



Department
for Business
Innovation & Skills

**EVALUATION STRATEGY 2015-16:
ANNEXES**

Accountability and learning at
the heart of BIS

DECEMBER 2014

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Annex A: Open and transparent evaluation: yearly publication of coverage and gaps

Evaluation coverage and gaps



To invest in a body of evaluative work that covers our programmes and policies throughout their life cycle and uses evaluation as a tool for improving and assessing their effectiveness. To provide an open and transparent view of evaluation coverage of BIS policies and outline where there are gaps. To support as many impact evaluations as possible.

The proportionate evaluation of BIS policies is key to understanding the real impact of government funding, and embedding the lessons learnt in future policy making. BIS is committed to evaluate policies every 3 to 5 years and to publish annual monitoring and evaluation plans for core BIS areas to ensure evaluation coverage of all key policies.

This Annex shows the results of a systematic review of the quality of the monitoring and evaluation plans and their potential to show causal impact for each policy, to support improving the quality of BIS monitoring and evaluation for key policies. This encourages BIS policy makers and analysts to continue to follow best practice as set out in the Magenta book, by considering monitoring and evaluation early on in the policy making cycle. This will pave the way for more innovative ways to design, monitor and evaluate policies and allow for better evaluation.

The breadth of evaluation coverage of BIS spend is fairly comprehensive. Most policies have monitoring and evaluation plans in place. The Department has recently made marked improvements in the depth and quality of this coverage in the evaluation plans for major spend areas - in particular, the potential for the forthcoming monitoring and evaluations to capture the impact of government spending on Advanced Manufacturing Supply Chain Initiatives, Regional Growth Fund and Employment Ownership Fund.

A.1 Monitoring and evaluation broad types and how they fit in together

There is a wide range of evaluation methods. The diagram below offers one possible categorisation of evaluation types which are used in BIS. These are not mutually exclusive and all contribute in their own right to better policy making.

- Process evaluations look at the process of implementation and allow for policy adjustments
- Outcome based evaluations provide evidence on how far the intended aims, objectives and/or savings are being achieved
- Impact evaluations provide key evidence on whether the policy worked and whether the initiative was better than doing nothing
- Economic evaluations aim to establish how far the cost of the intervention were justified by the benefits achieved, ideally incorporating both cost-benefit analysis and cost-effectiveness.

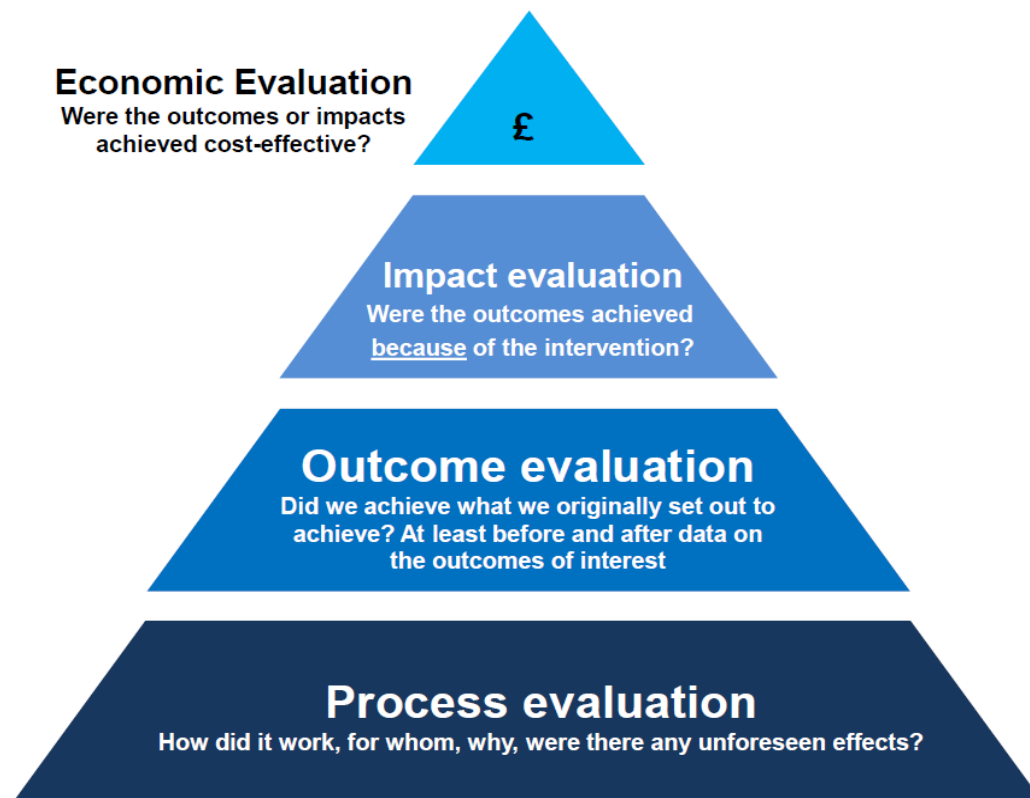


Figure 1: Main evaluation types¹

¹ Note these are not mutually exclusive. Where possible, BIS will also build upon emerging methodologies such as contribution analysis techniques, theory based evaluations, meta-evaluation techniques, which can take elements of all or some of the evaluation types in the chart.

A.2 Impact and economic evaluation

In BIS we are particularly interested to implement impact evaluations wherever possible. Impact evaluations look at the extent that the effect found is due to the intervention and would not have happened anyway. These are normally supported by process evaluations to understand how it worked, for whom, why and whether there are any unintended effects. These impact evaluations will then form a strong base for a thorough economic evaluation.

We look for opportunities where impact evaluation techniques such as Randomised Control Trials (RCT) or quasi-experimental designs can be used. Where experimental methodologies are not empirically possible, for example, because the sample size is too small or the policy is being implemented universally and it is not possible to have a suitable comparison group, the continued emphasis is on gathering robust actual data on the key outcomes of interest before and after the intervention (i.e. robust monitoring).

Figure 2 below sets out ten of our key evaluations and their current potential to establish the causal effects of the policy or programme. The depiction of the evaluations against their capability to show impact and the extent to which they are monetised are an important element of the evaluation updates to Directors in BIS, discussed in Section 1.2.

It is important to highlight here that there are many policy settings where it is not possible to measure a counterfactual as there is no available group to compare which has not received the intervention². For example, the Green Investment Bank does not lend itself to statistical techniques such as propensity score matching or randomised controlled trials to identify impact. This is because, as a financial institution, projects to which the Green Investment Bank lends need to generate a certain level of return to attract co-financers. It would be difficult to match treated and untreated projects due to the selection effects that are likely to be present. In these cases BIS aims to secure strong data on outcomes before and after policy implementation, and rely on strong monitoring.

In other cases such as with the Strategic Investment Fund it was imperative for the intervention to be implemented rapidly; therefore, there was no time to collect baseline data before the intervention was implemented. The evaluation relies on beneficiaries' views of the intervention's effect and will produce very valuable information on customer journey and implementation lessons.

The categories in the vertical axis are based on the Supplementary Guidance to the Magenta Book on Impact Evaluation. The strongest evaluations are in the top right corner of Figure 2. The projects move higher up the vertical axis as they become more capable of demonstrating that the outcome observed was due to the intervention and they move to the right along the horizontal axis when they contain more information to analyse the costs and benefits.

² For further information on Evaluability please refer to A5.1 BIS evaluation coverage and gaps.

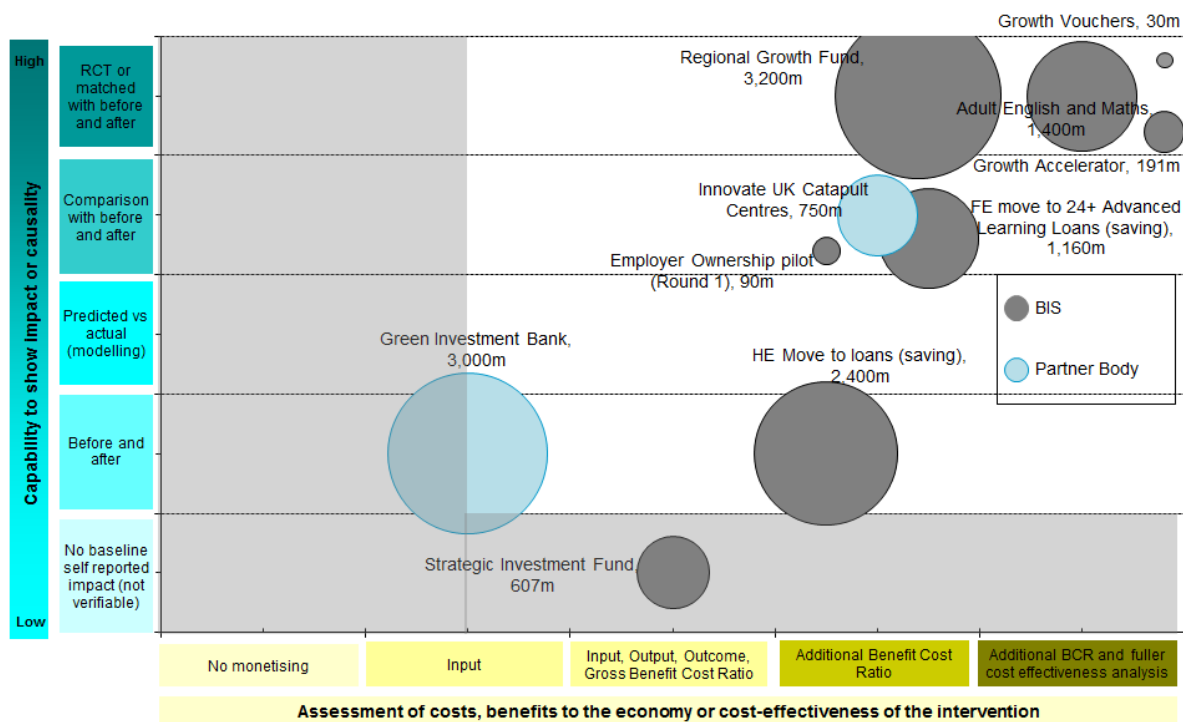


Figure 2: Ten BIS evaluation projects and their capability to show impact

- Note: The spend/saving figure for the different projects cover different time periods. The 'm' is for millions of pounds.
- See section A5 of Annex for more detail on the categories of the vertical and horizontal axis.

The tables in this Annex provide an overview of evaluation coverage for all BIS areas including gaps and scores current evaluations in terms of their capability of showing impact as per the scale used in Figure 2. Section A.4 provides a summary of the tables in section A.5.

A.3 About BIS³

The Department for Business, Innovation & Skills (BIS) is the department for economic growth. The Department invests in skills and education to promote trade, boost innovation and help people to start and grow a business. BIS also protects consumers and reduces the impact of regulation.

BIS is responsible for:

- working with vocational and higher education providers to give students the skills they need to compete in a global employment market
- supporting innovation and developing the UK's science and research industry, which is important to help economic growth
- making sure consumer law is fair for both consumers and businesses, and that consumers know their rights and are able to use them effectively

³ <https://www.gov.uk/government/organisations/department-for-business-innovation-skills/about>

- supporting British businesses to increase productivity and compete anywhere in the world
- better regulation - by cutting the amount of regulation and making it easy to understand we can help businesses cut time, save money and be more efficient.

BIS priorities for 2014 to 2015 include:

- supplying £100 million to universities for long-term research projects
- introducing a new loans system for further education students
- creating a single Manufacturing Advisory Service (MAS) in England to replace the 8 previous regional services
- making the UK one of the fastest and easiest countries in the world to set up a new business
- extending the right to request flexible working and develop a new system of shared parental leave
- ending the culture of 'tick-box' regulation, and instead target inspections on high-risk organisations through co-regulation and improving professional standards
- giving the public and businesses the opportunity to challenge the worst regulations.

A.4 Overview of BIS evaluation areas

Enterprise

An increasing number of business support programmes have been designed with an element of random allocation of treatment to get a stronger grasp of the actual impact of government intervention in this area. The long time frames for the impacts to materialise means limited evidence is available at this stage.

Sector Analysis and Local Growth

The high profile nature of the policy components of the Industrial Strategy encouraged BIS analysts to commission a series of scoping studies considering impact and cost effectiveness evaluation options for all their key policies, to better understand the impact of current policy in this field. Consequently a series of robust evaluations are planned or underway, but their success hinges on:

- robust counterfactual evidence to use a *good* matched before and after comparison group - be it comparator firms or sectors- bearing in mind it is inherently difficult to assess impact where there is no clear counterfactual in some sectors; and
- long timeframes for impacts of Industrial Strategy policies by sector and region to be realised poses a risk to the evaluation.

Labour Market Policy

The nature of Labour Market policies are regulatory and apply to the whole population of interest, consequently some types of evaluation can be very difficult to implement in the absence of a valid control group. They have strong monitoring systems in place, so comparing outcomes before and after policy interventions is the most feasible approach to evaluation.

Higher Education

The impact of the higher education reforms has been assessed by BIS and Higher Education Funding Council England (HEFCE) using detailed data on the supply and demand of undergraduate provision. Their overall financial impact has been assessed using Student Loans Company data showing the flows of funding between government, students and universities. The economic returns to higher education are tracked using Labour Force Survey (LFS) data and have been the subject of commissioned research.

The general student support arrangement provided (this includes maintenance and tuition loans and maintenance grants and other targeted grant support post 2012 funding reforms) have a monitoring system in place where outcome measures are currently being monitored at individual student level. To evaluate the impact on students a large scale study, the Student Income and Expenditure Survey is now being run to compare with a baseline study taken before the reforms were implemented.

The major data sources already mentioned are complemented by BIS research designed to investigate specific issues. A suite of projects to explore the way changes to student support have impacted on decision making and participation post 2012 reforms is currently being developed with the methodology and coverage yet to be decided. Research has been conducted to look at changes being implemented by universities since the announcement of the reforms to improve the student experience and research is exploring the alternative provider sector and patterns of student inclusion and outcomes. In addition the National Scholarship Programme (NSP) has been evaluated externally and other widening participation activity is being monitored and evaluated by HEFCE.

The legacy funding arrangements were previously assessed through a range of statistical releases and research studies by BIS and stakeholders, all which informed

the Browne review of higher education⁴. A monitoring system is in place and will continue and there are no further evaluations of the legacy funding planned.

Vocational Education

Vocational Education has a broad coverage of impact, with some studies establishing a clear baseline and counterfactual using matched study approach. They have a number of high-quality trials underway, with a few more coming online from 2016 onwards. Looking further into the persistence of benefits will be possible in the future with the recent work on linking Individualised Learner Record (ILR), HM Revenue and Customs (HMRC), and Department for Work and Pensions (DWP) datasets.

⁴ An independent review of higher education funding & student finance, October 2010
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/31999/10-1208-securing-sustainable-higher-education-browne-report.pdf

A.5 BIS evaluation coverage and gaps tables

Tables Explanation Note

Programme Spend Threshold

To populate the overview of evaluation coverage for all BIS areas including gaps, we prioritised the coverage of programme spend that exceeds £10 million. Only in instances where the programme is considered important such as a novel pilot then programme spend less than £10 million is included.

Publication date

BIS is committed to evaluating policies every three to five years. Nevertheless the dates for interim and final findings to be published are indicative at this stage.

Scoring Impact

Impact scale follows the guidance on 'Quality in Impact Evaluation'⁵ which has been approved by the Cross Government Evaluation Group and published as supplementary guidance to the Magenta Book. The scale is based largely on the scientific Maryland scale used by academics and researchers to assess the strength of an evaluation approach. The higher the score potentially the more capable the evaluations are to demonstrate that the outcome observed is due to or caused by the intervention.

- Score 5: Random allocation of treatment and control group or a robust counterfactual using a quasi-experimental approach. Needs a treatment and a comparison group and actual before and after data in both groups. For example: a strong difference-in-difference design, regression discontinuity design or matched treatment and control group.
- Score 4: Quasi-experimental approach where the counterfactual has some weaknesses, but it is as good as can be given the policy design or data availability issues. Needs a treatment and a comparison group and actual before and after data in both groups. For example: a difference-in-difference design, regression discontinuity design or matched treatment and control group.
- Score 3: Predicted (modelled) versus actual, predictions are based on actual baseline data.

⁵ Quality in policy impact evaluation, HMT, Dec 2012

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/190984/Magenta_Book_quality_in_policy_impact_evaluation_QPIE.pdf

- Score 2: Actual (i.e. not self-assessed or self-reported impact⁶) before and after. (Higher levels on this scale also require actual data not based on self-reported impact.)
- Score 1: No baseline data (or only self-assessed/self-reported impact).

Evaluability of policy design

The impact score is used to assess the strength of an evaluation approach to show impact, which is driven by the evaluability of the policy design. A number of features in BIS policies make it more challenging to evaluate and obtain robust measures of impact:

- complexity – there are many other factors that could influence outcomes apart from the intervention
- small sample size – statistical techniques are less able to separate out the effect of the intervention from idiosyncratic features of beneficiaries
- competitive (or non-random) allocation – interventions are provided for beneficiaries that are assessed to be most likely to benefit. However, these beneficiaries may be different in ways which systematically affect their outcomes, which makes it difficult to determine the impact of the policy by comparing the outcomes against those of non-beneficiaries
- universal coverage – consequently there is no comparison group at all
- lack of data – in many cases and for a variety of reasons, there is not enough information to robustly evaluate the impact of interventions.

Methodological Issues

The impact scores for forthcoming evaluations are expected impact scores, which may be impeded by a number of issues which may arise. There may exist empirical reasons where the matched comparison group may not be as strong as first expected or weakness of survey methodology which can inhibit the evaluation from achieving the impact score expected.

Peer review

Please note all impact scores and Benefit Cost Ratios published before January 2014 have not been peer reviewed by the BIS Expert Peer Review Panel. This Panel was launched in January 2014 to review all evaluations that make claims about impact or value for money of policy.

Benefit Cost Ratio

Generally BIS derive Benefit Cost Ratios by calculating the net economic benefit of the intervention (gross benefits-gross costs) divided by the public cost of the intervention. Nonetheless some evaluations included in the tables derived the

⁶ By self-reported impact we mean studies that base their impact results on information derived by asking the population affected by the policy or beneficiaries to work out what they think the impact has been and what they think would have happen without the intervention.

Benefit Cost Ratios slightly differently and their nuances have been included in the footnotes. Therefore caution should be taken when interpreting the BCRs figures and direct comparison of the BCRs across policies should be avoided.

Improve learning and accountability

To help us better understand whether the initiative did what it intended to do in terms of delivery, BIS analysts tend to commission a Process Evaluation alongside an Impact Evaluation. This allows the policy delivery to be refined in future rounds, and is particularly useful when evaluating a pilot, or assessing possible unintended consequences.

Enterprise Directorate Evaluations

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (if available or by when)	Interim findings	Final findings
<p>Growth Vouchers (Main) Programme</p> <p>Businesses apply for diagnosis of business advice and are randomly allocated to a personal or online diagnostic. They will then select from one of 5 themes of strategic advice with vouchers worth up to £2,000 of matched funding randomly allocated.</p>	<p>Growth Vouchers Programme (Main Programme)</p> <p>Expected Impact Evaluation score 5: Randomised Control Trial</p>	<p>Back office IT system provides real-time data on applications received, diagnostics completed, vouchers allocated and contract targets.</p> <p>Monitoring dashboard shared weekly with delivery partners and further assessed in monthly programme monitoring meetings.</p>	<p>Benefit data collected via a survey after 6, 12, and 24 months of using advice, to provide an estimate in early 2015 (provided impact happens early).</p> <p>Long-term impact is expected at 24 months after the use of business advice.</p>	<p>Formative evaluation to be completed summer 2014. Publication forthcoming early 2015.</p> <p>First interim assessment based on quantitative surveys expected early 2015 – with rolling programme of surveys.</p>	<p>Surveys of treatment and control groups planned for 2 years after support received¹.</p> <p>Impact from RCT using matched tax records to be on-going from Autumn 2015 for 5 years. But it may take at least three years for full impacts to become apparent, not least because of lags in the tax data.</p>
<p>Growth Vouchers Programme (Business Schools)</p> <p>Business schools provide business advice² to randomly selected businesses with fewer than 20 employees through growth vouchers. The control group will receive only a detailed diagnostic.</p>	<p>Growth Vouchers (Business Schools)</p> <p>Expected Impact Evaluation score 5: Randomised Control Trial</p>	<p>Same as the main programme (please see above) and monitoring is mainly through our back office IT system, and customer feedback.</p>	<p>Too early to be estimated robustly.</p>	<p>Delivery of programme commenced between November 2014 and April 2015.</p>	<p>Surveys of treatment and control groups³. Impact from RCT using matched tax records to be on-going from Autumn 2016. But it may take at least three years for full impacts to become apparent, not least because of lags in the tax data.</p>

Notes:

¹ Will provide initial assessments of impacts on behaviours and performance; expect this to be completed by summer 2017.

² Includes workshops, mentoring, and peer-to-peer learning.

³ Will provide initial assessments of impact on behaviours and performance.

<p>Business Support Helpline and advice content on GOV.UK</p> <p>Telephone service and website – provides businesses with information, advice and support.</p>	<p>Evaluation of GOV.UK and Business Link Helpline</p> <p>Outcome Evaluation</p> <p>Expected Impact Evaluation score 1: Self-reported impact – No comparison group</p>	<p>Helpline: BIS monitors the number of calls⁴, profile of users and the type of advice/information sought on a monthly basis.</p> <p>GOV.UK: GDS monitor the use and delivery of the website.</p>	<p>Yes.</p>	<p>The evaluation aimed to assess the impact of the services and the extent to which BIS policy objectives are delivered through them.</p>	<p>Forthcoming evaluation – publication is pending.</p>
<p>GrowthAccelerator</p> <p>Business experts provide coaching and expert advice to help Small and Medium Enterprise (SME) businesses attract investment, increase sales and innovate quickly.</p>	<p>GrowthAccelerator Evaluation</p> <p>Expected Impact Evaluation score 5: Randomised Control Trial (only part of programme) and matched with before and after</p>	<p>Receive weekly monitoring reports from detailed Customer Relationship Management system.</p> <p>Independently conducted service monitoring surveys⁵ published here, March 2014.</p> <p>Detailed employment and Gross Value Added (GVA) outcome data from a random sample of firms a year and two years after they have been on the programme.</p>	<p>Too early to be estimated robustly.</p>	<p>Formative evaluation and interim assessment based on self-reported impacts published here, November 2014.</p> <p>Feasibility of undertaking quasi-experimental impact evaluation is being assessed as it requires a longer period of data on firms than is currently available.</p> <p>Jobs and GVA outcome data are expected March 2015.</p>	<p>Impact from RCT (launched in April 2014) using matched tax records to be on-going from summer 2015.</p> <p>It may take at least three years for full impacts to become apparent, not least because of lags in the tax data. Hence monitoring and evaluation will be undertaken at earlier stages.</p>

Notes:

⁴ (and more recently number of web chats and use of digital services.)

⁵ To monitor quality of service delivery and impacts on the assisted companies (with views also collected from stakeholders and potential investors in firms on the programme.)

Local Growth Directorate Evaluations

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (if available or by when)	Interim findings	Final findings
<p>Grants for Business Investments – Large Projects</p> <p>A discretionary scheme that provides capital grants to businesses to support sustainable investment in England¹.</p>	<p>The Causal Effects of an Industrial Policy</p> <p>Impact Evaluation Score 5: Matched with before and after</p>	<p>Detailed beneficiary data, plus matched administrative data on program participants from: ONS, SAMIS database, the IDBR and ARD².</p>			<p>Scheme most recently evaluated by Criscuolo et al., Published here, January 2012.</p>
<p>Regional Growth Fund</p> <p>Regional business support – a flexible and competitive fund providing grants to support projects with significant potential for economic growth, that create additional, sustainable private sector employment.</p>	<p>Regional Growth Fund</p> <p>Expected Impact Evaluation score 5: Matched with before and after</p>	<p>Back office IT system provides real-time data on applications received, diagnostics completed, vouchers allocated and contract targets.</p> <p>Monitoring dashboard shared weekly with delivery partners and further assessed in monthly programme monitoring meetings.</p>	<p>Yes.</p>	<p>Scoping study completed July 2014. The findings were included in the Impact & Economic evaluation Invitation to Tender (ITT), which has now been let. Interim findings expected 2015</p>	<p>Process Evaluation due to be completed early 2015. The full evaluation has been commissioned and is underway. Four phases spread over 3 years. Tasks include developing an interventions database, econometric analysis, case studies and a survey of beneficiaries and unsuccessful applicants.</p>

Notes:

¹ The predecessor of Regional Growth Fund. This is closed to new applications and is the remaining tail of spend for legacy Grants for Business Investment cases.

² Official business data from the UK Census Bureau (Office of National statistics, ONS). They matched the Selective Assistance Management Information System (SAMIS) database, the Interdepartmental Business Register (IDBR) and the Annual Respondents Database (ARD.)

City Deals

Devolved funding and responsibilities to core cities to stimulate economic growth. This is a joint Cabinet Office, DCLG & BIS policy.

Cities Deals: Wave 1 and 2

Monitoring in place

Monthly reporting on Deal actions implemented. This is on-going. Quarterly reporting on outputs - Sept 2014 onwards.

Monitoring and reporting was retrospectively agreed with cities in June 2014. 'Targets' were initially local areas' aspirations and each Deal is bespoke, so targets are not like for like.

Growth Deals

Growth Deals provide funds and responsibilities to Local Enterprise Partnerships (LEPs) (partnerships between local authorities and businesses) for projects that benefit the local economy. Includes allocations of capital funding from the Local Growth Fund (LGF).

Local Growth Fund (policy starts April 2015).

Responsibility for monitoring and evaluation will lie with LEPs, with central oversight and coordination

Currently working with LEPs to define M&E requirements for LGF (e.g. roads, rail, FE colleges, housing projects).

Scoping study on potential cross-cutting impact evaluation options is underway and expected completion by early 2015.

Sectoral Analysis Directorate Evaluations

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (if available or by when)	Interim findings	Final findings
<p>Aerospace Technology Institute</p> <p>A £2b portfolio of collaborative and strategic Research and Development (R&D) projects, jointly funded by government and industry, to help the aerospace industry develop technologies for the next generation of aircraft.</p>	<p>Evaluation of the Aerospace Technology Institute</p> <p>Expected Impact Evaluation score 2: Before and after</p>	<p>The evaluation scoping study currently being commissioned includes the design of an appropriate monitoring system for ATI projects.</p>	<p>At project level from 2015/16.</p>	<p>Scoping study with identified KPIs, established baseline and monitoring systems is currently being commissioned. Final report expected August 2015.</p> <p>First before-and-after evaluation results expected 2014/15.</p>	<p>Conduct a methodology review of impact attribution and key performance indicators (KPIs).</p> <p>Ex-post attribution study matched comparison study and ex-post before and after study (from 2015/16).</p>
<p>Agri-Tech</p> <p>Fund to support applied R&D in the sector, to be matched by industry. The strategy also aims to improve and perceptions of the sector</p>	<p>Agri-Tech Industrial Strategy Evaluation</p> <p>Expected Impact Evaluation score 3: Predicted vs actual (modelling)</p>	<p>Monitoring plans in place (led by Innovate UK - Catalyst, and individual centres once set up.) Monitoring system will be refined based on conclusions of the evaluation scoping study expected early 2015.</p>	<p>Ex-ante evaluation estimated a BCR of £18.70 per £1 of government funding for this intervention. Too early for BCR to be available – given projects are expected to run for 5 years and the second round of Catalyst projects have just received funding.</p>	<p>Evaluation scoping and baseline study expected early 2015. This will also provide data on the agri-tech sector covering key economic metrics, which is not possible using existing ONS statistics.</p>	<p>Evaluation plan expected early 2015.</p> <p>Expect Interim evaluation and process evaluation between 2016-2018.</p> <p>Final impact evaluation expected 2024.</p>

Manufacturing Advisory Service

Support for manufacturers in England to shape business strategy, create new products, reduce waste and review supply chains.

Evaluation of the Manufacturing Advisory Service (MAS)

Expected Impact score 4: Matched with before and after

Monitoring system in place – but not for all levels of support provided.

Data linking of ONS IDBR to BIS policy database.

Do not derive BCR because not able to quantify the scale of these effects with the available data and therefore avoid estimating a BCR in this analysis.

Customer Journey Analysis & Internal Analysis of Monitoring Data – Completed March 2014.

MAS will be part of the integrated Business Support Service¹.

Forthcoming publication early 2015.

Advanced Manufacturing Supply Chain Initiative

A competitive fund designed to improve the competitiveness of UK advanced manufacturing supply chains internationally.

Evaluation of the Advanced Manufacturing Supply Chain Initiative

Expected Impact Evaluation score 3: Predicted vs actual (modelling)

Monitoring system in place and quarterly claims forms capture: total project expenditure; claim for grant funding; and number of jobs created and safeguarded.

At project level (on-going).

Data monitoring study completed 2014. Scoping study, process evaluation and early additionality report are forthcoming publications, expected to be published early 2015.

Expect to commission a full impact evaluation in 2015.

Final Impact evaluation expected 2018.

Advanced Propulsion Centre (APC)

A competitive fund to invest in collaborative R&D projects in the field of low carbon vehicles.

Evaluation of the Advanced Propulsion Centre

Expected Impact Evaluation score 3: Predicted vs actual (modelling)

Economic monitoring plans agreed with the four APC projects launched in April, delivery is enshrined in the contract offer letters (reporting every 6 months).

Expected project level BCR from 2015/16.

Forthcoming process evaluation of initial pilot– publication is pending.

Conduct a methodology review of impact attribution and KPIs. Ex-post attribution study matched comparison study and ex-post before-after study (from 2015/16).

Notes:

¹ MAS going forward will be part of the integrated Business Support Service which will bring together MAS and Growth Accelerator within Enterprise Directorate.

Compensation for the indirect costs of the EU Emission Trading Scheme and Carbon Price Support

Provide relief for the Energy intensive industries with the policy costs of the transition to a low carbon economy.

Compensation for the indirect costs of the EU Emission Trading Scheme and Carbon Price Support

Expected Impact
Evaluation score 3:
Predicted vs actual
(modelling)

Monitoring system in place- quarterly and annual returns provide updated production and electricity consumption data that we can use to measure the impact of policy.

Ex-ante BCR expected in summer 2015.
Final BCR will be available after evaluation has been completed.

Interim findings will be received in summer 2015. Evaluation framework to be developed. In addition there will be a series of case studies to examine early impacts.

Process evaluation - March 2015.
Final impact evaluation methodology - winter 2015.

Monitoring of the scheme will continue during the lifetime of the policy (estimated to run until 2019/2020).
Final evaluation will take place in 2020.

Sectoral Analysis Directorate Gaps

Policy intervention and summary	Plan of action	Monitoring and evaluation plan	Comments
<p>Repayable Launch Investment (RLI)</p> <p>Launch investment to support the design and development of aerospace projects in the UK.</p>	<p>Work is underway to identify an evaluation route and develop an evaluation plan.</p> <p>Details redacted for commercial reasons.</p>		

Labour Markets Directorate Evaluations

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (if available or by when)	Interim findings	Final findings
<p>National Minimum Wage (NMW) enforcement regime</p> <p>Review of the policy changes to the NMW by the Employment Act 2008.</p>	<p>Review of changes to NMW enforcement regime and compliance strategy</p> <p>Outcome Evaluation</p> <p>Impact score 2: Before and After approach</p>	<p>Analysis of HMRC and Pay and Workers Right helpline management information.</p> <p>Qualitative interviews with compliance officers, employers and workers.</p>		<p>Evaluated:</p> <p>1. Changes to the NMW regime and overlapping objectives in the compliance strategy - published January 2014.</p> <p>2. Wider issues in the compliance strategy - published June 2014.</p>	<p>Final evaluation report published here, June 2014.</p>
<p>Shared Parental Leave</p> <p>New right to pay and leave for eligible working parents. Mothers/adopters can opt to end maternity/adoption leave and pay early and share the balance with his/her partner.</p>	<p>Shared Parental Leave</p> <p>Expected Impact score: 2 (Before and After Study)</p>	<p>Monitoring system in place which will assess HMRC data.</p> <p>In 2018 there will be a survey to collect further information from fathers and mothers who take parental leave.</p>		<p>Interim evaluation by 2019</p>	

Early Dispute Resolution

A service to resolve workplace disputes – an alternative to employment tribunals.

Early Dispute Resolution Evaluation

Outcome Evaluation

Expected Impact
Score 2: Before and After approach

Monitoring of Advisory, Conciliation and Arbitration Service (Acas) management information, Acas customer satisfaction surveys and tribunal statistics.

Scoping work - Working with Acas to identify what management information is needed to evaluate Early Conciliation implemented in summer 2014.

Higher Education Directorate Evaluations

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (<i>if available or by when</i>)	Interim findings	Final findings
Overall HE Budget	<p>The Impact of University Degrees on the Lifecycle of Earnings: Some Further Analysis</p> <p>Impact score: 2 Uses econometric analysis of the Labour Force Survey (LFS) to estimate the wage and employment premia.</p>	<p>Monitoring of outcome measures at individual student level.</p>	<p>Individuals who complete at least an undergraduate degree earn an additional 23% for men and 31% women, relative to individuals with 2+ A levels and no degree.¹</p>		<p>Published here, August 2013. No further evaluation of the legacy funding is planned.</p>
	<p>The Returns to Higher Education Qualifications</p> <p>Impact score 2: Uses econometric analysis of the Labour Force Survey (LFS) to estimate the wage and employment premia.</p>	<p>Monitoring of outcome measures at individual student level.</p>	<p>Individuals who complete an undergraduate degree earn an additional 23.5% for men and 29.7% women, relative to individuals with 2 + A levels and no degree.² The associated rate of return achieved by the Exchequer resulting from the funding of these qualifications stands at 10.8% overall (11.4% for men and 9.6% for women).</p>		<p>Published here, June 2011.</p>

2012 Student Support arrangements

This includes: Maintenance grants and other targeted grant support. (Grants to help with living costs to encourage participation by students from low income households and to support students with disabilities and students with child or adult dependants.) Maintenance and Tuition Loans. (Loans are to cover basic costs of maintenance whilst studying and tuition costs; the cost of a progressive system ensuring that loans are only repaid by those who can afford to.)

Higher Education in England: Impact of the 2012 reforms

Impact score 2: Before and after

Uses Higher Education Students Early Statistics (HESES) and Higher Education in Further Education Students (HEIFES) survey data and UCAS applicant data to track the take up of learners.

Published [here](#), March 2013.

UCAS End of Cycle Report (2013)

Impact score 2: Before and after

Uses UCAS applicant data to track the take up and participation outcomes of learners.

Published [here](#), December 2014.

Student income and expenditure survey in 2014/15

Impact score 2: Before and after

Compare survey results with previous years. Includes a baseline to measure the impact of changes to the student financial package from 2012/13.

Baseline study published [here](#), June 2013. Final report expected January 2016.

Plans for a suite of projects to explore the impact of the 2012 student support arrangement on decision making and participation in HE; methodology, and coverage yet to be decided.

The SLC monitor the take-up of maintenance and tuition loans, and grants awarded. Data published through a Statistical First Release.

Statistical First Release loans expenditure information for 2012/13, published [here](#).

Savings as a result of Reforms (post 2012)

Rebalance the public/private contribution to the costs of HE by raising the fee cap to £9k and reducing the HEFCE teaching grant.

Monitoring system in place and savings estimated on an on-going basis.

Monitoring of loan take-up and expenditure through the Statistical First Release from the Student Loans Company. Internal modelling expenditure and repayment forecasts.

A balance of contributions table is produced which is currently published in the OBR's fiscal sustainability report. OBR report available [here](#). (pp170.) BIS Government Major Projects Portfolio team has monitored the financial situation, published [here](#).³

Results will be published on an on-going basis.

Notes:

³The financial benefits are the savings to HEFCE teaching grant that result from the reforms within the timeframe from first year of change through to full implementation in 2015-16.

Higher Education Directorate Evaluation Gaps

Policy intervention and summary	Plan of action	Monitoring and evaluation plan	Comments
<p>Student Loans (Legacy Funding arrangement)</p> <p>Loans help with living costs whilst studying and tuition costs; the cost of a progressive system ensuring that loans are only repaid by those who can afford to.</p>	<p>No further evaluation of the legacy funding is planned. A monitoring system is in place and will continue. The legacy funding arrangements were previously assessed through a range of statistical releases and research studies by BIS and stakeholders, all which informed the Browne review of HE.</p>	<p>On-going monitoring of loan take-up and expenditure through the Statistical First Release from the Student Loans Company.</p> <p>The legacy student support arrangements were previously evaluated through the following studies:</p> <ol style="list-style-type: none">1. Evaluation of the individual and exchequer returns under previous funding systems published in 2011 and 2013 (referenced above).2. Student income and expenditure survey in 2011/12 published here, June 2013.3. Impact of the 2006/07 HE finance reforms on HE participation published here, October 2010.4. UCAS end of cycle data time series published here.	<p>Continued monitoring only as pre-2012 funding system is being phased out as old system students graduate.</p>

Vocational Education Directorate Evaluations

Policy intervention and summary	Evaluation name/ Impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (if available or by when)	Interim findings	Final findings
<p>General Adult Skills Budget (excluding apprenticeships)</p> <p>Funding predominantly channelled through training providers to support learning by those aged 19+, including full level 2 and 3 qualifications, English, Maths, and other learning below level 2</p>	<p>Estimating the labour market returns to qualifications gained in English Further Education</p> <p>Expected impact score 4: using matched data treatment and comparison group</p>	<p>Individualised Learner Record (ILR) provides regular information on learner numbers. For this econometric analysis, a BIS matched administrative dataset was used, comprising ILR data matched to data on earnings, employment and benefits from DWP and HMRC.</p>	<p>Previous study which derives BCRs will be updated using findings on returns from this study. This study is published here, March 2011.</p>		<p>Forthcoming paper – publication is pending.</p>
<p>English and maths</p>	<p>English and Maths provision for adult learners: benefits</p> <p>Impact Evaluation score 1: Before and after (self-reported)</p>				<p>Published here, October 2013.</p>

**English and maths
(continued)**

18-21 Work Skills English and Maths pilot

Expected Impact Evaluation score 5: RCT

Primarily through the Department for Work and Pensions management information system.

Yes - timing depends on pilot duration which will depend on claimant numbers

Process evaluation and interim findings on skills gain.

Potential longitudinal follow-up depending on initial findings.

Randomised Control Trial on English and Maths

Expected Impact evaluation score 5: RCT

Pre and post course testing.

Process evaluation expected 2015.

Impact assessment expected 2016.

Impact of poor English and Maths skills on English Industry

Impact Evaluation score: 1 (self-reported)

Surveys of representative sample of employers who do and don't provide training. Econometric analysis.

To be published early 2015.

English and maths: Longitudinal study of skills gain and atrophy over time

Expected Impact Evaluation score 2: Before and After

Monitor pre and post course test results with a follow up 1 year later.

Interim findings 2015.

Final report 2016.

<p>Traineeships</p> <p>Designed to help young people who want to get an apprenticeship or job but don't yet have appropriate skills or experience.</p>	<p>Evaluation of Traineeships</p> <p>Expected Impact score 4: Treatment and comparison group</p>	<p>Statistical First Release using ILR data.</p>		<p>Forthcoming Process evaluation— publication early 2015.</p> <p>Feasibility of Impact assessment early 2015.</p>	<p>Impact assessment (if proceeds) expected late 2016.</p>
<p>Unemployed Learning</p>	<p>Training for the unemployed</p> <p>Expected Impact Evaluation score 4: Matched data before and after treatment and comparison group</p>			<p>Phase 1 expected to be completed late 2014.</p>	<p>Phase 2 expected to be completed 2015.</p>
<p>Learning below Level 2</p>	<p>Evaluation of the impact of Learning below level 2 in FE</p> <p>Impact score 4: Matched data before and after treatment and comparison group</p>	<p>ILR used for monitoring learners and matched ILR used to derive pre and post position and comparison.</p>	<p>Gross returns to the economy ranged from £2.70 to £21.60 per £1 of government funding depending on type of learning.</p>		<p>Published here, October 2013.</p>
<p>Offender Learning</p> <p>The offender education system (Offender Learning and Skills Service - OLASS) has undergone a number of reforms.</p>	<p>Measuring the impact of changes to offender education: feasibility study.</p> <p>Expected Impact Evaluation score too early to decide</p>	<p>Exploring feasibility of using matched BIS/MOJ/DWP/HMRC data to examine learner outcomes.</p>			<p>Feasibility study to be completed early 2015.</p>

Apprenticeships Funding currently channelled through training providers to deliver Apprenticeship frameworks for aged 19+.	Apprenticeship Evaluation: Learners and Employers Impact score 1: Self-Reported	Survey based on ILR sample.			Last survey published March 2014. (Published here for Learners, and here for Employers).
	Employer investment in apprenticeships and workplace learning Process Evaluation: in-depth case studies	Case studies of 79 employers identified from those employers in the National Employers Skill Survey 2009.			Published here , May 2012.
	Trailblazers Trailblazers are groups of employers working together to design new Apprenticeship standards for occupations in their sectors.	Evaluation of Trailblazers apprenticeships Expected Impact Evaluation score 4: Treatment and comparison group			Currently being commissioned.
	Process evaluation of Apprenticeship Trailblazers	Survey based on ILR sample.		Interim findings expected 2015.	Final report late 2015.
Employer Ownership Pilot Competitive fund open to employers in England to provide training and Apprenticeships.	Evaluation of Employer Ownership Pilot Rounds 1 and 2 Expected Impact Evaluation score 4: before and after for both treatment and comparison groups	Participation data reported in Further Education and Skills Statistical First Releases.	Round 1: To be available in final evaluation report – 2017.	Round 1: Initial findings report - 2015 Baseline report – 2015 Round 2: Scoping report & Baseline report 2015	Round 1: Final report - 2017 Round 2: Baseline report - 2015 Progress reports - 2016 & 2017 Final report - 2018

<p>Apprenticeship Grant for Employers (AGE)</p> <p>Grant to support businesses to recruit 16 to 24 year olds apprentices, with an individual value of £1,500.</p>	<p>Apprenticeship grant for employers: evaluation</p> <p>Impact Evaluation score 3 - Predicted versus actual (modelled), predicted based on actual baseline data</p>	<p>ILR data held on AGE 16 to 24 Apprentices. Number of telephone surveys with employers, NAS/SFA managers, and strategic partners.</p>	<p>Yes.</p>		<p>Published here December 2013.</p>
<p>Community Learning</p> <p>Community learning describes a broad range of learning, usually unaccredited for 19+ adults to pursue an interest, address a need, acquire a new skill, become healthier or learn how to support their children better.</p>	<p>Community Learning Survey Report</p> <p>Process Evaluation</p>	<p>Survey of representative sample of Community Learning learners.</p>			<p>Wave 1 published here, March 2013. Wave 2 published here May 2014.</p>
	<p>Review and update of research into the wider benefits of adult learning</p> <p>Impact score: 2 Before and after Method: Panel data and OLS</p>	<p>British Household Panel Survey data.</p>			<p>Published here, November 2012.</p>
<p>24+ Advanced Learning Loans</p> <p>Introducing 24+ Loans for Level 3 and above to replace grant funding.</p>	<p>Evaluation of 24+ Advanced Learning Loans</p> <p>Expected Impact Evaluation score 4: regression discontinuity design</p>	<p>Skills Funding Agency's ILR and SLC loan data. Use ILR (before and after and matched groups).</p>	<p>To be produced at the end of the evaluation in 2016.</p>	<p>Stage 1 Process Evaluation to be completed December 2014</p> <p>Stage 2 Impact Assessment to be complete June 2016</p>	<p>Stage 1 Process evaluation – expected 2015.</p> <p>Stage 2 Impact Assessment – expected 2016</p>

<p>FE Capital</p> <p>Capital spending projects by further education (FE) colleges.</p>	<p>Evaluation of the capital spend on FE colleges in England between April 2001 and September 2011</p> <p>Impact Evaluation score 4: Matching (before and after data for both treatment and comparison groups)</p>	<p>SFA collect monitoring data on capital funding they distribute.</p>	<p>Yes</p>		<p>Published here, December 2012.</p> <p>Plans are being developed for how to evaluate the impact of the Growth Deals (this will include FE Capital.)</p>
<p>Union Learning Fund</p> <p>Supports individuals who face particular barriers towards learning</p>	<p>Union learning adding value - An evaluation of union learn and the union learning fund</p> <p>Impact score 1 (self-reported based on perception)</p>	<p>Output monitoring in place.</p>	<p>Yes</p>		<p>Published here, May 2011.</p>
<p>Further Education Workforce Programme</p> <p>To support FE colleges meet the staffing challenges facing them.</p>	<p>Further Education Workforce Programme Evaluation</p> <p>Expected Impact Evaluation score 2: Before and After</p>	<p>Output monitoring in place by initiative – including Education and Training Foundation and National College for Teaching and Learning participant data.</p>	<p>Not planned as the data needs would be very long term and difficult to attribute reliably.</p>		<p>To be completed January 2016.</p>

Strategic Investment Fund

To target investment at market failures, whether this be through access to finance, skills development and/ or access to technology / infrastructure. It is a legacy Regional Development Assistance project.

Evaluation of Strategic Investment Fund

Expected Impact
Evaluation score: 1 -
No baseline self-reported impact (not verifiable)

Strategic Investment Fund closed in 2009/10 and this evaluation follows up key projects to assess the progress of investments.

Yes using self-reported case studies.

Forthcoming evaluation, to be published early 2015.

Vocational Education Directorate Gaps

Policy intervention and summary	Plan of action	Monitoring and evaluation plan	Comments
Quality Improvement Reform	There are currently no plans to evaluate		
Graduate Opportunities Development Fund	There are currently no plans to evaluate		

Annex B: Overview of a selection Partner Organisations approach to evaluation

BIS is a ministerial department supported by 48 agencies and public bodies. BIS's governance framework for evaluations also supports partner organisations (POs), which work with BIS to achieve our strategic aims. These organisations play a vital role in providing services, information and advice to BIS and a wide range of people and organisations. In 2013/14, 79 per cent of BIS's expenditure is through POs⁷, for which BIS is ultimately accountable to Parliament.

A number of POs are responsible for the monitoring and evaluation of the policy areas which they deliver. However, given the importance of POs in the delivery of our policies, it is important for the Department to ensure that improvements in evaluation culture, capabilities and processes extend to POs.

⁷ BIS Annual Report and Accounts 2013-14, p.13

B.1 List of Partner Organisations⁸

Partner Organisation	Organisation type
Advisory Conciliation and Arbitration Service (ACAS)	Crown Exec NDPB
Arts and Humanities Research Council	Executive NDPB
Biotechnology and Biological Sciences Research Council	Executive NDPB
British Business Bank plc	PLC
British Hallmarking Council	Executive NDPB
Central Arbitration Committee	Tribunal NDPB
Companies House	Trading fund
Competition and Markets Authority	Non-Ministerial Govt Dept
Competition Appeal Tribunal	Tribunal NDPB
Competition Service	Executive NDPB
Construction Industry Training Board	Executive NDPB
Copyright Tribunal	Tribunal NDPB
Council for Science and Technology	Advisory NDPB
Economic and Social Research Council	Executive NDPB
Engineering and Physical Sciences Research Council	Executive NDPB
Engineering Construction Industry Training Board	Executive NDPB
Export Guarantees Advisory Council	Advisory NDPB
Film Industry Training Board for England and Wales	Executive NDPB
Financial Reporting Council Ltd	Limited Company
Higher Education Funding Council for England (HEFCE)	Executive NDPB
Industrial Development Advisory Board	Advisory NDPB
Innovate UK	Executive NDPB
Insolvency Practitioners Tribunal	Tribunal NDPB
Insolvency Service	Executive Agency
Land Registry	Trading fund
Land Registry Rule Committee	Advisory NDPB
Low Pay Commission	Advisory NDPB
Medical Research Council	Executive NDPB
Meteorological Office	Trading fund
National Measurement Office	Executive Agency
Natural Environment Research Council	Executive NDPB
Office for Fair Access	Executive NDPB
Office for Manpower Economics	Independent Secretariat
Ordnance Survey	Trading fund
Regulatory Policy Committee	Advisory NDPB
Science and Technology Facilities Council	Executive NDPB
Skills Funding Agency	Executive Agency
Student Loans Company Ltd	Executive NDPB
UK Atomic Energy Authority	Executive NDPB
UK Commission for Employment and Skills (UKCES)	Executive NDPB
UK Export Finance	Ministerial Govt Dept
UK Green Investment Bank plc	PLC
UK Intellectual Property Office	Trading fund
UK Shared Business Services Ltd	Limited Company
UK Space Agency	Executive Agency
UK Trade and Investment	Non-Ministerial Govt Dept

⁸ BIS Delivery Plan 14-15

B.2 Overview of a selection of Partner Organisations approach to evaluation

Selection of POs

We focus on the evaluations of a selection of the 46 POs to give an overview of the Partner Organisations evaluation approaches, as well as the inherent difficulties they face in each area. This overview is not a comprehensive list of POs evaluations, but an overview of the range and quality of their evaluations. The following section provides a summary overview which has been provided by each PO listed.

Research Councils

The seven Research Councils (RCs) have a Royal Charter mission set by Parliament. They are devolved arms-length bodies, and the Haldane principle applies to their activities (including evaluation, so they have a certain degree of discretion in how they carry this out). However, BIS oversees the RCs' strategic and operational performance through an agreed performance management framework. This looks at performance from strategic through to operational levels, and covers an assessment of impact and evaluation of activities.

The common framework for reporting for RCs comprises: a corporate strategy, a four year delivery plan, 6-monthly scorecard reports, 6-monthly review meetings, and annual impact reports (which include metrics). In addition there is a common question set for collecting information on research outcomes (Researchfish)⁹, a framework for evaluating cross-council themes, and a Research Councils UK (RCUK) Performance Evaluation Network (PEN) comprising representative of each of the RCs plus BIS and Innovate UK - these representatives meet every two months

The annual Impact Reports are particularly relevant to conveying the impact generated by each RC. These reports include a range of case studies and (as noted) a set of performance metrics. BIS publishes an annual analysis of trends in some of these common metrics, to complement the impact reports¹⁰.

The individual RCs also undertake their own evaluations, looking at specific projects, investments, or areas of activity. The approach to evaluation will normally reflect amount of spend, novelty and political and strategic importance. In some cases the evaluations will be joint with other RCs or other stakeholders. The results from such evaluations feed into the various elements of the reporting framework outlined above.

⁹ In 2014 all seven RCs moved from using different system to all using Researchfish with these common questions (<http://www.rcuk.ac.uk/RCUK-prod/assets/documents/documents/ResearchOutcomesCommonQuestionSet.pdf>).

¹⁰ Latest version published in March 2014: *Research Council Impact reports 2013: Trends in inputs, outputs and outcomes*, BIS (2014) (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/301473/bis-14-654-research-council-impact-reports-2013-trends-in-inputs-outputs-and-outcomes_formatedit.pdf)

Issues complicating the evaluation of the RCs' activities include the difficulty of disentangling the impact of the different actors who make up the diverse and integrated science and research system, and the lag between research and impact which can take several years. The collective impact of the dual support funding systems (RCs and HEFCE research) is assessed through a number of other mechanisms including a BIS led biannual international benchmarking exercise¹¹ and the Research Excellence Framework (REF) exercise which takes place approximately every 5 years.

Most RCs have a document outlining their impact and evaluation strategy, though they vary in terms of format and content¹².

Some current and recent examples of specific evaluations are:

- A joint Engineering and Physical Sciences Research Council (EPSRC) and Royal Academy of Engineering evaluation of the impact of engineering research and related training (following previous similar studies into Mathematics and Chemistry)
- Science and Technology Facilities Council (STFC) evaluation of their ISIS neutron facility at Harwell
- Natural Environment Research Council (NERC) evaluation of the Impact Accelerator pilots (used to focus investment)
- Arts and Humanities Research Council (AHRC) review of post-graduate support (2010) and of the career paths of AHRC-funded PhD students (2012)
- Medical Research Council (MRC) analysis of research outcome information (from Researchfish) which showed there was an underinvestment in research into respiratory diseases, which influenced future research focus.

It is worth noting that as well as using evaluation ex-post to assess impact the RCs also rely on evaluation ex-ante to assess proposals, with a particular emphasis on expert peer review.

As well as continuing to implement the current Research Councils reporting framework (as outlined above) in which evaluation already plays a key role, BIS are working with the Research Councils and RCUK to examine whether further improvements to evaluation evidence can be achieved, including through the use of common frameworks to help inform future strategic policy decisions. In addition, the RCs plan to analyse the large number of soon-to-be-published case studies from the Research Excellence Framework (REF) to provide evidence on the impact of their investments.

¹¹ *International Comparative Performance of the UK Research Base 2013*. BIS/Elsevier (2013) (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/263729/bis-13-1297-international-comparative-performance-of-the-UK-research-base-2013.pdf)

¹² For example: STFC impact framework and evaluation strategy 2014 (<http://www.stfc.ac.uk/3269.aspx>); BBSRC evaluation framework 2012 (http://www.bbsrc.ac.uk/web/FILES/Reviews/bbsrc_evaluation_framework.pdf)

Higher Education Funding Council England (HEFCE)

HEFCE has three principal means of establishing the effectiveness of its interventions.

It monitors the behaviour of the higher education system through on-going monitoring of the financial, student and other data provided by institutions to Higher Education Statistics Agency, to HEFCE itself, to cross-council processes such as the National Student Survey and the Research Excellence Framework and via the outputs of other partners including Universities and Colleges Admissions Service (UCAS) and the Quality Assurance Agency. It creates longitudinal datasets that track individuals into and out of education at various stages in their lives by linking administrative data collected by other central agencies such as the Student Loans Company, Skills Funding Agency and Department for Education. It publishes an annual overview of Higher Education in England and conducts close observation of trends relevant to all its principal policy areas. A good exemplar of the importance of monitoring is in capital, where the information provided by Estate Management Statistics complemented by HEFCE's own commentaries on institutions' financial health offers a means to establish the effectiveness of interventions designed to improve the estate.

One of the purposes of system monitoring is to establish the effectiveness of specific interventions but a monitoring-led approach means HEFCE can also consider the bigger question of what is happening and what it can do to affect matters.

It evaluates specific policy interventions. HEFCE interventions tend to be more specific and granular than the policy decisions of ministers or BIS. In consequence, the evaluations of individual policy initiatives are both numerous and pitched well below programme level. It would be impossible to incorporate the full range of this activity into a summary chart but a list is appended.

The scale and diversity of HEFCE's evaluation activity makes it difficult to show in a simple way. The summary table focuses on a selection of the activities by HEFCE which are considered most germane to the purposes of this exercise. HEFCE are able to provide a more complete account of our evaluation activity on request.

Finally, there are, in some areas specific studies or processes which offer evaluation evidence at programme level. Examples are the Research Excellence Framework and successive studies of the rate of returns associated with HEFCE's investment in knowledge exchange through formula funding (HEIF). The 2012 HE reforms have yielded greater targeting of HEFCE teaching funding, which is now focused largely on high cost subjects, student opportunity and specialist institutions. This makes an approach to evaluation focussing on the effectiveness of major budget lines much more feasible and this will be reflected in our evaluation activity in the coming years.

Quality Research Funding (QR)

HEFCE's QR funding is an integral part of BIS' funding for research and contributes to the outcomes delivered by the research base which HEFCE, BIS and the Research Councils' collaborate in evaluating. The system is based on the practice of allocating funds highly selectively on the basis of quality assessed against

international benchmarks in the Research Excellence Framework (REF). The picture of whole-system performance given by the REF can be validated using citation-based measures although these are not sufficiently robust at lower levels of aggregation to inform institution level allocations. REF results provide very powerful information for institutions to benchmark their own success and have consistently be shown to drive improvement. HEFCE separately makes use of independent research to establish the overall impact of the policy of selective research funding based on the REF.

Knowledge Exchange through Higher Education Innovation Fund (HEIF)

When the programme was devised, a comprehensive monitoring instrument – the Higher Education Business and Community Interactions survey (HE-BCI) was developed to ensure progress could be monitored. Subsequently, specific evaluations of the effectiveness of HEIF investment were commissioned which (owing to the nature of HEIF) were able to produce specific figures for return on investment. The most fundamental re-engineering of the scheme utilised both types of evidence to conclude that the activity was sufficiently embedded to justify a switch from capacity building to performance-based funding.

HEFCE funding for teaching (subjects)

Prior to the 2012 higher education reforms, HEFCE teaching funding was the main support for undergraduate teaching (as well as making a contribution to postgraduate taught courses) and as such its purpose extended across the whole of higher education teaching. There are a number of robust and well established measures that enable us to understand the quality of teaching, the student experience and the outcomes from publically-funded teaching, notably:

- The quality assurance process, which is currently operated by the QAA
- The National Student Survey
- Surveys of the destinations of leavers from higher education, which indicate employment outcomes after 6 and 40 months
-

All of these cross-cutting measures are currently being reviewed, with a view to ensuring that they are fit for the future. They provide indicators of the success of the system as a whole, thereby complementing specific evaluations such as those identified below.

Since the 2012 reforms, teaching funding has largely been devoted to two purposes: to support student opportunity (addressed separately in this document) and to ensure that the system of capped fees does not lead to a loss of capacity or quality in the highest cost subjects and in institutions whose provision is necessarily specialist and high cost.

This makes it easier to evaluate rigorously. HEFCE are developing an approach based upon monitoring the health of disciplines using HESA student data, with separate processes to establish the financial health of providers, their future expenditure plans, the quality of education and the extent of any cross-subsidy between disciplines. Taken together, these provide the evidence necessary to

establish whether the aim of protecting the supply of places is being met in a sustainable and appropriate way.

Student opportunity

HEFCE evaluate the success of our student opportunity funding by monitoring progress in the recruitment and retention of students from under-represented groups, by undertaking specific studies to understand the use made of our investment. HEFCE have invested heavily in linking datasets to enable us to track progression and monitor progression especially in respect of low participation neighbourhoods.

Innovate UK

Innovate UK has agreed an evaluation framework with BIS and HMT, where they intend to utilise robust control group methodologies to ensure impact estimates only capture additional impacts, wherever possible. The quality of the evaluation evidence they are aiming for is quite high, deploying randomised experiments where possible (and working with the Innovation Growth Lab to do so), or securing a control group with before and after methodology as the next best alternative. The control group will be matched where data allows.

The evaluation of innovation support policies is made more complicated by the long timescales involved and the intangible – and therefore difficult to track – nature of the key channel of impact: knowledge. As such, Innovate UK evaluations capture data on a range of outcomes, including behavioural and business performance, over several years in order to more fully trace the impact of the programme. Due to the inherent time involved for this, on-going evaluations are often complimented with retrospective evaluations of past activity to provide more timely evidence. The retrospective elements of evaluations generally follow similar methodologies but are, naturally, more reliant on self-reported, retrospective data.

Given the inherent time lags in producing robust evaluation evidence for innovation support, Innovate UK has also been working on a wider evidence base including robust econometric analysis of impact by linking their customer database to data on employment, growth and innovative activity¹³. As such, formal evaluation of initiatives should be considered as one important strand of a wider evidence base.

Shareholder Executive

The Shareholder Executive has strong monitoring systems in place, but the devolved delivery of BIS spend means that focus has been on monitoring or self-reported impact. A before and after approach to evaluation is the most feasible approach in most cases. For example, investment in the Met Office high performance computer for which a counterfactual is unobservable.

¹³ Similar work was recently published by BIS in Analysis Paper 4: *Estimating the effect of UK direct public support for innovation*.

British Business Bank (BBB)

A forward looking monitoring and evaluation framework has been established to ensure early assessment, interim evaluation and final evaluations are in place for all schemes. Evaluation methodology where possible will include establishing a comparison group to measure scheme impacts, where this is not possible a survey based approach may be taken. In the longer term the BBB will also work with academics to scope out potential for improving administrative data sources to increase their ability to establish a robust comparator group of firms for evaluation.

B.3 Selection of BIS Partner Organisations' evaluation

Tables Explanation Note

Devolved approach

Partner Organisations approach to evaluation of BIS Spend is highly devolved. This means consistent high-quality evidence is hard to obtain, because at present it is structurally difficult to track flow of funds. Although the culture is changing slow where more and more Partner Organisations are expected to seek evidence of impact.

Scoring Impact

Impact scale follows the guidance on 'Quality in Impact Evaluation'¹⁴, which has been approved by the Cross Government Evaluation Group and published as supplementary guidance to the Magenta Book. The scale is based largely on the scientific Maryland scale used by academics and researchers to assess the strength of an evaluation approach. The higher the score potentially the more capable the evaluations are to demonstrate that the outcome observed is due to or caused by the intervention.

- Score 5: Random allocation of treatment and control group or a robust counterfactual using a quasi-experimental approach. Needs a treatment and a comparison group and actual before and after data in both groups. For example: a strong difference-in-difference design, regression discontinuity design or matched treatment and control group.
- Score 4: Quasi-experimental approach where the counterfactual has some weaknesses, but it is as good as can be given the policy design or data availability issues. Needs a treatment and a comparison group and actual before and after data in both groups. For example: a difference-in-difference design, regression discontinuity design or matched treatment and control group.
- Score 3: Predicted (modelled) versus actual, predictions are based on actual baseline data.
- Score 2: Actual (i.e. not self-assessed or self-reported impact¹⁵) before and after. (Higher levels on this scale also require actual data not based on self-reported impact.)
- Score 1: No baseline data (or only self-assessed/self-reported impact).

¹⁴ Quality in policy impact evaluation, HMT, Dec 2012

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/190984/Magenta_Book_quality_in_policy_impact_evaluation_QPIE.pdf

¹⁵ By self-reported impact we mean studies that base their impact results on information derived by asking the population affected by the policy or beneficiaries to work out what they think the impact has been and what they think would have happen without the intervention.

Evaluability of policy design

The impact score is used to assess the strength of an evaluation approach to show impact, which is driven by the evaluability of the policy design. A number of features in BIS policies make it more challenging to evaluate and obtain robust measures of impact:

- complexity – there are many other factors that could influence outcomes apart from the intervention
- small sample size – statistical techniques are less able to separate out the effect of the intervention from idiosyncratic features of beneficiaries
- competitive (or non-random) allocation – interventions are provided for beneficiaries that are assessed to be most likely to benefit. However, these beneficiaries may be different in ways which systematically affect their outcomes, which makes it difficult to determine the impact of the policy by comparing the outcomes against those of non-beneficiaries
- universal coverage – consequently there is no comparison group at all
- lack of data – in many cases and for a variety of reasons, there is not enough information to robustly evaluate the impact of interventions.

Methodological Issues

The impact scores for forthcoming evaluations are expected impact scores, which may be impeded by a number of issues which may arise. There may exist empirical reasons where the matched comparison group may not be as strong as first expected or weakness of survey methodology which can inhibit the evaluation from achieving the impact score expected.

Publication date

The dates for interim and final findings to be published are indicative at this stage.

Benefit Cost Ratio

Generally Benefit Cost Ratios are derived by calculating the net economic benefit of the intervention (gross benefits-gross costs) divided by the public cost of the intervention. Nonetheless some evaluations included in the tables derived the Benefit Cost Ratios slightly differently and their nuances have been included in the footnotes. Therefore caution should be taken when interpreting the BCRs figures and direct comparison of the BCRs across policies should be avoided.

Peer review

It is not mandatory for partner organisations to use the panel, but they are encouraged to seriously consider doing so, especially if they do not have expert peer review mechanisms of their own. For example, Innovate UK has already committed to use the peer review group.

Please note all Impact scores and Benefit Cost Ratios published before January 2014 have not been peer reviewed by the Expert Peer Review Panel. This Panel was launched in January 2014 to review all evaluations that make claims about impact or value for money of policy.

Programme Spend Threshold

To populate the overview of evaluation coverage for these selected POs, we prioritised the coverage of programme spend that exceeds £10 million. Only in instances where the programme is considered important such as a novel pilot then programme spend less than £10 million was included.

Higher Education Funding Council England (HEFCE)

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (if available or by when)	Interim findings	Final findings
Research Funding (QR)					
Quality Research (QR) funding Funding on the basis of research quality, taking into account the volume and relative cost of research in different areas.	International comparative performance of the UK Research Base Impact score 2: Before and After	Organisation for Economic Co-operation and Development datasets (OECD) to monitor R&D expenditure and human capital. ¹	UK contributes 16% of the world's most highly-cited research and that almost 90% of this contribution involves UK universities.		Published here , December 2013.
	Impact of QR Funding Report	Uses institution level data on total QR non-hypothecated income and Research Council income and the full range of income sources reported in the HEBCIS surveys. ²	Found it is impossible to disentangle the contribution of QR to the achievements of the science base from that of other funding streams.		Forthcoming paper, publication pending early 2015.
	Evaluations using the Research Excellence Framework (REF)	REF is a systematic peer review assessment of UK research against international benchmarks by subject and institution.			REF final results are forthcoming, publication pending. Will influence QR funding from AY 2015-16. ³

Notes:

¹ Scopus is the abstract and citation database of peer-reviewed literature used to monitor articles and citations. World Intellectual Property Organization (WIPO) to track the number of patents.

² Includes funding received from Collaborative Research, Consultancy, Contract Research, Intellectual Property (including sales of shares), Use of Facilities and Equipment-related Services, Regeneration and Development Programmes, and Continuing Professional Development and Continuing Education.

³ A series of evaluations of the REF process itself will inform decisions on a future REF to be taken in the period after the exercise reports.

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (if available or by when)	Interim findings	Final findings
Research					
HEFCE: Higher Education Innovation Fund Supports all forms of knowledge exchange (KE)- interlinked with both research and teaching. (Part-funded by Science and Research in BIS).	Knowledge exchange performance and the impact of HEIF in the English higher education sector Impact score 2: before and after	Annual data collection of KE infrastructure and performance metrics in HEBCI survey. Annual monitoring statement on use of HEIF, including commentary against HEBCI performance metrics.	Estimated return on investment on KE is £6.30 of KE income for every £1 KE funding.	Econometric modelling of significance of HEIF (and other factors) for results. Cluster analysis of types of HEIs to enable comparisons of performance and hence efficiency and effectiveness	Published here , April 2014. Further econometric study will calculate a new rate of return for 2015 and explore colinearity issues.
	Evaluation of the effectiveness and role of HEFCE/OSI third stream funding Impact score 4: (triangulates regression analysis results which use 5 variations of comparison groups.)	Constructed a HEIs longitudinal database. ⁴ Triangulated with case studies and survey responses.	Estimated return on investment on HEIF ranges between £4.90-£7.10 for every £1 of HEFCE funding.	Good progress in embedding KE in institutional strategy and culture change. Demonstrated counterfactual ie significance of the funding for results. Located intervention in innovation systems theory.	Published here , April 2009.

Notes:

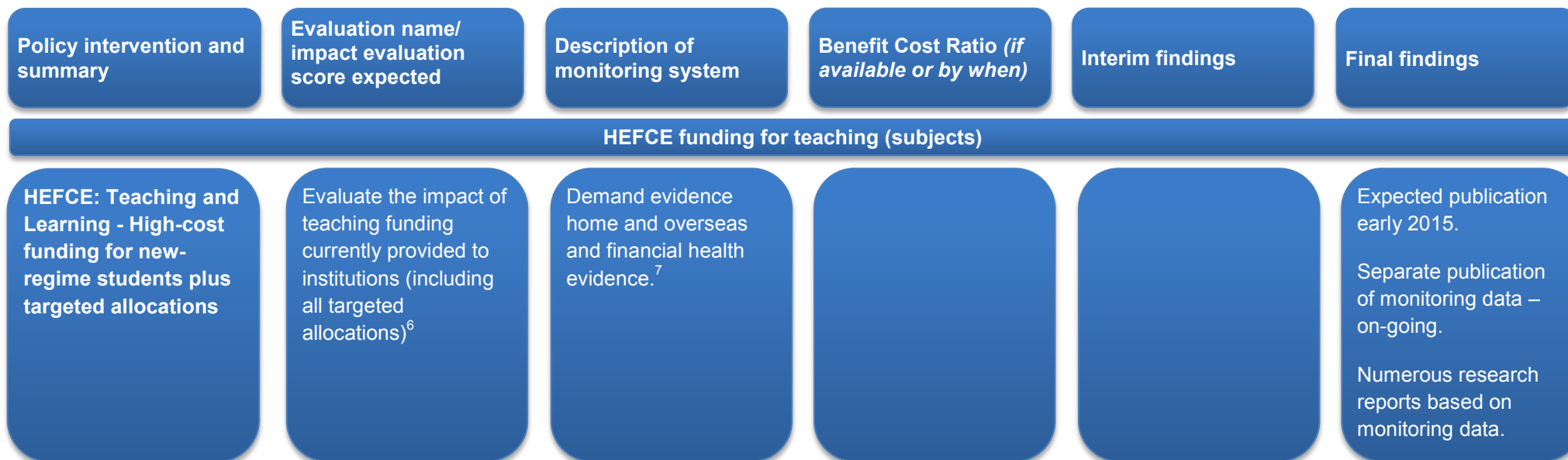
⁴ These include:

- Higher Education Business and Community Interaction (HEBCI) surveys
- Higher Education Statistics Agency (HESA) data on staff and student numbers, teaching and research income
- Higher Education Reach Out to Business and the Community bids, awards and monitoring statements
- Higher Education Innovation Fund rounds 1, 2 and 3 competitive bids, institutional strategies and monitoring statements
- Funding data from HEFCE on the variety of funding streams
- RAE data
- Other external data for local, regional and national contextual variables from the Office for National Statistics and other government.

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (if available or by when)	Interim findings	Final findings
Capital Funding					
HEFCE Capital Grants to HEI Teaching and Learning Capital to improve the teaching estate and learning environment at HEIs.	Evaluation of Capital Funding to Higher Education Institutions for Learning and Teaching, 2006-2008 Impact score 1: no baseline data (use before and after study using ex-post views)	Assess outputs, outcomes and impact at institution and sector level. ⁵	Not estimated in the evaluation report as qualitative case study approach used.		Published here , October 2012 ¹ . Whilst significant progress has been made there is still a significant backlog of underinvestment.
	Evaluation of Capital Funding to Higher Education Institutions for Research, 2006-2008 Impact score 1: no baseline data	Surveys (projects and users), case studies, desk research of SRIF2006-2008 funding applications and selected HESA data.	Not estimated in the evaluation report.	Interim report expected mid-March 2015.	Published here , December 2012. Funding contributed to raising research capability/capacity, and the quantity and quality of research output.
	Review of HEFCE's Capital Investment (teaching and research) Monitoring – before and after	Monitoring data: Estates Management Return data, institutions' financial forecasts, other HESA data as necessary, HEFCE's Annual Monitoring Returns.		Interim report expected mid-March 2015.	Final report expected mid April 2015.

Notes:

⁵ Annual monitoring of Teaching Capital Investment Fund (TCIF) by HEFCE through the Annual Monitoring Statement: institutions provide details of total capital investment spent and what this has been spent on. Annual Estates Management Return to HESA. HEFCE provide annual statements to institutions on specific Capital Investment Fund metrics enabling institutions to compare themselves to other institutions within their TRAC (Transparent Approach to Costing for Teaching) peer group.



Notes:

⁶ The study will incorporate cost analysis; evaluation of trends in student numbers; evaluation of the economic impact of HEFCE teaching and learning funding; assessment of the regional and social impacts of HEFCE teaching and learning funding. This will be developed in the context of system-wide evidence arising from quality assurance, the National Student Survey and the Destinations of Leavers surveys.

⁷ HEFCE monitor the sustainability and growth of provision in the high cost STEM subjects through institutional engagement and annual data reports. HEFCE monitor TRAC(T) data which inform the cost basis for these allocations. HESA student record.

Current impact assessment work comprises: a sector-wide survey understand impact; detailed case study work; and cost based calculations.

Work will incorporate data from on-going monitoring: demand evidence (home and overseas); financial health evidence; TRAC(T) data and HESA student record.

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (if available or by when)	Interim findings	Final findings
Student Opportunity					
HEFCE: Teaching and Learning Student Opportunity Allocation Institutional funding to ensure students from under-represented groups (including students with disabilities) can successfully participate in higher education – this includes progressing into further study or employment.	The uses and impact of HEFCE funding for widening participation Impact score 1: self-reported	Institutional Survey and in-depth interviews			Published here , March 2013.
	Research papers analysing trends in HE participation, widening participation, employment and student outcomes using baseline data.	Link HESA and the National Pupil Database (NPD) and use UCAS's administrative records.			⁸ Published here , March 2014.
HEFCE: National Scholarship Programme (NSP) Financial support to disadvantaged students who meet eligibility criteria.	HEFCE: Formative evaluation of the NSP Process & Outcome Evaluation Impact Score 1: No baseline data	Monitoring report on NSP student numbers and institutional expenditure published		First year report published here , May 2012. Second year report published here , November 2013.	Policy has been discontinued. Final report expected July 2015.

Notes:

⁸ A range of papers:

- Differences in degree outcomes (Published [here](#), March 2014.)
- Further information on POLAR (Published [here](#), February 2014.)
- Trends in young participation 2013 (Published [here](#), October 2013.)
- HE indicators for further education colleges (Published [here](#), August 2013.)
- Non-continuation rates at English HEIs (Published [here](#), April 2013.)
- POLAR (Published [here](#), October 2012.)
- Widening participation and non-continuation indicators for FEC (Published [here](#), August 2012.)
- Student ethnicity: Profile and progression of entrants to full-time, first degree study (Published [here](#), May 2010.)
- Trends in young participation (Published [here](#), January 2010)

Finally an Outcomes Framework utilising institutional data, administrative data, and further activity evaluations to ascertain the economic and social impacts of the student opportunity allocation. Expected to be published April 2015.

Partner Organisations: Innovate UK Evaluations

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (<i>if available or by when</i>)	Interim findings	Final findings
<p>Small Business Research Initiative (SBRI)</p> <p>SBRI connects public sector challenges with innovative ideas from industry, via procurement contacts. It supports companies to generate economic growth and enables improvements in achieving government objectives.</p>	<p>SBRI Evaluation</p> <p>Expected Impact Evaluation score 5: Matched with before and after</p>	<p>For competitions run by Innovate UK, monitoring data on applicants and projects is collected via Innovate UK's back office systems. For competitions run by other public sector bodies, Innovate UK relies on those bodies sending through summary data.</p>	<p>Will be available early 2015.</p>	<p>Initial report will provide a retrospective impact evaluation (so based on retrospective data), but will also include a baseline for a fuller future impact evaluation of on-going activities. The study uses a treatment group and two control groups. This will enable a complete matched-with-before-and-after evaluation in due course.</p>	<p>A process and retrospective impact evaluation will be published in early 2015.</p>
	<p>Buying Power? Is the SBRI for procuring R&D driving innovation in the UK? (2010) Nesta</p>				

Knowledge Transfer Partnerships

Helping businesses improve their competitiveness and productivity through the better use of knowledge, technology and skills that reside within the UK Knowledge Base.

Knowledge Transfer Partnerships Evaluation

Expected Impact Evaluation score 4: Comparison with before and after

Monitoring data on applicants, projects and project outcomes is collected by Innovate UK, including (but not limited to) firm size, location, grant amount, and total project cost.

Capturing the impact as realised through the knowledge base and associates (2 of the 3 beneficiaries). Data will be collected at a single point in time but, where possible, matched to longitudinal data. Expect to have single-point-in-time data collection with a modelled predicted vs. actually.

To be published early 2015.

Key attributes for successful Knowledge Transfer Partnerships (2012)

Monitoring data on applicants, projects and project outcomes is collected by Innovate UK, including (but not limited to) firm size, location, grant amount, and total project cost.

Studies the characteristics needed to form a successful KTP. Focus on how the various players, mechanisms, underpinning systems and processes within the KTP programme contribute to its success.

Published [here](#), August 2012.

Knowledge Transfer Partnerships Strategic Review (2010)

Impact Evaluation Score 1
Economic Evaluation

Monitoring data on applicants, projects and project outcomes is collected by Innovate UK, including (but not limited to) firm size, location, grant amount, and total project cost.

GVA to the economy generated was estimated at £4.70 - £5.20 for every £1 of public money invested for the intervention.

Reviews the achievements since the previous review, and recommendations for its future strategic direction, delivery and management.

Published [here](#), February 2010.

<p>Smart</p> <p>To help small and medium-sized businesses (SMEs) to research and develop technologically innovative products and processes.</p> <p>Grants for R&D and predecessor (Smart)</p>	<p>Smart Evaluation</p> <p>Expected Impact Evaluation score 4: Comparison with before and after</p>	<p>Monitoring data on applicants and projects is collected by Innovate UK, including (but not limited to) firm size, location, grant amount, and total project cost.</p>		<p>Retrospective Impact Evaluation by end of 2014 with a full matched-with-before-and-after impact evaluation running from 2014-December 2017. At least one control group.</p>	<p>To be completed December 2017, with a retrospective evaluation due in Q2 2015.</p>
<p>Biomedical Catalyst (with Medical Research Council)</p> <p>Grant funding scheme will provide responsive and effective support for the best life science opportunities arising in the UK.</p>	<p>Biomedical Catalyst</p> <p>Expected Impact Evaluation score 4: Methodology to be confirmed after initial scoping phase of evaluation. Regression discontinuity design is the favoured approach.</p>		<p>GVA to the economy generated by the projects was estimated at £9 per £1 of government funding for the intervention.</p>		<p>Assessment of achievements and impact on the national economy. Published here, March 2009.</p> <p>Initial impact findings to be published in 2015. Expect to use a matched-with-before-and-after approach. Initial evaluation work will run until December 2017.</p>

Innovation Platforms

An innovation platform brings industry, academia and government together to focus on a specific challenge with a long-term commitment to a programme of support. The challenges are identified and a programme of activity is defined.

Innovation Platform
Expected Impact
Evaluation score:
TBC
Framework to be
defined in early 2015

Innovation Platforms utilise a number of Innovate UK initiatives in providing a programme of support. These programmes, such as Collaborative R&D, each have their own monitoring systems.

Initial impact evidence expected for two Innovation Platforms in 2015

Low Carbon Vehicles
Innovation Platform:
How the programme
is forecast to boost
economic activity and
growth (2013)

Innovation Platforms utilise a number of Innovate UK initiatives in providing a programme of support. These programmes, such as Collaborative R&D, each have their own monitoring systems.

A review of the appropriateness and effectiveness of the programme and an assessment of the economic, social, and environmental returns on investment that were likely to be generated.

Published [here](#),
January 2014.

Innovation Vouchers

A grant of up to £5k to enable innovative SMEs to work with experts they have not worked with before to gain knowledge that could help growth.

Innovation Vouchers
Expected Impact
Evaluation score 5:
Randomised Control
Trial

Monitoring data on applicants and projects is collected by Innovate UK, including (but not limited to) firm size, location, grant amount, and total project cost.

Programme has been designed with an RCT in mind. Programme has recently been re-launched with a wider scope, and the RCT will commence in early 2015.

Improving SMEs Commercial Success

Matched grants funding –to support the UK construction industry deliver buildings with a much lower environmental impact

Improving SMEs Commercial Success
Expected Impact
Evaluation score 4:
Comparison with before and after

Previous evaluation:
SME Growth Pilot evaluation (2014)

Scoping phase. Expect to use a matched-before-and-after approach.

A formative evaluation of the pilot SME Growth Programme

Published [here](#), January 2014.

Collaborative R&D

Encourage HEI and businesses to collaborate to promote knowledge transfer and innovation.

Evaluation of Collaborative R&D (2011)

Impact Evaluation Score 1
Economic Evaluation

Monitoring data on applicants and projects is collected by Innovate UK, including (but not limited to) firm size, location, grant amount, and total project cost.

GVA to the economy generated by the projects was estimated at £6.71 per £1 of government funding for the intervention.

Economic evaluation of CR&D; its outputs, outcomes, economic benefits, wider impacts and lessons learnt.

Published [here](#), September 2011

Eurostars Programme

A joint programme between Eureka Network and the European Commission to provide funding for market oriented research and development by SMEs.

Eurostars Impact Report (2012)

Eurostars impact assessment working group.

An assessment of the impact and effectiveness of the Eurostars programme.

Published [here](#), June 2012.

Feasibility Studies Programme

A single-company or collaborative business-led R&D grant scheme that allows businesses the opportunity to test an innovative idea on its feasibility to be developed.

TSB Feasibility Studies Evaluation Findings (2013)

Monitoring data on applicants and projects is collected by Innovate UK, including (but not limited to) firm size, location, grant amount, and total project cost.

Published [here](#), February 2013.

Catapult Centres

Technology and Innovation centres providing cutting edge facilities to bring world-leading science and research to commercialisation.

Catapult Centres Evaluation

Expected Impact Evaluation score 4: Treatment & Comparison Group.

Each Catapult centre provides quarterly reports of a range of metrics to Innovate UK according to an agreed set of key performance indicators.

Currently scoping evaluation plan, should be completed early 2015.

Partner Organisation: Shareholder Executive Evaluations

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (if available or by when)	Interim findings	Final findings
<p>Green Investment Bank (GIB)</p> <p>Invests in green projects on commercial terms and mobilises private sector capital into the UK's green economy.</p>	<p>Evaluation of the Green Investment Bank (GIB)</p> <p>Outcome Evaluation Impact score 2: Before and After approach.</p>	<p>Monitoring system in place.</p> <p>GIB runs an annual investor attitude survey to monitor market failure in the supply of finance to green projects.</p>	<p>GIB cannot easily be evaluated due to the cross over between GIB and DECC policies that impact on investment¹.</p>	<p>Annual survey for 2013 found that market failures persist in the products and sectors in which it is active. GIB's current mix of sectors and products therefore remains valid.</p> <p>Survey was repeated autumn 2014.</p>	<p>GIB collects comprehensive data on its projects this includes data on the financial performance of the portfolio and green impact². A full review of GIB sectors and products will be completed in 2015.</p>
<p>Post Office³</p>	<p>Evaluation of Post Office Network Transformation</p> <p>Process Evaluation</p>	<p>Monitoring data collected at a Post Office Ltd (POL) level and at a network level to track progress against KPIs³.</p>			<p>ShEx requests data from POL which is received at weekly and monthly intervals to track programme progress and to identify potential emerging issues⁴.</p>

Notes:

¹ Notably, electricity market reform has been in train since the GIB set up, consequently it would be extremely challenging to separate out the effect of EMR on investment from that of GIB.

² This may enable evaluation of other performance dimensions in the future.

³ Funding relates to the second phase of Network Transformation (NT), a 6-year programme aimed at modernising the post office network, making it more fit-for-purpose for modern markets and a more effective platform to sell post office services. NT is part of POL's wider strategic plan that will reduce POL's costs and drive changes in behaviours, leading to significant reductions in the on-going subsidy support that is required from HMG.

⁴ Monitoring data collected at a network level includes information on the number of conversions, customer satisfaction, sales performance, operator satisfaction and financials; and at the branch level includes location, opening hours, conversion type, key dates, and compensation and investment payments. Sample size to date is too small to enable quantitative analysis.

<p><u>Metrological Office</u></p> <p>High Performance Computer (HPC)</p> <p>Expenditure for the Supercomputer</p>	<p>High Performance Computer Evaluation</p> <p>Outcome and Impact Evaluation – too early for Impact score (still in the planning stage)</p>	<p>Objectively verify prediction capability and customer service improvements (outcomes) using industry-standard statistical techniques. Involve external benefit owners to assist in identification and evaluation of their socio-economic benefits (impacts).</p>	<p>Yes</p>	<p>Objectively verify prediction capability and customer service improvements (outcomes) using industry-standard statistical techniques. Involve external benefit owners to assist in identification and evaluation of their socio-economic benefits (impacts).</p>	<p>Underway.</p>
<p>Met Office Space Weather</p> <p>Space Weather Expenditure.</p>	<p>Met Office Space Weather Evaluation</p> <p>Outcome Evaluation</p> <p>Expected Impact Score: 2 (Before and After Approach).</p>	<p>Stakeholder survey: Met Office will survey all stakeholders for an initial evaluation of the space weather service and provide BIS with the results by March 2015.</p>	<p>Yes</p>	<p>This is a new capability and the outputs will be reviewed and challenged by a service stakeholder group post-implementation</p>	<p>To be completed March 2015.</p>
<p>Met Office EUMETSAT Programmes</p> <p>Funding for Polar Satellites.</p>	<p>Met Office EUMETSAT Evaluation Outcome and Impact Evaluation</p> <p>Expected Impact Score 2 (Before and After study)</p>	<p>Met Office uses 'adjoint sensitivity' analysis to measure the relative contribution of components of our observing system to forecast accuracy¹.</p>	<p>No - Very early work has begun on measuring relative cost effectiveness of different components of the observing system, so some information may be available.</p>		<p>Planning Stage.</p>

Notes:

¹ Once the new satellites are operational, these studies will provide us with analytical information from which we can gauge the impact of the new satellites versus the previous generation.

Partner Organisation: British Business Bank Evaluations

Policy intervention and summary	Evaluation name/ impact evaluation score expected	Description of monitoring system	Benefit Cost Ratio (<i>if available or by when</i>)	Interim findings	Final findings
Equity Schemes					
Enterprise Capital Fund Enterprise Capital Funds are commercially focused funds that bring together private and public money to make equity investments in high growth businesses affected by the equity gap.	Evaluation of Enterprise Capital Fund Outcome Evaluation Expected Impact score 2: Before and After data on treated group ¹ .	The British Business Bank (BBB) has a comprehensive MI system that records new investments made and the characteristics of those investments, and also monitors the financial performance of the investments.		Early Assessment 2010/11. Interim Evaluation 2014/15. Matched Data assessment.	Final Evaluation expected 2019/20 or when funds close. Assessment relative to self-reported counterfactual (for recipients); also aim to use rejected businesses ("near misses") as alternate counterfactual, subject to data quality/availability.
Venture Capital Catalyst Fund²	Evaluation of Venture Capital Catalyst Fund Impact score: Too early	BBB has a comprehensive MI system that records new investments made and the characteristics of those investments, and also monitors the financial performance of the investments.		Early assessment in 2015/16.	Final assessment due in 2021/22 or when fund close.

Notes:

¹ Method: Surveys of recipients and rejected businesses, plus fund managers. Initially attempted to interview counterfactual group but insufficient sample obtained. Insufficient admin data available for quasi-experimental approach.

² Invests in commercially viable venture capital funds that might otherwise fail to reach a satisfactory "first close" – the point at which a fund has raised enough money to begin making investments in businesses.

<p>Business Angel Co-Fund</p> <p>Invests alongside business angel syndicates into high growth potential SMEs.</p>	<p>Evaluation of Business Angel Co-Fund</p> <p>Expected Impact Evaluation score 2: Before and After³</p>	<p>BBB has a comprehensive MI system that records new investments made and the characteristics of those investments, and also monitors the financial performance of the investments.</p>		<p>Early assessment in 2015/16.</p>	<p>Final assessment due in 2021/22 or when fund closes.</p>
<p>UK Innovation Fund</p> <p>VC fund of fund that invests into underlying venture capital funds which make investments in strategically important sectors to the UK⁴.</p>	<p>Evaluation of UK Innovation Fund</p> <p>Expected Impact Evaluation score 2: Before and After³</p>	<p>BBB has a comprehensive MI system that records new investments made and the characteristics of those investments, and also monitors the financial performance of the investments.</p>		<p>Programme began 2009.</p> <p>Early assessment published here, 2011/12.</p> <p>Interim due in 2015/16.</p>	<p>Final assessment due when underlying funds close.</p>
<p>Aspire Fund</p> <p>£12.5m fund that invests in women led businesses alongside other investors, set up in 2008.</p>	<p>Evaluation of Aspire Fund</p> <p>Expected Impact score 1: No Baseline⁵</p>	<p>BBB has a comprehensive MI system that records new investments made and the characteristics of those investments, and also monitors the financial performance of the investments.</p>		<p>Interim evaluation postponed due to small number of new investments as scheme hiatus (no new businesses to survey)</p> <p>Matched Data assessment 2015/16</p>	<p>Final assessment due when fund closes.</p>

Notes:

³ Process evaluation (qualitative interviews with recipient & unsuccessful businesses & angels). Some before and after, albeit for very small sample. Too early for quantitative assessment.

⁴ Including digital technologies, life sciences, clean technology and advanced manufacturing.

⁵ Qualitative interviews with 4 recipient businesses as part of a wider review of equity schemes. Too early for quantitative.

Debt Schemes

Investment Programme

£400m Programme launched April 2013 to promote diversity of supply of lending by encouraging new entrants and the growth of smaller lenders in the market.

Evaluation of Investment Programme

Impact score: Too early

BBB has a MI system that records new investments made and the characteristics of those investments.

Scoping Evaluation to be conducted in 2015/16.

Business Finance Partnership⁶

Evaluation of Business Finance Partnership

Impact score: Too early

BBB has a MI system that records new investments made and the characteristics of those investments.

Scoping Evaluation to be conducted in 2015/16.

Trade Credit EFG

Pilot the variation on the core Enterprise Finance Guarantee facilitating additional trade credit to SMEs.

Evaluation of Trade Credit Enterprise Finance Guarantee Pilot

Impact score: Too early to consider

The British Business Bank MI system records new facilities granted, and also monitors the financial performance of those facilities including the call on the guarantee.

Publication of the Evaluation of the Trade Credit EFG pilot is due shortly.

Notes:

⁶ Set up to make finance available to smaller businesses through non-bank lending channels, thereby helping to diversify the available sources of finance for smaller businesses. The BBB invests money through these lenders, which include peer-to-peer lenders, supply chain finance lenders, asset finance lenders and debt and mezzanine finance funds.

<p>Enterprise Finance Guarantee</p> <p>Loan guarantee scheme to facilitate lending to viable businesses that have been turned down for a normal commercial loan due to a lack of security or track record.</p>	<p>Evaluation of Enterprise Finance Guarantee</p> <p>Expected Impact Evaluation score 4: Treatment and comparison group. Actual before and after data in both groups.</p>	<p>BBB has a comprehensive MI system that records new loans made and the characteristics of those loans, and also monitors the performance of the loans.</p>		<p>Early assessment, published here, 2009/10.</p> <p>Interim assessment published here, Feb 2013.</p>	<p>Matched data assessment will occur when technically feasible.</p>
<p>Start Up Loans</p> <p>Loans and mentoring for over 18s looking to start a business, or those that have been trading for less than 12 months.</p>	<p>Evaluation of Start Up Loans</p> <p>Expected Impact Evaluation score 4: Treatment and comparison group. Actual before and after data in both groups⁷.</p>	<p>The delivery agency, Start-Up Loans Company (SULCo) maintain a database that allows for monitoring of the amount of loans (and value) provided, the demographics of recipients and loan performance.</p>		<p>Evaluation scoping study 2013/14.</p> <p>Pilot Evaluation/Baseline Report forthcoming publication.</p> <p>Interim Evaluation 2015/16.</p>	<p>Final Evaluation expected 2017/18⁸.</p>

Notes:

⁷ Pilot evaluation based on survey evidence. Interim evaluation to establish a control group from wider administrative data generating a sufficient sample through boosting Global Entrepreneurship Monitor sampling of start-up businesses. Tracking surveys will be used to monitor performance over four years in order to conduct difference in difference analysis.

⁸ (Pilot) The summative side of the evaluation will focus on: Reviewing monitoring data and data on inputs and outputs, and beneficiary profiles; beneficiary and non-beneficiary survey work to assess additionally and outcomes; and analysis and synthesis to assess overall impact and VfM.

Legacy Schemes

Capital for Enterprise Fund

To increase the supply of mezzanine finance to viable SMEs with growth potential, which would otherwise have problems raising finance due to difficult economic conditions and structural failures in the supply of growth capital.

Evaluation of Capital for Enterprise Fund

Impact Evaluation
Score 2: Actual before and after

The British Business Bank has a comprehensive MI system that records the financial performance of the investments. The Capital for Enterprise Fund is no longer making new investments.

Early Assessment published [here](#), 2010/11.
Interim Evaluation 2014/15.
Matched Data assessment 2015/16.

Final Evaluation 2019/20 or when funds close

Community Development Venture Fund (Phoenix/Bridges)

A total fund of £40million to stimulate provision (and benefits) of venture capital to viable SME's, which are capable of substantial growth, and that are located in the 25% most deprived wards in England as classified under the Index of Multiple Deprivation (IMD) ranking.

Evaluation of Community Development Venture Fund

Expected Impact Evaluation score 2: Actual before and after

BBB has a comprehensive MI system that records new investments made and the characteristics of those investments, and also monitors the financial performance of the investments.

The Bridges fund is no longer making new investments.

Interim evaluations published [here](#), 2010/11.

Final assessment due when fund closes.

<p>Regional Venture Capital Funds</p> <p>To increase the supply of venture capital available to SMEs throughout the English regions.</p>	<p>Evaluation of Regional Venture Capital Funds</p> <p>Expected Impact Evaluation score 2: Actual before and after</p>	<p>BBB has a comprehensive MI system that records new investments made and the characteristics of those investments, and also monitors the financial performance of the investments.</p>		<p>Interim evaluation published here, 2009.</p>	<p>Final evaluation will occur when funds close.</p>
<p>Early Growth Funds</p> <p>To increase the supply of risk capital available to new and growing businesses seeking smaller amounts of equity finance to enable them to realise their growth potential.</p>	<p>Evaluation of Early Growth Funds</p> <p>Expected Impact Evaluation score 2: Actual before and after</p>	<p>BBB has a comprehensive MI system that records new investments made and the characteristics of those investments, and also monitors the financial performance of the investments.</p>		<p>Interim evaluation published here, 2009.</p>	<p>Final evaluation will occur when funds close.</p>
<p>Regional Development Assistance (RDA) Legacy⁹</p>	<p>Evaluation of RDA Legacy</p> <p>Evaluations vary between different funds. Evaluation of the JEREMIE funds score 2: Actual before and after.</p>	<p>BBB receives reporting information on a quarterly basis from fund managers on investments and how the portfolio is performing.</p>		<p>Mid-term review of JERMIE funds published here, 2013.</p>	

Notes:

⁹ There are around 90 different RDA legacy funds, which the British Business Bank has strategic oversight of. Responsibility for evaluation of these funds rests with the delivery company/ funders. Three current JEREMIE funds cover the North East, North West and Yorkshire and Humber regions of England provide equity and loan finance to start-up and growing companies.

Annex C: Monitoring and Evaluation in BIS System map

The effectiveness of our programs depends on a strong and safe culture for evaluation, where timely and accurate feedback and analysis assesses what works, how it works and why, and this learning is fed back rapidly into policy and spending decisions. Feedback and learning are therefore pivotal elements of a successful evaluation strategy.

An important part of this learning process is to acknowledge that when policies do not deliver the desired effects – indeed, even when they produce unexpected or unwanted effects – these are still valuable opportunities to develop our knowledge so we can refine and adapt future policies and hence secure better outcomes eventually. BIS must enable this flow of information as far as is possible. This is about reinforcing BIS’s existing good practice to make the learning process integral to the way we work in BIS.

To help us to understand the barriers and incentives to improving the learning culture within BIS, we held diagnostic workshops with evaluation analysts and senior policy officials from across the Department. The focus of the sessions was on understanding possible ‘system’ areas where information flows could be further supported. In particular the second session concentrated on the enablers and impediments to analysis and feedback within BIS.

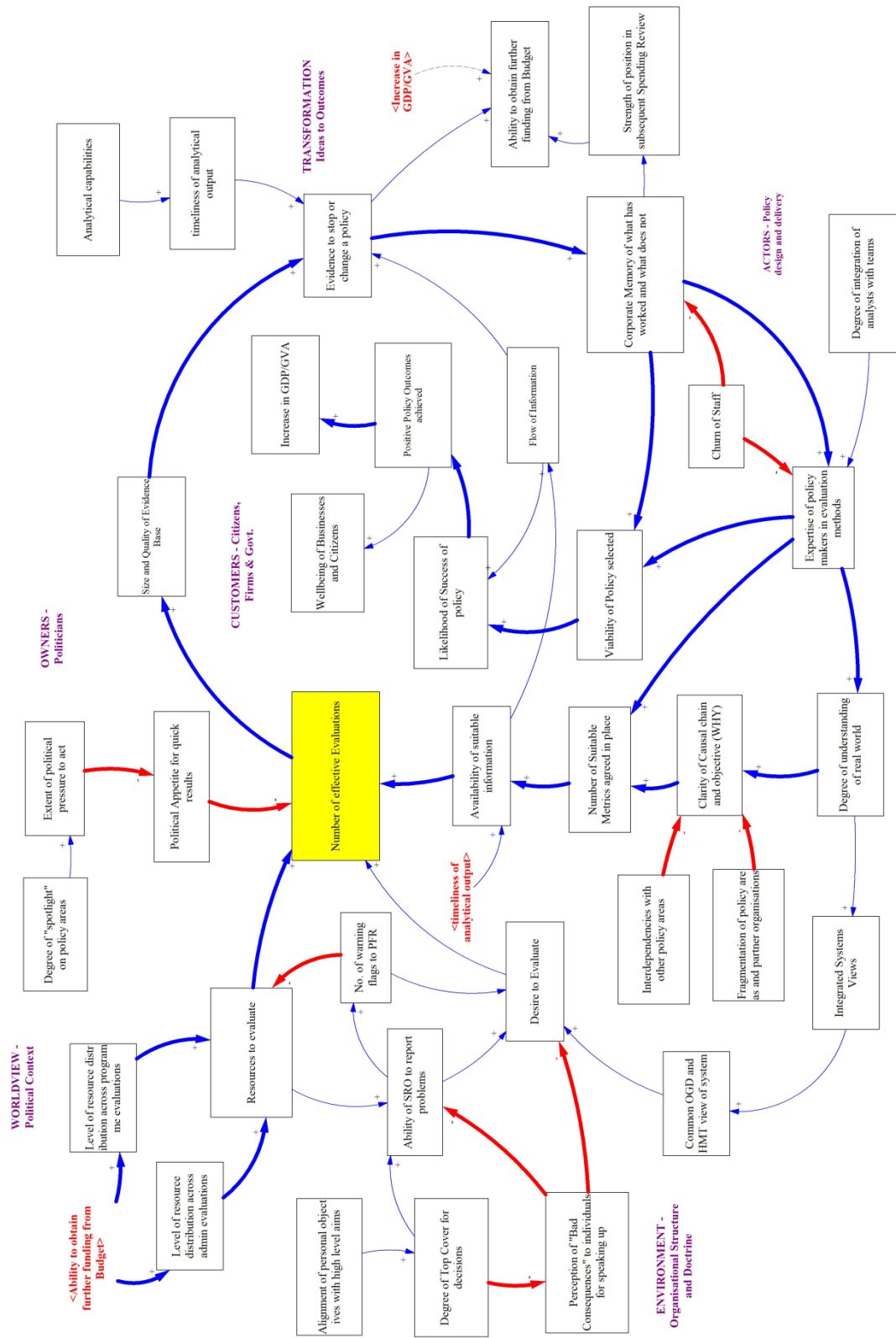
From these workshops we developed a systems map to reflect how monitoring and evaluation activities are perceived to sit within the current policy-making framework in BIS. The map shows vicious and virtuous circles which in turn outline potential areas where interventions can have a positive effect for further supporting a culture of evaluation in BIS.

The systems map below is the interpretation of the evaluation system based on the workshop comments which has been validated with the original participants. The main flows are picked out in thick blue lines starting from the central yellow box “Number of effective evaluations”; as these increase, the size and quality of the evidence base will also increase which will itself lead to more evidence being available to change or stop policies that are not proving effective.

In turn this bolsters the “corporate memory” of what has and has not worked which improves the expertise of policy makers in evaluation methods and the viability of new policies as they are developed. Following the remaining elements of the chain leads both to more positive policy outcomes being achieved and more effective evaluations being conducted – a positive feedback loop. However note that the effective evaluation of a policy is no guarantee of that specific policy’s success; rather it is by adding to the broader evidence base that future policies have a greater chance of achieving their goals.

Various impediments to effective feedback and evaluation were also identified – these are highlighted with red lines. So for example both “corporate memory” and “expertise of policy makers in evaluation methods” will be negatively affected by staff churn. As churn increases the corporate memory is diminished and expertise is lost. Similarly if there is an increasing perception of “bad consequences” for speaking up about problems with policies this will lead to a reduction in the desire to evaluate and in the ability of senior reporting owners (SROs) to report problems with same.

Systems Thinking - evaluation map 7a RMF



Fri Nov 14, 2014 6:01PM

Annex D: Building Capability

It is important to ensure that our analysts, commissioning processes, monitoring systems and evaluations are capable of delivering robust evaluations. The Civil Service Learning who are the sole provider for all generic learning and development for BIS people and for the wider Civil Service do not currently provide bespoke learning on evaluation methods. Consequently, the central evaluation team organise a yearly programme of core training for BIS analysts.

The tables in this annex provide a summary of the previous training commissioned by BIS over the last three years.

BIS Advanced Evaluation Methodology Training 2014

Evaluation Method	Facilitator
Randomised Control Trials	Dr David Torgerson, Dr Catherine Hewitt <i>York Trials Unit</i> Dr Carole Torgerson <i>Durham University</i>
Instrumental Variables	Dr Paul Clist <i>University of East Anglia (School of International Development)</i>
Regression Discontinuity Design	Dr Paul Clist <i>University of East Anglia (School of International Development)</i>
Panel data	Dr Paul Clist <i>University of East Anglia (School of International Development)</i>
Matching Methods	Dr Maren Duvendack <i>University of East Anglia (School of International Development)</i>
Meta analysis & Systematic Reviews	Dr Maren Duvendack <i>University of East Anglia (School of International Development)</i>
Difference-in-difference	Dr Jennifer Leavey <i>University of East Anglia (School of International Development)</i>
Policy Evaluation	Dr Philip Davies

Total Attendance: 146

BIS Internal Expert Training 2014

Evaluation Method	Facilitator
In-depth Regression Discontinuity Design	Dr Paul Clist <i>University of East Anglia (School of International Development)</i>
Total Attendance: 4	

BIS Advanced Evaluation Methodology Training 2013

Evaluation Method	Facilitator
Introduction to Experimental and Quasi-Experimental Methods	Dr John Micklewright <i>Institute of Education</i>
Introduction to causal inference, difference-in-difference and regression discontinuity design	Dr Sunil Kumar <i>University of East Anglia (School of International Development)</i>
Matching Methods	Dr Maren Duvendack <i>University of East Anglia (School of International Development)</i>
Panel data	Dr Sunil Kumar <i>University of East Anglia (School of International Development)</i>
Cost-effectiveness, Cost-benefit analysis and Benefit-Cost ratio	Dr Edward Anderson <i>University of East Anglia (School of International Development)</i> Chris Bryant (BIS)
Total Attendance: 79	

Note to tables: On the 'Total Attendance' number, analysts that attended more than one session are counted as many times as sessions they attended.

BIS Advanced Evaluation Methodology Training 2012

Evaluation Method	Facilitator
Introduction to Quantitative Evaluation Methods	Professor Anna Vignoles <i>Institute of Education</i>
Introduction to Experimental and Quasi-Experimental Methods	Professor John Micklewright <i>Institute of Education</i>
Advanced Quasi-Experimental Methods: Regression and Matching Methods	Professor Lorraine Dearden <i>Institute of Education</i>
Advanced Quasi-Experimental Methods: Panel Data Methods	Professor Anna Vignoles <i>Institute of Education</i>

Average learners attendance per session 18.

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