

UK SHARED PROSPERITY FUND: INTERVENTION-LEVEL EVALUATION

Feasibility Stage Report for Department of
Levelling Up, Housing and Communities

Main Sections (excluding appendices)

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EXECUTIVE SUMMARY

Learning ‘what works’ from UK Shared Prosperity Fund interventions

The UK Shared Prosperity Fund (UKSPF) was launched by the UK Government in April 2022 and is a central pillar of the Government’s Levelling Up agenda. It provides £2.6 billion of funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition.¹ UKSPF funding is allocated straight to local areas to invest in three priorities: **People & Skills; Business Support; and Communities & Place.**

UKSPF provides an opportunity to learn about the contribution local interventions make to Levelling Up, with a particular focus on²:

- **Pride in place:** local perspectives about high streets and regeneration; culture, heritage and sport; community and society; and safety and security; and
- **Life chances:** education and skills; local economic & social environment; health and wellbeing; childhood and family; and crime and anti-social behaviour outcomes.

The Department for Levelling Up, Housing and Communities (DLUHC) has therefore designed a three-tier [UKSPF evaluation strategy](#). This will include: a programme level evaluation, which will explore the overall impact and value for money of the UKSPF; a place-based level evaluation, which will produce 36 place-based case studies across the UK to provide evidence on how combinations of UKSPF-supported interventions within a locality work together; and an intervention-level evaluation, which will focus on generating robust evidence on what interventions work, or do not work, for whom and why, in delivering pride in place and life chances. The evaluation activity is currently expected to conclude by late 2025. However, DLUHC is exploring possibilities to extend the evaluation beyond 2025 to ensure a robust and comprehensive capture of the impacts.

This Feasibility Report has been prepared by Frontier Economics and BMG Research and relates to the intervention-level tier.³ The scope of this evaluation includes:

¹ The Fund’s interventions will be planned and delivered by councils and mayoral authorities across England, Scotland and Wales – ‘lead local authorities’. In Northern Ireland, UK government will have oversight of the Fund.

² These definitions of pride in place and life chances from the Department of Levelling Up, Housing and Communities are consistent with the Levelling Up White Paper (HMG, 2022), <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

³ There is a separate randomised control trial (RCT) component of the intervention-level special tier. This aims to provide a deeper understanding of impacts for a relevant subset of interventions (as appropriate for a RCT methodology) beyond the intervention-level component discussed in this Feasibility Report.

- A process evaluation: exploring how learning can be generated about the design and planning; implementation and management; and monitoring and evaluation of sampled interventions;
- An impact evaluation: exploring the extent to which changes in key outcomes of interest have been enabled by the interventions, for whom and under what conditions; and
- A value for money evaluation: exploring the extent to which the interventions have made best use of public resources in terms of meeting local strategic objectives as well as delivering local benefits that exceed costs.

Focus of this Feasibility Report

This document presents the outcome of an in-depth scoping exercise to determine how the UKSPF interventions can be evaluated in line with the Magenta Book (HMT, 2020). The aim of the feasibility work was to design a proportionate evaluation that would maximise learning.

The intervention-level evaluation approach presented in this Feasibility Report has been designed under the following guiding principles: proportionality, co-creation, flexibility, inclusivity, practicality, and rigour. The proposed approach seeks to find a balance between ensuring that lead local authorities (i.e., the authorities who have been allocated UKSPF funding) have the opportunity to engage with the evaluation activities, while also avoiding overburdening local areas as they deliver their UKSPF interventions.

As there are thousands of UKSPF-funded projects being delivered across the country, it is not proportionate (or possible) to evaluate all projects in a way which delivers sufficiently detailed evidence of what works, for whom and under what conditions. Nor would a random sample be appropriate as this could miss valuable opportunities to generate robust evaluation evidence. **The approach therefore is founded on identifying groups of similar projects to focus on that will enable robust evaluation to be undertaken. Those groups of projects are, for the purposes of this evaluation, called intervention study groups because each study group represents a particular type of intervention.**

As there are various definitions of what an ‘intervention’ is, for the purposes of this particular intervention-level evaluation, the term ‘intervention’ refers to projects that share similar core characteristics in terms of their outputs (tangible deliverables from the investment); intended beneficiaries; and the mechanisms through which they are intended to bring about changes in outcomes. For this intervention-level evaluation, similar projects can be located anywhere in the country but share these core characteristics.⁴

Conducting the evaluation at the study group level (where each study group represents a particular type of intervention), rather than focussing on individual projects, provides the opportunity to ‘pool’ the evidence from the projects within the study group to enhance learning

⁴ Other evaluations may define the term ‘intervention’ slightly differently, such as the Towns Fund evaluation, for example, which considers an intervention to refer to projects within a particular geographical locality such as a town.

about the important contextual factors that can affect what works, for whom and why. A theory of change, evaluation questions, indicators of change and metrics to measure those changes have all been clearly articulated for each study group. Appropriate analytical methods to apply to assess the changes in outcomes attributable to projects within the study groups have also been developed.

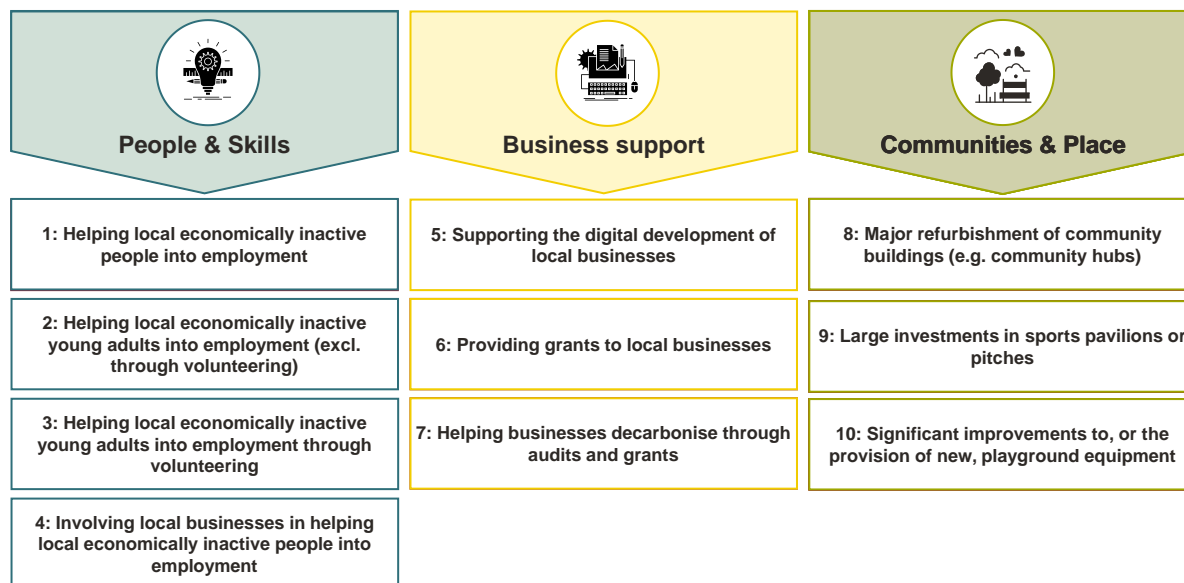
Study groups were iteratively identified and refined, based on information collated for this evaluation on UKSPF-supported projects.⁵ Selection criteria enabled a list of 10 study groups to be recommended, primarily focusing on the extent to which existing gaps in evidence could be addressed, as well as ensuring that a rigorous and proportionate evaluation could be conducted over the timescales for this evaluation.

The 10 study groups selected for the intervention-level evaluation are summarised in Figure 1. For the purposes of this evaluation, three local projects will be grouped together to form each study group. Therefore, evaluation evidence will be generated drawing on 30 projects across the 10 study groups. This number of projects was intended to balance the need to include enough projects to enable variations in context to be explored, while also ensuring sufficient granular data could be proportionately collected on each project. The feasibility stage has gathered evidence on the likely projects within each group, though the exact projects may need to be slightly adapted over time if lead local authorities adjust their portfolio of projects.⁶ These study groups and projects within them are not chosen to be able to make representative findings across the UKSPF as a whole, but to add to the evidence base on what works, for whom and under what conditions.

⁵ This includes information provided to DLUHC for monitoring and evaluation, as well as specific additional data requests and discussions for this evaluation.

⁶ There may be minor adjustments to the focus of the study groups following the project selection.

Figure 1 The 10 study groups for the intervention-level evaluation



The proposed evaluation approach in summary

Process evaluation

The process evaluation will seek to learn about design, planning, implementation, management and monitoring of the interventions. It will triangulate evidence from documents (such as UKSPF guidance, investment plans etc); in-depth interviews with a range of stakeholders including lead local authorities, delivery partners, local community representatives and local businesses; focus groups with stakeholders who deliver and receive the interventions; and site observations which provide an understanding of interventions on the ground.

Impact evaluation

Recognising the complexity of the interventions, an **integrative evaluation approach** is proposed. This would maximise learning by integrating several evaluation methods (therefore involving several data sources and analytical approaches to enhance rigour), with the aim of generating robust evidence on what works, for whom, how and under what conditions.

The evaluation methodologies and analytical methods incorporated within this integrative evaluation are:

- **Descriptive analysis** of the projects (within each study group) that are being delivered using data from surveys such as the Community Life Survey (CLS) and the Your Community, Your Say (YCYS) survey that has been designed to support the UKSPF evaluation strategy. This will be used to understand contextual factors, which are

important both for attributing impacts to the projects being evaluated and for exploring how impacts vary across different contexts. In addition, the strategic objectives of the projects will be identified to inform an assessment of the extent to which those strategic objectives are met by the projects within the study groups.

- **Before versus after analysis** to indicate what has changed over time using data that is being collected in the CLS, YCYS survey and bespoke surveys designed for this evaluation, alongside administrative data and locally collected monitoring data where available. This method does not provide evidence on what is attributable to the interventions, but it does highlight what has changed, where and for whom since the time of intervention.
- **Quasi-experimental difference-in-difference analysis** using synthetic controls, control groups where data allows, or analysis comparing outcomes at specified distances from the intervention compared with outcomes close to the intervention. Incorporating this method into the evaluation further bolsters rigour, by generating evidence on what impacts can be attributable to the projects within each study group. **This method will be applied for all of the Communities & Place study groups.** This method is more challenging if attempted in the period to 2025 for the People & Skills and Business Support study groups, both because sufficient data is not likely to be available (administrative data needed for identifying control groups is published with a lag of up to one-year) and outcomes may not be observable for some time (some outcomes may only be observed several years after participating in a project). However, where this analysis is feasible for individual projects it will be included. **Over a longer evaluation period post-2025 (for example, to 2028), administrative data sets become more feasible to use and hence this method may be plausible for some People & Skills and Business Support study groups in the longer term.**
- **Theory-based contribution analysis** which will triangulate qualitative data from the process evaluation and bespoke fieldwork alongside the quantitative analysis from the before vs after and quasi experimental methods described above. This will be used to articulate an evidence-based narrative that validates the extent to which it is reasonable to claim that the interventions represented by each study group have contributed to the observed outcomes, and if so, how this varies across cohorts of participants or contextual factors, and the reasons for variations.

How the components of the integrative approach are used for each study group is summarised in Table 1.

Table 1 Components of the integrative evaluation approach in each study group

Study group	Descriptive analysis	Before and after analysis	Quasi-experimental analysis	Theory-based contribution analysis
People & Skills				
1: Helping local economically inactive people into employment	✓	✓	x	✓
2: Helping local economically inactive young adults into employment (excl. through volunteering)	✓	✓	x	✓
3: Helping local economically inactive young adults into employment through volunteering	✓	✓	x	✓
4: Involving local businesses in helping local economically inactive people into employment	✓	✓	x	✓
Business support				
5: Supporting the digital development of local businesses	✓	✓	x	✓
6: Providing grants to local businesses	✓	✓	x	✓
7: Helping businesses decarbonise through audits and grants	✓	✓	<i>Potentially</i>	✓
Communities & Place				
8: Major refurbishment of community buildings (e.g. community hubs)	✓	✓	✓	✓
9: Large investments in sports pavilions or pitches	✓	✓	✓	✓
10: Significant improvements to, or the provision of new, playground equipment	✓	✓	✓	✓

Source: Frontier Economics

Value for money (VfM)

Value for money is a vital consideration when making decisions about what to invest in and where in order to meet local strategic objectives. This Feasibility Report therefore describes an approach for delivering an assessment of whether, and under what conditions, the interventions represented by each study group deliver VfM. This includes (i) providing a qualitative assessment of the extent to which the interventions have met the local strategic objectives they were designed to achieve; and (ii) using both scenario-based analysis and

break even analysis to determine the extent to which social benefits could be expected to exceed costs for these types of interventions over their lifetimes (including both changes in outcomes that can be monetised and those that cannot).

Evaluation time period

In designing this innovative integrative evaluation approach, it is clear that the analysis that is possible to deliver in the period to 2025 is constrained by the data available, given that some of the projects will not be delivered until near the end of the funding period i.e. March 2025. Furthermore, there are some outcomes that will not be observed in that short time period. This Feasibility Report has therefore described an appropriate and proportionate integrative evaluation approach by considering two time periods:

1. Evaluation period late 2023 to late 2025: This evaluation activity would add value by generating evaluation evidence to **deliver early insights and learning** on what outputs and short term outcomes each intervention is delivering, for whom, how and under what contexts. This is the period for which this intervention-level evaluation has been commissioned by DLUHC to be delivered.
2. Evaluation over a longer time period beyond 2025 (taken illustratively to be late 2023 to late 2028): This evaluation activity would add value by drawing on longer-term data to **enrich the insights on what outputs and outcomes study groups are delivering over a longer period**, for whom, how and under what contexts. This longer time period opens the opportunity for more rigorous quasi-experimental analysis of the scale of impacts observed that can be credibly attributed to the projects within the study groups.

Reporting timelines

This Feasibility Report has been prepared with a view to the intervention-level evaluation delivering an interim report by spring 2024 (including baselining activity and early process evaluation findings) and a final evaluation report in late 2025. Reporting beyond this point would be dependent on whether the evaluation is extended post-2025. DLUHC is exploring possibilities to extend the evaluation beyond 2025 to ensure a robust and comprehensive capture of the impacts.

1 Introduction and background to the UKSPF

1.1 Overview and aims of the UKSPF

The UK Shared Prosperity Fund (UKSPF) was launched by the UK Government in April 2022. It provides £2.6 billion of funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition.⁷ Local decision-makers can work with their local communities and partners to deliver interventions under local priorities: Communities & Place, Business Support and People & Skills. Places are empowered to identify and build on their own strengths and needs at a local level, focused on enhancing pride in place and increasing life chances.

UKSPF is intended to support the delivery of the Levelling Up White Paper missions to 2030 (HMG, 2022)⁸ and forms part of a suite of complementary levelling up funding. It combines revenue funding (80-90% of annual allocations) and capital funding (10-20%) and provides each place with flexibility to invest across a range of activities, depending on local needs. Funding allocations span the three financial years of 2022/23, 2023/24 and 2024/25 though the majority of funding (£1.5 billion) is allocated in 2024/25.

The scale of funding and diversity of interventions being delivered creates an unrivalled opportunity to build the evidence base on what works for delivering local pride, life chances, and local growth through robust evaluation. Frontier Economics and BMG Research have been commissioned to support DLUHC in delivering its UKSPF evaluation strategy by focusing on one of its major elements: the UKSPF intervention-level evaluation. This is the focus of this document.

1.2 DLUHC UKSPF evaluation strategy

Evaluation activity for UKSPF as a whole is broad and is broken down into three tiers:

- Programme level evaluation: this will explore the **overall** impact and value for money of the UKSPF in terms of pride in place, life chances and the other levelling up missions;
- Place-based level evaluation: this will focus on producing 36 place-based case studies across the UK, to understand local delivery and impacts, and to generate robust evidence on how effective combinations of UKSPF-supported interventions within a locality work together to enhance pride in place, life chances and the other levelling up missions; and

⁷ The Fund's interventions will be planned and delivered by councils and mayoral authorities across England, Scotland and Wales – 'lead local authorities', working closely with local partners and the Scottish and Welsh governments. In Northern Ireland, UK government will have oversight of the Fund. DLUHC will work closely with local partners to design a Northern Ireland investment plan in consultation with stakeholders who could include representatives from Northern Ireland Executive Departments, local authorities, businesses and the community and voluntary sector.

⁸ <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

- Intervention-level evaluation: this will focus on evaluating 10 types of individual interventions supported by UKSPF funding to generate robust evidence on what interventions work, or do not work, for whom and why, in delivering pride in place and life chances.⁹

This report focuses on the **intervention-level evaluation** as distinct from the parallel evaluation tiers. Activity will be coordinated where appropriate across the evaluation tiers to ensure no duplication, while also maximising synergies (such as data sharing). This intervention-level evaluation brings a particular lens focusing on specific types of local interventions to generate evidence that will support future decision-makers.

1.2.1 Timelines for the evaluation

In designing this intervention-level evaluation, any evaluation approaches are dependent on when changes in outcomes would be expected to be observed (which depends on the timing of project implementation and the time to impact) and the data available.

This Feasibility Report has therefore described an appropriate and proportionate integrative evaluation approach by considering two time periods:

- Evaluation period late 2023 to late 2025: This evaluation activity would add value by generating evaluation evidence to **deliver early insights and learning** on what outputs and short term outcomes each intervention is delivering, for whom, how and under what contexts. This is the period for which this intervention-level evaluation has been commissioned by DLUHC to be delivered.
- Evaluation over a longer time period beyond 2025 (taken illustratively to be late 2023 to late 2028): This evaluation activity would add value by drawing on longer-term data to **enrich the insights on what outputs and outcomes study groups are delivering over a longer period**, for whom, how and under what contexts.

The primary focus of this Feasibility Report is the evaluation period 2023 to 2025, but a post-2025 evaluation period is also considered. Illustratively the period 2023 to 2028 has been considered and preliminary approaches have been described, to inform future decisions about the UKSPF evaluation over a longer period of time. DLUHC is exploring possibilities to extend the evaluation beyond 2025 to ensure a robust and comprehensive capture of the impacts.

1.2.2 Aims of the intervention-level evaluation

The £2.6 billion of UKSPF funding is being used to deliver thousands of projects across the UK (in part or wholly funded by UKSPF). These projects are being designed and delivered locally, by public, private, and voluntary sector organisations. Some of the interventions

⁹ There is a separate randomised control trial (RCT) component of the intervention-level special tier. This aims to provide a deeper understanding of impacts for a relevant subset of interventions (as appropriate for a RCT methodology) beyond the intervention-level component discussed in this Feasibility Report.

delivered with UKSPF funding are new, while others are continuations (or adaptations) of projects that have been operating for some time using European Structural Fund allocations.

The complexity of what is being delivered by the UKSPF means that this intervention-level evaluation must adopt methodologies that are proportionate, innovative and pragmatic in order to generate sufficiently detailed and robust evidence of what works, for whom and under what conditions to be able to inform future intervention decisions at local and national level.

As the priority of this evaluation is to maximise learning through generating robust evidence, the evaluation focuses on the concept of ‘**study groups**’ rather than individual projects. Study groups are defined as collections of similar projects being delivered in different local contexts. This approach means that evidence on projects can be ‘pooled’ to enhance learning from across different contexts.¹⁰ This allows for learnings both at the project level and at the study group level. Study groups are described in more detail in Chapter 2 and the evaluation approaches in Chapter 5 and Appendix C.

1.3 Aims of this feasibility report

The intervention-level evaluation will focus on 10 study groups. Each of the study groups will exemplify one type of intervention and the process for selecting the study groups is explained in Chapter 2.

As they will vary in terms of their aims, target beneficiaries and mechanisms through which they are intended to deliver economic, social and environmental outcomes, appropriate evaluation methodologies must be designed for each specific study group.

This feasibility report therefore has four main aims:

- First to identify appropriate study groups on which to focus the intervention-level evaluation (see Chapter 2);
- Second, to describe how the process evaluation can be undertaken across the study groups. This seeks to generate evidence on the design, planning, implementation and monitoring of the intervention study groups (see Chapter 3);
- Third, to describe the impact evaluation approaches including the data to be collected, and the analytical methods to be applied over the two timeframes 2023 to 2025, and 2023 to 2028 (see Chapter 3);
- Finally, to provide an approach for assessing the value for money of the interventions. This will seek to assess the extent to which the interventions have, or are likely to have in the future, delivered benefits that exceed the costs (see Chapter 5).

¹⁰ Note that a ‘project’ is what is being delivered by a local area; an ‘intervention’ is a descriptor for the type of project it is; and a ‘study group’ is a group of projects that are similar and are of the same type of intervention.

A series of appendices which support each of the Chapters and contain further detail are published alongside this Feasibility Report.¹¹

This Feasibility Report has been developed using the best information and data available as of September 2023. Some details of the evaluation approaches described may need to be updated over time as information comes to light on, for example, the delivery timelines or designs of projects within each study group, or indeed changes by local areas to the study group projects. Such changes will be monitored and discussed with DLUHC with a priority placed on ensuring the evaluation remains robust, transparent and rigorous.

It is vital that every effort is made to ensure rigour, proportionality and pragmatism in the recommended evaluation approaches, given the nature, scale and complexity of interventions supported with UKSPF funding. In developing the intervention-level evaluation set out in this feasibility report Frontier and BMG Research therefore engaged with experts across government, academia, local authorities and community groups. This included: policy colleagues and analysis teams across DLUHC, the Department for Work and Pensions (DWP), the Department for Culture Media and Sport (DCMS), the Department for Business and Trade (DBT) and the Department for Education (DfE); academic experts from Cambridge University and Sheffield Hallam University; evaluation experts from the Evaluation Task Force, What Works Growth, and Institute of Community Studies; and policy experts from local authorities, Mayoral Combined Authorities and Local Trust.

¹¹ This includes Appendix D which sets out risk registers.

2 Approach to identifying study groups for evaluation

As explained in Chapter 1, this intervention-level evaluation has been designed to balance the requirements of applying rigorous and robust evaluation methods, while also recognising that the hyper-local and diverse nature of the UKSPF-funded projects calls for innovation, flexibility and pragmatism in how the evidence is generated.

With thousands of UKSPF-funded projects being delivered across the country, it is not possible to evaluate all projects in a way which delivers sufficiently detailed evidence of what works, for whom and under what conditions. It also not appropriate to merely pick a random sample of projects for evaluation, as this is likely to miss out on valuable learning that can only be generated if projects are chosen using a deliberative approach. This Chapter describes the approach taken.

2.1 The concept of study groups

The approach that has been applied starts with the identification of intervention **study groups**. These are collections of similar projects that are being delivered by lead local authorities in different contexts across the UK, where each study group represents a particular type of intervention. This approach means that evidence on projects can be ‘pooled’ to enhance learning about ‘what works’, for whom and under what conditions.¹²



Note: illustrative example only

Study groups are similar projects that exemplify a particular type of intervention i.e., projects that deliver similar outputs, target similar beneficiaries and / or adopt similar policy mechanisms to initiate change for those beneficiaries.

A theory of change, evaluation questions, indicators of change and metrics to measure those changes can all be clearly articulated for each study group. Appropriate analytical methods to apply to assess the changes in outcomes attributable to projects within the study groups can also be developed.

The analytical advantages of this approach are that when considered together, the projects within the study group have a larger sample size than any individual project, therefore changes in indicators of impact are more likely to be detectable.

¹² Note that a ‘project’ is what is being delivered by a local area; an ‘intervention’ is a descriptor for the type of project it is; and a ‘study group’ is a group of projects that are similar and are of the same type of intervention.

Furthermore, by collecting data on each project within the study group, it is likely to be possible to explore (at least qualitatively) any nuances in the context surrounding each project and whether this is relevant for what it achieves.

The study groups, and projects within them, are not chosen to be able to make representative findings across the UKSPF as a whole, but to add to the evidence base on what works, for whom and under what conditions.

2.2 Process for identifying study groups

The systematic approach to identify the intervention study groups was undertaken over the period May 2023 to August 2023. This included a multi-stage process that respected several principles: first, to make the most of the reporting cycles lead local authorities were asked to adhere to in reporting information to DLUHC; second, to minimise demands on lead local authorities given their focus on the design and delivery of their projects; third, to design the evaluation cognisant of the different stages of design and delivery that projects were at, given the majority of UKSPF funding is to be released in 2023/24 and 2024/25; and finally, the need to be proportionate with data and information requests from lead local authorities

On starting this feasibility assessment, there was no single co-ordinated source of information on the projects that lead local authorities were using their UKSPF funding to deliver. It was therefore necessary to generate this information in a proportionate way, accounting for the factors described above. Three main activities were therefore undertaken to collate the required information on UKSPF-funded projects:

1. **6-monthly reporting data submitted to DLUHC.** Lead local authorities submitted this monitoring data to DLUHC in early May 2023. This included a list of UKSPF-funded projects (being delivered or planned), along with a limited project description (approximately 10 words) and associated project budget. This data was analysed in detail, and potential study groups identified and assessed using criteria (described below). However, detail on projects was in many cases limited. Furthermore, feedback from lead local authorities revealed that the information in these returns did not capture the many projects that were still being commissioned at that time, with these disproportionately being People & Skills and Business Support interventions.
2. **A bespoke 'Request for Information' (RFI).** To address the gaps in data on projects, a bespoke RFI was developed and distributed to all lead local authorities. This invited local authorities to provide information on projects they were delivering

that would sit within 15 provisional types of interventions on which additional information was particularly sought.¹³

3. **Direct engagement.** To complement the data shared via the RFI, the evaluation team spoke to around 20 local delivery teams who had requested separate calls to share their data. This enabled a richer understanding of the projects and more data to be shared with the team.

When collated, synthesised and analysed, the data shared with the evaluation team was considered sufficiently comprehensive¹⁴, and with UK-wide coverage, to inform a rigorous process to select the study groups.

Criteria (summarised in Figure 2) were used to identify the proposed 10 study groups, ensuring at least three study groups across each of the UKSPF pillars: People & Skills; Business Support; and Communities & Place.

The primary criterion was the extent to which the available information and data on projects suggested that **evaluation of the study group was feasible over the 2023 to 2025 timeframe of this evaluation**. This included consideration of whether there were multiple projects that shared characteristics to enable them to be grouped into a study group. If so, consideration was given around the extent to which the projects were clear enough for the evaluation team to articulate a theory of change that could underpin an evidence-based assessment of the changes in outcomes attributable to the project. Important considerations included the scale and timing of anticipated impacts – in particular, whether they would be expected to occur during the timeframes of this evaluation (given the timing of project delivery and expected time to impacts), whether associated data (qualitative or quantitative) could be collated, and whether impacts would be robustly observable given the number of beneficiaries and the size of impacts felt.

Secondly, it was important that focusing evaluation resources on the particular study group **added value to the evidence base on what works, for whom and under what conditions** in the context of delivering the pride in place and life chances aims of UKSPF. This assessment was informed by a high-level evidence review of published material (including both academic papers and grey literature) which identified the extent to which there were gaps

¹³ These were: 1) Major refurbishment or construction of community buildings; (2) large investments in sports or leisure facilities; (3) significant improvements to local parks or the provision of new playground equipment; (4) significant projects that are seeking to bring vacant commercial properties into use; (5) volunteering placements specifically for local young people; (6) projects that support volunteering placements in the community; (7) training courses that are providing 'green skills' or 'low carbon skills'; (8) targeted support to address economic inactivity among local women or minority groups; (9) projects involving local businesses that seek to address economic inactivity among local people; (10) new large scale projects aiming to help local economically inactive people into employment; (11) large scale programmes supporting businesses in specific local priority sectors; (12) large scale programmes supporting local businesses to decarbonise; (13) programmes to support the digital development of local businesses; (14) business support programmes that involve high intensity engagement with individual businesses; (15) business support programmes with innovative local delivery model.

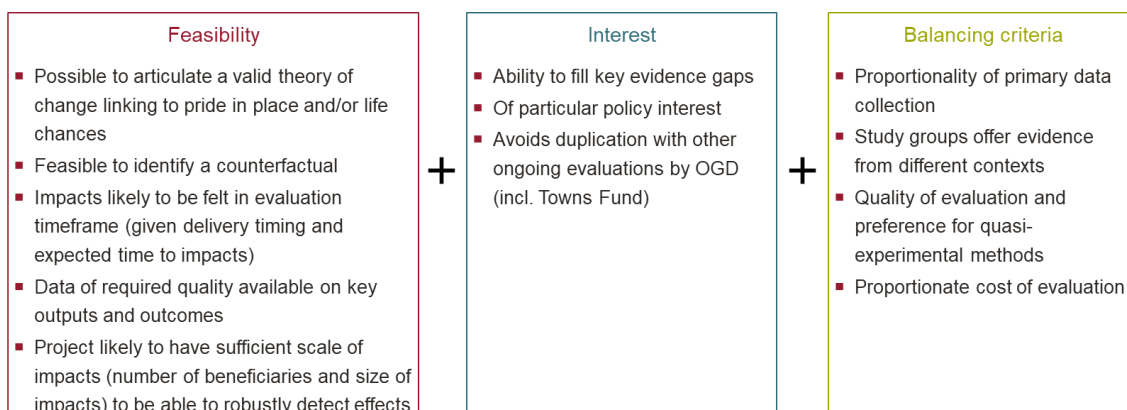
¹⁴ Considered to be sufficient by Frontier Economics, BMG Research and DLUHC given the information available from LLAs and maintaining proportionality of the feasibility stage.

in the evidence base which this evaluation could address. In addition, the evaluation team spoke with analysts and policy colleagues at DWP, DCMS, DBT and DfE to establish the extent to which the provisional list of 15 study groups would be addressing known evidence gaps or conversely duplicating existing evidence. Study groups were only shortlisted if there was a clear evidence gap this evaluation could address.

Finally, balancing criteria were applied to ensure that the evaluation could be undertaken across the shortlisted intervention study groups in a **proportionate** way. Of particular relevance here is the necessity of primary data collection to inform robust evaluation of many of the potential study groups. While many other evaluations are based on secondary data sources, the short timescales for this evaluation and the very local nature of the projects in question make these difficult to utilise. Emphasis was placed on ensuring that evaluation methods could be identified that were robust, rigorous and enabled quantification of impacts where possible.

The aim of this intervention-level evaluation is to generate evidence across a sufficient spread of UKSPF-funded interventions that are being implemented in many local contexts across the UK to support the Levelling Up agenda. As this intervention-level evaluation is just one of the three tiers of the UKSPF evaluation strategy, selection criteria did not include particular requirements on regional geographical coverage as this is the focus of the place-based tier of the UKSPF evaluation strategy. Nor is each study group intended to represent a particular proportion of UKSPF funding because this would have introduced too much project variation within each study group and therefore severely limited the credibility of each study group’s findings as only generalised learning would have been possible, rather than the detailed evidence-based learning that is essential to inform policy.

Figure 2 Criteria to identify intervention study groups



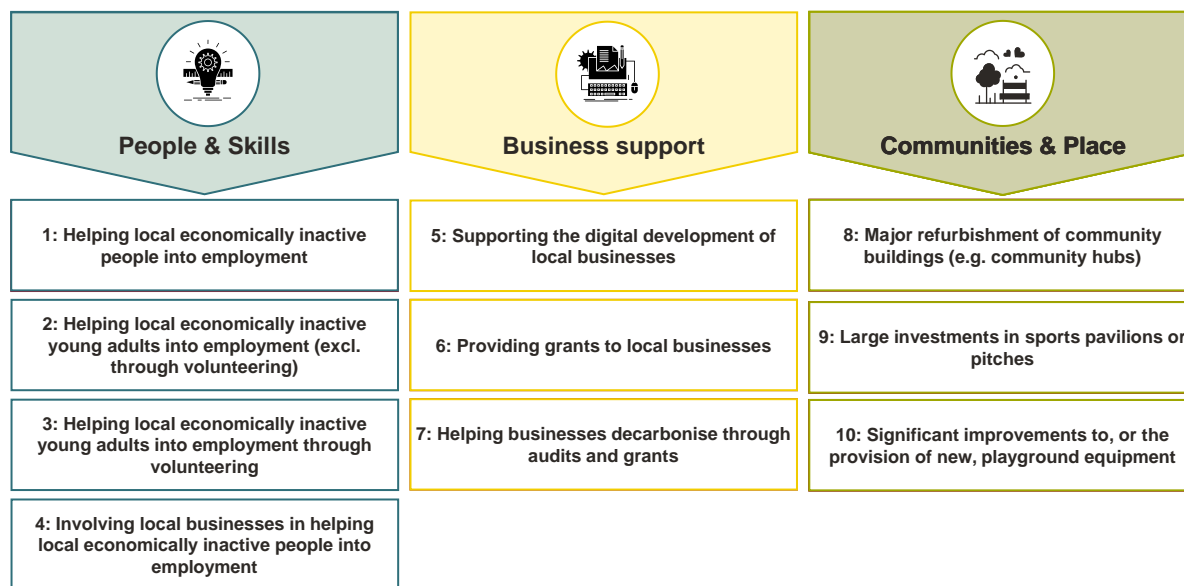
Source: Frontier Economics

Note: These criteria were developed for the purposes of this intervention-level evaluation only. Sufficient scale of impacts includes a consideration of a meaningful budget needed to achieve these.

The final shortlist of 10 study groups was arrived at through an iterative process, involving input from DLUHC policy and analysis colleagues, members of the Stakeholder Panel and policy colleagues from other central government departments.

The 10 study groups selected for the intervention-level evaluation are in the following Figure 3.

Figure 3 The 10 study groups for the intervention-level evaluation



Note: Economically inactive people are those who are not in employment nor actively seeking work. Study group 4 is specifically targeting projects where the project descriptions as provided identified that local businesses have a material role in the development and delivery.

Source: Frontier Economics

For the purposes of evaluation, three projects being delivered by lead local authorities (funded or part-funded by UKSPF) will together form each study group to exemplify a particular type of intervention. This number is a balance between the need to generate generalisable evidence for the type of intervention in question and the need for evaluation to be proportionate given the cost of the primary data that is required for each project included in the evaluation. This feasibility stage has gathered evidence on the likely projects within each group, though the exact projects may need to be slightly adapted over time if lead local authorities adjust their UKSPF portfolio of projects or the timing of planned projects changes.¹⁵

2.2.1 Study groups considered but not recommended for evaluation

Given the wealth of information collated on the projects being delivered with UKSPF funding allocations, several study groups were considered as being potentially evaluable but were

¹⁵ There may be minor adjustments to the focus of the study groups following the project selection.

ultimately not shortlisted. These were important to consider because they represent important interventions that align well with the aims of UKSPF. However, when considered against the selection criteria they were ultimately not selected. These were:

- **Targeted support to address economic inactivity among women:** several lead local authorities are planning to implement projects of this type. However, there was considerable uncertainty as to whether the sample sizes involved would be adequate to form a sufficiently robust study group.
- **Growth hubs:** projects to deliver advice to support local business growth are prevalent across the country. However, this type of intervention is already the focus of a major evaluation programme being led by DBT and hence there is limited scope for this evaluation to add to the evidence base.¹⁶
- **Business support programmes that involve mentoring or training for businesses:** although projects of this type are being offered by many lead local authorities, they often form part of a package of interventions which would make attribution of any impact to the mentoring or training component specifically challenging. Identified projects that deliver mentoring or training in isolation are targeted at small numbers of businesses making impacts challenging to detect robustly.
- **Volunteering projects with a focus on improving the local environment:** several lead local authorities plan to allocate UKSPF funding to projects of this type, however the scale of funding to each project is often relatively low and data collection on impacts is likely to be challenging given the small sample sizes.
- **New Closed-Circuit Television (CCTV):** although this is a prevalent type of investment across a large number of lead local authorities, there is already a wealth of published evidence on these interventions, albeit largely from a crime reduction (rather than pride in place) perspective.

The next Chapter describes how the 10 proposed study groups will be evaluated from a process evaluation perspective i.e. learning about their design and planning; implementation and management; and monitoring and evaluation.

¹⁶ This includes a recently published evaluation: DBT and BEIS (2023), Evaluation of the growth hubs: 2015 to 2020, <https://www.gov.uk/government/publications/evaluation-of-the-growth-hubs-2015-to-2020>

3 Process evaluation

3.1 Process evaluation aims and approach

3.1.1 Process evaluation aims

Process evaluations aim to understand how interventions are delivered and what factors help or hinder their effectiveness. This UKSPF process evaluation will complement the impact evaluation being delivered on each intervention study group, and will be conducted over the period 2023 to 2025 (with no additional process evaluation activity considered for any potential post-2025 evaluation). The process evaluation evidence is important because how interventions are designed, implemented and operated can have a fundamental effect on the outcomes they have, on whom and to what extent.

This process evaluation will aim to understand how the design and implementation processes have worked for the projects in each study group. This evidence can serve several purposes. Not only will it generate evidence on how the study group projects were designed and delivered, which can later inform how the impact evaluation findings are interpreted, but the evidence can also be used to inform the design and delivery of future programmes, or potentially to support some on-going projects. Insights will also be helpful for learning lessons for future similar interventions. The objectives of the intervention-level process evaluation are to understand:

- the **design and planning** of the projects in each study group (what local challenges or needs were being addressed; what information, and from whom or where, informed planning and design);
- **implementation and management** (who was involved and what skills/responsibilities did they have; what helped or hindered; and to what extent was implementation as intended). This also includes consideration of future proofing (to what extent was the future of the project considered; how would this be managed; what lessons can be learnt about the study group interventions to inform future programmes); and,
- **monitoring and evaluation** (how was this considered and what data is being collected).

All process evaluation activities will take place between 2023 and 2025 and there are no planned process evaluation activities post-2025.

3.1.2 Process maps

Underpinning the process evaluation is a clear articulation of the process of design, delivery & implementation and operation, summarised in a process map. Process maps summarise the key steps local authorities, delivery partners and beneficiaries go through to deliver a given intervention, from funding allocation through to delivery and implementation.

Informed by a document review of UKSPF materials and a workshop with DLUHC delivery leads, two process maps have been developed to capture the process of how the UKSPF has been used by local authorities. One of the process maps summarises the steps for England, Wales and Scotland (Figure 4); while the other summarises the steps for Northern Ireland (Figure 5) given that the process in Northern Ireland is more centralised. For the latter, the UK Government worked with local partners to design the UKSPF investment plan, while in England, Wales and Scotland, lead local authorities had the flexibility to design investment plans they felt would best meet their local needs and address local objectives, and were subsequently shared with DLUHC for approval. For implementation, local delivery partners have this responsibility in Northern Ireland, while in the rest of the UK this is the responsibility of lead local authorities (who may commission delivery partner support).

Figure 4 UKSPF process map for England, Scotland and Wales

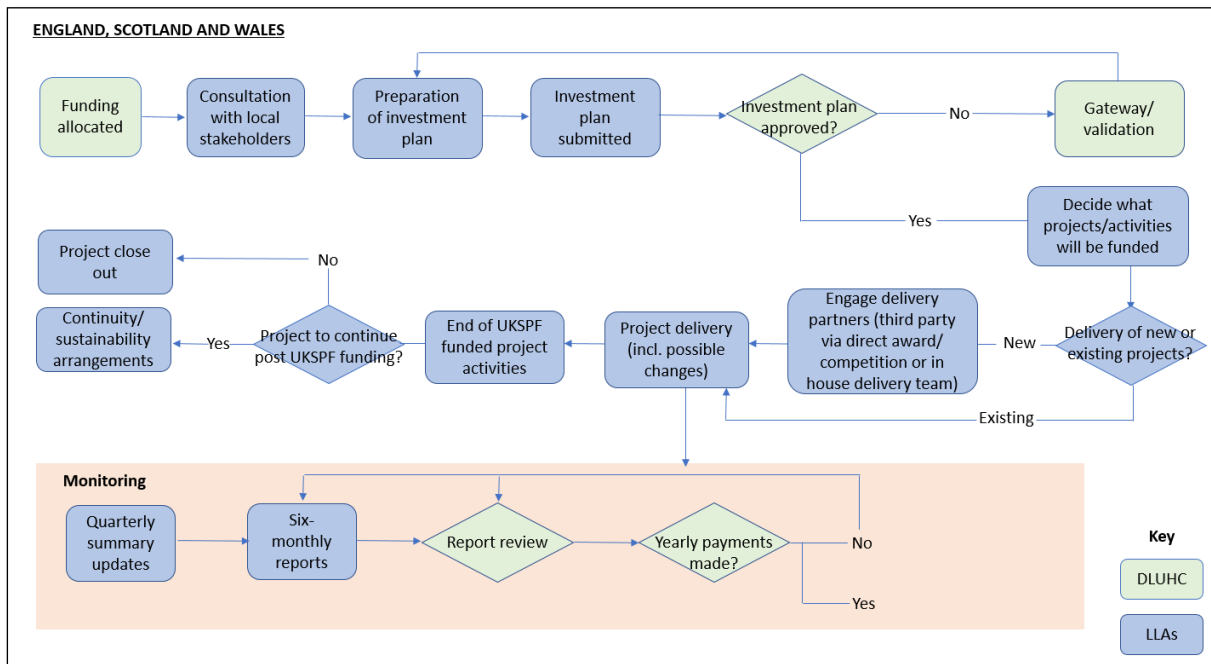
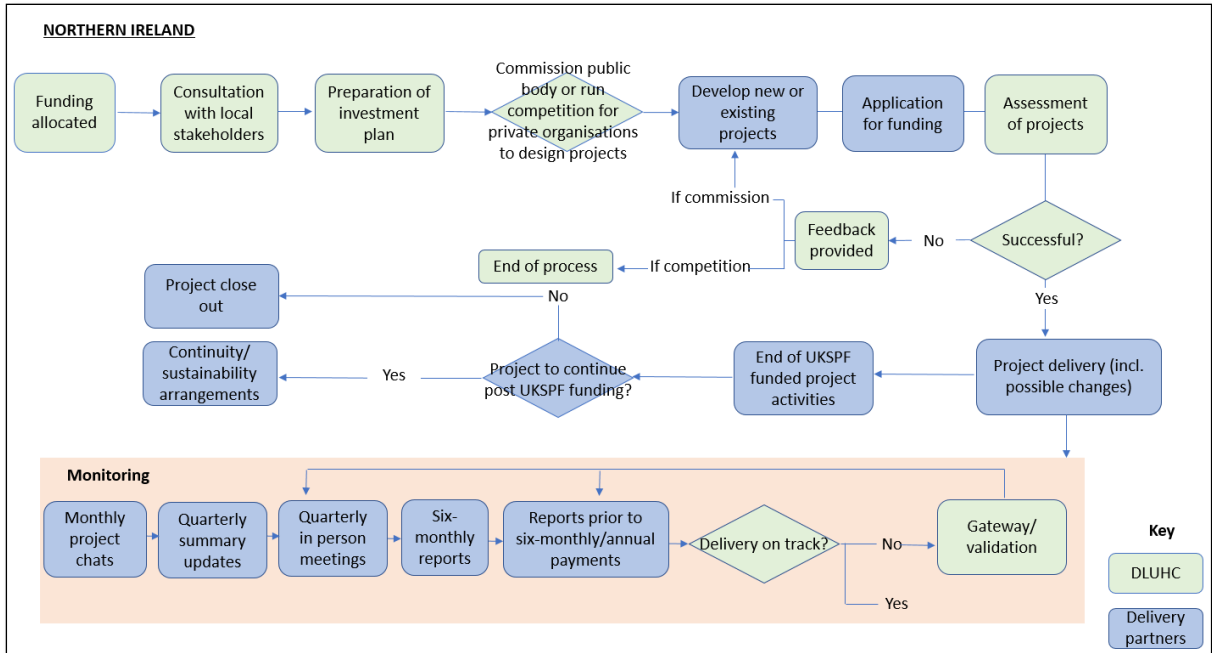


Figure 5 UKSPF process map for Northern Ireland



3.1.3 Process evaluation framework and questions

The intervention study groups contain around three projects each, and data from each of these will be considered in the process evaluation.

To address the process evaluation aims and objectives outlined in section 3.1, an evaluation framework has been developed to cover each aspect, namely:

- **Design and planning of UKSPF study group interventions:** This theme explores consultations with stakeholders, the process of designing interventions (taking into account existing interventions and local area plans), and financial management considerations.
- **Delivery and management of UKSPF study group interventions:** This theme explores who was involved, respective responsibilities, along with enablers and barriers to implementation. This theme also considers futureproofing of interventions.
- **Monitoring and evaluation of UKSPF study group interventions:** This theme focuses on how delivery and outcomes are monitored.

For each theme, relevant evaluation questions, success indicators and data sources have been identified. Appendix A presents those in detail.

3.2 Recommended process evaluation approach

The following data sources will be used to answer the process evaluation research questions under each of the themes in the evaluation framework. A full breakdown of methodologies (such as the sample frame, sample sizes etc) for each intervention study group is shown in Appendix B. The methodologies have been developed to maximise learning, minimise burdens on participants while also applying proportionality principles. In line with these principles, the following data sources will be used to support both the process and the impact evaluation.

3.2.1 In-depth interviews

Qualitative in-depth interviews provide an opportunity for detailed descriptions and insights from an individual's perspective. Interviews will be conducted with primary representatives from lead local authorities and delivery partners, including contractors and day-to-day delivery staff/volunteers (where applicable). Around 90 in-depth interviews will be conducted in total, averaging 9 in-depth interviews per intervention study group. The interviews will explore who was involved in project design and implementation, how projects were delivered on the ground, aspects that worked well and any difficulties that were faced, as well as how these were overcome.

25 contact details for lead local authorities will be provided by DLUHC, with lead local authorities then providing contact details for delivery partners.

The interviews will be semi-structured, following a topic guide that sets out key areas to be covered (see evaluation framework on Appendix A). Topic guides allow for a consistent approach between interviewers, while also allowing the discussion to be participant-led, and for any unexpected topics or points of interest to be explored.

The interviews will be conducted via video call or telephone to allow for rapport building between researcher and respondent. Interviews will be conducted by experienced researchers and are expected to be one-to-one or paired. With participants' permission, interviews will be audio recorded to support in-depth analysis.

A case and theme-based approach ('framework' analysis) will be applied to analyse the data generated from the in-depth interviews. This involves the evaluators:

- familiarising themselves with the evidence;
- developing a framework to organise emerging themes (where columns represent themes, and rows represent individual participants);
- tabulating the qualitative data according to the key themes and sub-themes; and
- working through the summarised data, to explore the full range of processes, experiences and views, and seeking similarities and differences and the reasons for them.

3.2.2 Focus groups

Focus groups are useful for collecting information about the attitudes, perceptions and experiences of different individuals in a way that allows participants to compare, contrast, validate and challenge each other's contributions. Focus groups will be conducted with beneficiaries of interventions, including users of facilities, skills programme beneficiaries, local businesses, etc. We will work collaboratively with the lead local authorities to identify appropriate participants (along with their contact details).

Around 30 focus groups will be conducted in total, averaging at 3 groups per intervention study group.

Each focus group is expected to involve 5-8 participants to enable a rich conversation while providing space for each participant to be heard and for views to be explored. The focus groups will be structured around the process evaluation themes and questions described in Appendix A. The focus groups will be conducted remotely to provide respondents with greater flexibility to take part.

These groups will generate qualitative data that will be triangulated and analysed so that the views of project deliverers can be compared and contrasted with those of LLAs in terms of the design, delivery, and monitoring and evaluation. Views and perceptions of beneficiaries will

provide a valuable alternative perspective on the study group projects, including their lived experience of the projects.

Evidence from the focus groups will be analysed using the 'framework' approach to qualitative analysis described in section 3.2.1. When using this approach for focus groups, the rows in the matrix represent individual focus groups.

3.2.3 Observation days on site

On-site observation will be conducted for a sample of projects by evaluators as it will provide an excellent opportunity for gathering rich and detailed insights into complex phenomena, particularly insights which are less tangible, and may be missed in interviews and focus groups. This involves the evaluators visiting the project sites in person so that the context can be better understood and to enable direct observation of the project in action or being utilised both in terms of delivery and operation, as well as how beneficiaries are utilising or interacting with the project.

Evaluators will get a strong 'feel' for the projects as the observations will provide data in their own right and also provide site-specific prompts for interviews and focus groups. Where possible, in-depth interviews and focus groups will be conducted in tandem with on-site observation to maximise efficiency and opportunities for data gathering.

Evaluators will use pro-forma to record their observations and conversations on the ground. Photos may also be taken, depending on the level of consent required and obtained. These notes and photos will be used to triangulate findings from in-depth interviews and focus groups, and will be thematically analysed using the 'framework' approach described in section 3.2.1.

It should be noted that observations will not be used for all intervention study groups given they are not appropriate in all cases. Observations will provide valuable additional data for intervention study groups within the Communities & Place pillar, which will allow evaluators to witness infrastructure usage and perceptions on the ground. However, for the local Business Support and People & Skills priorities study groups, observations are not appropriate given there is less visually to observe. Around nine observation days will be conducted in total, averaging three observation days per intervention study group within the Communities & Place pillar.

3.2.4 Surveys

Surveys are effective in collecting a wide variety of information, including responses to factual, attitudinal, behavioural and preference questions. As for the impact evaluation, study group project beneficiaries will be surveyed, including residents, users of facilities, skills programme beneficiaries, local businesses, etc. Participants will be identified in collaboration with the lead local authorities.

Data from surveys will be used for the impact evaluation and the process evaluation to maximise efficiencies and minimise burden on respondents. To inform this intervention-level evaluation the following surveys will be undertaken:

- **Your Community, Your Say (YCYS) survey.** This is being delivered by Verian¹⁷ for the overarching UKSPF evaluation and will add value to the intervention-level evaluation as it will generate data from beneficiaries relevant for some of the study group interventions. In particular, data from this survey will inform the evaluation of the Community and Place study groups. Questions about awareness and usage of infrastructure from selected interventions will be added to this survey to supplement the process evaluation. This survey is anticipated to use a 'push to web' approach, contacting households by post to invite them to take part in an online survey, supplemented with paper questionnaires.
- **Bespoke surveys designed by BMG.** These will be used to reach beneficiaries across the Business Support and People & Skills study groups. These surveys are necessary because the beneficiaries of projects in these study groups are more narrowly defined and as such would be hard to capture via the YCYS survey. A set of process survey questions will be developed to understand beneficiaries' engagement with interventions and experiences of delivery. These surveys will use a combination of online and telephone survey approaches.

More details of the survey approaches can be found in Appendix C.

Responses from the surveys will be analysed to generate descriptive statistics. This will include describing how responses differ for different types of respondents, for example beneficiaries across different types of intervention.

The surveys will also be used to invite interest to be involved in other aspects of data collection for this intervention-level evaluation. For example, recruitment questions for the focus groups involving beneficiaries as described in section 3.2.2 will be incorporated into the surveys where possible to maximise participation from engaged respondents. Evidence from the surveys will be triangulated with the qualitative focus groups with beneficiaries as this will help with data interpretation.

3.2.5 Secondary data

Secondary data collected by lead local authorities (or consultants on their behalf) for DLUHC and/or for internal purposes will be used to support the process evaluation, particularly for the theme 'Monitoring' and 'Delivery and management'. This data will supplement evidence collected through the methodologies described in sections 3.2.1 to 3.2.4.

Reports and documentation produced by lead local authorities and/or third-party providers will be reviewed to elicit data and information on the extent to which delivery partners or beneficiaries have engaged with study group projects. For example, the extent to which they

¹⁷ Formerly known as Kantar Public (<https://www.kantarpublic.com/>)

have been consulted to inform the design stage; their usage and uptake of the projects' assets or services on offer; their involvement in planning and delivery; and their involvement in monitoring activities.

More details about the secondary data to be analysed for the process evaluation can be found in Appendix B.

3.3 Summary of data required for the process evaluation

The data sources required to inform the process evaluation are summarised in Table 6 below.

Table 2 Data sources for process evaluation

#	In-depth interviews with local authorities	In-depth interviews with delivery partners	Survey of beneficiaries	Focus groups with beneficiaries	Observation days	Secondary data on
1	Projects to help local economically inactive people into employment	✓	✓	✓		✓
2	Projects to help local economically inactive young people into employment (excl. volunteering)	✓	✓	✓		✓
3	Projects to help local economically inactive young people into employment through volunteering	✓	✓	✓		✓
4	Projects that involve local businesses in helping the inactive into employment	✓	✓	✓		✓
5	Programmes to support the digital development of local businesses	✓	✓	✓		✓
6	Provision of grants to local businesses	✓	✓	✓		✓

7	Projects to help businesses decarbonise through decarbonisation plans and grants	✓	✓	✓		✓
8	Major refurbishment of community buildings (e.g. community hubs)	✓	✓	✓	✓	✓
9	Large investments in sports pavilions or pitches	✓	✓	✓	✓	✓
10	Significant improvements to, or the provision of new, playground equipment	✓	✓	✓	✓	✓

3.4 Summarising the process evaluation

This Chapter has made recommendations for a process evaluation that is robust while mindful of minimising the burdens of the evaluation on local authorities. To this end, a process evaluation that combines a range of primary and secondary data sources is recommended. All process evaluation activities will take place between 2023 and 2025 and no process evaluation activities are expected post 2025.

This aims to maximise understanding of understand how interventions are delivered and what factors help or hinder their effectiveness, and the effect that these have on outcomes. This evidence is therefore supplementing the process evaluation by unpicking how outcomes are realised and providing lessons for effective implementation of similia initiatives in the future.

4 Impact evaluation

This Chapter describes the aims of the UKSPF intervention-level impact evaluation, along with an assessment of the most appropriate and proportionate impact evaluation methods for the study groups defined in Chapter 2. Further detail on the proposed impact evaluation methods for each study group is provided in Appendix C. The recommendations are aligned with the Magenta Book (HMT, 2020)¹⁸ and aim to maximise learning through rigorous, innovative, flexible and inclusive approaches, while also recognising a need to be proportionate.

4.1 Aims and approaches considered

4.1.1 Impact evaluation aims

The UKSPF intervention-level impact evaluation seeks to assess what changes have occurred as a result of the specific interventions examined – in other words “what difference has the intervention made?” (HMT, 2020). For each **study group**, this intervention-level evaluation aims to generate **robust evidence on what outcomes** – whether intended or unintended – the interventions have had; **for whom and how** were different groups affected differently and **why**; what outcomes can be **attributed to the interventions**; and **what influence the context** may have had on outcomes. Particular focus is placed on understanding the effects of the interventions on pride in place and life chances, alongside other important outcomes (dependent on the relevant study group¹⁹). To generate the rich and robust evidence required, a full assessment of appropriate methods has been undertaken for this Feasibility Report.

In designing the approach for this intervention-level evaluation, it is clear that the analysis that is possible to deliver in the period to 2025 is constrained by the data available, given that some of the projects will not be delivered until near the end of the funding period i.e. March 2025. Furthermore, there are some outcomes that will not be observed in that short time period. This Feasibility Report has therefore considered two evaluation time periods:

1. Evaluation period late 2023 to late 2025: This evaluation activity would add value by generating evaluation evidence to **deliver early insights and learning** on what outputs and short term outcomes each intervention is delivering, for whom, how and under what contexts. This is the period for which this intervention-level evaluation has been commissioned by DLUHC to be delivered.
2. Evaluation over a longer time period post-2025 (taken illustratively to be late 2023 to late 2028): This evaluation activity would add value by drawing on longer-term data to

¹⁸ https://assets.publishing.service.gov.uk/media/5e96cab9d3bf7f412b2264b1/HMT_Magenta_Book.pdf

¹⁹ This may include wider Levelling Up outcomes as set out in the Levelling Up White Paper (HMG, 2022), <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

enrich the insights on what outputs and outcomes study groups are delivering over a longer period, for whom, how and under what contexts.

Not only is the evaluation of the interventions represented by each study group intended to provide valuable stand-alone evidence on each particular intervention, but it also enables a comparison across the different study groups, therefore providing evidence on the *relative* contribution of different interventions to pride in place, life chances and other outcomes. Appendix C provides further details.

4.1.2 Theories of change

To inform an assessment of which evaluation method would be appropriate and proportionate for each intervention, a deep understanding of the interventions under consideration is necessary. Therefore, for each study group (each of which represents a particular intervention), a **theory of change** has been developed. This describes exactly how an intervention is expected to transform inputs and activities into the desired outputs, outcomes and impacts. It clearly articulates the critical pathways between these elements and the assumptions underpinning these pathways. Importantly, it is explicit about the institutional and policy context of the intervention, external enablers and barriers, and the expected timeframe over which outputs, outcomes and impacts are expected to occur. Potential unintended effects of the intervention are also identified so that these can be assessed where relevant.

The theory of change is critical to inform the evaluation design: it helps to identify the evaluation questions, as well as the wider factors that may need to be considered to attempt to isolate the impact of the intervention in question, and the indicators on which quantitative or qualitative data may be desired.

A **logic model** is a graphical depiction of the key elements of the theory of change. Initial logic models for each of the recommended study groups have been developed using available project information, a high-level review of related evidence, and hypotheses based on theory and a review of published evidence of similar interventions.²⁰ These logic models are presented for each of the recommended study groups in Appendix C, and an example (the logic model for study group 10, significant improvements to, or the provision of new, playground equipment) is provided in Figure 6.

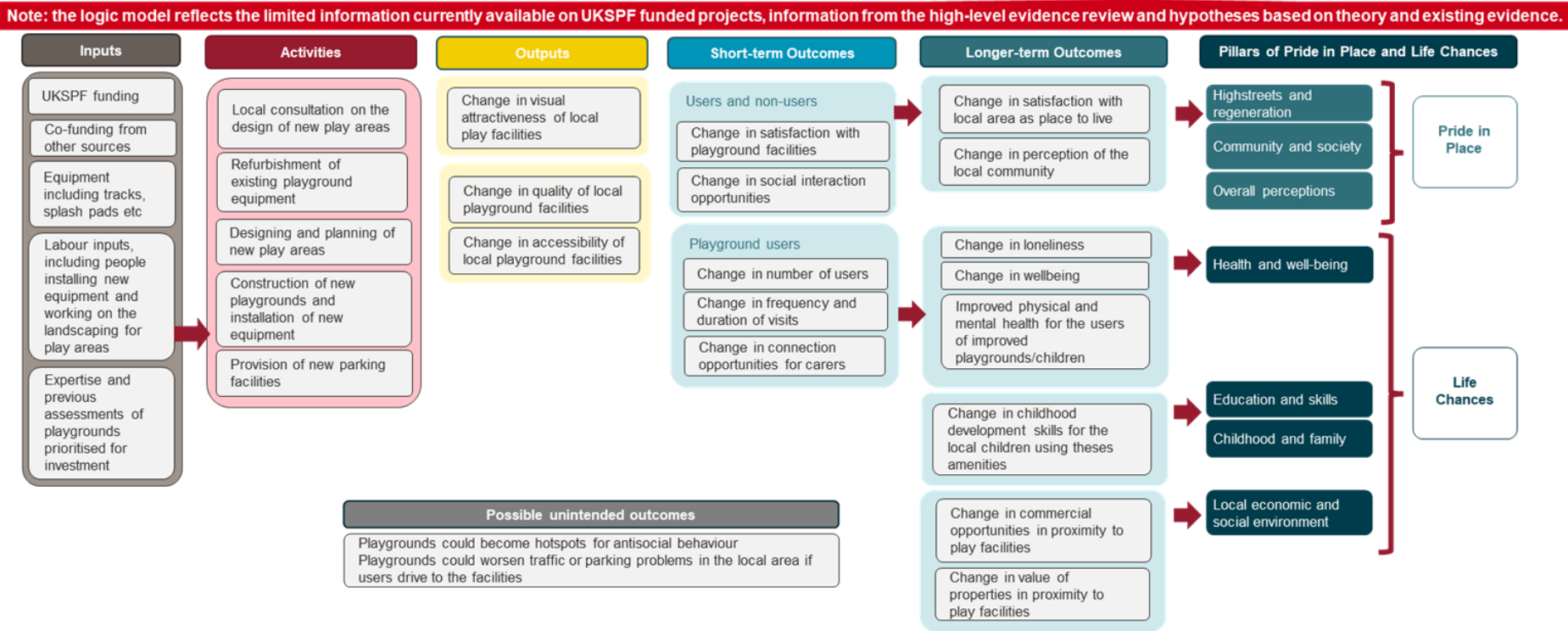
Within the logic model are the core UKSPF outcomes of change in place and life chances (these are outcomes that have not been previously examined in the existing literature even where interventions of a similar nature have been evaluated). Other important outcomes are also highlighted along with potential unintended outcomes, all of which will be included in the evaluation. The outcomes for pride in place and life chances are ultimately part of the missions

²⁰ The logic model for each study group will be refined and validated with key stakeholders as further detail on the projects being evaluated becomes available.

to level up communities across the UK, as set out in the Levelling Up White Paper (HMG, 2022).²¹

²¹ <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

Figure 6 Logic model for study group 10: Significant improvements to, or the provision of new, playground equipment



Note: The pillars of pride in place and life chances are summarised in Figure 8.
 Source: Frontier Economics

4.1.3 Impact evaluation questions

As described above, the theories of change support the identification of **evaluation questions** which will underpin this intervention-level evaluation. They set the focus for the analysis and what is to be learned about. While these questions will be tailored to each specific study group, in general terms they include:

1. To what extent have inputs (especially financial costs) been used as anticipated?
2. To what extent were the activities and outputs delivered as anticipated?
3. To what extent have short term outcomes been observed, for whom and how do these vary across population groups or localities? Especially in relation to:
 - Pride in place indicators
 - Life chances indicators
 - Wider outcomes, potentially including other Levelling Up outcomes²²
4. To what extent have the observed outcomes reflected the causal chains of effects anticipated in the theories of change, for whom and why?
5. To what extent is it likely that the anticipated longer-term impacts will follow, for whom and why, and what data would be needed to track that?

The key objective of the evaluation is to establish the additionality of the intervention being evaluated i.e. the extent to which changes in any outcomes observed are due to the intervention rather than to wider circumstances. This means it is important to ensure a deep understanding of the contextual factors is developed and accounted for in the analysis so that changes in outcomes that could be due to those contextual factors rather than the intervention can be identified. For example, key issues to explicitly consider and rule out are that any observed changes would have happened in any case (i.e. without the intervention), and that there are other policies or contextual changes that would also contribute to a change in outcomes and that might influence the impacts of the intervention. In some cases, the intervention in question may have made a contribution to a change in outcomes alongside other factors, or it may have been a critical enabler of something else to happen which unlocked the anticipated changes in outcomes. It is therefore also important that these aspects are also explored in the evaluation.

4.1.4 Possible impact evaluation approaches

There is a wide range of evaluation methodologies that can be used to generate evidence on the impact of an intervention. As per the Magenta Book (HMT, 2020), these differ in their approach, data requirements, resource intensity and robustness of evidence generated. Some

²² As set out in the Levelling Up White Paper (HMG, 2022), <https://www.gov.uk/government/publications/levelling-up-the-united-kingdom>

are more appropriate than others, depending on what is to be evaluated. The two main categories are:

- **Theory based methods.** These methods are explicitly concerned with generating evidence on the extent of the changes thought to be brought about by an intervention, and why the change occurs (HMT, 2020). In addition, they consider the context in which the intervention is being implemented because this may influence what changes in outcomes are observed and for whom. There are several theory-based methods, and they add value by examining whether it is reasonable to conclude that an intervention contributed to a change in outcomes in the desired direction, and why or why not, along with what other changes were observed. Typically data and information are triangulated from different sources. The richness of this approach provides evidence on the likely extent to which outcomes can be attributed to the intervention, but do not typically provide quantified estimates of the size of effects.
- **Experimental and quasi-experimental methods.** These methods are focused on examining the quantified size of the impact of an intervention relative to what is likely to have happened without the intervention (i.e. relative to a ‘control’ group or counterfactual). While these methods add value by quantifying the average size of an impact, they are not on their own able to provide more nuanced evidence on how different individuals within a cohort were affected, nor how and why any observed impacts occurred.

Each potential evaluation method has its own merits and constraints (particularly in terms of what is technically feasible or proportionate). Experimental and quasi-experimental approaches typically provide the most robust evidence and so are a valuable approach where feasible and proportionate. However, the quality of any approach depends crucially on the quality of the data and assumptions underlying its implementation.

A careful assessment of each evaluation method has been undertaken for this Feasibility Report which seeks to strike a balance between the value in the learning that would be generated from each method, and the proportionality of collecting the necessary data to confidently enable that learning. The methods were filtered down to identify the most feasible within the context of this intervention-level evaluation, given the types of interventions and intended rigour desired from the analysis as well as the data available as part of the UKSPF design and the potential burdens placed on Local Authorities and project delivery teams. A brief overview of these methods is provided in Table 3.

Table 3 Potential impact evaluation methodologies

<i>Theory based methods.</i>	
Realist evaluation	This draws on secondary data analysis, administrative data analysis and primary fieldwork evidence to validate the theory of change, paying particular attention to the contextual factors that can affect the extent to which particular outcomes result from the earlier outputs and inputs, and for whom.

Contribution analysis	This draws on secondary data analysis, administrative data analysis and primary fieldwork to deliver an evidence-based narrative of the contribution of the interventions to the outcomes observed.
Qualitative comparative analysis	This uses a case-based approach to explore the aspects of an intervention and its contextual factors to understand the different characteristics associated with outcomes across a small number of cases.
<i>Quasi-experimental approaches.</i>	
Difference-in-differences	Using control groups / areas: This uses time series data on specified outcomes to examine the change in outcomes over time for a treated group and compares this to the change in those outcomes over the same time period for a control group.
	Using Propensity Score Matching: This is a statistical technique to create a comparison group from an existing data set by matching the treated group on known relevant factors. This is a data intensive approach.
	Using Synthetic control methods: This is used when there is no available or suitable comparator group to act as a control. It creates a control by combining data across areas or cohorts to best replicate the treatment group trend in a particular outcome pre-intervention.
	Using isochrone distances from the intervention: This is used when control areas cannot be identified or where data on those controls is not available. This method maps isochrones at specified distances from the intervention and compares changes in outcomes over time at each distance. Distances further away are effectively controls for distances closer to the intervention.
Instrumental variables	This requires identifying a factor ('instrument') that influences selection for an intervention but that has no impact on the outcome(s) of interest.
Timing of events	This estimates the net impact of an intervention by jointly modelling the time when an individual engages in an intervention and when their outcome changes.

4.2 Recommended impact evaluation approach for the period 2023 to 2025

As described above, given the timing of delivery of the UKSPF interventions, and the period over which outcomes are likely to be observed and subsequently measured in the data, two evaluation time periods have been considered. The first is 2023 to 2025, as described in this section. The second is over a longer period post-2025, taken illustratively to be 2023 to 2028, and is described in section 4.3.

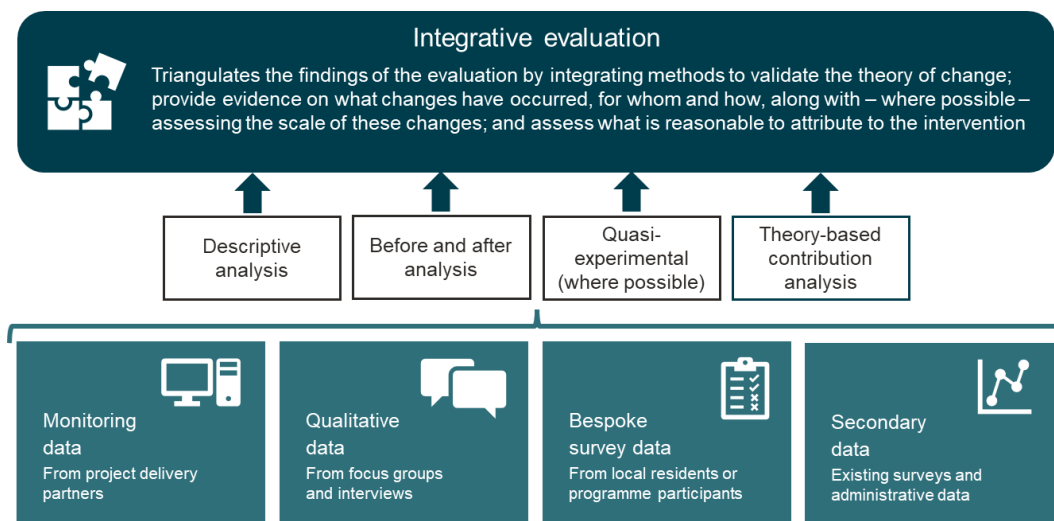
4.2.1 Intervention-level impact evaluation over 2023 to 2025

This Feasibility Report recommends that to address the evaluation questions identified above, and to provide robust evaluation evidence over a period 2023 to late 2025, an **integrative evaluation approach** is applied.

This is designed to recognise the need to remain proportionate and pragmatic to be able to deliver robust evaluation evidence over the evaluation period. **This approach** (illustrated in

Figure 7) **integrates different methods and techniques – including both quasi-experimental approaches where feasible and a theory-based approach – to deliver robust intervention-level evaluation evidence.** It triangulates data and evidence to validate the theory of change; to provide robust evidence on what changes have occurred, for whom, why and under what conditions; and assesses what is reasonable to attribute to the intervention.

Figure 7 Integrative evaluation approach 2023 to 2025



The components of the evaluation for each study group are summarised in Table 2 (further detail on the proposed impact evaluation methods for each study group is provided in Appendix C.)

Table 4 **Summary of recommended approach for the evaluation period 2023 to 2025**

UK SHARED PROSPERITY FUND: INTERVENTION-LEVEL EVALUATION

Components of integrative evaluation approach:				
Study group	Descriptive analysis	Before and after analysis	Quasi-experimental analysis	Theory-based contribution analysis
People and skills study groups				
1	✓	✓	x	✓
2	✓	✓	x	✓
3	✓	✓	x	✓
4	✓	✓	x	✓
Business support study groups				
5	✓	✓	x	✓
6	✓	✓	x	✓
7	✓	✓	<i>Potentially</i>	✓

Components of integrative evaluation approach:				
Study group	Descriptive analysis	Before and after analysis	Quasi-experimental analysis	Theory-based contribution analysis
	on business size, performance and employment)		project-by-project basis.	interviews and focus groups.
Communities and place study groups				
8	Major refurbishment of community buildings	✓	✓	✓
9	Large investments in sports pavilions or pitches	Descriptive analysis using monitoring data and contextual information from secondary sources (e.g. Community Life Survey)	Before and after comparison of outcomes for residents and users, using primary data from YCYS surveys and monitoring data if available.	Difference-in-differences analysis, drawing on data from control areas using YCYS survey and synthetic control areas from the CLS
10	Significant improvements to, or the provision of new, playground equipment			Perceptions of impact among local residents, users and providers using primary data from YCYS surveys, interviews and focus groups.

4.2.2 Proposed impact evaluation analyses

The integrative evaluation approach incorporates a range of analytical methods. These are described below.

Descriptive analysis

Descriptive analysis will be undertaken for every study group. It will describe the project outputs and the contexts in which the projects are being delivered. The latter will be used to understand factors such as complementary investments being delivered alongside the project of interest, any material policy changes that occur during and after the project delivery, and the strategic objectives for the projects and the localities in which they are being delivered. This understanding is important both for attributing impacts to the projects being evaluated and for exploring how impacts vary across different contexts.

Descriptive analysis will draw on the descriptive information available from the process evaluation (such as the rationale for the project and strategic objectives) along with monitoring data (for example, the number of people enrolled on a programme) and secondary data sources. Secondary data sources are, however, limited because of the hyper-local level of the interventions which focus on very small geographical areas or particular types of individuals or firms, and data is not collated with the required granularity. A review of available data has revealed that descriptive analysis is able to draw on several datasets including: the Labour Force Survey (LFS) on trends in economic inactivity and employment; the ONS data from the Business Structure Database on business size, growth and survival; and existing or planned surveys such as the Community Life Survey (CLS) administered by the Department for Digital,

Culture, Media and Sport (DCMS) and the Your Community, Your Say (YCYS) survey that has been designed by DLUHC to support the UKSPF evaluation strategy.

YCYS is described in more detail in section 3.2.4. The Community Life Survey (CLS) is a survey owned by DCMS that provides Official Statistics on community engagement and cohesion, focusing on identity and social networks, wellbeing and loneliness, neighbourhood and community, civic engagement and social action, and volunteering and charitable action. DLUHC have boosted the CLS sample for 2023/24 and 2024/25 to produce representative results on pride in place and life chances at a more granular (lower-tier local authority level) in England, such that a minimum of 500 responses will be achieved in each of the 309 lower-tier/unified local authorities in England in each year of data. The more detailed CLS data can therefore be used to provide wider contextual information on levels of, and trends in, pride in place and life chances.

Before vs after analysis

Before vs after analysis will be used to indicate whether outcomes of interest have changed over time for individuals or businesses expected to be affected by the projects.

It is anticipated that some monitoring data will be available from delivery partners or providers to support before vs after analysis (for example, user numbers or utilisation rates of sports facilities before and after improvement). This will be explored in more detail for the specific projects chosen for evaluation.

Where there are identified gaps in monitoring data and secondary data, new primary data collection for all study groups will be undertaken for this intervention-level evaluation. This primary data will be used to support both the process and impact evaluation, and further detail on these primary data collection methods can be found in section **Error! Reference source not found.** In summary the primary data will include:

- **Your Community, Your Say (YCYS) survey.** Particularly for the Communities & Place study groups, these surveys will be sent to local residents within a specified radius of the local community infrastructure investments (study groups 8-10). The surveys will be conducted before and after the intervention, and will aim to collect responses from 500 residents per fieldwork wave (i.e. one wave 'before' and one wave 'after') per project.
- **Bespoke surveys of supported individuals and businesses.** For the People & Skills and Business Support study groups, these surveys will collect data from individuals supported by projects under study groups 1-4 and businesses supported by projects under study groups 5-7. Individuals and businesses will be surveyed before and after they have been supported by the intervention in question. The target sample size will be a minimum of 100 responses per project, though this will depend on the number of available participants.

To provide more nuance to the before versus after analysis, recognising that the lived experience of interventions can vary across individuals or business owners, qualitative fieldwork will also be undertaken. This will collect valuable information on the attitudes,

perceptions and lived experiences of different individuals – including project delivery teams and project beneficiaries – and seek to understand their perceptions of the impacts of the interventions. This data would be collected through interviews and focus groups, as described in section **Error! Reference source not found.**. This will inform an assessment of what has been observed, how this varies across participants or areas, and the reasons for variations.

Quasi-experimental analysis

Quasi-experimental analysis is desirable where this is feasible and proportionate in order to provide evidence on the size of the impact that can be robustly attributed to the intervention in question. Given the data available and the types of projects within the study groups, difference-in-difference is the recommended technique, though different methods are proposed for articulating a ‘control’ to reflect what would have happened without the intervention.

For this approach to be feasible, quantitative data needs to be available both on those ‘treated’ by the intervention and on a ‘control’ that can credibly represent the ‘counterfactual’ – that is, what the treated group would be likely to have looked like in the absence of the intervention. Comparing these data enables the evaluator to attribute any measured difference in the outcome of interest between the treatment and control groups to the intervention in question. The main limitation in implementing a quasi-experimental approach is whether a suitable control group can be identified and whether the necessary data can be obtained on outcomes of interest for both the treatment and control group.

The assessment undertaken on this approach for this Feasibility Report concludes that the ability to apply a quasi-experimental approach within the relatively short evaluation period of 2023 to 2025 varies across study groups. The findings of this assessment are:

- **People & Skills** study groups: it is **not feasible or proportionate** to include quasi-experimental analysis. These projects are expected to have impacts in the short term on outcomes such as perceptions of work confidence and barriers to work, and impacts over the longer term on employment. Analysis of project information has revealed that recruitment for the UKSPF projects in these study groups is not expected to be material until the latter stages of 2024 and early 2025. Therefore, there is likely to be insufficient time for an adequate time series of outcome data to be available from a sufficiently large sample of participants in both a treatment group and a control group. Furthermore, although it is feasible and proportionate to collect data (over the time period available) on those short term outcomes from supported individuals, the sample size and response rates from a control group are likely to be low and not representative. Therefore, a quasi-experimental approach for these study group is not recommended. However, where this analysis is feasible for individual projects it will be included and this will be determined follow project selection in the implementation of this evaluation. This will depend on whether individual projects have sufficient response sizes and clear methodologies for inclusion to allow for the development of a sufficiently large control group.

- **Business support** study groups: it is **unlikely to be feasible or proportionate** to include quasi-experimental analysis. As with the People & Skills UKSPF interventions, analysis of project information has revealed that recruitment for the UKSPF projects in these study groups is not expected to be material until the latter stages of 2024 and early 2025. Therefore, sufficient data from treatment and control groups is not plausible to collect in the time available to 2025. However, this conclusion remains open because if projects were able to achieve sufficient levels of survey response, and a control group can be identified from whom data can be collected in a proportionate way, then a quasi-experimental approach may be included for individual projects in these study groups, supported by a bespoke survey of the control group businesses.

- **Communities & Place** study groups: **a quasi-experimental analysis is recommended.** The specific quasi-experimental approach recommended for each study group is difference-in-difference analysis. Data on outcomes of interest from residents in a specified radius of the investment will be collected before and after the investment takes place using the YCYS survey (described above), and compared to the change in the same outcomes of interest for a 'control group' over the same period. The baseline 'before' survey is anticipated to be undertaken at the beginning of 2024, with the post-investment 'after' survey anticipated to be undertaken at the beginning of 2025. There are two data sources for the control group that are both recommended for each study group:
 - Residents living in an equivalent radius of a similar location or facility that did not receive the same investment as the UKSPF-funded project (for example, an existing sports pitch that was not upgraded). The YCYS survey will be conducted in an analogous way in these locations, for direct comparison to the treated areas.

 - A synthetic control group drawn from the locally-boosted CLS (boosted to lower tier local authority level). Comparison areas will be defined as the 10 percent of lower-super-output areas (LSOAs) that are most similar, in terms of their census characteristics, baseline measures of pride in place and relevant infrastructure availability, to the LSOA receiving the UKSPF funded project.

Further methods for control groups will be considered depending on the specific projects selected. This may include distance decay using bigger radii of distance travelled around the invested facilities (similar to concentric circles). In this case, distance-based isochrones would be defined around the intervention, and the data from isochrones further away will be used to compare against isochrones closer to the intervention.

There remain some risks to the practical application of these quasi-experimental approaches (e.g. if projects are delayed). Furthermore, being novel in their attempt to detect very localised impacts on new metrics of interest such as pride in place, there are risks around the power of the proposed approaches to detect impact. It is therefore valuable that these quasi-experimental approaches form one component of the integrative evaluation approach.

Theory based approach

The methods described above, particularly quantitative approaches are essential forms of evidence for a robust evaluation. However, they do not produce insights about how observed changes in outcomes came about, or whether the same outcome would occur if the intervention was tried in another context or at a different scale. Other evaluation methods are needed, and hence theory-based approaches have been assessed for inclusion as part of this intervention-level evaluation. Theory-based evaluation methods are explicitly concerned with both the extent of the change in outcomes that have been observed and why those changes have occurred. For example, by using evidence collected for the evaluation, rigorous testing can be undertaken of whether the causal chains that were anticipated to bring about change (as anticipated in the Theory of Change) are supported by sufficiently strong evidence and that alternative explanations can be ruled out (HMT, 2020). They also pay close attention to the context in which interventions have been delivered because factors within that wider context can in some cases have an influence on the observed outcomes.

Several theory-based methods have been considered and **a contribution analysis is recommended**. From the Magenta Book, contribution analysis can be used to provide an evidence-based assessment on whether the intervention has made a contribution to the observed changes in outcomes. This involves:

- Verifying the theory of change for the intervention, as evidence collated for the evaluation is used to test whether the causal mechanisms assumed in the theory of change are plausible;
- Generating evidence that the activities of the intervention were implemented as per the theory of change;
- Generating evidence on whether the anticipated changes in outcomes occurred, for whom, when and where; and
- Assessing the evidence on whether other influencing factors could have made a significant contribution to the changes in outcomes, and if so, ensure this is recognised in the analysis. (HMT, 2020).

This analysis will then be formulated, drawing on all of the evidence from the methods above, to provide a coherent and evidence-based contribution narrative.

As noted in the Magenta Book, “Combining experimental/ quasi-experimental approaches with theory-based approaches or supplementing with process evaluation evidence can provide this often essential insight” (HMT, 2020, p36). This is exactly what the integrative approach here is intended to achieve.

4.3 Recommended impact evaluation approach over the longer term post-2025

The primary focus of this Feasibility Report is the evaluation period 2023 to 2025 as this has been commissioned by DLUHC. However, this section provides early thinking on what an intervention-level evaluation over a longer time period could look like. This is intended to inform future decisions about any extension by describing the analysis that could be plausibly conducted and the learning that would be expected to be generated.

To fix ideas, evaluation over an additional three years to 2028 is considered as an illustration. This is a balance between allowing time for post-implementation benefits to be felt and for data to become available (some granular secondary data are only available with lags of 12-18 months or more), while recognising that it can be harder to attribute impacts over a longer period, as many other factors will also change.

If the evaluation timeframe were extended to (say) 2028 then there would be additional opportunities for evaluating all study groups. In particular, all of the evaluation methods described for the evaluation over 2023 to 2025 remain valid and can be applied over the period 2023 to 2028. However, it could be **feasible to include a quasi-experimental component** to the evaluation for many of the People & Skills study groups and all the Business Support study groups, as there would be more time for data to be generated on outcomes of interest and for secondary data sources to therefore be utilised. This is particularly important for projects which are starting later in the UKSPF period and therefore for which survey response sizes for data collection would be small.

A preliminary assessment of the potential intervention-level evaluation approach for the period 2023 to 2028 is summarised in Table 5, and described in more detail below. As the main difference between the methods proposed for the two time periods relates to the quasi-experimental analysis, this is the focus of what is described below.

Table 5 Summary of quasi-experimental approaches for an evaluation over the illustrative period 2023 to 2028.

UK SHARED PROSPERITY FUND: INTERVENTION-LEVEL EVALUATION

Study group	Quasi-experimental analysis in evaluation 2023 to 2025	Quasi-experimental analysis in evaluation 2023 to 2028
People and skills study groups		
1	×	✓
2	Unlikely to be proportionate to collect the necessary data from unsupported 'control' individuals.	Likely to be possible to quantify impacts on employment 1-2 years after intervention, subject to if it is possible to use matching analysis via the DWP Employment Data Lab.
3		
4		
Business support study groups		
5	×	✓
6	Unlikely to be proportionate to collect the necessary data from unsupported 'control' businesses. Will be assessed on a project-by-project basis.	Likely to be possible to quantify impacts on business survival, employment and turnover using matching analysis of ONS business data from the Business Structure Database.
7		
7	?	✓
Communities and place study groups		
8	✓	✓
9	Difference-in-differences analysis, drawing on data from control areas using YCYS survey and synthetic control areas from the CLS	Difference-in-differences analysis could be repeated if YCYS and/or CLS boost repeated. Would provide evidence on the longer-term impacts and whether any short run effects are temporary or sustained.
10		

4.3.1 Evaluating People & Skills interventions post-2025

Over an illustrative evaluation period 2023 to 2028, quasi-experimental evaluation of these study groups is likely to be feasible and proportionate. This is because there would be more time for impacts on employment to manifest, and secondary data on employment is more

readily available than secondary data on other short-term intermediate outcomes (such as confidence and perceived barriers to employment). Quasi-experimental analysis of the impact of the interventions may be potentially be conducted using administrative data, such as via the Employment Data Lab Service provided by DWP. Programme participants could be identified in the administrative data, and a matched control group formed of individuals with similar characteristics who did not participate in the programme.²³ The employment outcomes of participating individuals up to two years after the programme could be compared with the matched control sample to estimate the employment impact of the interventions. This could be combined with evidence from a further follow-up bespoke survey of participating individuals to understand wider contextual factors and individual perceptions, and provide rich evidence on the extent to which the intervention worked, how and for whom. The exact methodologies would depend on the specifics of the selected projects, including what data is captured and stored for project participants.

The approach used for the evaluation over the period 2023 to 2025 will endeavour not to preclude future evaluation approaches and where possible will take steps to enable potential future evaluation, for example, by capturing data that could support matching individuals in the secondary data. The feasibility of this potential future evaluation will be explored during the 2023 to 2025 evaluation.

4.3.2 Evaluating Business Support interventions post-2025

Over an illustrative evaluation period 2023 to 2028, quasi-experimental evaluation of these study groups is likely to be feasible and proportionate. This is because there would be more time for impacts on business outcomes (survival, turnover and employment) to manifest, and secondary data on these outcomes is available from the ONS Business Structure Database. This would facilitate a quasi-experimental impact evaluation, whereby supported businesses could be identified in the ONS data and matched to a control group of businesses who are similar on observable dimensions (such as employment, sector, location etc.) but not supported by the interventions in question. Changes in the outcomes of these businesses over time could be compared to estimate the impact of the intervention in question.

This could be combined with evidence from a further follow-up bespoke survey of supported businesses to understand wider contextual factors and perceptions, and provide rich evidence on the extent to which the intervention worked, how and for whom. The approach used for the evaluation over the period 2023 to 2025 will endeavour not to preclude future evaluation approaches and where possible will take steps to enable potential future evaluation, such as by collating data on the business identifiers needed to match businesses in the secondary data sets. The feasibility of this potential future evaluation will be explored during the 2023 to 2025 evaluation.

²³ This requires all appropriate consent and data sharing agreements to be in place to facilitate this type of matching.

4.3.3 Evaluating Communities & Place interventions post-2025

The integrative evaluation approach proposed for the evaluation period 2023 to 2025 for the Communities & Place study groups contains a quasi-experimental component, supported by bespoke data collection through the YCYS surveys.

If the evaluation were to be extended to cover the illustrative period 2023 to 2028, with an additional round of YCYS survey data collection, then this would afford the opportunity for quasi-experimental evaluation of the longer-term impacts of the interventions. This may be valuable if the short-term impacts are not representative of longer run effects, either because it takes time for full benefits to be realised, or because short run effects are temporary rather than sustained. The feasibility of this potential future evaluation will be explored during the 2023 to 2025 evaluation.

4.4 Summary of data required for the intervention-level impact evaluation

There are various data sources likely to be required to inform this intervention-level evaluation. These are summarised in Table 6 below.

Table 6 Data sources for the impact evaluation

#	Study group	Monitoring data	Secondary data	Primary data
1	Projects to help local economically inactive people into employment			
2	Projects to help local economically inactive young people into employment (excl. volunteering)	Some delivery partner data likely – for example: number of people supported, direct programme outputs (e.g. qualifications achieved), short-term outcomes (e.g. immediate employment outcomes),	DWP admin data on employment or job seeking may be possible (subject to access and consent for data linking).	Bespoke survey data from programme participants.
3	Projects to help local economically inactive young people into employment through volunteering			
4	Projects that involve local businesses in helping the inactive into employment			Qualitative input from providers and participants.
5	Programmes to support the digital development of local businesses	Some delivery partner data likely – for example: number of supported businesses, direct outputs funded (e.g. carbon audits, investments made).	Administrative data on business size may be available in the longer term from the Business Structures Database	
6	Provision of grants to local businesses			
7	Projects to help businesses decarbonise through decarbonisation plans and grants		None known to be available.	
8	Major refurbishment of community buildings (e.g. community hubs)	Some provider data may be available – for example: number of user groups		Bespoke survey data from local residents (YCYS survey).
9	Large investments in sports pavilions or pitches	Some provider data likely – for example: number of users, utilisation rates.	Community Life Survey data on some pride in place and life chances indicators	Qualitative input from providers and participants.
10	Significant improvements to, or the provision of new, playground equipment	None known to be available		

4.5 Summarising the impact evaluation

This Chapter has made recommendations for a robust impact evaluation that is proportionate and robust while cognisant of minimising the burdens of the evaluation on local authorities. An integrative evaluation approach is recommended.

This aims to maximise learning on what works, for whom and under what conditions. This evidence is therefore adding value to the evidence base and also will feed into the value for money evaluation, described in the next Chapter.

5 Value for money evaluation

5.1 What value for money means

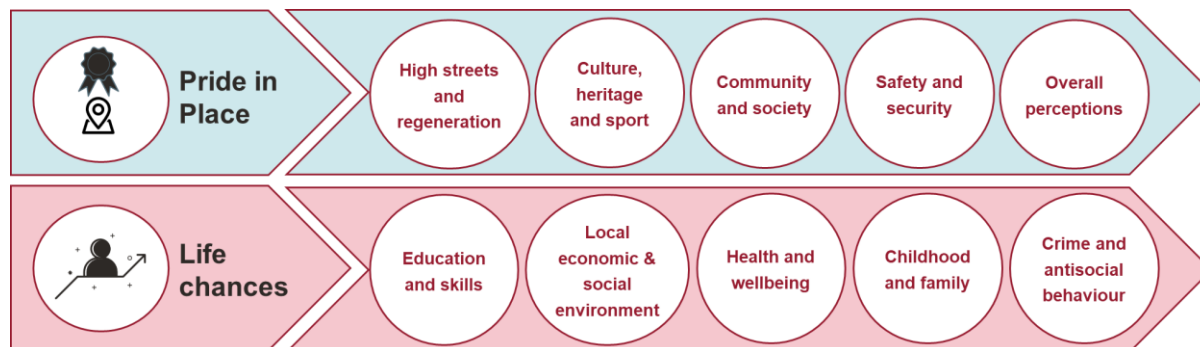
The UKSPF intervention-level evaluation will include an assessment of the value for money (VfM) of study group interventions. This UKSPF VfM evaluation will complement the process and impact evaluations being delivered on each intervention study group, and will be conducted over the period 2023 to 2025 (with no additional process evaluation activity considered for any potential post-2025 evaluation). This will involve undertaking an indicative assessment of the main drivers of VfM for each project to the extent feasible (i.e. the factors that materially enhance their benefits or enable cost efficiency), and using this analysis to identify the conditions under which the interventions represented by each study group are likely to offer VfM. This Chapter defines VfM before setting out the proposed approach for assessing it.

The Green Book Guidance on Value for Money (HMT, 2023)²⁴ describes the process of assessing VfM as a balanced judgement about finding the best way to use public resources to deliver policy objectives. This involves a complex set of considerations, including both the evidence on the extent to which the intervention was able to meet strategic objectives and evidence on whether social value was generated that exceeds the costs (taking full account of social value that can be monetised and aspects that cannot). Only interventions that meet local strategic objectives (set by the lead local authority who designed it), as well as delivering benefits that exceed costs, can be considered to offer VfM.

The primary aims of the UKSPF are to increase pride in place and life chances. These are complex concepts, capturing several components, as shown in Figure 8 below. It is important that the VfM analysis for this evaluation includes changes in relevant pride in place and life chances outcomes, but it must also reflect changes in various other outcomes brought about by projects within the study groups where relevant, whether intended or unintended. The approach below therefore aims to be as comprehensive as possible while also being proportionate.

²⁴ <https://www.gov.uk/government/publications/green-book-supplementary-guidance-value-for-money>

Figure 8 Elements of pride in place and life chances



5.2 VfM evaluation questions

Given the components of VfM that are important to capture in this intervention-level evaluation, the key evaluation questions (EQs) to be explored in the VfM analysis are:

1. To what extent were local **strategic objectives** met by the projects within each study group?
2. To what extent were the **financial costs in line with projections**?
3. To what extent are the **social benefits (monetised and non-monetised) likely to exceed the costs**, over the life of the projects within each study group?
4. What are the **conditions under which value for money is likely to be relatively higher or lower**, and for whom?
5. To what extent is there evidence that any observed **benefits are displaced** from another group or locality to the target group or locality?

5.3 Value for money methodology

Value for money can be assessed in several ways. As noted above, the focus of this analysis is to understand the conditions under which VfM is more likely for each intervention represented by each study group. To be considered VfM, an intervention must both (i) meet the local strategic objectives that it was designed to achieve; and (ii) deliver social benefits that exceed costs over its lifetime (including both changes in outcomes that can be monetised and those that cannot).

In the context of this intervention-level evaluation, this creates four particular challenges which are described below, along with how this evaluation will address them:

- **Firstly, it is not likely that all of the benefits of the interventions will be realised or observed within the timeframe of the evaluation (late 2023 – late 2025).** Some outcomes may only be observable in future years beyond March 2025. For example, if a

young economically inactive person takes up employment, this may be observed within the evaluation period, but the benefits to the individual and the wider economy may not fully be observable for many years because those benefits would depend on the person staying in employment over a sustained period, and continuing to build their skills, over and above what would have been likely without the intervention. The VfM methods below address this using two methods. The first is scenario-based analysis which uses the evidence on what *has* been observed to date and, using the logic model as a foundation, projects the *anticipated* future outcomes under a small number of scenarios (where the scenarios reflect future uncertainties). The second is 'break-even' analysis which takes the costs of the intervention and examines what scale of outcomes would need to be observed in the future (if they haven't already been observed to date) to ensure that the value of social outcomes exceeds the costs.

- **Secondly, where the interventions are being delivered locally as part of a wider programme of investment, the full value may not be observed until all interventions in the wider programme have also been delivered.** The analysis must consider whether an intervention is (primarily) expected to deliver benefits in its own right, or to lay the groundwork for future outcomes (such as interventions which support young people into employment where the full benefits are only realised if that employment sustains over a long period); or, if it is an *enabling* project and hence is necessary to support a programme of which it is part, but where improvements in social value are only delivered by the programme being delivered as a whole. These aspects will be determined for this VfM assessment by ensuring a deep understanding of both the strategic aims of each intervention study group (and projects within it) and its strategic fit with other local projects and programmes. These aspects should be captured in the theory of change (summarised in the logic model, see Chapter 3) as this will clarify the causal mechanisms that translate the inputs (investment and resources) into outcomes and what activities are required to make that happen.
- **Thirdly, some changes in outcomes will be possible to estimate in monetary terms (using credible economic values per unit of change in outcomes), others will only be possible to qualitatively assess.** For example, the primary aims of the UKSPF funding allocations are to provide lead local authorities flexibility to design and deliver interventions that enhance local pride in place and increase life chances. These are not straightforward metrics that can be directly measured in monetary terms. For the purposes of this evaluation (and consistent with the wider UKSPF evaluation strategy), the elements of pride in place and life chances are shown above (Figure 8). By using the relevant study group logic models as a foundation, and triangulating quantitative and qualitative information on changes in outcomes from the impact evaluation described in Chapter 3, the scale of those outcome changes will be valued in monetary terms where possible using evidence from government guidance where available (see Table 7).
- **Fourth, the diverse nature of intervention study groups means that there is no one-size-fits all approach to assessing VfM.** To inform future policy decisions, it is important that the VfM analysis pays close attention to the *context* in which the projects within each

study group are being implemented, and also how the changes in outcomes vary across different types of locations and different types of beneficiaries. This requires proportionate distributional analysis and is proposed below.

What follows is an overview of the proposed methods for assessing each of the VfM evaluation questions for the interventions. The proposed approach involves drawing on the data and evidence generated on each project within each study group, triangulating this, and therefore formulating an assessment of VfM for each intervention represented by each study group. This approach enables maximum value to be extracted about what can be learned from each project about what drives VfM i.e. what factors may enhance social value or hinder it, for whom and why, and also what factors may affect the costs and why.

5.3.1 Method for evaluating VfM evaluation question 1: to what extent were local strategic objectives met by the projects within each study group?

To address this question, the proposed approach is to draw on the qualitative data and evidence derived from the process evaluation (see Chapter 3) and from the impact evaluation (see Chapter 3). This will provide an understanding of how and why the projects in each study group were designed, the wider context in which they sit (e.g. whether they were part of a package); the outcomes they were expected to deliver (shown in the logic models); and the extent to which local strategic aims have been met. This analysis will pay close attention to the local context in terms of local barriers or enablers to meeting strategic aims and objectives.

5.3.2 Method for evaluating VfM evaluation question 2: to what extent were the financial costs in line with projections?

To address this question, data and evidence will be collated from lead local authorities (and their delivery partners where appropriate) as part of the bespoke data collection to inform the process and impact evaluations (described in Chapters 3 and 3). Information to inform this assessment includes:

- **Budgeted investment:** this includes both one-off capital investment (£) for each of the three financial years from 2022/23 to 2024/25 specific to the project within the particular study group; and the annual operational or revenue spend (£) for each of those financial years.
- **Actual investment:** this includes both one-off capital investment (£) for each of the three financial years from 2022/23 to 2024/25 specific to the project within the particular study group; and the annual operational or revenue spend (£) for each of those financial years.
- **Qualitative evidence on variations:** for example, reasons for any project delays or increases in spending requirements relative to budget. This would derive from qualitative data collection as part of the process and impact evaluations (Chapters 3 and 3).

5.3.3 Method for evaluating VfM evaluation question 3: to what extent are the social benefits (monetised and non-monetised) likely to exceed the costs, over the life of the projects within each study group?

To address this question, the analysis will seek to understand the main drivers of benefits for each project and the drivers of costs, and therefore understand the conditions under which VfM is more likely for each intervention represented by each study group.

The analysis, as noted above, is likely to take two forms, recognising the challenges described at the start of 5.3, these are:

1. **Scenario-based cost-benefit analysis:** A full cost-benefit analysis is likely to be challenging as not all outcomes will be feasible to assess (as would be the case in ex-ante cost-benefit analysis) given the data limitations. Given some benefits will be realised only over a longer-time period than is available for the evaluation, yet capital and revenue investments are likely to be front-loaded, this approach will define 2-3 ‘what if’ scenarios which project outcomes forwards *based on what has been observed to date*, and what is expected as articulated in the logic model. For example, if a young person participating in Study Group 2 (addressing youth economic inactivity) were to enter employment during the period of the evaluation, only very short term outcomes are likely to be observed. The scenario-based approach would then be able to look over a longer period of say 5 years and explore what scale of outcomes may be anticipated if the young person were able to remain in employment under different cases, for example, (i) for the full 5 years (ii) for 3 years or (iii) if they returned to economic inactivity after 1 year.
2. **Break-even analysis:** similar to the ‘what if’ scenario approach above, this form of analysis essentially accounts for the fact that some changes in outcomes are not possible to quantify in monetary terms, and some may not be possible to observe for several years. Rather than rely on scenarios, this approach quantifies and monetises changes in outcomes as far as possible and then asks ‘what would we need to believe about the scale of non-monetised and non-observed changes in outcomes, for this intervention to be worthwhile (i.e. for social benefits to exceed costs)?’. Evidence can then be used to provide an informed view as to the likelihood of that required change being realistic.

Both of these methods require changes in outcomes to be monetised where possible as this enables the scale of change in outcomes to be represented in a ‘common currency’ so that comparative analysis can be undertaken across projects within a study group, or indeed across study groups.

Importantly, this analysis involves using observed data to inform the VfM analysis by using this to underpin the scenario analysis and break-even analysis. Assumptions made as part of any ex ante appraisal or business case may be feasible to compare against what is observed to assess whether there is reason to believe that social value may be materially different from what was anticipated. Valuation methods used in an ex ante appraisal may, however, preclude direct comparison. In this case, data would be triangulated to compare the inputs against what was anticipated, and output and early outcome data will be used to

form a view as to the likelihood that social value actually generated would be likely to exceed costs (irrespective of the appraisal method used).

Table 7 provides example outcomes for which changes would be expected across the intervention study groups, and the evidence on their monetised values.

Table 7 Valuing changes in outcomes across intervention study groups

Metric representing a change in outcome	Potentially relevant study groups	Unit values	Sources
Change in greenhouse gas emissions	SG6 (business grants)	£ per tonne of CO ₂ e (e.g. £126 – 378 in 2023, 2020/21 prices)	Valuation of energy use and greenhouse gas emissions for appraisal ²⁵ (BEIS, 2023)
Welfare value of outdoor recreation sites	SG10 (playgrounds)	Value per hectare (£48-£120,067, 2020/21 prices)	HMT Green Book ²⁶
Physical health benefits from nature	SG10 (playgrounds)	Health benefits from every physically active visit to green space (£3.36-£14.34, 2020/21 prices)	HMT Green Book
Local amenity	SG 10 (playgrounds)	Average additional value per property within 100m - 500m of accessible green space (£1,538-9,471, 2020/21 prices)	HMT Green Book
Change in life satisfaction (wellbeing)	All	Change in WELLBY (£13,000 [Low: £10,000, High £16,000, 2019 prices) per unit change in life satisfaction*	Wellbeing guidance for appraisal (HMT, 2021) ²⁷
Change in loneliness	SG 1-4 and 8-10	£9,100 per year for change from moderate loneliness to mild loneliness [range £5,900-£12,960]	Wellbeing guidance for appraisal (HMT, 2021)
Change in unemployment to employment	SG1-4	£5,980 per year [£3,800-£8,480]	Wellbeing guidance for appraisal (HMT, 2021)
Change in wellbeing from volunteering	SG 3, 8, 9, 10	£911 per volunteer per year on average	Wellbeing guidance for appraisal (HMT, 2021)
Change in emotional and physical effects of crime	SG 8, 9, 10	e.g. robbery £3,590	The Economic and Social Costs of Crime (Home Office, 2018) ²⁸
Change in persona, social and civic development	SG 1-4, 8-10	£5,200 per year [£4000-6,400]	Wellbeing guidance for appraisal (HMT, 2021)

²⁵ <https://www.gov.uk/government/publications/valuation-of-energy-use-and-greenhouse-gas-emissions-for-appraisal>

²⁶ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1063330/Green_Book_2022.pdf

²⁷ <https://www.gov.uk/government/publications/green-book-supplementary-guidance-wellbeing>

²⁸ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/732110/the-economic-and-social-costs-of-crime-horr99.pdf

Metric representing a change in outcome	Potentially relevant study groups	Unit values	Sources
Change in business revenues / turnover	SG 5-7	As reported by businesses	Bespoke data collection
Change in new employment (new jobs)	SG 5-7	As reported by business, productivity measured by annual salary (excl. tax)	Bespoke data collection
Change in social connectivity (wellbeing effect)	SG 8-10	Change in wellbeing effect from meeting friends (£17,300, 2011 prices)	Wellbeing and Civil Society (Cabinet Office & DWP, 2013) ²⁹
Change in safety of neighbourhood	SG 8-10	Change in wellbeing effect (£33,700 per year, 2011 prices)	Wellbeing and Civil Society (Cabinet Office & DWP, 2013)

Note: * For example, increasing life satisfaction by 0.4 for 1 year would have a value of $0.4 \times £13,000 = £5,200$, with a range of £4,000 - £6,400 (2019 prices).

Where monetary valuation of changes in outcomes is possible, these would be presented over a stream of years (appropriate to the life of the intervention and subsequent period to be assessed) and then discounted to present values, in line with the HMT Green Book (2023).

Throughout the analysis, care will be taken not to double count effects by ensuring that no changes in outcomes are reflected directly or indirectly in multiple measures.

5.3.4 Method for evaluating VfM evaluation question 4: what are the conditions under which value for money is likely to be relatively higher or lower, and for whom?

To address this question, the evaluation will maximise the value of having several projects in each study group (the aim is to have three projects), by using the data across the projects to undertake comparative analysis. A crucial starting point for the analysis is to understand the theory of change for each intervention study group (as described in Chapter 4). Part of this will be an articulation of who the target beneficiaries are for each type of intervention and what the potential unintended effects might be and for whom.

By undertaking the analysis for VfM EQ1-3, the data at the project level and the intervention study group level will be available, the triangulation of which will enable an evidence-based assessment of:

- What the key drivers of value for money are likely to be;
- The conditions under which value for money is indicatively considered to be relatively greater or smaller (i.e. costs relatively lower and/ or changes in social outcomes relatively greater); and

²⁹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/221227/WP112.pdf

- For whom the changes in outcomes are indicatively assessed to be relatively greater or smaller. This involves distributional analysis by triangulating data collected on, for example, the socio-demographic information on participants of the projects within each study groups; exploration of the local geographic context in which each intervention was implemented; and the extent to which there is evidence to suggest that local factors / cohort characteristics enabled or hindered changes in anticipated outcomes, etc.

5.3.5 Method for evaluating VfM evaluation question 5: to what extent is there evidence that any observed benefits are displaced from another group or locality to the target group or locality?

The extent to which any changes in outcomes observed within the localities of interest, or for the target cohorts of interest, for each study group are a result of displacement will be challenging to robustly assess.

However, there are likely to be ways to explore this indicatively using available data, including:

- Looking at the extent to which data on key metrics have changed in localities neighbouring the areas of the study group projects (for example, by looking at the YCYS survey), for example, whether there has been a material change in wellbeing or crime;
- Qualitative evidence collated as part of the process evaluation (described in Chapter 3) which will include exploring views of the local authorities and delivery partners to understand their observations about the likelihood of displacement;
- Exploring this directly with participants when collating data for the impact evaluation (described in Chapter 4) by, for example, asking if they have changed their location of activity in any way.

5.4 Summarising the assessment of value for money

As described at the start of this Chapter, the assessment of value for money is a judgement about the use of public resources to achieve strategic objectives. The aim of the analysis presented in this Chapter is to enable an evidence-based, robust assessment of value for money that is transparent about its limitations so that future policy makers are able to feel informed, while also aware of the limits of the evidence available.

The information presented on value for money on each study group will systematically work through each VfM evaluation question to provide a view on the extent to which the intervention study group has been able to meet its strategic objectives and achieve strategic fit, and the conditions under which this has been relatively greater; and also the extent to which social benefits are likely to have been, or will be, greater than costs.

6 Evaluation next steps

6.1 Evaluation over the period 2023 to 2025

As noted above, the primary focus of this evaluation is the evaluation period 2023 to 2025 and this has been commissioned by DLUHC to be delivered. This section therefore focuses on the planned evaluation activity to deliver this 2023 to 2025 evaluation.

The implementation of this intervention-level evaluation over 2023 to 2025 will proceed in six main stages, as illustrated in Figure 9. Implementation has started in September 2023 (continuing directly from the activities conducted for this feasibility assessment) and the final report is planned for late 2025. The timing of the delivery of each stage will vary across the study groups (and projects within study groups) according to the timing of the projects being evaluated.

Figure 9 Evaluation implementation stages



- **Project selection.** The first stage of implementation will be the selection of the projects to be evaluated. A list of potential projects has been identified through the course of this feasibility stage. However, further detailed discussions with the project leads of short-listed projects is required to hone in on the most suitable projects for evaluation.
- **Primary data design.** The second stage is the detailed design of primary data collection methods. Across the different study groups this will involve finalising the design of the YCYS survey and the bespoke surveys to be conducted of individual and business beneficiaries of the different UKSPF funded projects. For each survey this will entail finalising the survey mode, identifying the sample frame, and designing the survey questions. This will be tailored to the particular details of the projects being evaluated, and therefore will build on the detailed conversations with local project leads.
- **Primary data collection.** Primary data for this evaluation will be collected through surveys and qualitative fieldwork (as described in Chapters 3 and 3). The YCYS survey and bespoke surveys will be run twice (per project), once ‘before’ and once ‘after’ implementation. The exact timing will depend on project timescales, but it is anticipated that the ‘before’ implementation surveys will take place in early 2024, while the ‘after’ intervention surveys will be conducted in early or mid-2025. The in-depth interviews with project delivery teams and focus groups with beneficiaries would also be expected to take place in late 2024 or early 2025 (depending on project timing).

- **Process and impact evaluation.** The process and impact evaluation analyses will triangulate evidence from monitoring data, other secondary data sources and the primary data described above to produce evidence on what works, for whom, why. This will involve the analysis of baseline data in early 2024, and subsequent analysis when primary data from 'after' the interventions is available (likely early or mid-2025).
- **Value for money evaluation.** Due to the key value of evidence on impacts for VfM analyses, the VfM evaluation will take place towards the end of the overall evaluation, in early 2025.
- **Final reporting.** A final report will be produced for each study group containing the process, impact and VfM evaluation. In addition an overarching report will be produced that brings the analysis from the different study groups together and contributes learning from the comparison across study groups. Final reporting is planned for late 2025, under the expectation of final surveying occurring late spring/ early summer 2025, with dissemination activities to build awareness of learnings and ensure that the value of the evaluation is maximised.

6.2 Planning for an evaluation post-2025

As discussed throughout this report, further impact evaluation activity could be undertaken post-2025 and an illustrative period of 2023 to 2028 has been considered. This recognises that impacts will continue to be realised well beyond March 2025, and that secondary data may be more readily available over the longer term. DLUHC is exploring possibilities to extend the evaluation beyond 2025 to ensure a robust and comprehensive capture of the impacts.

The findings from the interim report in 2024 and in particular the final report in late 2025 can be used to better understand the benefits of, and approaches to, further evaluation.

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