

## Monitoring and evaluation plans

### Summary and key points

The Magenta Book explains that evaluation involves understanding how an intervention has or will be implemented, and what effects it has had, including unintended consequences. There are different types of evaluation which focus on answering different types of questions: assessing cost-effectiveness in a value for money evaluation, as well as process and impact evaluation. The Magenta Book also emphasises that good evaluation requires the understanding of how an intervention is expected to achieve its expected outcomes. This is typically done through synthesising existing evidence and producing a Theory of Change.

The Green Book sets out the rationale for the early planning of evaluation, presenting the ROAMEF framework for the appraisal and evaluation of all policies. M&E plans in OAs and IAs should aim to assess whether the original SMART objectives of an intervention have been met.

As part of an OA or final stage IA, departments are expected to submit a M&E plan for the preferred policy option to the RPC. A proportionate approach should be taken to M&E plans, as it is likely that a department's plan will not be fully developed at initial OA stage.

M&E plans should use the SMART format of objectives to assess the effectiveness of the proposal and should assess the logical change by which objectives will be met, presenting a 'theory of change' diagram to show how the intervention will generate measurable outputs, outcomes and impacts. M&E plans should also consider external factors that might impact the evaluation and should consider how much the change has been a result of the policy vs other factors. M&E plans should assess the impacts of a proposal even if they cannot be monetised and Departments should detail the planned methodology for data collection (quantitative and qualitative), including consideration of whether there are any existing (secondary) data sources, or existing M&E provisions.

### Introduction

This document provides case history guidance on Monitoring and Evaluation (M&E) plans in options assessments (OAs) and impact assessments (IAs). The guidance is intended as a summary document for the authors of OAs and IAs, including analysts and policy officials. The guidance covers:

- 1) **Background** on monitoring and evaluation plans from the Magenta Book and HMT Green Book
- 2) **Better Regulation Framework guidance:** from the Regulation directorate
- 3) **Applying the framework and RPC expectations**
- 4) **Formal review points**
- 5) **Issues raised during RPC scrutiny of departments' M&E plans**

## 1) Background

### Introduction to Monitoring and Evaluation (Magenta Book)

The Magenta Book<sup>1</sup> is the central government's guidance on evaluation and provides a comprehensive overview of conducting evaluation in government: scoping, design and implementation, as well as the evolving approaches and methods used in evaluation throughout the policy life cycle. The Magenta Book defines evaluation as the '*systematic assessment of the design, implementation and outcomes of an intervention*' (page 5). It explains that evaluation involves understanding how an intervention has or will be implemented, and what effects it has had, including unintended consequences. The purpose of evaluation is to help manage risk and uncertainty, develop evidence to inform future interventions and provide clear transparency for policy making.

The Magenta book notes that evaluation should be able to '*scrutinise whether: the intervention was effective, the outcomes were achieved, and the money was well spent*' (page 8). This highlights the different types of evaluation which focus on answering different types of questions: assessing cost-effectiveness in a value for money evaluation, as well as process and impact evaluation. Process evaluation is the analysis of whether an intervention is being implemented as intended and whether the design is working, while impact evaluation focuses on the objective changes and the measurable achievements associated with an intervention. The Magenta Book also provides material on different evaluation methods that can be used to understand the impact of an intervention, including quantitative and qualitative research methods, such as surveys, case studies and data collections. More information on these methodologies can be found in Chapter 3 of the Magenta Book.

The Magenta Book also emphasises the importance of data collection in evaluation, stating that '*Monitoring and evaluation are closely related, and a typical evaluation will rely heavily on monitoring data*' (page 6) and '*The collection of data required for an evaluation should be planned alongside the development of the intervention; where this does not occur, an evaluation may be impossible, severely limited, or unnecessarily expensive. In planning data collection, the following should be considered: the evaluation questions to be answered; who can provide relevant data; and data access constraints*' (page 53). Data collection is a core part of M&E plans as submitted in OAs and IAs and is further discussed in Section 5 of this guidance document. More information on best practices for data collection can be found in Chapter 4 of the Magenta Book.

The Magenta Book also emphasises that good evaluation requires understanding of how an intervention is expected to achieve its expected outcomes. This is typically done through synthesising existing evidence and producing a Theory of Change. The Magenta Book provides guidance on how to develop a theory of change model in Chapter 2.2.1 (page 24). This is summarised in the box below:

---

<sup>1</sup> [The Magenta Book - GOV.UK](https://gov.uk/magenta-book)

**Magenta Book: Theory of Change**

Developing a Theory of Change typically involves considering the proposed inputs (what investment/regulation/actions will take place) and the causal chain that leads from these inputs through to the expected outputs and outcomes. It considers the causal mechanisms by which an intervention is expected to achieve its outcomes, basing this theory on the gathering and synthesis of evidence. There are many mapping tools that can be used to help explore the intervention and how it is expected to work, often described as the 'programme theory'. These include theory of Change mapping, logic mapping, log frames, benefits mapping, and system mapping. The most appropriate tool to use will depend on the characteristics of the intervention, the complexity of the system it is applied to, and the type of evaluation that is being planned. Developing a Theory of Change will typically involve the stakeholders involved in designing and executing the intervention. This can be through workshops or consultations. Alongside this, research methods, including evidence synthesis, focus groups, and expert panels, can be used to gather and synthesise evidence to use in its development.

It is also worth noting that under the new Better Regulation Framework (September 2023), OAs and IAs are expected to present an initial theory of change diagram, which can be cross-referenced in the monitoring and evaluation plan. This will help Departments to compare the actual impacts of an intervention with the original expected outcomes. This is discussed further in Section 5 below.

The Magenta Book states that *'Evaluation can inform thinking before, during and after an intervention's implementation'* (page 5) and goes on to state that *'Planning an evaluation early allows for an intervention to be designed in a way that can maximise the learning that can be gained. It can also reduce the costs of data collection by building this into the intervention's delivery'* (page 8). This emphasises the importance of M&E planning. The remainder of this guidance note is focused on best practice for M&E plans as submitted in OAs and IAs.

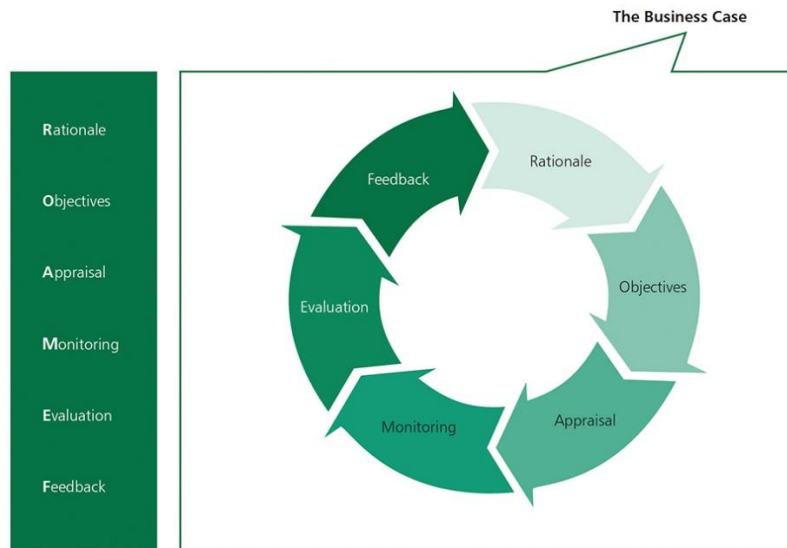
**Monitoring and evaluation plans (HMT Green Book)**

The Green Book<sup>2</sup> sets out the rationale for the early planning of evaluation, presenting the ROAMEF framework for the appraisal and evaluation of all policies. Evaluation is embedded into the ROAMEF cycle as it feeds back evidence into future policies.

**Figure 1: The ROAMEF Policy development cycle**


---

<sup>2</sup> [The Green Book \(2022\) - GOV.UK](#)



M&E plans in OAs and IAs should aim to assess whether the original SMART objectives of an intervention have been met. The Green Book states *“Without verifiable and measurable objectives success cannot be measured, proposals will lack focus and be less likely to achieve Value for Money”* (paragraph 8.13, page 71). On SMART objectives specifically, the Green Book also states that *“their design should take into account monitoring and evaluation processes. “Their suitability for use in monitoring and evaluation is a necessary condition for inclusion as SMART objectives”* (paragraph 8.13, page 71). SMART objectives are defined and summarised by the Green Book below (paragraph 4.9, page 25):

**Treasury Green Book: SMART objectives**

Clear objectives are vital for success. A lack of clear objectives negates effective appraisal, planning, monitoring and evaluation. Objectives must be SMART that is:

Specific, Measurable, Achievable, Realistic and Time-limited.

SMART objectives must be objectively observable and measurable, so that they are suitable for monitoring and evaluation. Up to 5 or 6 SMART objectives should be established. More than this and a proposed scheme is likely to lack focus and is more likely to fail or significantly exceed costs and under-deliver.

The Green Book also states that *“there is a need to set out the logical chain of cause and effect by which the SMART objectives will be produced”* (paragraph 3.15, page 17) and *“Monitoring and evaluation objectives should be aligned with the proposal’s intended outputs, outcomes and the internal processes, although they may also be wider”* (paragraph 8.12, page 71). The need for this is catered by logic models or the theory of change, which are discussed above.

The Green Book also references post-implementation reviews (PIRs), stating that *“Regulations may require post-implementation reviews (PIRs) which are closely related to policy evaluations. The aim is to review regulations at timely intervals to assess whether they are still necessary, whether they are having the intended effects and what the costs to business are. PIRs will generally focus on measures with significant impacts on business and should be conducted proportionately, supported by appropriate monitoring and evaluation.”* (paragraph 8.7, page 70). PIRs are a form of M&E and guidance on PIRs can be found in separate case history guidance.

## **2) Better Regulation Framework guidance**

The Better Regulation Framework (BRF) guidance (September 2023)<sup>3</sup> explains that as part of an OA or final stage IA, departments are expected to submit a M&E plan for the preferred policy option to the RPC. The guidance states that *“Departments are strongly encouraged to consider how they might develop an indicative M&E plan for a proposed Regulatory Provision at the outset of the policy development cycle. This should then be refined as part of the process of developing the final Regulatory IA. This aligns with the good practice represented in the ROAMEF cycle in the Green Book.”* (paragraph 7.30, page 26).

The BRF guidance then lists some areas than an initial M&E plan could include (paragraph 7.32, page 27-28), such as considering how the impacts of the new arrangements will be monitored and consideration of any external factors. The BRF also lists additional areas that a final IA stage M&E plan could include, such as changes in market or sectors. These suggestion points are further addressed throughout this guidance note.

A proportionate approach should be taken to M&E plans, as it is likely that a department’s plan will not be fully developed at initial OA stage. The guidance states that *“The initial plan should be proportionate to the level of evidence that is available at this early stage. As evidence emerges through the development of the preferred option, areas that might be addressed as part of a*

<sup>3</sup> [Better Regulation Framework guidance.pdf](#)

*Regulatory IA (for example, changes in market/sectors) may be covered at that stage” (Paragraph 7.34, page 28).*

### **3) Applying the framework and RPC expectations**

OAs and IAs should provide a description of the monitoring and evaluation activities planned for the proposal and how and when a post-implementation review will be carried out, including quantitative and qualitative data to be collected, monitoring metrics, impacts which will be measured and policy outcomes to be assessed including unintended consequences. M&E plans should assess the impacts of a proposal even if they cannot be monetised.

It is anticipated that the M&E plan will evolve as the policy proposal is developed, with a relatively high-level plan being presented at OA stage covering initial information on key elements of the plan, and a more detailed plan being available at the time the final IA is produced. At OA stage, the initial M&E plan will begin to identify the early monitoring arrangements required to conduct M&E, including identifying metrics and data relevant data sources available. At IA stage, the M&E plan should establish the timings of key monitoring information, detail how the objectives will be robustly assessed and present the final set of metrics and data collection plan. A proportionate approach to the development of M&E plans and RPC scrutiny of them will be needed, reflecting the stage of policy development. As a result, the expectations for a ‘good’ or ‘satisfactory’ M&E plan at OA stage will differ from those at final stage.

### **4) Formal review points**

Departments should justify the timeline of the M&E plan in the OA or IA and should consider the most appropriate timeframe for a formal review to be carried out. This should be proportionate to the size and scale of the impacts of the measure in question while accounting for a range of contextual factors. This review could include, but is not always limited to, a PIR. The planned timings for M&E are therefore separate from the s.28 requirement under the SBEE Act 2015, which places a statutory duty for an initial PIR to be carried out within a maximum of five years of commencement, as set out by the relevant statutory instrument. As per the SBEE Act 2015, PIRs should be repeated at least every five years, or more frequently if appropriate for the legislation. Further information can be found in the [‘PIR Principles of Best Practice’ guidance](#).

If the proposal does not include a review clause, it is still best practice for the OA/IA to include an M&E plan to evaluate the success of the proposal. A proportionate approach can be taken, but should still include the description of monitoring and evaluation activities planned for the proposal, including the data that will be collected, impacts that will be measured and the policy outcomes to be assessed.

### **5) Issues raised during RPC scrutiny of departments’ M&E plans**

This section highlights case study examples of issues raised during RPC scrutiny of M&E plans in IAs. It is worth noting that the IAs in these examples may now be drafted as OAs under the new framework. The monitoring and evaluation sections in the following examples were rated ‘good’ by the RPC.

Using SMART objectives and logic mapping

The RPC is looking for M&E plans to set out the key research questions that will be used to assess whether the original policy SMART objectives of the intervention have been met. M&E plans should use the SMART format of objectives to assess the effectiveness of the proposal covered in the Green Book guidance.

M&E plans should also assess the logical change by which objectives have been met, presenting a 'theory of change' diagram to show how the intervention will generate measurable outputs, outcomes and impacts. The diagram will also identify the counterfactual starting position (cross referenced with the counterfactual section referenced in the OA/IA), which will help the Department to establish causality between the data gathered and the implementation of the proposal.

Both the SMART objectives and Theory of Change diagram can be found in Section 3 and Section 4 of the OA/IA template respectively. The Department should link back to this for its M&E plan.

In the example below, the department has listed the policy objectives, ensuring they were SMART.

**[The Electricity and Gas \(Energy Company Obligation\) \(Amendment\) Order 2022 \(final stage IA; BEIS-5086\(2\)\)](#)**

The proposal was to implement an Energy Company Obligation (ECO) scheme (ECO4) to run from April 2022 to March 2026. As with the previous (ECO3) scheme, ECO4 would require energy suppliers to deliver a target of notional annual bill savings by installing energy efficiency and heating measures to selected, or targeted, homes. This scheme would continue to focus on low income, vulnerable and fuel-poor households but with a narrower focus on supporting the least energy efficient homes.

The Department set out four policy objectives which followed the SMART framework, in line with the Green Book. The Department identified objectives that were specific, such as to ‘focus support mainly on owner occupied households and those living in the least efficient social housing and private rented accommodation’ and were timebound, including timed deadlines for the objectives to be met. As these deadlines were several years after implementation, the objectives appeared realistic. The objectives were also focused on metrics such as ‘reduce bills for income and vulnerable households’, which allowed them to be easily measured, and the Department ensured the objectives were achievable by commenting on how they aligned with other wider Government energy efficiency policies.

In the example below, the Department embedded the SMART objectives within the planned metrics for evaluation.

**[The Online Safety Act 2023 \(final stage IA; DSIT-4347\(5\)\)](#)**

The proposal was to create a new regulatory framework establishing a duty of care on companies to improve the safety of their users online, which will be overseen and enforced by Ofcom.

The IA used SMART objectives to inform the planned M&E, providing a table which displayed the proposed data sources and metrics against the core objectives (as set out in the rationale). The evaluation metrics each linked to several objectives, demonstrating how the M&E plan would be able to measure the success of the objectives. For example, the evaluation metric on improvements in platform performance was mapped against the objective to improve law enforcement’s ability to tackle illegal content online.

The example below presents a detailed theory of change which was used to inform the M&E plan.

**[Electricity and Gas \(Energy Company Obligation\) Order 2023 \[GB Insulation Scheme \(formerly ECO+\)\] \(final stage IA; BEIS-5266\(1\)\)](#)**

The proposal was to reform the energy industry code governance structure, assigning Ofgem as the strategic body. This would be complemented by related secondary legislation that would introduce an enhanced code manager function assigned to separate organisation(s). It was anticipated that Ofgem, as the strategic body, would be responsible for setting a strategic direction, based on the Government’s policy priorities, and trends in the wider energy market, as well as ensuring that code managers deliver it.

The Department presented a detailed theory of change diagram in the IA, explaining the step-by-step process by which the intervention will generate measurable outputs, outcomes and impacts. The diagram clearly emphasises which inputs correlate with which outcomes, indicating the process through the use of arrows in the mapping. Activities in the theory of change included ‘Trustmark monitoring standards and compliance of installations’ and outputs included ‘non-compliant measures are rectified’. The outcomes were clearly



differentiated from outputs, focusing more on early or medium-term results rather than what was produced. Outcomes included 'better insulated homes, higher EPC ratings for owner-occupiers' and 'reduced energy demand'.

The IA then utilised its theory of change to underpin its monitoring and evaluation plan. The IA used the narrative behind the diagram to illustrate that the achievement of the impacts in the theory of change were dependent on a number of assumptions which linked the actions, outputs and outcomes. This emphasised the need for M&E. The IA also planned a process evaluation to understand the success of new implementation arrangements and assess how the assumptions highlighted in the theory of change may need to be updated. The proposed research questions were planned to gather data to test specifically the process that was set out in the theory of change and understand the outcomes outlined in the diagram.

### Accounting for uncertainty in M&E plans

M&E plans should also consider external factors that might impact the evaluation and should consider how much the change has been a result of the policy versus other factors. M&E plans should also consider any unintended impacts (such as regional impacts) from the policy.

Departments should also consider what circumstances or changes in the market would require the regulations to be reviewed earlier or later than planned and should consider what external factors might impact the success of the policy.

In this example, the IA evaluates external factors which may pose a risk to the success of the policy:

#### [The Merchant Shipping \(Prevention of Air Pollution from Ships\) \(Amendment\) Regulations 2023 \(final stage IA; DfT-5256\(1\)\).](#)

The proposal was for full implementation of the latest international regulations on energy efficiency for shipping into UK law for UK-flagged vessels that perform international voyages and internationally flagged vessels in UK waters. These new measures fall under the UK's international obligations, requirements and needed to be incorporated into UK domestic law via amendments to the Merchant Shipping (Prevention of Air Pollution from Ships) Regulations 2008.

The IA uses the M&E plan to discuss risks that could impact the effectiveness of the policy, identifying that the measure could create perverse incentives to switch to fuels which increase emissions of non-CO<sub>2</sub> greenhouse gases. The IA considers how it might adjust for this, confirming that the PIR will consider available data on these alternative fuel types to capture this effect. The IA also identifies a low level of compliance as a potential external factor which could undermine the policy's objectives.

In the example below, the IA considers external factors which may impact the evaluation plan.

#### [Electronic Communications \(Security Measures\) Regulations \(final stage IA; DCMS-4474\(4\)\)](#)

The proposal was to establish a robust security framework for 5G and full fibre networks. The regulations set out the priority security requirements for providers of public telecommunications networks and services (PECN and PECS), and the actions that must be taken to achieve them.

The IA considers uncertainty within the M&E plan, identifying a weakness with some datasets that will be utilised (such as data on the number of incidents reported and the number of 5G and full fibre network

rollouts) due to a difficulty in correlating the impacts of the regulations on these data trends. The IA also discusses risks and external factors which may impact the delivery of the evaluation plan, considering how rapid changes in technology and innovation in the sector may pose a challenge to effective monitoring and evaluation. The IA suggests some mitigations to address these issues, such as reviewing the data regularly.

### Data collection in M&E plans

Data collection is at the core of monitoring and evaluation and therefore should play a significant role in the M&E plans in OAs/IAs. Departments should detail the planned methodology for data collection, including consideration of whether there are any existing (secondary) data sources, and/or existing M&E provisions. M&E plans should detail the nature of any primary data (qualitative and/or quantitative) and how it will be gathered, including expected timelines and whether it is practical. Proportionality should be considered throughout the planned data collection, and Departments should take into account the costs of collecting different data sets and their value for money. Departments should also consider how the data collection informs the theory of change diagram. M&E plans should also detail the key research questions and metrics expected from the data collection.

Good M&E plans are encouraged to incorporate both primary and secondary research techniques to collect data, including new data collection (such as through new surveys or stakeholder engagement) and the use of existing data sources. If no new data will be collected the IA should focus on existing data. These could include published data, with some common sources below.

#### **Useful data sources**

[UK Data Service](#), [Understanding Society](#) and the ONS.

For example, ONS surveys that may be useful include:

[Family spending in the UK - Office for National Statistics \(ons.gov.uk\)](#)

[Digital Economy Survey - Office for National Statistics \(ons.gov.uk\)](#)

[UK Innovation Survey - Office for National Statistics](#)

<https://www.ons.gov.uk/surveys/informationforbusinesses/businesssurveys/ukinnovationsurvey>

[Survey on Living Conditions - Office for National Statistics](#)

[Annual Survey of Hours and Earnings \(ASHE\)](#)

The following example clearly sets out different publicly available data sources that will be used to inform the evaluation, alongside appropriate metrics and research questions.

#### **Regulation of radio services across voice assistant platforms (final stage IA; DCMS-5285(1))**

The proposal was to introduce requirements on providers of voice assistant platforms, including relating to availability, cost access and integrity of service, to ensure that listener access to radio across these devices is protected.

The IA used a table to set out visually potential research questions mapped against metrics and existing data sources that will be used to monitor and evaluate the proposal. The Department ensured that the metrics that were detailed to indicate success were backed up by potential data sources. The IA explained that they will track several existing public data sources including RAJAR's regular listening reporting and Ofcom data on their

annual tech tracker surveys and communications market report. The IA would also utilise Mediatique forecasts as a data source. The IA also proposed new primary research, stating that they would commission updated research on the value exchange to assess how this has changed from the counterfactual. Metrics gathered from these data included total hours of radio listening by device and community radio revenues.

The following example included detailed research questions.

**[A new pro-competition regime for digital markets \(final stage IA; DCMS-5078\(2\)\)](#)**

The proposal was to establish a new pro-competition regime for digital markets to be overseen by the Digital Markets Unit (DMU) within the Competition and Markets Authority. The DMU would be responsible for designating firms within scope, defined as having Strategic Market Status (SMS), against criteria including having revenues above a certain threshold. The DMU will be able to set conduct requirements for SMS firms and impose enforcement orders on those not compliant. The DMU will also be able to make 'pro-competitive interventions', imposing specific behavioural and structural measures on SMS firms.

The IA listed several research questions, which were divided between impact evaluation, process evaluation and value for money questions. Impact evaluation questions included 'To what extent have unintended outcomes been produced', whilst process evaluation questions included 'Have the DMU's resources been properly allocated across different activities?'. The M&E plan then discussed existing and new data sources. Although it wasn't possible to be clear about the exact sources of data, the IA still listed potential metrics or indicators that could be used for evaluation and suggested some high-level data sources. The IA also confirmed that the potential metrics and indicators would be further developed before the implementation of the regime.