Ministry of Housing, Communities & Local Government

Towns Fund Evaluation

Process Evaluation Annex

July 2026

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Annex A Process evaluation methodology

A.1 Data collection

The process evaluation data collection comprised case studies with Towns Fund project stakeholders, alongside programme-level qualitative interviews and focus groups with wider programme stakeholders and secondary data.

A.1.1 Case studies

BMG completed 18 case studies, including 10 Future High Streets Fund projects and 8 Town Deal projects. Of the selected projects, 8 had submitted Project Adjustment Requests, and 1 project had been cancelled.

The case studies included site visits and qualitative interviews or focus groups with project stakeholders. Overall, the following stakeholders were engaged as part of the case studies:

- 39 local authority representatives
- 13 consultants appointed by local authorities
- 54 representatives from delivery partner organisations
- 19 Town Deal Board members (for Town Deal projects only)
- 57 project beneficiaries

The original intention was to complete 20 case studies. However, due to capacity constraints at the final stages of fieldwork, 2 case studies were not progressed. A total of 18 case studies were completed.

A.1.2 Programme-level data collection

In addition to case study data, BMG conducted interviews and focus groups with programme-level stakeholders.

Overall, BMG spoke to:

- 8 Ministry of Housing, Communities and Local Government (MHCLG) delivery leads involved in managing the Towns Fund, with responsibilities across bid appraisal, finance, monitoring, and evaluation
- 3 High Streets Task Force representatives
- 1 lead from the Towns Fund Delivery Partner consortium
- 4 local authority representatives whose initial business cases for the Future High Streets Fund were unsuccessful but later approved on resubmission

A.1.3 Secondary data

Secondary data sources were used to triangulate findings from the interviews and focus groups described above. The following sources were consulted:

- **Monitoring returns:** to develop a deeper understanding of the extent to which contextual factors influenced project delivery
- **Project Adjustment Request submissions:** to explore the reasons for project changes and project cancellations
- **Programme-level financial data:** including MHCLG reports submitted to the Public Accounts Committee, to assess whether the programme met its budgetary expectations
- **The High Streets Task Force evaluation report:** to triangulate findings from the focus group with High Streets Task Force representatives and to gain further insight into the activities delivered by the Task Force and their reach
- **The Towns Fund Delivery Partner consortium report:** to triangulate findings from the interview with the Towns Fund Delivery Partner consortium lead and to enhance understanding of the consortium's activities and reach
- **Beneficiary survey data:** to triangulate findings on beneficiary engagement and perspectives gathered through the beneficiary focus groups completed as part of the case studies

A.2 Sampling and recruitment

A.2.1 Case studies

The case studies were selected to reflect a range of project types, geographic areas, and delivery experiences.

The sample included projects with Project Adjustment Requests and areas with cancelled projects from Town Deals and the Future High Streets Fund. This ensured the evaluation captured diverse experiences and generated learning for future initiatives.

Where case studies focused on successful projects, BMG also asked local authorities about their experiences with project cancellations.

A cascading recruitment approach was adopted, beginning with local authorities, to obtain contact details for relevant project stakeholders.

A 2-pronged approach was used to identify beneficiaries: contacts provided by local authorities or delivery partners, and survey opt-ins from intervention-level evaluation surveys.

Read Section 5 of the feasibility report for more information on the case study selection process.

A.2.2 Programme-level sampling

MHCLG provided BMG with the contact details of its delivery leads, representatives of the High Streets Task Force, and the Towns Fund Delivery Partner consortium, which were invited to interviews or focus groups.

MHCLG also provided a list of local authority representatives whose initial business cases for the Future High Streets Fund were unsuccessful, for BMG to approach for interviews.

A.3 Analysis

A case and theme-based approach (framework analysis) was used to analyse the in-depth interviews and focus group data. It involved the evaluators:

- familiarising themselves with the evidence through reviewing transcripts
- developing a framework to organise emerging themes (where columns represent themes and rows represent individual participants or focus groups)
- summarising the qualitative data according to the key themes and sub-themes
- working through the summarised data to explore the full range of processes, experiences, and views, and to seek similarities, differences, and their reasons.

The secondary data described above was used, where relevant, to triangulate findings from the qualitative interviews and focus groups in this report.

Section 7 of the feasibility report provides more detail on the methodology for the Towns Fund process evaluation.

A.4 Limitations

The findings presented in this report draw primarily on qualitative evidence collected through the case studies. While qualitative research is well-suited to exploring complex processes, behaviours, and contextual factors, the resulting insights cannot be considered statistically representative. Qualitative samples are not designed to support statistical inference. Instead, they aim to generate a depth of understanding, illuminate mechanisms, and capture variation in experience rather than quantify prevalence. Accordingly, the findings presented here should be interpreted as indicative and explanatory, offering illustrative and directional insights into how the programme operated, rather than definitive conclusions about the frequency or scale of observed effects across the full Towns Fund portfolio.

That said, the case study sample encompassed a wide range of delivery contexts and experiences, including different types of projects across multiple geographical areas, projects (with and without Project Adjustment Requests), and a cancelled project. This breadth helped ensure the analytical coverage was sufficiently diverse to capture the variation within the programme. Where possible, qualitative findings were triangulated with the secondary data sources referenced in Section A.1.3, strengthening confidence in the conclusions drawn.

A qualitative approach was considered the most appropriate methodological choice for the Towns Fund process evaluation, given the need to understand implementation processes, decision-making, delivery barriers, and contextual influences. As set out in HM Treasury's Magenta Book, qualitative methods are particularly valuable for exploring how and why outcomes occur, identifying causal mechanisms, and examining variation across settings, making them well-suited to evaluations of complex place-based programmes.

Annex B Process evaluation research questions and answers

This annex lists the process evaluation questions and provides the corresponding answers for each one.

B.1 Theme 1: Management, governance, and Towns Fund structure

Table B.1 sets out the first evaluation question of theme 1, which examines the extent to which the Towns Fund is building on previous investments and interventions, alongside its success indicators and data sources.

Table B.1 Process Evaluation Question 1

Evaluation question	Success indicators	Data sources
To what extent is the Towns Fund building on previous investments and interventions?	Evidence that learning from past experience has been used in delivery planning.	Focus group with MHCLG delivery leads.

Source: BMG Research.

Ministry of Housing, Communities and Local Government (MHCLG) delivery leads felt the Towns Fund expanded on Local Enterprise Partnerships and the Local Growth Fund.

Local Enterprise Partnerships were created in 2010 by the UK Government and were led by local authorities and business representatives. They helped set local priorities for growth, jobs, skills, and investment.

Between 2015 and 2021, Local Enterprise Partnerships helped deliver the Local Growth Fund. This fund provided about £12 billion of government investment to local areas in England. Local Growth Fund money supported infrastructure, business development, housing, and skills projects. Local Enterprise Partnerships worked with local authorities and partners to decide how the funding was spent.

The Towns Fund drew on elements from this model. It involved businesses in decisions while keeping local authorities in a leading role, continuing the partnership approach used in these earlier programmes.

Table B.2 sets out the second evaluation question of theme 1, which examines how effective the Towns Fund governance structure was in steering the programme, alongside its success indicators and data sources.

Table B.2 Process Evaluation Question 2

Evaluation question	Success indicators	Data sources
How effective was the Towns Fund governance structure in steering the programme?	Decisions regarding the Fund were made at the right level in a timely manner.	Focus group with MHCLG delivery leads.

Source: BMG Research.

Evidence from the case studies suggests that the governance structure worked well because strong financial and risk management processes helped teams spot and address issues early.

Grade 7 leads were responsible for core functions, including finance, monitoring, briefing, and communications, as well as regional delivery roles. This ensured that specialist expertise in key Grade 7 areas strengthened overall financial, delivery and risk management while remaining closely connected to local delivery realities.

As a result, Grade 7 leads maintained a clear understanding of strategic programme priorities while staying focused on emerging place-level issues. Benefits included teams being less likely to work in isolation, issues being identified earlier, and senior confidence in risk management increased compared with programmes where Grade 7 leads were not involved in regional delivery.

Grade 7s led teams of Senior and Higher Executive Officers and were accountable for performance across their specialist areas. Senior and Higher Executive Officers routinely altered forecasts strategically, built dashboards to present real-time information, and conducted senior-level analysis and policy recommendations. This enabled updated in-year budgets to reflect actual delivery progress, ensuring forecasts remained accurate when inflation, procurement delays, or project changes created cost pressures. This reduced the risk of over- or underspending due to inaccurate forecasting.

Grade 7 delivery teams, supported by Area Leads, reviewed monitoring returns from places to test accuracy and identify emerging risks. While Higher Executive Officers managed routine issues, complex cases were escalated to Grade 7s. Area Leads were also able to raise risks not reported by local authorities. This combined intelligence enabled MHCLG to prioritise support for places facing delays, inflation pressures, or scope changes.

The Programme Board met monthly and included finance, programme management, data, performance, regional leads, Grade 6 staff, and the Deputy Director. These meetings reviewed risks, budgets, and delivery progress, enabling coordinated action when problems emerged.

Built-in programme flexibility to reallocate funding through a portfolio approach was reported to help local authorities manage inflation and delays while avoiding underspending. The portfolio approach of Towns Fund treated all projects as a single funding package. This allowed funds to be reallocated from delayed or unviable projects to those ready to proceed, helping maintain overall programme delivery and using available funding effectively. This helped prevent underspending and supported local priorities by responding to changing circumstances, such as inflation or other project-specific delivery issues.

MHCLG delivery leads reported that the flexibility to reallocate funds was enabled by non-ringfenced Section 31 grants. These grants allow funding to be used according to local needs rather than tying money to specific projects, while still meeting capital-spend requirements.

Area Leads helped strengthen governance by linking MHCLG with places and sharing real-time insight on emerging risks. Their local knowledge improved the accuracy of monitoring data and helped MHCLG intervene early when delivery pressures arose. They also translated central guidance into practical steps for places, reducing confusion and improving compliance.

External oversight from the Government Major Projects Portfolio and the Public Accounts Committee added further scrutiny and accountability.

Table B.3 sets out the third evaluation question of theme 1, which examines whether the Towns Fund met budgetary expectations, alongside its success indicators and data sources.

Table B.3 Process Evaluation Question 3

Evaluation question	Success indicators	Data sources
Did the Towns Fund meet budgetary expectations?	The Towns Fund met its business case as anticipated, without unforeseen issues or additional costs.	Focus group with MHCLG delivery leads and monitoring data, reports for the Public Accounts Committee.

Source: BMG Research.

Strong financial and monitoring processes have ensured that the programme met budgetary expectations, as evidenced by MHCLG's financial data. Public Accounts Committee-reported MHCLG data shows that by April 2025, £1.85 billion in Town Deal grants had been paid to places (88% of the £2.1 billion total allocation). Monitoring data from June 2025 shows that 117 Town Deal projects had finished, with another 287 due to finish by the end of the 2025/2026 financial year. As of March 2025, there remained £1,666,403 of Town Deals Resource Departmental Expenditure Limit and £94,705,633 of Town Deals Capital Departmental Expenditure Limit to release across the 2026/2027 and 2027/2028 financial years.

For the Future High Streets Fund, the full £830 million programme budget had been released to recipients by June 2025. A total of 205 projects have been completed, with another 75 expected to be completed by the end of the 2025/2026 financial year.

According to the monitoring returns covering project delivery up to March 2025, 582 Town Deal and Future High Streets Fund projects were reported as ongoing. The Towns Fund programme deadline was extended from March 2026 to March 2027 to support places facing delivery challenges. Many projects met their required spend deadlines by March 2026, but continued physical delivery afterwards. In several cases, funding supported only the early phases of multiyear construction, such as preparatory works or enabling infrastructure.

Some Towns Fund projects may continue for several years beyond March 2027. This is because the Towns Fund was integrated into the Local Regeneration Fund in September 2025 to simplify local growth funding. The Local Regeneration Fund combines the Towns Fund, the Levelling Up Fund, and the Pathfinder Pilot into a single capital programme. Local authorities can now adjust, cancel, or create projects without central approval, provided changes support government missions and demonstrate value for money (VfM). The reforms introduced greater flexibility, extended spend deadlines to March 2028, and reduced reporting requirements.

Table B.4 sets out the fourth evaluation question of theme 1, which examines the extent to which the Towns Fund met its target outputs efficiently and effectively, alongside its success indicators and data sources.

Table B.4 Process Evaluation Question 4

Evaluation question	Success indicators	Data sources
To what extent did the Towns Fund meet its target outputs efficiently and effectively?	Available resources were used effectively and efficiently.	Focus group with MHCLG delivery leads.

Source: BMG Research.

Overall, evidence from process evaluation interviews and monitoring data suggests that the Towns Fund met output targets effectively, supported by strong governance, flexible financial processes, and the local intelligence provided by Area Leads, all of which were reported to enable substantial progress in delivery.

However, several external factors reduced delivery efficiency according to local authorities and delivery partners. Inflation significantly increased construction and material costs, requiring design changes, value engineering, reductions in project scope, and, in some cases, making projects unviable. Global supply chain disruptions linked to COVID-19, Brexit-related import issues, and events such as the Suez Canal blockage led to long lead times and construction delays. Local authorities also experienced capacity constraints during COVID-19, which slowed project planning and early-stage delivery.

Significant delays also arose from the Project Adjustment Request process, especially early on, before clear change management and sign-off procedures were established. Local authorities reported they often had to commission new economic modelling and updated benefit–cost ratios to justify project changes, adding time and cost pressures. Project Adjustment Request approvals could take several months, and some required multiple revisions, with early cases taking up to 9 months to finalise. These delays sometimes forced councils to either pause delivery or continue without approval, creating uncertainty, increasing risks, and slowing project delivery.

Therefore, most inefficiencies stemmed from external economic pressures and slow Project Adjustment Request processes, rather than from shortcomings in the programme's core design. Despite these challenges, flexible financial mechanisms, especially fund reallocation within portfolios, and strong local intelligence from Area Leads helped maintain momentum and safeguard overall output. Although external contextual factors and procedural delays limited efficiency, the programme still used its resources well under challenging conditions.

Table B.5 sets out the fifth evaluation question of theme 1, which examines how effectively the programme has identified and mitigated risks, alongside its success indicators and data sources.

Table B.5 Process Evaluation Question 5

Evaluation question	Success indicators	Data sources
How effectively has the programme identified and mitigated risks?	If risks materialise, no evidence that risk management processes could have identified and/or mitigated the risk.	Focus group with MHCLG delivery leads.

Source: BMG Research.

Evidence from focus groups with MHCLG delivery leads and monitoring data suggests that the programme identified and managed risks effectively, supported by structured risk management processes, clear financial oversight, and timely local intelligence from Area Leads.

MHCLG delivery leads said they used robust risk and financial processes that consolidated risks across all towns, helping teams spot issues early. These included inflation pressures, delivery delays, and challenges associated with compulsory purchase orders. Risk dashboards showed emerging patterns across places and helped MHCLG act promptly, with mitigations discussed at monthly Programme Board meetings.

Area Leads were reported to play a key role in strengthening risk management. They provided up-to-date local intelligence on delivery challenges, helping MHCLG confirm risks and intervene earlier than monitoring data alone would have allowed. Programme flexibility was also an important mitigation tool, according to MHCLG delivery leads and local authorities. MHCLG could grant delivery extensions and allow reallocation of funding within project portfolios. This helped local authorities manage rising costs and delays without losing funding. Local authorities could shift funds from non-viable projects to stronger schemes, reducing the risk of underspend and protecting overall delivery outcomes.

Overall, the evidence shows that the programme's risk management processes worked effectively. There was limited evidence that the major external risks could have been foreseen, although the Project Adjustment Request process itself generated avoidable delay in some cases.

Table B.6 sets out the sixth evaluation question of theme 1, which examines whether the due diligence process effectively identified projects with unacceptable levels of delivery risk, alongside its success indicators and data sources.

Table B.6 Process Evaluation Question 6

Evaluation question	Success indicators	Data sources
Did the due diligence process effectively identify projects with unacceptable levels of project delivery risks (including risk of financial failure)?	If project failures occurred, no evidence that due diligence could have identified and/or mitigated the failure.	Focus group with MHCLG delivery leads.

Source: BMG Research.

The due diligence process was reported to be effective in identifying and preventing high-risk projects from receiving funding. Although some projects were later cancelled, stakeholders said this was mostly due to external contextual factors that could not reasonably have been foreseen at the appraisal stage. These included sharp cost increases due to inflation and difficulties in acquiring land through Compulsory Purchase Orders.

Compulsory Purchase Order processes can be complex because they require legal approvals, negotiations, public consultation, and sometimes objections or inquiries. In some cases, land ownership disputes, unclear titles, or utility and access rights created further delays and uncertainty.

The programme's appraisal process assessed financial viability, deliverability, and value for money at the outset. MHCLG analysts reviewed business cases and checked that projects met minimum standards, including expected benefit–cost ratio thresholds, typically set at 1.5 or 2. Area Leads also contributed local intelligence, helping identify proposals with long-standing delivery challenges or practical risks.

Table B.7 sets out the seventh evaluation question of theme 1, which examines how effectively the Town Deals and the Future High Streets Fund worked together to improve the overall effectiveness of the programme, compared to delivering the funds separately, alongside its success indicators and data sources.

Table B.7 Process Evaluation Question 7

Evaluation question	Success indicators	Data sources
How effectively did the Town Deals and the Future High Streets Fund work together and make the programme as a whole more effective, as opposed to delivering individual funds?	Evidence of iterative learning across the 2 funds.	Focus group with MHCLG delivery leads.

Source: BMG Research.

MHCLG delivery leads reported that the Town Deals and Future High Streets Fund worked together only to a limited extent, as both were largely managed and delivered as separate programmes with different funding approaches and timelines. MHCLG delivery leads noted that funding was released separately, data was maintained independently, and forecasting and project review cycles differed for each fund.

Despite this separation, joint working and shared learning improved programme effectiveness in key areas, according to MHCLG delivery leads. Area Leads supported both programmes and acted as a single point of contact for places, helping to identify risks earlier and improving consistency in messaging and delivery expectations. Their cross-programme insight also strengthened MHCLG's understanding of local conditions. In addition, iterative learning occurred across the 2 funds. Lessons from the Town Deals, particularly on flexible change control and Project Adjustment Requests, were applied to the Future High Streets Fund, improving responses to inflation pressures and scope changes. MHCLG delivery leads described a gradual shift towards more pragmatic and flexible processes as both programmes matured.

However, MHCLG delivery leads explained that the 2 funds continued to operate independently. There was no mechanism to combine budgets or formally merge governance structures, and they retained distinct appraisal processes, monitoring requirements, and project-level expectations. These structural differences limited opportunities for deeper integration and closer alignment of delivery, even as informal learning and operational linkages strengthened over time.

Table B.8 sets out the eighth evaluation question of theme 1, which examines the unique and innovative features of the programme's delivery, alongside its success indicators and data sources.

Table B.8 Process Evaluation Question 8

Evaluation question	Success indicators	Data sources
What are the unique/innovative features of the programme's delivery?	Not applicable	Focus group with MHCLG delivery leads.

Source: BMG Research.

Evidence from the process evaluation interviews and focus groups suggests that the programme introduced several unique and innovative delivery features that set it apart from previous regeneration funds and strengthened its effectiveness.

1. Area Leads as a structured local–central link
Area Leads acted as embedded links between MHCLG and places, providing local intelligence, identifying risks early, and addressing real-time challenges. This combination of on-the-ground insight and central influence was seen as essential. According to MHCLG delivery leads, their involvement improved monitoring accuracy, enabled earlier interventions, and translated guidance into practical steps for local authorities.

2. Flexible portfolio approach to funding
The Towns Fund used a portfolio model, allowing places to reallocate funding among projects through the Project Adjustment Request process. This flexibility was reported to help local authorities respond to inflation, supply chain issues, and delivery challenges without having to return funding. MHCLG officials described this as a key innovation supporting delivery during economic volatility.

3. Dual roles for Grade 7 leads integrating finance, monitoring, and regional delivery
Grade 7 leads held responsibility for core functions, including finance, monitoring, briefing, and communications, as well as regional delivery roles. This was seen to prevent teams from working in isolation, improve communication between programme management and local teams, and strengthen early risk detection.

4. Town Deal Boards as formal local governance structures (for Town Deals)
Town Deal Boards brought together public, private, and voluntary-sector voices in formal decision-making structures. This was seen to encourage inclusive governance, improve partnership working, and create clearer accountability than previous place-based funds relying on informal stakeholder groups.

5. Embedded technical support through the Towns Fund Delivery Partner consortium and High Streets Task Force
The Towns Fund Delivery Partner consortium and the High Streets Task Force provided expert support to towns, but they were designed to address different challenges and operated through distinct models.

The Towns Fund Delivery Partner consortium provided targeted technical support focused on the development and delivery of capital projects. This included specialist expertise in regeneration delivery, procurement, and Compulsory Purchase Orders, as well as hands-on support to unblock complex issues in business case development and project design. Towns Fund Delivery Partner consortium staff were deployed flexibly to support local authorities in resolving delivery risks and progressing projects through formal assurance stages, adding particular value where technical capacity was limited.

In contrast, the High Streets Task Force focused on strategic, place-based support rather than direct technical delivery. The High Streets Task Force provided expertise in visioning and placemaking, supported stakeholder engagement and place leadership, and worked with local authorities to build local capacity. Its role was to help places develop clearer strategic direction and strengthen the conditions for successful regeneration, rather than to support the delivery of individual capital projects.

Together, these complementary support models were seen to add value in towns facing entrenched challenges by addressing both immediate technical delivery barriers and longer-term strategic and capacity constraints.

6. Peer learning and cross-town collaboration
Workshops, webinars, and conferences were considered to facilitate knowledge sharing between towns, helping local authorities interpret guidance and address delivery barriers. This peer-learning culture was widely regarded as an innovative feature that strengthened the programme's delivery capacity.

Table B.9 sets out the ninth evaluation question of theme 1, which examines the extent to which the competition approach for the Future High Streets Fund enabled the programme to meet its objectives, including its advantages and disadvantages, alongside its success indicators and data sources.

Table B.9 Process Evaluation Question 9

Evaluation question	Success indicators	Data sources
To what extent did the competition approach for the Future High Streets Fund enable the programme to meet its objectives? What were the advantages and disadvantages of this approach?	Participants perceive that the outcomes and impacts achieved by projects have been enabled by the competitions and their structure; they view the Future High Streets Fund as a unique catalyst. They acknowledge that the approach was valid.	In-depth interviews with local authorities and a focus group with MHCLG delivery leads.

Source: BMG Research.

The competitive approach used for the Future High Streets Fund was mixed in its effectiveness in helping the programme meet its objectives. It brought strategic strengths to the design but was also perceived to reduce fairness, particularly for smaller or less-resourced local authorities.

ADVANTAGES OF THE COMPETITIVE APPROACH

1. Encouraged strategic proposals

Local authorities felt the competition approach pushed them to develop well-evidenced, deliverable proposals, thereby improving the quality of shortlisted projects. MHCLG delivery leads noted that business cases were generally rigorous and often supported by technical experts and consultants. Local authorities also valued the staged process, with an Expression of Interest followed by a full business case, as it improved on earlier 'all-or-nothing' bidding systems.

2. Helped target places ready to deliver

Competition allowed MHCLG to prioritise proposals that were more advanced, technically sound, or urgent. This meant funding could be directed to projects with clearer economic cases, supporting programme aims such as town centre transformation.

3. Supported demand management and VfM

Competition enabled structured assessment against common criteria, including deliverability, strategic fit, and economic viability. This helped identify proposals offering strong VfM and credible delivery plans.

DISADVANTAGES OF THE COMPETITIVE APPROACH

1. Favoured better-resourced authorities

Local authorities reported that competitive bidding often favoured larger local authorities with more staff, expertise, and experience, and those better able to afford consultancy costs.

Smaller or capacity-constrained authorities struggled to compete, even when their needs were greater. This created a risk that funding went to places that were better at bidding, rather than those facing the most severe challenges.

2. Created inefficiency and wasted local capacity
Preparing competitive bids required significant staff time and resources from local authorities. Where bids were unsuccessful, local authorities described this as a poor use of scarce local government capacity, especially in deprived areas.

Table B.10 sets out the tenth evaluation question of theme 1, which examines the extent to which the deal-based, pre-selected town approach for Town Deals enabled the programme to meet its objectives, including its advantages and disadvantages, alongside its success indicators and data sources.

Table B.10 Process Evaluation Question 10

Evaluation question	Success indicators	Data sources
To what extent did the deal-based, pre-selected town approach for Town Deals enable the programme to meet its objectives? What were the advantages and disadvantages of this approach?	Participants perceive that the outcomes and impacts achieved by projects have been enabled by the pre-selected town approach of the Town Deals; they view Town Deals as a unique catalyst. They acknowledge that the approach was valid.	In-depth interviews with local authorities and a focus group with MHCLG delivery leads.

Source: BMG Research.

The deal-based, pre-selected approach used for Town Deals was seen as broadly effective in helping the programme meet its objectives. Stakeholders felt it supported targeting needs, enabled strategic planning, and strengthened local partnerships. However, there was a perception that it created risks relating to transparency, political influence, and uneven delivery capacity across places.

Overall, the allocation or pre-selection approach was seen to reduce wasted bidding effort within local authorities and help places with lower bidding capacity, but only if accompanied by sufficient revenue support and technical assistance.

ADVANTAGES OF THE DEAL-BASED, PRE-SELECTED APPROACH
1. More effective targeting of need
The allocation model enabled funding to reach towns facing structural challenges and deprivation, avoiding bias towards local authorities with stronger bidding capacity or those using consultants.

MHCLG delivery leads and local authorities described allocation as more effective at directing funding to places with the greatest need.

2. Avoided wasted effort and improved efficiency
Unlike competitive bidding, allocation prevented local authorities from spending scarce time and resources preparing unsuccessful bids. Local authorities reported that competitive funds can waste public resources, whereas allocation reduces this inefficiency.

3. Provided certainty for planning and resourcing
Because funding was guaranteed once towns were selected, local authorities could plan staffing, governance, and project development with greater confidence. This certainty was especially important given the limited local capacity and multiple overlapping national programmes.

4. Strengthened partnership working through Town Deal Boards
Town Deal Boards created structured governance by bringing together businesses, voluntary groups, local political leaders, and community stakeholders. These partnerships improved collaboration, transparency, and joint problem-solving across the programme.

5. Enabled more holistic, place-based strategies
Towns could develop broader investment packages rather than competing on a project-by-project basis. This allowed the inclusion of locally important schemes that might not succeed in competitive funding processes.

DISADVANTAGES OF THE DEAL-BASED, PRE-SELECTED APPROACH

1. Concerns about the transparency of selection
Some MHCLG delivery leads reported that the selection criteria were unclear or not publicly explained. The use of ministerial judgment to finalise the list created perceptions of limited transparency.

2. Risk of limited delivery capacity
Some selected towns lacked the skills or staffing needed to design and deliver large capital programmes quickly. Additional support, including capacity funding, revenue funding, delivery partners, and Area Leads, was needed to reduce these risks.

B.2 Theme 2: Design and planning

Table B.11 sets out the first evaluation question of theme 2, which examines the extent to which and how places engaged stakeholders in the development of project plans, business cases and investment plans, alongside its success indicators and data sources.

Table B.11 Process Evaluation Question 1

Evaluation question	Success indicators	Data sources
To what extent and how did places engage stakeholders in project plans/business case/investment plan development?	Evidence that a wide range of stakeholders, including underrepresented groups, were engaged with and that their feedback influenced project plans/business cases/investment plans.	In-depth interviews with local authorities.

Source: BMG Research.

Places engaged with stakeholders throughout the design process to ensure projects aligned with socioeconomic needs and council priorities. This alignment was achieved through a collaborative design process involving:

1. **Town Deal Board involvement (for Town Deal projects):** this created local consensus and transparency in decision-making. Bringing stakeholders together helped them gain an understanding of each other's priorities and, where possible, design projects that addressed multiple priorities at once.
2. **Council stakeholder engagement (for Town Deal and Future High Streets Fund projects):** economic development, strategy, and senior council officers participated in design workshops and informal discussions. Councils' boards and senior officials approved priorities and projects. Their involvement ensured projects aligned with councils' priorities, such as tackling high unemployment rates and town regeneration agendas.
3. **Public and business consultations (for Town Deal and Future High Streets Fund projects):** online and in-person consultations gathered feedback on project proposals from the public and local businesses. These ensured that those who were digitally excluded or less likely to engage online -recognised as an underrepresented group- were also reached. Consultations also included engagement with other underrepresented groups, including young people (particularly in projects involving youth services), disabled residents, and older generations. In addition, feedback was gathered through existing council-led groups, such as regeneration boards. Consultations ensured projects aligned with local priorities and built public and business support. They also helped communicate project plans early to reduce disruption, especially for businesses.

Table B.12 sets out the second evaluation question of theme 2, which examines the balance of local leadership between the private sector, the voluntary and community sector, and the political leadership of the lead local authority, including whether any one group was more dominant, alongside its success indicators and data sources.

Table B.12 Process Evaluation Question 2

Evaluation question	Success indicators	Data sources
What was the balance of local leadership between the private sector, voluntary and community sector or from the political leadership of the lead local authority? Was one group more dominant?	Evidence that a wide range of stakeholders from the public, private, voluntary, and community sectors were involved in the planning and design stages.	In-depth interviews with local authorities and focus groups with Town Deal Boards.

Source: BMG Research.

Town Deal Boards brought together a diverse group of stakeholders from the private sector, the community, and voluntary organisations, as well as local councillors and the local Member of Parliament. In many cases, a majority of members were from outside the council to help maintain balance.

Chairs were often drawn from the private sector or the wider non-council community, although local authorities remained the accountable body and retained formal decision-making powers.

In the early stages, councils or political leaders sometimes set the agenda of meetings, but the balance of responsibility typically improved as boards broadened participation. Representatives from the voluntary and community sector felt they were active and influential, though they were rarely the largest group.

Overall, no single group consistently dominated across different places. Where dominance did occur, it was more likely to be from the council or political leadership than from the private, voluntary, or community sectors.

Table B.13 sets out the third evaluation question of theme 2, which examines the extent to which and how capacity funding supported places to develop project plans, business cases, investment plans and funding applications, alongside its success indicators and data sources.

Table B.13 Process Evaluation Question 3

Evaluation question	Success indicators	Data sources
To what extent and how did capacity funding help places develop project plans/business cases/investment plans/applications for funding?	Evidence that capacity funding allowed places to produce better project plans/business cases/investment plans/applications for funding than they could have without the funding.	In-depth interviews with local authorities.

Source: BMG Research.

Towns Fund capacity funding was reported to play a critical role in enabling local authorities to undertake essential design and planning work that they lacked the internal capacity or specialist skills to deliver. Local authorities consistently reported that capacity funding allowed them to hire consultants to support the development of Investment Plans/Expressions of Interest, business cases, and project plans.

Consultants helped fill both resourcing and expertise gaps that authorities could not meet internally. Bid consultants contributed specialist skills, particularly in developing economic analysis, cost–benefit assessments, and drafting technically robust business cases.

Capacity funding also allowed authorities to bring in project design specialists, including principal designers, architects, quantity surveyors, and urban designers. These specialists added value by:

- collaborating with other project stakeholders, such as National Highways, to agree on suitable materials and technical solutions
- setting up procurement frameworks to appoint construction contractors
- developing robust project designs and plans, which set a solid foundation for project delivery

Capacity funding was only available to Town Deal recipients. However, some local authorities receiving funding from both the Town Deals and the Future High Streets Fund said they used this capacity funding to support both programmes.

Across case studies, evidence from interviews indicates that capacity funding substantially improved the quality and completeness of Investment Plans/Expressions of Interest, business cases, and project plans. Local authorities consistently stated that without capacity funding, they would have delivered plans that were less detailed, less evidence-based, and significantly weaker. In many cases, they reported they would have been unable to produce compliant submissions. Therefore, capacity funding can be judged essential for enabling higher-quality, more technically robust plans than would otherwise be possible.

Table B.14 sets out the fourth evaluation question of theme 2, which examines the extent to which and how the High Streets Task Force supported the development of project plans, business cases, investment plans and funding applications, alongside its success indicators and data sources.

Table B.14 Process Evaluation Question 4

Evaluation question	Success indicators	Data sources
To what extent and how did the High Streets Task Force support the development of project plans/business cases/investment plans/ applications for funding?	Evidence that the High Streets Task Force provided support and guidance for shaping project plans/business cases/investment plans/funding applications (where relevant).	In-depth interviews with local authorities, a focus group with the High Streets Task Force, and the High Streets Task Force evaluation report.

Source: BMG Research.

The High Streets Task Force evaluation report shows that 149 high streets engaged with the programme's support. However, interview evidence from local authorities and Task Force representatives highlights that not all places were able to take full advantage of the offer, largely due to limited council officer capacity and competing pressures. This was particularly true during overlapping funding rounds.

Despite these constraints, local authorities that were able to engage fully consistently described the support as valuable and impactful. Case study interviews noted improvements in strategic understanding, partnership working, and the early foundations of project planning as a direct result of the High Streets Task Force's involvement.

Key support delivered by the High Streets Task Force includes:

1. **Diagnostic and analytical support to strengthen early-stage planning:** the High Streets Task Force provided diagnostic insight, technical advice and structured analytical frameworks that strengthened the foundations of project planning. Through Unlocking Your Place Potential visits and expert input, the Task Force helped local authorities identify the root causes of challenges and focus their plans on what would make the greatest difference.
2. **Specialist expertise to help address capacity and skill gaps:** many authorities lacked internal capacity or specialist skills to develop strong plans. The High Streets Task Force helped to address these gaps by deploying experts in planning, design, landscape architecture, place management, and data analysis. This support improved local authorities' ability to diagnose issues, use evidence effectively, set priorities, and collaborate across departments and sectors. Evidence from the High Streets Task Force showed clear improvements in internal and external working, key enablers of credible planning and business case development.
3. **Governance, leadership and partnership support to enable stronger plans and bids:** governance and partnership arrangements were often created or strengthened

as a direct result of support from the High Streets Task Force. In 15 areas, the Task Force helped establish new stakeholder groups and partnership boards to provide strategic oversight of emerging investment plans. In others, High Streets Task Force-supported evidence gathering directly informed the development of town centre action plans and early-stage roadmaps. Across multiple locations, the Task Force was seen to strengthen local leadership and coordination structures, improving role clarity, decision-making processes, and cross-sector collaboration. Together, these improvements provided places with the organisational foundations needed to develop compelling project plans and prepare for major funding opportunities.

Overall, the High Streets Task Force provided strategic, diagnostic, and capacity-building support that strengthened the early stages of project and investment planning, improving the evidence base, governance structures, and partnership arrangements that underpin credible proposals. While its contribution was necessarily limited by local authority capacity and the short duration of expert input, in places that fully engaged, the High Streets Task Force's support was a significant enabler of stronger, more coherent, and more actionable plans than would otherwise have been possible.

Table B.15 sets out the fifth evaluation question of theme 2, which examines the extent to which and how Town Deal Boards supported the development of project plans, business cases, investment plans and funding applications, alongside its success indicators and data sources.

Table B.15 Process Evaluation Question 5

Evaluation question	Success indicators	Data sources
To what extent and how did the Town Deal Boards support the development of project plans/business cases/investment plans/ applications for funding?	Evidence that the Town Deal Boards provided support and guidance for shaping project plans/business cases/investment plans/ applications for funding (where relevant).	In-depth interviews with local authorities and focus groups with Town Deal Boards.

Source: BMG Research.

Town Deal Boards were seen to play a substantial and valuable role in shaping investment plans, project plans, and business cases across different places. They reported supporting the development strategically, by setting priorities, scrutinising proposals, and ensuring alignment with local needs, as well as practically, by providing knowledge, challenge, and community insight.

Town Deal Boards were central to defining the vision and priorities for Town Investment Plans, according to local authorities and the Boards themselves. In many areas, they served as forums for proposing, selecting, refining, or rescoping projects, drawing on members' understanding of local economic, social, and community needs.

They also reported providing scrutiny and challenge during business case development. Boards reviewed emerging cases, tested assumptions, identified risks, and ensured proposals remained credible and deliverable.

Another key contribution was local insight and stakeholder representation, according to local authorities. Boards brought together businesses, voluntary and community groups, public services, colleges, councillors, and the local MP, helping ensure plans reflected a broad range of local priorities rather than council-only perspectives. This inclusiveness helped build consensus on funding decisions and strengthened the legitimacy of submissions.

In some areas, Town Deal Board members also acted as project champions, supporting specific cases and contributing specialist expertise.

Town Deal Boards' input, including economic evidence, design, and community engagement, was reported to help increase councils' capability, particularly where local authorities had limited internal capacity.

Some local authorities said they used Town Deal Boards to oversee Future High Streets Fund projects, although this was not required. Local authorities felt this approach created consistency and inclusive governance across regeneration programmes.

Given the positive experiences with the Town Deal Boards model, several local authorities mentioned that they plan to keep the board for future programmes.

Table B.16 sets out the sixth evaluation question of theme 2, which examines the extent to which and how places engaged with members of the Towns Fund Delivery Partner consortium to develop project plans, business cases, investment plans and funding applications, alongside its success indicators and data sources.

Table B.16 Process Evaluation Question 6

Evaluation question	Success indicators	Data sources
To what extent and how did places engage with members of the Towns Fund Delivery Partner consortium to develop project plans/business cases/investment plans/applications for funding?	Evidence that places benefited from support from the Towns Fund Delivery Partner consortium at the design and planning stages, and that this engagement led to improvements in design and planning.	In-depth interviews with local authorities, in-depth interview with Towns Fund Delivery Partner consortium lead, and Towns Fund Delivery Partner: July 2022 report.

Source: BMG Research.

Engagement with the Towns Fund Delivery Partner consortium was widespread, with 101 towns supported, according to the Towns Fund Delivery Partner report. However, the depth of engagement varied between places. Differences largely reflected local authority capacity, confidence, and plan maturity.

EXTENT OF ENGAGEMENT

Most places said they engaged with the Towns Fund Delivery Partner consortium during the development of Town Investment Plans and early project planning. The Towns Fund Delivery Partner report shows that the consortium delivered 402 bespoke service requests, conducted more than 120 investment plan check-and-challenge sessions, and held more than 2,000 meetings with towns. According to the Towns Fund Delivery Partner consortium, lead support was organised in tranches, with intensive assistance for towns needing the most help and lighter-touch support for those further advanced.

This approach ensured that all places, regardless of starting point, received some guidance. Towns drew on the Towns Fund Delivery Partner consortium's support during design and planning, including developing investment plans, refining project plans, and preparing business cases.

Where local capability was limited, the Towns Fund Delivery Partner consortium was reported to provide significant additional expertise. In contrast, towns with strong internal capability mainly used the Towns Fund Delivery Partner consortium for peer learning and quality assurance.

HOW THE TOWNS FUND DELIVERY PARTNER CONSORTIUM SUPPORTED PLACES

1. Support with investment plans and project development

The Towns Fund Delivery Partner consortium said it helped shape investment plans through workshops, peer reviews, and structured project development processes. Some towns required intensive support to strengthen underdeveloped plans, while more advanced areas used the Towns Fund Delivery Partner consortium as a sounding board. The Towns Fund Delivery Partner report shows that the consortium delivered 4 core support programmes, focusing on project and programme management, net-zero, place leadership, and investment attraction.

2. Technical and specialist expertise

The Towns Fund Delivery Partner consortium supplied specialist experts, including infrastructure designers, procurement advisers, sustainability specialists, and economic development professionals. This support helped address capability gaps, particularly in procurement, risk management, and programme planning.

3. Capacity building and skills transfer

The Towns Fund Delivery Partner consortium lead said they aimed to build long-term capability within councils rather than deliver work on their behalf. It ran training sessions, seminars, and conferences, and facilitated cross-place working groups. These included thematic networks, such as coastal towns, culture-led regeneration, and youth and skills, which often continued beyond the contract period.

4. Stakeholder and community engagement support

Many towns lacked confidence or experience in broad stakeholder engagement, according to the Towns Fund Delivery Partner consortium lead. The consortium helped local authorities design consultations, use digital engagement methods, and manage challenging local dynamics. It also modelled inclusive workshops and supported councils in involving businesses and community groups in planning processes.

Table B.17 sets out the seventh evaluation question of theme 2, which examines the extent to which and how places used external consultants and other pro bono support, including Local Enterprise Partnerships, combined authorities and universities, to develop project plans, business cases, investment plans and funding applications, alongside its success indicators and data sources.

Table B.17 Process Evaluation Question 7

Evaluation question	Success indicators	Data sources
To what extent and how did places use external consultants, or other pro bono support (LEPS, combined authorities, universities), to develop project plans/business cases/investment plans/applications for funding?	Evidence that places were able to use consultants/pro bono support at the design and planning stages.	In-depth interviews with local authorities and consultants.

Source: BMG Research.

Places said they relied heavily on external consultants to develop project plans, business cases, investment plans, and funding applications. This dependence reflected widespread gaps in capacity and capability within local authorities. In particular, this highlighted shortages of economists, project managers, technical specialists, and regeneration staff.

Many local authorities stated that they would not have been able to produce business cases or investment plans without consultant support. Across both the Town Deals and Future High Streets Fund, consultants were reported to have played a central role in drafting business cases, undertaking economic modelling, calculating benefit–cost ratios, conducting feasibility studies, and delivering masterplans and design work.

Consultants additionally provided technical and design expertise, including urban design, quantity surveying, principal design, and architectural services. This helped ensure projects were technically robust, deliverable, and compliant with regulatory and engineering requirements.

Pro bono or low-cost support from Local Enterprise Partnerships, combined authorities, or universities was used more unevenly, according to local authorities. In some areas, universities contributed specialist insight (such as advising on skills and innovation), and Local Enterprise Partnerships provided economic data or strategic advice.

However, this support was patchy, and most places did not view it as a substitute for the specialist business case expertise provided by consultants. Consultant use was particularly intensive in places managing multiple funding programmes simultaneously, where internal capacity was stretched.

Table B.18 sets out the eighth evaluation question of theme 2, which examines the extent to which places perceived that external consultants and other pro bono support added value to business cases, investment plans and funding applications, alongside its success indicators and data sources.

Table B.18 Process Evaluation Question 8

Evaluation question	Success indicators	Data sources
To what extent did places perceive that external consultants, or other pro bono support, added value to business cases/investment plans/applications for funding?	Evidence that places acknowledge consultants provided high-quality services, leading to better outcomes at the planning and design stages.	In-depth interviews with local authorities and consultants.

Source: BMG Research.

Overall, places perceived that external consultants added significant value to the development of business cases, investment plans, and funding applications. Their contribution was most evident in strengthening technical quality and supporting local authorities with limited internal capacity.

Local authorities frequently highlighted the value consultants brought through high-quality economic analysis, appraisal, and modelling aligned with HM Treasury Green Book standards. These were areas where in-house expertise was often limited or unavailable.

Local authorities reported that consultants improved the credibility and robustness of submissions, particularly by producing benefit–cost ratios and economic evidence they could not generate internally. This helped ensure bids met required technical thresholds.

Consultants also added practical value through specialist technical knowledge, including design-and-build procurement, engineering feasibility, and detailed cost planning. Their input helped prevent errors, resolve design challenges, and reduce delivery risks.

In several cases, consultants were considered essential to completing submissions. Local authorities suggested that, without this support, bid quality and the likelihood of securing funding would have been significantly lower.

However, local authorities noted that the quality of consultants was uneven. Some reported concerns about inexperienced staff being deployed by firms stretched by high national demand. In a small number of cases, weaker performance by consultants reduced the perceived value.

Pro bono support was generally viewed as complementary rather than core. It added value through local insights, academic expertise, and partnership-building. Still, it rarely provided the technical depth needed for the full development of a business case, investment plan, or Expression of Interest.

Table B.19 sets out the ninth evaluation question of theme 2, which examines whether places faced any capacity challenges when developing project plans, business cases, investment plans and funding applications, alongside its success indicators and data sources.

Table B.19 Process Evaluation Question 9

Evaluation question	Success indicators	Data sources
Did places face any capacity challenges when developing project plans/business cases/investment plans/ applications for funding?	Evidence that places did not face capacity challenges (for example, financial expertise gap, project management, or simple understaffing) or that timely support was available if challenges were faced.	In-depth interviews with local authorities.

Source: BMG Research.

Places said they faced significant and widespread capacity challenges when developing project plans, business cases, investment plans, and funding applications across both the Town Deals and the Future High Streets Fund. These pressures stemmed from long-standing resourcing issues within local authorities and, in many cases, the Towns Fund added further strain to already stretched teams.

A major issue was the small size of local regeneration teams. Many authorities said they lacked in-house economists, project managers, technical specialists, or staff experienced in Green Book business-case development.

Several local authorities, particularly smaller or serving more deprived areas, reported long-standing difficulties in funding and retaining skilled regeneration staff. This meant they often relied on external support to produce the required analysis.

Local authorities also reported facing competing pressures from multiple simultaneous funding programmes, including the Towns Fund, Future High Streets Fund, Levelling Up Fund, and UK Shared Prosperity Fund. Small teams were frequently required to prepare several complex bids at once, straining capacity and significantly increasing workloads.

Some places reported slow internal approvals and challenges in recruiting suitably skilled staff. In a few cases, local authorities had only one regeneration officer, creating bottlenecks in Investment Plan/Expression of Interest and business-case preparation.

The technical demands of developing economic cases and benefit–cost ratios created additional strain. Many councils lacked expertise in economic appraisal and found the requirements poorly suited to certain project types, especially public realm schemes.

Some authorities also said they struggled to engage fully with the available support programmes (such as the Towns Fund Delivery Partner consortium and the High Streets Task Force) because they lacked the staff time to participate.

Table B.20 sets out the tenth evaluation question of theme 2, which examines the extent to which the expectations set out and the guidance available helped places navigate the processes of developing project plans, business cases, investment plans and funding applications, alongside their success indicators and data sources.

Table B.20 Process Evaluation Question 10

Evaluation question	Success indicators	Data sources
To what extent did the expectations set out and the guidance available help places navigate the processes of developing project plans/business cases/investment plans/ applications for funding?	Evidence that expectations were clear according to places and that guidance was available or provided promptly.	In-depth interviews with local authorities.

Source: BMG Research.

Interview evidence suggests that the effectiveness of expectations and guidance in helping places navigate these processes was mixed. While some elements were seen as clear and helpful, many places found the guidance insufficient, inconsistent, or difficult to apply given local capacity constraints.

GUIDANCE PROVIDED STRUCTURE, BUT WAS OFTEN INSUFFICIENT OR UNSUITABLE

Many places reported that programme guidance, including templates and the Green Book 5 Case Model, offered a useful framework. It helped local authorities understand what was required when developing business cases and project plans.

Several local authorities said this structure made the process more manageable and clarified the components needed for a credible submission. However, guidance was often not detailed enough in technical areas.

Local authorities highlighted particular gaps around economic appraisal, land value uplift, and benefit–cost ratio calculations.

Future High Streets Fund places felt that the economic case guidance did not suit public realm schemes, and that this disadvantaged projects with harder-to-value social and place-based impacts. These impacts included increased footfall, longer dwell times, and improved pride in place, which were difficult to monetise under the standard approach.

In particular, the required metrics, especially land value uplift, were seen as designed for property-led projects rather than improvements to streets, public spaces, or the wider town centre environment. As a result, local authorities often had to rely on workaround assumptions or widen project boundaries to produce an acceptable benefit–cost ratio, leading to inconsistency across submissions.

EXPECTATIONS WERE HIGH RELATIVE TO LOCAL CAPACITY

Many local authorities viewed programme expectations as ambitious relative to their in-house capabilities. Guidance often assumed levels of economic, commercial, and financial expertise that some authorities lacked.

As a result, places said they frequently depended on external consultants to interpret guidance and complete business-case requirements. Councils commonly reported that meeting expectations without external support would have been impossible.

Internal governance requirements, such as lengthy committee approval processes, were also reported to add pressure and further stretch limited resources.

PRACTICAL SUPPORT THAT ACCOMPANIED GUIDANCE VARIED IN EFFECTIVENESS

Many places described practical support as more helpful than written guidance alone. The Towns Fund Delivery Partner consortium provided workshops, peer review, technical advice, hands-on support, and more. This was reported to help clarify expectations, improve plan quality, and strengthen proposals through constructive challenge.

However, the extent to which places benefited varied. Some local authorities said they lacked sufficient staff capacity to attend workshops or implement advice. In these cases, guidance and support together were still not enough to fully address planning challenges.

The High Streets Task Force said they provided useful support on placemaking and engagement. However, workload pressures sometimes limited councils' ability to participate fully.

INCONSISTENCIES AND EVOLVING GUIDANCE CAUSED CONFUSION

Several places reported that guidance and expectations changed over time, particularly regarding business-case requirements and project adjustments. These shifts made it difficult for local authorities to maintain clarity and consistency.

Changes to expectations, such as those related to benefit-cost ratio thresholds, were reported to create uncertainty about what was required. Some local authorities also felt guidance was too generic. It often did not reflect the realities of smaller towns, 2-tier governance structures, or complex town-centre regeneration projects, thereby reducing its practical usefulness.

Table B.21 sets out the eleventh evaluation question of theme 2, which examines how effective the feedback provided by MHCLG was to Future High Streets Fund towns with initially unsuccessful applications, alongside its success indicators and data sources.

Table B.21 Process Evaluation Question 11

Evaluation question	Success indicators	Data sources
How effective was the feedback provided by MHCLG to Future High Streets Fund towns with (initially) unsuccessful applications?	Evidence that the feedback provided by Towns Hub helped places develop successful investment plans.	In-depth interviews with local authorities.

Source: BMG Research.

This section draws on 4 interviews with applicants who resubmitted bids. Therefore, the findings should be treated with caution and may not be representative.

Feedback from MHCLG to initially unsuccessful Future High Streets Fund applicants was widely seen as limited and inconsistent. It was often not detailed enough to support a strong resubmission.

Some local authorities had direct conversations with MHCLG that helped clarify expectations. However, this was not the experience for everyone.

LACK OF CLARITY IN WRITTEN FEEDBACK

Local authorities said the written feedback they received was too general to be useful. This was usually set out in rejection letters and short supporting notes.

In several cases, local authorities felt the feedback did not clearly explain why their application had failed. One authority described the letter as generic and largely copied across unsuccessful bids.

There was little tailored commentary on the strengths or weaknesses of individual proposals. As a result, local authorities were left unsure what needed to change.

CONSULTANTS ASSISTING WITH RESUBMISSION

Given the lack of detail, most local authorities had to work out for themselves why their bid had failed. Local authorities were often unsure whether the issue was deliverability, economic justification, or a lack of evidence.

Some substantially redesigned their proposals without clear direction from MHCLG. This led many to depend heavily on consultants, particularly for economic modelling, Green Book compliance and cost–benefit analysis.

Overall, it was felt that the formal feedback process offered limited practical help in shaping stronger resubmissions.

DIRECT DISCUSSIONS WITH MHCLG PROVIDED GREATER CLARITY THAN WRITTEN FEEDBACK

Where local authorities were able to speak directly with MHCLG officials, the experience was very different.

Face-to-face meetings

One local authority held an in-person meeting in London before resubmitting its bid.

This allowed officers to test ideas and receive clear verbal feedback. They found this more helpful than written responses.

Constructive ongoing dialogue

Some applicants described their case officer as a constructive sounding board. Informal conversations helped clarify expectations and gave a better sense of how proposals might be assessed.

Stable contact arrangements

Where there was a consistently named contact at MHCLG, communication tended to be clearer and more productive. Regular discussions helped build shared understanding and provided more meaningful guidance.

Table B.22 sets out the twelfth evaluation question of theme 2, which examines whether experiences and outcomes of the design and planning stages varied across places with different socioeconomic profiles and capacity capabilities, alongside its success indicators and data sources.

Table B.22 Process Evaluation Question 12

Evaluation question	Success indicators	Data sources
Did experiences and outcomes of design and planning stages vary across places with different socioeconomic profiles/capacity capabilities?	Evidence that design and planning experiences were consistent across places.	In-depth interviews with local authorities.

Source: BMG Research.

Experiences and outcomes at the design and planning stages differed across places. All local authorities reported capacity and capability issues, but these were more pronounced in more deprived areas. In these areas, gaps in capability and specialist expertise created greater challenges for councils. Local socioeconomic conditions, combined with limited in-house skills and resources, shaped the scale of challenges, the support needed, and the overall strength of project design.

STARTING CONDITIONS AND STRATEGIC READINESS
Local authorities serving more deprived communities often began without an up-to-date strategy or masterplan. Many had to develop a place strategy and an Expression of Interest/Town Investment Plan simultaneously. This created significant pressure within tight deadlines. The burden was heavier for teams with limited staff and expertise.

By contrast, local authorities serving less deprived areas often had existing strategies and master plans in place. They were able to align proposals with planned programmes, which reportedly eased the design process.

CAPACITY CONSTRAINTS AND RELIANCE ON EXTERNAL SUPPORT
Local capacity strongly influenced the pace and quality of planning.

In smaller or more deprived areas, in-house expertise was often limited. This was especially true for economic modelling, Green Book appraisal, cost planning, and procurement.

Most local authorities said they relied heavily on external consultants, which were often funded through capacity funding. Several participants noted their business case would not have been feasible without this support.

However, limited in-house capacity sometimes made it difficult to manage consultants effectively. Some councils said they struggled to coordinate workstreams or integrate technical advice.

APPRAISAL PRESSURES IN LOW-VALUE MARKETS
Local economic conditions shaped the difficulty of meeting national appraisal requirements.

In lower-value property markets, generating a strong benefit–cost ratio was often challenging. Local authorities noted that land value uplift did not always reflect local regeneration needs. Projects such as community hubs or public spaces were harder to justify using standard metrics. This required bespoke modelling and repeated revisions.

Local authorities in areas with stronger property markets reported fewer barriers in preparing compliant economic cases.

APPROACHES TO COMMUNITY AND STAKEHOLDER ENGAGEMENT
Engagement approaches varied according to local context.

In some deprived areas, trust in local institutions was reported to be low. Local authorities in these places said they invested heavily in community-led design. This included workshops, drop-in events, online engagement, and work with local groups.

While resource-intensive, this approach was seen as essential for building support and reducing risk. Community-led design improved local buy-in but placed extra pressure on already stretched teams.

GOVERNANCE, TECHNICAL APPROVAL, AND COORDINATION
Local governance structures also shaped outcomes. Local authorities in 2-tier areas reported coordination challenges with Highway authorities. Disagreements arose over design standards, approval stages, and procurement timing.

Local authorities with more limited council resources were more exposed to late design changes and risks of re-procurement. These issues affected both timescales and costs.

Places with stable governance and consistent project teams reported smoother approval processes.

Table B.23 sets out the thirteenth evaluation question of theme 2, which examines what improvements can be made to the processes of developing project plans, business cases, investment plans and funding applications, alongside its data sources.

Table B.23 Process Evaluation Question 13

Evaluation question	Success indicators	Data sources
What improvements can be made to the processes of developing project plans/business cases/investment plans/ applications for funding?	Not applicable	In-depth interviews with local authorities, a focus group with MHCLG delivery leads, focus groups with Town Deal Boards, an in-depth interview with Towns Fund Delivery Partner consortium lead, and a focus group with the High Streets Task Force.

Source: BMG Research.

Improvements to the processes of developing project plans, business cases, investment plans, or funding applications are set out below. These are based on input from local authorities as well as analysis from qualitative interviews and focus groups with stakeholders from other projects and programmes, including consultants and Town Deal Boards (for Town Deals).

PROVIDE CLEARER AND MORE CONSISTENT GUIDANCE
Many local authorities found the guidance unclear or overly technical. Economic appraisal, land value uplift, and benefit–cost ratios were common areas of confusion.

Some felt that the guidance changed over time, leading to uncertainty and rework. Clearer and more stable guidance would reduce wasted effort.

Improvements could include:

- worked examples of strong business cases for typical high street and public realm projects
- guidance written in plain English with less jargon
- clear advice on preparing economic cases for non-property schemes
- early notice of changes to guidance to avoid redrafting

ADAPT APPRAISAL METHODS FOR TOWN CENTRE AND PUBLIC REALM PROJECTS
The appraisal model relied heavily on land value uplift. This approach did not suit projects focused on public space, culture, or community facilities.

Local authorities struggled to place a financial value on outcomes such as footfall or pride in place. Some felt pressured to use unrealistic assumptions to meet economic thresholds.

Improvements could include:

- standard methods for valuing public realm and social benefits
- less reliance on land value uplift in low-value markets

PROVIDE CAPACITY FUNDING ACROSS ALL PROGRAMMES
Smaller and more deprived local authorities often lacked staff and specialist skills. Many had no in-house economists, regeneration officers, or project managers.

Town Deal towns had capacity funding to hire consultants, but Future High Streets Fund-only areas did not, putting pressure on local authority budgets.

Improvements could include:

- capacity funding for all major funding programmes
- flexibility to use funding across overlapping schemes

MAKE IT EASIER TO ACCESS AND MANAGE EXTERNAL EXPERTISE
Consultants were essential for many local authorities, but because so many places were applying for Towns Fund support simultaneously, demand was high. As a result, consultant availability was sometimes limited.

Quality varied, and some local authorities lacked experience in managing multiple consultants. This added pressure to already limited teams.

Improvements could include:

- a vetted national framework of experienced consultants
- minimum standards for Green Book consultancy work
- practical guidance on managing external advisers

REDUCE DUPLICATION ACROSS FUNDING PROGRAMMES
Many local authorities prepared bids for several programmes simultaneously. These included Town Deals, the Future High Streets Fund, the Levelling Up Fund, and the UK Shared Prosperity Fund.

This duplication placed heavy strain on small local authority teams.

Improvements could include:

- a single set of core templates across programmes
- standardised appraisal and development processes

IMPROVE THE QUALITY AND USEFULNESS OF WRITTEN FEEDBACK
Written feedback on initially unsuccessful Future High Streets Fund bids was often too general to be helpful. Applicants said it lacked detail and clear direction for improvement.

Direct discussions with officials were seen as far more helpful than published Frequently Asked Questions (FAQs). These FAQs were reported to sometimes be unclear or contradictory.

Improvements could include:

- clear explanations of why bids were unsuccessful and how to improve
- a standard feedback template setting out strengths and weaknesses
- opportunities for follow-up discussions
- a named contact throughout the process

STRENGTHEN NATIONAL SUPPORT, BUT MAKE IT EASIER TO USE
Local authorities reported that the Towns Fund Delivery Partner consortium and the High Streets Task Force provided helpful advice and support. However, some local authorities were too strained to engage fully. As a result, available support was not always used or fully utilised.

Improvements could include:

- capacity funding support to ensure local authorities have sufficient staff to manage programmes and engage with the support available
- short, targeted sessions focused on immediate issues
- ongoing follow-up rather than one-off advice

ALIGN FUNDING, CAPACITY, EXPERT SUPPORT, AND EVALUATION FROM THE OUTSET
Stakeholder evidence suggests that future programmes would benefit from a more integrated design approach at the inception stage. Rather than being introduced separately or retrospectively, capital funding, revenue and capacity funding, access to expert support, and evaluation requirements should be aligned from the outset.

This reflects evidence from the High Streets Task Force that expert advice is less effective where local authorities lack capacity. Early alignment would improve delivery, reduce inefficiency, and support stronger outcomes across places.

Suggested improvements include:

- designing future programmes with capital, capacity, and advisory support as a single, coherent offer
- ensuring evaluation requirements are embedded early, with appropriate resources to deliver them

B.3 Theme 3: Delivery of the Towns Fund

Table B.24 sets out the first evaluation question of theme 3, which examines how influential the investment plans prepared by places, or by consultants on their behalf, were, and whether these plans were adhered to during delivery, alongside its success indicators and data sources.

Table B.24 Process Evaluation Question 1

Evaluation question	Success indicators	Data sources
How influential were the investment plans prepared by places (or consultants on their behalf)? Were investment plans adhered to during delivery?	Evidence that investment plans were used and led to strategic economic management.	In-depth interviews with local authorities.

Source: BMG Research.

Investment plans played a key role in shaping the overall vision for Towns Fund projects and served as a focal point for delivery.

The process of developing investment plans helped local authorities, Town Deal Boards and delivery partners think through their project delivery ideas in a structured way, based on local needs and council priorities.

For the most part, the investment plans were influential in guiding the delivery process. However, in some cases, plans became difficult to follow. This was due to unforeseen circumstances, such as inflation-related financial pressures, delays, or changing priorities.

Table B.25 sets out the second evaluation question of theme 3, which examines the extent to which and in what way contextual factors affected the delivery of projects, alongside its success indicators and data sources.

Table B.25 Process Evaluation Question 2

Evaluation question	Success indicators	Data sources
To what extent and in what way did contextual factors affect the delivery of projects?	Not applicable	In-depth interviews with local authorities and in-depth interviews with delivery partners.

Source: BMG Research.

Contextual factors significantly affected the delivery of several Town Deal and Future High Streets Fund projects. The most notable factors were higher-than-expected inflation and supply chain issues. Higher-than-expected inflation increased material and labour costs beyond design-stage expectations. This forced value engineering, such as design or material changes, or reductions in project scope. In some cases, increased costs made projects unviable, leading to their cancellation and the reallocation of funding.

Additionally, global supply chain disruptions caused long lead times and construction delays. These delays were attributed to several factors:

- COVID-19 lockdowns
- Brexit-driven import issues
- events such as the Suez Canal blockage

Delayed material deliveries often pushed project timelines back by several months. When material delays made projects infeasible, this led to project redesigns and the use of alternative materials.

Table B.26 shows the number of times contextual factors were mentioned in monitoring returns. Monitoring data confirmed that inflation was a key factor affecting projects. However, there was limited evidence for the impacts of COVID-19 and the Red Sea crisis on monitoring returns.

Table B.26 Contextual factors mentioned in monitoring returns

Monitoring round	Returns submission dates	Reporting periods covered	Number of times 'inflation' was mentioned	Number of times 'COVID' was mentioned	Number of times 'Red Sea' or 'Suez' was mentioned
Round 1	June 2022	Up to March 2022	41	0	0
Round 2	December 2022	April 2022 to September 2022	27	2	0
Round 3	June 2023	November 2022 to March 2023	56	4	0
Round 4	December 2023	April 2023 to September 2023	33	2	0
Round 5	June 2024	November 2023 to March 2024	22	2	0
Round 6	December 2024	April 2024 to September 2024	8	1	0
Round 7	June 2025	October 2024 to March 2025	112	34	0

Source: BMG Research, based on MHCLG monitoring returns.
Note: Round 6 monitoring data were incomplete at the time of reporting (February 2026). Returns are missing for 2 areas.

Table B.27 sets out the third evaluation question of theme 3, which examines how easy or difficult it was to implement project changes during delivery and the reasons why such changes were requested, alongside its success indicators and data sources.

Table B.27 Process Evaluation Question 3

Evaluation question	Success indicators	Data sources
How easy or difficult was it to implement project changes during delivery? Why were project changes requested?	Evidence that the process for Project Adjustment Requests was easy to navigate and that timely request outcomes were provided (where outputs and outcomes changed more than 30% and local areas could not make their own decisions).	In-depth interviews with local authorities.

Source: BMG Research.

The Project Adjustment Request process was a formal request that allowed local authorities or Town Deal Boards to modify agreed funding, outputs, and outcomes. Since August 2023, local authorities have been able to adjust outputs, outcomes, and funding by up to 30% without submitting Project Adjustment Requests, provided there is stakeholder consultation and MP support.

Local authorities appreciated the existence of the Project Adjustment Request process and the flexibility they had in implementing project changes. However, completing Project Adjustment Requests placed significant resource and financial pressures on local authorities.

Several local authorities felt that processes for Project Adjustment Requests could be lengthy and resource-intensive. In some cases, councils had to pay external consultants to redo economic modelling and benefit-cost ratios, often funding this from local authority budgets. Some requests required several rounds of amendments before approval. In a handful of cases, the process took up to 9 months, delaying projects by several months. Delays were particularly noticeable early in the Towns Fund, before formal Project Adjustment Request processes were established. These findings suggest that while flexibility was valuable, it was not always considered administratively proportionate.

Long approval times forced some local authorities and delivery partners to make difficult choices. Continuing the work risked progressing without approval, while waiting could cause serious delays to the project. Some local authorities felt compelled to start design, demolition, or procurement before Project Adjustment Request approval due to tight deadlines.

The most common reasons for requesting project changes were unforeseen costs, value engineering, or delays.

Table B.28 sets out the fourth evaluation question of theme 3, which examines the extent to which and how the High Streets Task Force supported project delivery, alongside its success indicators and data sources.

Table B.28 Process Evaluation Question 4

Evaluation question	Success indicators	Data sources
To what extent did the High Streets Task Force support project delivery and how?	Evidence that the High Streets Task Force provided support and guidance for project delivery and that their advice led to improvements in delivery.	In-depth interviews with local authorities and a focus group with the High Streets Task Force.

Source: BMG Research.

Engagement with the High Streets Task Force among the Future High Streets Fund local authorities interviewed was limited, with only a small number of local authorities reporting any meaningful interaction. The evidence does not suggest that High Streets Task Force support was systematically or widely utilised across Future High Streets Fund projects during delivery.

Only a few local authorities involved in Future High Streets Fund projects that were spoken to engaged with the High Streets Task Force, but those that did valued its specialist advice, including support with marketing and diagnostic reports. This support was particularly helpful amongst these projects for place-making, which the Task Force used to mean helping towns make practical, people-focused improvements to their high streets and town centres, such as activating public spaces, improving how places feel and function, and bringing local partners and the community together to agree priorities. It also strengthened stakeholder engagement in several areas, and in some cases led to improvements in local engagement plans, improving delivery outcomes through more awareness in the community.

The wider High Streets Task Force offer included training, diagnostics, and capacity-building support relevant to funded places. However, available evidence, including High Streets Task Force reporting, does not indicate that this support was extensively or systematically directed towards Future High Streets Fund or Town Deal projects during delivery.

MHCLG and High Streets Task Force staff said some local authorities lacked the capacity to fully engage with or implement this support, due to the time required to participate in sessions and act on recommendations. As a result, those local authorities did not gain all the potential benefits. A few local authorities could not remember the extent of the engagement or recall it being a very light touch, for example, attending one webinar.

Table B.29 sets out the fifth evaluation question of theme 3, which examines the extent to which and how the Towns Fund Delivery Partner consortium supported places with the delivery of projects, alongside its success indicators and data sources.

Table B.29 Process Evaluation Question 5

Evaluation question	Success indicators	Data sources
To what extent and how did the Towns Fund Delivery Partner consortium support places with the delivery of projects?	Evidence that places benefited from support from the Towns Fund Delivery Partner consortium during delivery, and that this led to improvements in delivery.	In-depth interviews with local authorities, an interview with the Towns Fund Delivery Partner consortium, and Towns Fund Delivery Partner: July 2022 report.

Source: BMG Research.

Members of the Towns Fund Delivery Partner consortium explained that their role in delivery was to support local authorities with expertise in specific areas. In terms of supporting delivery, this involved offering a Project and Programme Management capability programme, running seminars and workshops, and bringing together local authorities with similar needs to create peer support networks. Some of these peer-to-peer networks have continued after the Towns Fund Delivery Partner consortium support ended.

They also considered their role in providing MHCLG with local-area context in Town Deal areas. MHCLG found their participation valuable for the practical help they provided to local authorities.

Few local authorities recalled receiving support from the Towns Fund Delivery Partner consortium at the delivery stage, but those that did found the opportunity to speak with industry professionals valuable. However, most information about their support pertains to the design and planning stages, and there is limited evidence of the support provided during delivery phases.

Table B.30 sets out the sixth evaluation question of theme 3, which examines whether places faced any capacity challenges when delivering projects, alongside its success indicators and data sources.

Table B.30 Process Evaluation Question 6

Evaluation question	Success indicators	Data sources
Did places face any capacity challenges when delivering projects?	Evidence that places did not face capacity challenges (eg financial, expertise gap, project management, and simple understaffing) or that timely support was available if challenges were faced.	In-depth interviews with local authorities.

Source: BMG Research.

Many places faced some capacity challenges during delivery, either due to a lack of expertise (such as economic and project management expertise) or, more often, a lack of staff resources. These challenges led to a greater burden on existing staff. Where budgets allowed, a few local authorities brought in additional staff members (for example, to oversee programmes), which was seen as valuable.

A small number of local authorities highlighted the need for additional resources to submit Project Adjustment Requests, particularly to commission economic consultants to update the benefit–cost ratios prepared at the initial bidding stage.

Table B.31 sets out the seventh evaluation question of theme 3, which examines the extent to which and how capacity funding supported places that faced capacity challenges, alongside its success indicators and data sources.

Table B.31 Process Evaluation Question 7

Evaluation question	Success indicators	Data sources
To what extent and how did capacity funding help places that faced capacity challenges?	Evidence that places benefited from capacity funding and that this led to improvements in delivery.	In-depth interviews with local authorities.

Source: BMG Research.

Most local authorities that used capacity funding did so in earlier stages of the project process (for example, to support them in developing a business case), rather than at the delivery stage.

Where projects faced capacity challenges during delivery, they had no capacity funding left, as it had already been used. Capacity funding did not help the places spoken to with the capacity challenges they faced at the time of delivery.

Table B.32 sets out the eighth evaluation question of theme 3, which examines the extent to which places put in place plans for the continuation of project activities after the Towns Fund funding period, alongside its success indicators and data sources.

Table B.32 Process Evaluation Question 8

Evaluation question	Success indicators	Data sources
To what extent did places put in place plans for continuation of project activities after the Towns Fund funding period?	Evidence that places have put together plans for future-proofing projects and to ensure they continue to have impacts after the funding period.	In-depth interviews with local authorities and in-depth interviews with delivery partners

Source: BMG Research.

While local authorities were not required to plan for future operational and maintenance costs, MHCLG encouraged them to do so. Towns Fund funding covered only capital and initial expenses.

Some projects planned to generate income after the funding had ended, for example, through tenancies or private investors. However, many Town Deal places lacked clear post-funding plans and were unsure how to continue operations. Local authorities reported that a key barrier to developing future-proofing plans was a general lack of resources within councils following years of budget cuts. This meant councils did not have sufficient funding to future-proof the projects. Local authorities also noted difficulties attracting external investment where financial returns were limited or uncertain.

Town Deals projects often involved new equipment alongside construction works, for example, computer equipment in education centres or sports equipment in sports centres. It was felt that new equipment would need periodic updates to keep up with technological advances and wear and tear. However, given the equipment's novelty, a separate maintenance budget was not in place for several projects.

Future-proofing was less challenging for Future High Streets Fund projects. Local authorities considered Future High Streets Fund projects, generally focused on high street redesign and regeneration, to be designed for low long-term maintenance, and councils already had existing budgets in place for public realm maintenance.

Table B.33 sets out the ninth evaluation question of theme 3, which examines how well project beneficiaries were identified and encouraged to participate, alongside its success indicators and data sources.

Table B.33 Process Evaluation Question 9

Evaluation question	Success indicators	Data sources
How well were project beneficiaries identified and encouraged to participate?	Evidence that places publicised opportunities through a range of channels and in a timely manner. Evidence that a wide range of beneficiary groups, including underrepresented groups, were reached.	Focus groups with beneficiaries, beneficiary surveys, in-depth interviews with local authorities, and in-depth interviews with delivery partners.

Source: BMG Research.

Local authorities explained that project beneficiaries were initially identified early through existing or new research and consultations. During project delivery, further beneficiaries were identified through speaking with community groups and local networks, as well as through marketing activities.

Local authorities said they publicised projects in various ways, including on local websites and social media, through existing community networks, and with local newsletters and public signage. News of projects was also often spread through word of mouth in local communities. Information would include updates on the delivery process (such as any disruptions) and encourage beneficiaries to engage with the project by making them aware of it and showing how they can benefit. Some projects utilised events such as open evenings and site visits so that intended beneficiaries could see the development, ask questions, and offer feedback.

A range of engagement methods was reported to allow many groups to be involved and hear about projects. For example, face-to-face engagement was particularly important for those who did not have access to the internet or were not confident being online.

Table B.34 sets out the tenth evaluation question of theme 3, which examines how well beneficiaries engaged with projects, alongside its success indicators and data sources.

Table B.34 Process Evaluation Question 10

Evaluation question	Success indicators	Data sources
How well did beneficiaries engage with projects?	Evidence that intended beneficiaries engaged with and benefited from projects.	Focus groups with beneficiaries, beneficiary surveys, in-depth interviews with local authorities, and in-depth interviews with delivery partners.

Source: BMG Research.

Interview and monitoring data suggest that beneficiary engagement has been broadly strong, with several local authorities saying they have been happy with it or that it has exceeded expectations. Local authorities and delivery partners said they have received positive feedback from users on services and facilities.

Examples of strong engagement include repeat use and diverse users, high demand on booking systems, and busy events.

In surveys, members of the public reported high use of certain services, particularly in town centres, markets, and retail developments. Satisfaction among project facilities users was generally high. The Intervention-Level Annexes provide further details on the survey results.

Table B.35 sets out the eleventh evaluation question of theme 3, which examines beneficiaries' experiences of project delivery and their perceptions of the benefits of the projects, alongside its success indicators and data sources.

Table B.35 Process Evaluation Question 11

Evaluation question	Success indicators	Data sources
What were the beneficiaries' experiences of project delivery? What did they perceive the benefits of projects to be?	Evidence that the intended beneficiaries had positive experiences of project delivery. Evidence that the beneficiaries see the project as a unique catalyst for achieving benefits.	Focus groups with beneficiaries.

Source: BMG Research.

Perceived benefits vary depending on project type, but in general, beneficiaries had positive experiences with the projects. Reported benefits include community support for a range of people; training, upskilling, and educational opportunities; the creation of safe, friendly spaces for exercise and leisure; and job opportunities.

Table B.36 sets out the twelfth evaluation question of theme 3, which examines whether experiences of delivery varied across places with different socioeconomic profiles, alongside its success indicators and data sources.

Table B.36 Process Evaluation Question 12

Evaluation question	Success indicators	Data sources
Did experiences of delivery vary across places with different socioeconomic profiles?	Evidence that design and delivery experiences were consistent across places.	In-depth interviews with local authorities.

Source: BMG Research.

Little difference in experience was observed across places with different socioeconomic profiles.

Contextual factors such as COVID-19 and higher-than-expected inflation affected all areas, regardless of socioeconomic profile, and a wide range of local authorities required at least one Project Adjustment Request.

Beneficiary engagement and perceptions of projects were similarly distributed across areas with different socioeconomic profiles.

The only area where a difference emerged was in local authorities' internal capacity, which was reported to be more heavily strained in more deprived areas.

Table B.37 sets out the thirteenth evaluation question of theme 3, which examines what improvements can be made to the fund's delivery, alongside its success indicators and data sources.

Table B.37 Process Evaluation Question 13

Evaluation question	Success indicators	Data sources
What improvements can be made to the fund's delivery?	Not applicable	In-depth interviews with local authorities, a focus group with MHCLG delivery leads, focus groups with Town Deal Boards, an in-depth interview with the Towns Fund Delivery Partner consortium lead, and a focus group with the High Streets Task Force.

Source: BMG Research.

Key suggestions for improving project delivery from each stakeholder group are presented below.

LOCAL AUTHORITIES
Local authorities consistently suggested improvements that focused on reducing administrative burden and addressing capacity gaps.

Local authorities suggested:

- more revenue or capacity funding to address severe staffing shortages and capability gaps, particularly around project management for delivery
- budget increases to cope with higher-than-expected inflation costs
- more streamlined Project Adjustment Request processes, including faster turnaround times and fewer rounds of amendments

Local authorities also sought additional capacity funding to cover consultant costs to review benefit-cost ratios as part of Project Adjustment Requests.

TOWN DEAL BOARDS
Boards largely emphasised local governance and strategic clarity.

Town Deal Boards suggested:

- more guidance on sustaining participation from less engaged members, although stakeholders said overall engagement remained satisfactory across the programme
- maintaining boards for future programmes, as they felt the model offers a strong governance structure and inclusivity

MHCLG DELIVERY LEADS
MHCLG officials focused mainly on system-level improvements, governance, and internal processes.

MHCLG delivery leads suggested:

- more analyst resources to prevent bottlenecks in benefit-cost ratio checks and Project Adjustment Request assessments
- webinars and conferences to improve local authority engagement and mutual support

TOWNS FUND DELIVERY PARTNER CONSORTIUM
The Towns Fund Delivery Partner consortium emphasised capacity building, professionalisation, and improved central–local coordination.

Towns Fund Delivery Partner consortium suggested:

1. Earlier involvement. They noted that they arrived after Town Deal Boards had already formed. Had they been involved earlier, they could have strengthened board diversity to ensure equality, diversity, and inclusion at the individual member level, not just representation by stakeholder type.
2. A longer engagement period would have allowed them to support places more effectively during the delivery phase. The consortium lead explained that places only began meaningful project planning and delivery after the Towns Fund Delivery Partner consortium engagement ended.
3. Deploying specialist and technical professionals to work alongside local authorities, not just providing advice. This includes experts in procurement, compulsory purchase orders, technical design, engineering, and architecture. Across places, local authorities reported deep capacity and capability issues and, as such, often lacked the technical knowledge to act on the advice received.

HIGH STREETS TASK FORCE
The High Streets Task Force emphasised capacity, the quality of engagement, and the embedding of change.

High Streets Task Force suggested:

1. Longer engagement would allow more effective implementation of diagnostic advice, leading to sustained behaviour change and impact. High Streets Task Force representatives felt that the 5-day limit per place created a ‘cliff edge’, leaving many towns wanting more support, just as they were gaining traction.
2. Easier outreach (automatic sign-up, centralised comms) would greatly expand support take-up. Because the General Data Protection Regulation (GDPR) required local authorities to opt in to newsletters or materials, High Streets Task Force representatives felt that many local authorities missed opportunities.
3. Revenue support would help smaller councils engage meaningfully, creating more equal opportunities. High Streets Task Force representatives noted that high-capacity towns used the offer most effectively because they had the staff time to participate.
4. Expanding training in engagement tools (youth outreach, digital engagement, consensus-building) would strengthen delivery and local buy-in. High Streets Task Force representatives highlighted inconsistencies in councils’ engagement skills.

B.4 Theme 4: Monitoring and evaluation

Table B.38 sets out the first evaluation question of theme 4, which examines how well delivery monitoring enabled MHCLG to respond to delivery or performance issues promptly and effectively, alongside its success indicators and data sources.

Table B.38 Process Evaluation Question 1

Evaluation question	Success indicators	Data sources
How well did delivery monitoring enable MHCLG to respond to delivery or performance issues promptly and effectively?	Projects progress as anticipated, or have been stopped or changed early with little or no wasted time or resources.	Focus group with MHCLG delivery leads.

Source: BMG Research.

Delivery monitoring was intended to help MHCLG sense-check data and identify potential delivery issues.

MHCLG delivery leads noted that monitoring returns sometimes presented a more positive picture of delivery progress and risk than was evident through other channels. This is known as optimism bias. This was reported to apply in a minority of cases. In parallel, Area Leads identified issues and risks that were not fully reflected in the submitted returns through ongoing engagement and regular conversations with local authorities.

This divergence was understood to reflect incentives within the reporting process, with some local authorities potentially presenting a more favourable position to reduce the risk of clawback or delayed payments. By contrast, Area Leads, operating as ‘a critical friend’ outside the immediate programme delivery structure, were able to develop a more accurate and up-to-date understanding of delivery progress and emerging risks.

Table B.39 sets out the second evaluation question of theme 4, which examines how well outcome monitoring and evaluation enabled MHCLG and places to understand whether the programme is on track to deliver its intended impacts, alongside its success indicators and data sources.

Table B.39 Process Evaluation Question 2

Evaluation question	Success indicators	Data sources
How well did outcome monitoring and evaluation enable MHCLG and places to understand if the programme is on track to deliver impacts?	Evidence that MHCLG was able to identify issues early and resolve them effectively. Evidence that monitoring tracks outcomes (such as journey times, broadband access, and business growth).	In-depth interviews with local authorities and a focus group with MHCLG delivery leads.

Source: BMG Research.

Outcome monitoring at the programme level was ineffective because projects used customised outcomes, which prevented aggregation and a clear programme-wide view. This reduced comparability across places and limited programme-wide learning. Customisation also limited the ability to create clear public messages or news stories based on outcomes.

The absence of an early decision on how outcome data would be used meant monitoring was designed reactively and attempted to capture too much. Therefore, monitoring tried to meet 2 conflicting aims: supporting evaluation and supporting delivery, with evaluation needs addressed poorly. This approach led to excessive outcome reporting, numerous low-value measures, and large datasets that were difficult to analyse or compare across places.

Additionally, outcome baselines were not set, making it difficult to measure progress or assess whether the programme achieved its intended impacts.

Table B.40 sets out the third evaluation question of theme 4, which examines the extent to which places conducted local evaluations and how well these enabled them to implement changes during delivery, alongside their success indicators and data sources.

Table B.40 Process Evaluation Question 3

Evaluation question	Success indicators	Data sources
To what extent did places conduct local evaluations, and how well did these enable places to implement changes during delivery?	Evidence that local evaluations were being undertaken in a systematic way, which enables improvements to be implemented during the funding period.	In-depth interviews with local authorities and focus groups with Town Deal Boards.

Source: BMG Research.

Findings indicate that relatively few of the local authorities interviewed had undertaken formal internal evaluations during delivery, although some commissioned external surveys to track public perceptions of their towns over time.

This finding reflects constraints within the programme's design and implementation context, rather than a lack of commitment at the local level. Interviewed local authorities commonly cited limited time and funding as key factors influencing their decision not to conduct local evaluations. In particular, the absence of dedicated evaluation funding, guidance, and a clearly articulated expectation about how local evaluation findings would be used during delivery reduced the perceived value of commissioning additional evaluation activity beyond the monitoring already required by MHCLG and for internal management purposes.

In this context, local evaluation was often deprioritised in favour of meeting delivery milestones and statutory reporting requirements. Where evaluation activities did occur, they tended to focus on accountability or perception-tracking rather than on formative learning. This suggests that building clearer guidance, resourcing, and practical mechanisms for using evaluation evidence in the programme design may have better equipped local authorities to undertake systematic evaluation and use findings to inform delivery during the funding period.

Table B.41 sets out the fourth evaluation question of theme 4, which examines how and to what extent delivery and outcome monitoring were adapted to meet changing requirements, alongside its success indicators and data sources.

Table B.41 Process Evaluation Question 4

Evaluation question	Success indicators	Data sources
How and to what extent were delivery and outcome monitoring adapted to meet changing requirements?	Evidence that MHCLG modified monitoring if it was found to be insufficient.	Focus group with MHCLG delivery leads.

Source: BMG Research.

Early monitoring templates were time-consuming for local authorities due to complexity, repetition, frequent changes, and extensive manual data entry. Local authorities said the lack of auto-fill for repeated information increased the time needed to complete returns.

The changes MHCLG made over time, including automation and a consistent template, significantly improved usability. Auto-population of templates allowed local authorities to carry forward previous data, reducing duplication. MHCLG delivery leads also noted improvements to monitoring returns and the availability of monitoring information for the team. The move to a Power BI dashboard gave MHCLG a clearer, holistic view of all submissions in one place.

MHCLG delivery leads used webinars and direct engagement with local authorities to clarify expectations. These sessions explained the monitoring process more clearly than written guidance. They also supported peer learning, helping local authorities understand the templates more quickly.

Table B.42 sets out the fifth evaluation question of theme 4, which examines the extent to which and how Town Deal Boards contributed to delivery and outcome monitoring, alongside its success indicators and data sources.

Table B.42 Process Evaluation Question 5

Evaluation question	Success indicators	Data sources
To what extent and how do the Town Deal Boards contribute to delivery and outcome monitoring?	Evidence that Town Deal Boards helped with outcome and delivery monitoring and that changes were implemented following their feedback.	In-depth interviews with local authorities and focus groups with the Town Deal Board.

Source: BMG Research.

For Town Deal projects, the Town Deal Board provided an additional layer of oversight by reviewing and signing off on monitoring returns before submission to MHCLG.

Town Deal Boards closely monitored project delivery progress and risks, typically meeting every 6 weeks to discuss them. They were able to challenge delivery teams on the data in the returns where appropriate. This oversight helped projects reach completion by addressing delivery problems early and encouraged engagement between stakeholders and Town Deal Boards.

Table B.43 sets out the sixth evaluation question of theme 4, which examines whether places faced any capacity challenges in relation to monitoring and evaluation, alongside its success indicators and data sources.

Table B.43 Process Evaluation Question 6

Evaluation question	Success indicators	Data sources
Did places face any capacity challenges in relation to monitoring and evaluation?	Evidence that places did not face capacity challenges (eg financial expertise gap, project management, and simple understaffing) or that timely support was available if challenges were faced.	In-depth interviews with local authorities.

Source: BMG Research.

Some local authorities reported capacity challenges, including insufficient staff and limited time to complete monitoring tasks. This was particularly evident before monitoring reports became more user-friendly, and in areas managing multiple funding programmes. A few local authorities also noted that they had recruited additional staff (such as a monitoring officer) specifically to support monitoring and evaluation activities.

Table B.44 sets out the seventh evaluation question of theme 4, which examines what improvements can be made to evaluation and monitoring, alongside its data sources.

Table B.44 Process Evaluation Question 7

Evaluation question	Success indicators	Data sources
What improvements can be made to evaluation and monitoring?	Not applicable	In-depth interviews with local authorities, a focus group with MHCLG delivery leads, and focus groups with the Town Deal Boards.

Source: BMG Research.

Evidence from local authorities and MHCLG delivery leads suggests that monitoring and evaluation would be more effective if it were designed clearly and consistently from the start.

While later updates to MHCLG monitoring templates significantly improved reporting processes, local authorities reported early uncertainty about which data were required and how they would be used. This was particularly challenging when projects generated diverse datasets and requirements differed between funding programmes.

In addition, MHCLG delivery leads reported that the widespread use of customised local outcomes limited programme-level monitoring. This prevented data aggregation, reduced comparability across places, and constrained the ability to develop a clear, programme-wide understanding of impact. It also limited opportunities for programme-level learning and for communicating outcomes publicly in a coherent way.

The absence of early decisions about the purpose and use of outcome data led to the reactive development of monitoring systems. Monitoring attempted to serve both delivery management and impact evaluation, but ultimately did not meet either objective well. This resulted in large volumes of low-value data, excessive burdens on outcome reporting for local authorities, and datasets that were difficult to analyse or interpret consistently. The lack of agreed baselines further limited the ability to assess progress or measure programme-level impact.

To address these issues, future programmes should:

- clearly set out, from the outset, what monitoring data are required, why they are needed, and how they will be used
- adopt a standardised monitoring and evaluation framework across funding programmes, with a small number of core outcomes defined at the programme level to enable aggregation, comparability, and learning
- clearly distinguish between data required to support delivery management and data required for evaluation, reducing unnecessary reporting
- establish outcome baselines early, alongside proportionate and realistic indicators aligned with programme objectives

Aligning evaluation design with capital funding, capacity funding, and expert support from the start would reduce the reporting burden, improve data quality, and enable a more robust assessment of whether programmes achieve their intended outcomes.

Table B.45 sets out the eighth evaluation question of theme 4, which examines whether there are differences in perceptions of evaluation and monitoring across places with different socioeconomic profiles, alongside its success indicators and data sources.

Table B.45 Process Evaluation Question 8

Evaluation question	Success indicators	Data sources
Are there any differences in perceptions of evaluation and monitoring in places with different socioeconomic profiles?	Evidence that monitoring and evaluation experiences were consistent across places.	In-depth interviews with local authorities.

Source: BMG Research.

Areas with different socioeconomic profiles did not show any significant variation in their views on monitoring and evaluation. Across all profiles, some local authorities conducted their own more frequent monitoring and found MHCLG's requirements to be proportionate. Similarly, all profiles experienced initial teething problems with the returns, which were later resolved through MHCLG's form updates.

Annex C High Streets Task Force and Towns Fund Delivery Partner consortium membership

C.1 High Streets Task Force

The High Streets Task Force is delivered by a consortium led by the Institute of Place Management (IPM), bringing together professional bodies, research institutions and data providers to support local authorities in revitalising town centres.

Lead and delivery partners

- **Institute of Place Management (IPM):** Lead organisation for the Task Force; a professional body specialising in place management, town centre research, and Business Improvement District (BID) networks
- **PricewaterhouseCoopers (PwC):** Professional services firm responsible for programme and consortium management, providing financial, economic and delivery expertise

Professional and policy bodies

- **Design Council:** National body promoting design-led approaches to economic growth and public service improvement, including the built environment
- **Royal Town Planning Institute (RTPI):** Professional body for planners, supporting planning policy, practice and professional standards across the UK
- **Landscape Institute (LI):** Chartered body for landscape professionals, contributing expertise on public realm, environmental design and sustainable placemaking
- **The BID Foundation:** National body representing Business Improvement Districts, supporting collaboration between businesses and local authorities in town centres
- **Association of Town and City Management (ATCM):** Membership organisation supporting town centre and place managers through networks, training and policy engagement
- **Civic Voice:** National charity representing civic societies, providing a community perspective on local development and regeneration

Data, analytics and sector insight

- **Springboard:** Provides data and intelligence on footfall and consumer behaviour in retail and town centre environments
- **Maybe*:** Digital platform offering social media analytics and local business insight to support town centre engagement and marketing
- **Market Innovations:** Specialist organisation supporting markets and market traders as part of town centre economies

Academic and research partners

- **Cardiff University:** Academic institution contributing research expertise, particularly in urban studies, regeneration and economic analysis

Digital and learning providers

- **MyKnowledgeMap:** Digital learning and knowledge management provider, supporting the development of training and resources for local authorities and stakeholders

C.2 Towns Fund Delivery Partner consortium

The Towns Fund Delivery Partner consortium was appointed by MHCLG to support local authorities in developing Town Deals and accessing the £3.6 billion Towns Fund, providing specialist expertise across economic development, regeneration, engagement and delivery.

Lead organisation

- **Arup:** Global engineering, design and planning consultancy leading the consortium, providing integrated expertise in urban planning, infrastructure, regeneration, and economic development

Consortium members

- **Copper Consultancy:** Communications and stakeholder engagement consultancy specialising in infrastructure, regeneration and public sector projects
- **Grant Thornton UK LLP:** Professional services firm providing financial, economic and commercial advisory, including business case development and assurance
- **FutureGov:** Public sector innovation consultancy supporting service design, digital transformation and community-focused delivery approaches
- **Nichols Group:** Infrastructure and programme delivery consultancy specialising in major project management, governance and delivery capability
- **Savills:** Real estate and property consultancy providing expertise in regeneration, land value, development viability and place strategy