective interventions; monitoring and evaluating outcomes; and finally feeding results into future policies). An effective data-gathering framework for future programmes will also need to integrate the information needs of project management, formative evaluation and summative evaluation functions, so as to avoid duplication and ensure that appropriate data are collected in a systematic and consistent manner. Under the CRF, with the establishment of a consistent Performance Management Framework and agreed ROAs, Communities Scotland and partners have led moves towards a 'policy cycle'-type approach.

### 5.3 Concluding remarks

The review of former approaches presented above, and the findings of discussions with key stakeholders, have highlighted the need for evaluation arrangements that are usable, relevant, timeous, robust, and both formative and summative – informing policy appraisal and choices, identifying and spreading good practice, and allowing local and national stakeholders to

support 'what works'. Communities Scotland and local partners have demonstrated a shared commitment to ensuring that the achievements of the CRF and future programmes are evidenced and reported. This shared commitment should form the basis of a continuing partnership, working towards the development of effective evaluation systems for current and future regeneration programmes.



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