



Ministry of Housing,
Communities &
Local Government

Towns Fund Evaluation

Value-for-Money Annex

July 2026



July 2026
Ministry of Housing, Communities & Local Government



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If you have any enquiries regarding this document/publication, email correspondence@communities.gov.uk or write to us at:

Ministry of Housing, Communities & Local Government
Fry Building
2 Marsham Street
London
SW1P 4DF
Telephone: 030 3444 0000

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Annex A Value-for-money evaluation

A.1 Approach

It is not currently feasible to undertake a full value-for-money (VfM) analysis, as the impact analysis could not fully size, attribute, and monetise all impacts of the Town Deals and Future High Streets Fund projects. This is mainly because:

1. Not all projects were completed by the time of this evaluation, reducing the sample sizes in the programme-level analysis. This might have led most of the results not to show statistically significant changes.
2. The recent completion dates of the projects in the analysis may not allow for full impacts to be realised and observable in the data sets.
3. Many of the Towns Fund's expected benefits are not readily monetisable.

[Section 6 of the Feasibility Report](#) explored these issues.

Instead of a full VfM approach, the analysis used a break-even analysis to determine whether the monetary value of the benefits outweighed the costs. This aligns with the [HM Treasury Magenta Book](#), which recommends a break-even approach when other methods are not feasible. However, a break-even approach is limited. First, it relies heavily on assumptions and can only consider one outcome in each analysis.

Future VfM is likely to be more feasible as projects complete and a fuller set of impacts materialise. However, it will remain difficult to monetise many of the benefits of the Towns Fund programme.

A cost-effectiveness analysis was excluded from this evaluation. Given that only a small proportion of the funded projects were completed in time for the evaluation, this limited the ability to compare the different types of projects. In addition, the high variability of projects in the case studies made it challenging to compare cost-effectiveness across different projects. For example, even within projects focused on refurbishing libraries, the impact evaluation found varying levels of impact. As such, the VfM utilised a break-even analysis on a subset of outcomes.

The VfM assessment used 4 key inputs:

- the costs of an intervention
- the change in the indicator (such as increased pride in place)
- the attribution level of the change in the indicator to the intervention
- the monetary value of the attributable change

A full VfM assessment required all 4 aspects, including clear (ideally quantitative) evidence of the change's additionality (showing that no discrimination has occurred).

A break-even analysis assesses assumptions about unknown parameters to determine when the monetary value of the benefit exceeds the costs. Next, it assesses the likelihood of those assumptions occurring based on other, usually qualitative, evidence.

The break-even analysis of the Towns Fund evaluated the required assumptions to achieve break-even across 4 indicators, which were also assessed in the impact evaluation. The analysis used those outcome indicators as approximations of the funds' impact.

Table A.1 presents the components of the break-even analysis, which include indicators, project outcomes, and the funds they relate to.

Table A.1 Components of the break-even analysis

Indicator	Outcome	Fund	Analysis coverage	Main break-even assumption assessed
Change in footfall	Business outcomes	Future High Streets Fund	Relevant for all 228 Future High Streets Fund projects (as all are expected to improve high street footfall) are included in the analysis. The analysis was based on the programme-level impact evaluation findings. It covers only projects completed on time (75 projects, representing 32.9% of all Future High Streets fund projects).	Required spend per visit hour
Change in the number of businesses	Business outcomes	Town Deals	Relevant for projects that had 'business outcomes' as a category (251 of Town Deals project categories focused on business outcomes, which are 44.0% of the Town Deal projects). Since the analysis is based on the programme-level impact evaluation, it covers only 26 projects that were completed on time (10.4% out of the Town Deal projects focusing on business outcomes).	Required percentage change in the number of businesses
Change in pride in place	Pride in place	Future High Streets Fund	Relevant to all Future High Streets Fund projects where pride in place is a key aim (65.4% of projects). Based on 7 case studies (Heanor, Great Yarmouth, Blyth, Woolwich, Carlisle, Northallerton, and Yeovil).	Required percentage point increase in pride in place

Indicator	Outcome	Fund	Analysis coverage	Main break-even assumption assessed
Changes in sports centre participation and library usage	Local wellbeing	Town Deals (3 projects) and Future High Streets Fund (one project)	Relevant for all projects categorised as local wellbeing across Town Deals and Future High Streets Fund (37.9% of all Towns Fund projects) and 'investing in a leisure centre or library'. Based on 4 case studies (Mablethorpe, Kidsgrove, Loftus, and Great Yarmouth).	Required attribution levels (leisure centres) and required wellbeing value per visit or per year.

Source: Frontier Economics.

The break-even analysis covered all Future High Streets Fund projects completed in time for the evaluation, using both changes in footfall and pride in place (for a subset of relevant projects).

However, for Town Deals, the break-even analysis covered projects completed on time and focused on either business outcomes or local wellbeing. Regardless of completion, 78% of all Town Deals-funded projects were categorised to focus on those outcomes. As such, the break-even analysis did not explore the remaining 22% of the Town Deal projects. These projects focused on driving changes in pride in place, digital connectivity, physical connectivity, property and land use, job creation, and employment mix.

Whilst the break-even analysis is relevant for the vast majority of projects, evidence comes from a limited number of projects. For all 4 indicators, only completed projects were included. For the pride in place and local wellbeing indicators, the sample was further limited to case study projects (a subset of completed projects). For footfall and the number of businesses, the analysis was based on small samples of completed projects (32.9% and 10.4%, respectively). Therefore, the break-even analysis may not be representative of all funded projects.

More evidence was available for the Future High Streets Fund due to earlier project completion and Town Deals' focus on longer-term, non-monetisable benefits. Examples of benefits from Town Deal projects include improvements in health and skills development, which take longer to materialise.

The break-even analysis set out the strength of evidence for projects achieving VfM based on a single benefit's ability to break even. In reality, projects will likely lead to multiple benefits. A full VfM assessment would consolidate all benefits, but this is not possible under break-even analysis. Revisiting this analysis 3 to 5 years after all projects have been completed may provide a more detailed VfM.

All costs and benefits are in 2024/25 real spending, and discount rates are in line with [HM Treasury Green Book](#) guidance. This assessment contains all project costs, including non-Towns Fund funding (both private and public).

A.2 Findings

The following subsection describes the methodologies and findings of the indicators in the break-even analysis.

A.2.1 Changes in Footfall – Future High Streets Fund

The components of the break-even analysis are:

1. **Costs:** total costs associated with Future High Streets Fund projects.
2. **Change in the indicator:** the identified change in average monthly footfall from the programme-level impact analysis (Read more about the main specifications in Annex A.3 of the Programme-Level Impact Evaluation Annexes).
3. **Attribution to the funded projects:** changes in footfall were analysed using a quasi-experimental, difference-in-differences (DiD) approach, which isolates the impact of all funded projects, meaning changes are attributable to the projects but not to the Future High Street fund on its own.
4. **Displacement:** the programme-level analysis has not identified evidence of displacement in the selected neighbouring towns. Since it was not possible to test all displacement activities, it could only assess additionality at the town level, rather than the wider UK economy.
5. **Monetary value:** no uniform monetary value was available for the on-visit on the high street. The analysis assumed a minimum spend per visit, resulting in a total expenditure on the high streets. To assess the monetary benefit to the economy, only the associated Gross Value Added (GVA) is included in the analysis.

Table A.2 details the methodological steps, sources, and calculations for the break-even analysis of the Future High Streets Fund's impacts on footfall.

Table A.2 Footfall break-even methodology – Future High Streets Fund

Item	Calculation input	Source or assumption level	Final number
Number of high streets in the scope of the programme-level evaluation for footfall changes	38	Footfall impacts were estimated for a subset of Future High Streets Fund towns in which at least one project had been completed by the time of the evaluation. As such, the VfM considered only the benefits and costs related to completed towns and projects.	38
Total costs	£405,359,840	MHCLG monitoring data. Costs of the completed project in the scope of the programme-level footfall analysis in the relevant 38 towns. Includes all costs of related projects (Future High Streets Fund and other sources).	£405,359,840
Baseline average time spent by visitations on all treated high streets in the scope of the programme-level analysis: Monthly	574,525 average monthly visitors per treated town (in scope of the impact analysis), 53.1 minutes average dwell time per treated town	Place Informatics, based on footfall records between July and September 2019. The analysis multiplied monthly visits by dwell time to arrive at the baseline total time spent, on average, on the treated high street. It then multiplied the results by 38 treated towns in scope to arrive at the total baseline time spent on all treated high streets.	19,339,137 total monthly hours spent on a treated high street in the baseline.
Counterfactual time spent by footfall at the treated high streets post-treatment: Monthly	-7.63%	Impact findings – findings from the Quasi-experimental analysis of the change in footfall without the funding (the counterfactual) suggest a decrease in footfall in the comparison group. This is the percentage applied to the baseline total time spent.	17,862,902 Counterfactual total hours spent on treated high streets post-treatment.

Item	Calculation input	Source or assumption level	Final number
Additional total time spent due to treatment: Monthly	6.7%	Impact findings – findings from the Quasi-experimental analysis (see Annex E.2 of the Programme-Level Impact Evaluation Annexes). This is the percentage applied to the estimated counterfactual treatment levels. Results were multiplied by 12 to arrive at an annual impact.	1,202,381 Additional monthly hours spent on treated high streets post-treatment due to the treatment.
Additional total time spent due to treatment: Annual	12 months	Multiplied the 'additional total time spent due to treatment: Monthly' by 12.	14,428,574 Additional annual hours spent on treated high streets post-treatment: due to the treatment.
Assumed spend on the high street per visit hour, and the resulting total expenditure by additional visit hours: Annual	£26.5 per visit per hour	No value for average spend per visit hour is available – number assumed. The total annual expenditure attributable to the additional visit hours is calculated by applying this assumption to the estimated number of additional visit hours.	£382,357,224 Total annual expenditure on treated high streets due to the additional footfall.
Associated GVA per year	23% of the total expenditure	In 2022, total retail revenues were £492 billion, while total retail GVA was £112 billion (Annual Business Survey, 2025). Meaning that about 23% of the expenditure on high street retailers is associated with GVA.	£86,624,453
Number of years to break even, assuming stable economic conditions	5 years	Applying a Net Present Value (NPV) for future years with a 3.5% discount rate.	5 years

Source: Frontier Economics.

The break-even assumption that visitors spend £26.5 per visit per hour is reasonable. Lower spending per visit hour requires more time for the benefits to break even with the costs. For example, when allowing the benefits to persist for 7 years, the spending per visit hour needs to be only £17.5.

No retail spending benchmarks were identified for high street spending. [UK consumer behaviour research by CACI \(2024\)](#) identified different types of shopping 'missions', defined by the purpose and duration of a shopping trip. These range from routine, lower-spend trips focused on specific purchases (eg routine top-up) to broader, less frequent 'Big Day Out' missions, which involve higher total spend as consumers combine multiple retail stores with catering and leisure activities.

CACI analysis provides qualitative descriptions and relative proportions of certain mission types. As it does not report average spend per mission, it is based on qualitative descriptions. Nearly half of high street visitors made a small shop or big day-out-type visit, supporting the assumption that a £26.5 per-visit spend is reasonable. In addition, based on data presented in a report by [Southward Council \(2015\)](#), the evaluation estimated that the average spend per visit to a high street in 2025 prices is £27.26. This provides further confirmation that the break-even analysis is reasonable.

The break-even assessment in 5 years is based on a few underlying assumptions. If these assumptions were to change, this would impact the required number of years for the benefit to break even with the costs. In particular, the analysis assumes that:

1. Spending on the high street per visit hour is constant over the next 5 years. This assumes stable economic conditions and no significant change between online and in-person spending over this period.
2. The differential between treated and comparison areas remains constant over the 5 years.

A.2.2 Changes in the number of businesses – Town Deals

The components of the break-even analysis are:

1. **Costs:** total costs associated with Town Deal projects categorised as having business outcomes impacts.
2. **Change in the indicator:** the required minimum change in the number of retail, accommodation, and food and beverage businesses in the treated towns.
3. **Attribution to the funded projects:** identifying the minimum needed changes in the programme-level analysis, which would isolate the fund's impact on the number of businesses.
4. **Displacement:** any observed changes in the number of businesses in a given town might be displaced from other areas. Since it is not possible to test all possible displacement options in this case, the break-even analysis assessed the town-level impact.
5. **Monetary value:** the average annual revenue associated with in-person spending at the additional businesses. To assess the level of monetary benefit to the economy, only the associated GVA from the revenues was accounted for in the analysis.

Table A.3 details the methodological steps, sources, and calculations for the break-even analysis of the Town Deals' impacts on the number of businesses.

Table A.3 Number of businesses break-even methodology – Town Deals

Item	Calculation input	Source or assumption level	Final number
Total costs	£194,341,164	MHCLG monitoring data. Costs of business-outcome projects in scope, completed in time for this evaluation. Includes all costs of related projects (Town Deals and other sources).	£194,341,164 total cost.
Baseline total number of businesses in the retail sector (SIC 47)	8,533 businesses	IDBR data	8,533 businesses.
Baseline total number of businesses in the accommodation sector (SIC 55)	317 businesses	IDBR data	317 businesses.
Baseline total number of businesses in the food and beverages sector (SIC 56)	4,854 businesses	IDBR data	4,854 businesses.
Annual average revenues per additional business and associated GVA – Retail (SIC 47) ^[A]	£2,377,332 average annual revenues (in 2025 prices), of which 23% are associated with GVA	Total retail revenues in 2022 were £492 billion (IDBR, 2024). Total retail GVA in 2022 was £112 billion (Annual Business Survey, 2025).	£538,593 associated GVA per retail business.

Item	Calculation input	Source or assumption level	Final number
Annual revenues per additional business and associated GVA – Accommodation sector (SIC 55) ^[A]	£1,082,354 average annual revenues (in 2025 prices), of which 52% are associated with GVA	Total accommodation and food service revenues in 2022 were £121 billion (IDBR, 2024). Total accommodation and food service GVA in 2022 was £63 billion (Annual Business Survey, 2025).	£565,336 associated GVA per accommodation business.
Annual revenues per additional business and associated GVA – Food and beverages sector (SIC 56) ^[A]	£472,520 average annual revenues (in 2025 prices), of which 52% are associated with GVA	Total accommodation and food service revenues in 2022 were £121 billion (IDBR, 2024). Total accommodation and food service GVA in 2022 was £63 billion (Annual Business Survey, 2025).	£246,807 associated GVA per food and beverages business.
Number of years of impact presence	5 years	Applying an NPV for future years with a 3.5% discount rate.	Not applicable
The percentage change in the number of businesses	Not applicable (analysis calculation based on the above)	Minimum percentage change needed to break even the costs for a persistent impact for 5 years.	A 0.9% increase from the baseline total number of businesses in retail, accommodation, and food and beverage businesses in the Town Deals, with at least one relevant project completing on time for the evaluation. The percentage is applied equally to each of the 3 sectors. The values are then aggregated across all for a total benefit that breaks even with costs.

Source: Frontier Economics.

Notes: [A] In practice, turnover in businesses on Future High Street Funds' high streets may be lower than the national average.

The break-even assumption regarding the required percentage change in the number of businesses is reasonable.

The programme-level impact analysis identified an increase of 0.9% to 2.4% in the number of businesses in relevant Town Deals areas relative to non-funded areas, exceeding the required change to break even. The statistical significance of these findings varies with changes in the model parameters, reflecting the lower robustness of the main results. However, across all model variations, similar positive impacts emerge, exceeding the minimum break-even assumption. This variability in results suggests that although the break-even assumption is reasonable, it might require retesting at a later stage to confirm the level of impact over a longer period.

The analysis assumes that businesses on Future High Streets Fund high streets are equal to the national average. Given that these businesses are typically located in more deprived towns, this may overestimate the turnover of these businesses. Therefore, the required break-even change in the number of businesses may underestimate the benefits. However, it remains plausible that break-even will be achieved since the required percentage increase in businesses (0.9%) is below the potential impact identified by the programme-level analysis of 0.9% to 2.4%.

A.2.3 Pride in place benefits – Future High Streets Fund

The components of the break-even analysis are:

1. **Costs:** total costs associated with all completed pride in place projects in Future High Streets Fund areas with a primary aim of improving pride in place (Heanor, Great Yarmouth, Blyth, Woolwich, Carlisle, Northallerton, and Yeovil). Town Deal projects were not included because there was no statistically significant increase in the main pride in place indicator in any of the case studies.
2. **Change in the indicator:** intervention-level case studies identified an overall pride in place improvement in funded areas. Since changes were not always statistically significant in individual areas due to small sample sizes, the analysis considers the changes across all case studies combined rather than for each case study separately. Read more details about this analysis in Section 4.4 of the Main Evaluation Report.
3. **Attribution to the funded projects:** benefits were attributed to the completed set of all included pride in place projects. The analysis also considered whether the projects break even if the benefits are attributed to all completed Future High Streets Fund projects in the area (including areas not focused on pride in place). Attributing all pride in place improvement to the Future High Streets Fund projects is a simplifying assumption in the VfM analysis, in the absence of clear data on the funding for, and impact of, other projects. The assumption was based on evidence that pride in place does not change year-over-year across England or within the wider local authorities during the period covered by the analysis. In addition, the timing of the survey collecting evidence of pride in place was designed to avoid the effects of broader factors. The implications of this assumption are discussed further below.
4. **Displacement:** there was no reason to believe pride in place was displaced from elsewhere, and all of the increased pride in place was assumed to be additional.
5. **Monetary value:** valued based on the [HACT Social Value Calculator](#) (in line with the approach taken in the evaluation of the UK Shared Prosperity Fund).

Table A.4 details the methodological steps, sources, and calculations for the break-even analysis of the Future High Streets Fund's impacts on pride in place.

Table A.4 Pride in place break-even methodology – Future High Streets Fund

Item	Calculation input	Source or assumption level	Final number
Total costs	£84,802,028	MHCLG monitoring data. Includes all costs of completed pride in place projects (Future High Streets Fund and other sources).	£84,802,028
Value pride in place per person, per year	£4,620	Value of 'feeling of belonging to a neighbourhood' from the HACT Social Value Calculator . This is a proxy measure, also used in the evaluation of the UK Shared Prosperity Fund.	£4,620
Value of pride in place per person, over time	2.34 (decay factor)	Benefits will last for 5 years and decay linearly over time. Future benefits are discounted by 3.5%. The total figure is calculated by multiplying the annual figure by the decay factor.	£10,790 (rounded to an integer)
Number of adult residents	216,357	Estimate of adults in the built-up area across chosen case studies, aggregated from Census 2021 (ONS) .	216,357
The resulting number of people who must experience an increase in pride in place	Not applicable	Calculated as total cost divided by the value of pride in place per person, over time.	7,860 (rounded to an integer)
Break-even output: Required change in pride in place to break even	Not applicable	Calculated as the required number of people who must experience an increase in pride in place divided by the number of adult residents.	3.6% (rounded to one decimal place)

Source: Frontier Economics.

The minimum required increase in pride in place to break even with costs is 3.6%, measured as the proportion of residents who report being proud to live in their local area.

The assumption that these projects break even, based on pride in place benefits, is considered reasonable. The required 3.6-percentage-point increase falls at the lower end of the range observed for pride in place improvements. Across all case studies, the average increase was approximately one percentage point. For the 5 (out of 7) projects in the break-even analysis that had baseline and follow-up data, the average increase in pride in place ranged from 2.5 to 6.5 percentage points. The upper bound of this range excludes Carlisle, which saw a significant decline in pride in place. The decline was due to factors other than the case study project, including ongoing disruption from wider works in the town centre and broader changes. Read more details about this analysis in Section 8.1 of the main evaluation report.

The conservative nature of the other calculation assumptions strengthens the likelihood of breaking even. The analysis assumed that pride in place benefits attributable to the Future High Streets Fund decrease linearly, reaching zero 5 years after project completion. In reality, pride in place improvements may continue to grow as ongoing disruption ends.

The sensitivity analysis used a more conservative attribution assumption. Under this sensitivity, pride in place improvements were attributed to all completed Future High Streets Fund projects in an area, regardless of whether they were categorised as pride in place projects. This captures the fact that the portfolio of projects may be improving pride in place. Pride in place would have to increase by 4.4 percentage points to break even. This increase remains within the range of observed improvements (2.5 to 6.5 percentage points).

An even more conservative approach would consider attribution of pride in place improvements to a wider range of projects. This includes projects funded by Towns Deal and other Government funding schemes such as the Strength in Places Fund. However, robustly assessing the level of this funding and its impact would not be proportionate for this break-even analysis. Attributing benefits only to the Future High Streets Fund would mean that the increase in greater pride in place must be attributable to the Future High Streets Fund to break even. However, other assumptions in the analysis are conservative, and the survey was designed to avoid the effects of broader factors.

Since valuing pride in place is a relatively new evaluation area, the break-even analysis is uncertain. Different monetary values for pride in place would result in a different break-even assessment.

A.2.4 Wellbeing benefits – Future High Streets Fund and Town Deals

The components of the break-even analysis are:

1. **Costs:** total costs of the Town Deals and Future High Streets Fund projects with evidence for direct monetisable benefits of leisure centres (Mablethorpe and Kidsgrove, both Town Deal) and libraries (Loftus, Town Deal, and Great Yarmouth, Future High Streets Fund).
2. **Change in indicator:** increase in visitors or visits to the facilities developed.
3. **Attribution and displacement – Leisure centres:** evidence suggests that much of the usage is additional, with little displacement from other sites, and the break-even analysis considers how much usage is required per visitor and the level of attribution needed. Read more details about this analysis in Section 6.3 of the main evaluation report.
4. **Attribution and displacement – Libraries:** the analysis considered new usage to be additional and attributable to the projects since case study evidence suggests there has been no displacement from other sites.
5. **Monetary value – Leisure centres:** there is robust evidence on the monetary value of sports and physical activity.
6. **Monetary value – Libraries:** multiple values for the monetised wellbeing benefits exist. The break-even analysis considers the required values for breaking even.

LEISURE CENTRES

Table A.5 details the methodological steps, sources, and calculations for the break-even analysis for the impacts of leisure centres on wellbeing.

Table A.5 Wellbeing break-even methodology (leisure centres) – Town Deals

Item	Calculation input	Source or assumption level	Final number
Total costs	£30,430,174	MHCLG monitoring data. Includes all costs of related projects (Town Deals and other sources).	£30,430,174
Increase in annual usage	2,721 new regular users are estimated to visit at least twice a week	Data provided by the local authority, combined with survey data. This increase is assumed to remain constant for the 10 years over which the break-even benefits are assessed.	2,721 new regular users.
Value of visitation per fairly active user, per year	£1,436 per user	Moving Communities Facilities Impact Report (Sports England) . 'Fairly active' is defined as 30 to 149 minutes of physical activity a week. This is multiplied by the number of users.	£3,907,356 The total annual benefit is assumed to apply to all fairly active users.
Value of visitation per active use, per year	£2,927 per user	Moving Communities Facilities Impact Report (Sports England) . 'Active' is defined as more than 150 minutes of physical activity a week. This is multiplied by the number of users.	£7,964,367 The total annual benefit is assumed to apply to all active users.

Item	Calculation input	Source or assumption level	Final number
Total benefit for 10 years of benefits in NPV when assuming all users are fairly active	8.32 discounting weight for annual benefits over 10 years (rounded to 2 decimal places)	Discounting weight applied to annual benefits to account for benefits across multiple years. In line with HM Green Book recommendations, benefits are modelled for 10 years and future benefits are discounted 3.5%. Engagement and the associated benefits are assumed to be constant for 10 years, then fall to zero. This results in the assumed discounting weight (8.32). The annual benefit is multiplied by this weight to calculate the benefits over 10 years.	£32,492,378 total NPV (rounded to an integer).
Total benefit for 10 years of benefits in NPV when assuming all users are active	8.32 discounting weight for annual benefits over 10 years	Discounting weight applied to annual benefits to account for benefits across multiple years. In line with HM Green Book recommendations, benefits are modelled for 10 years and future benefits are discounted 3.5%. Engagement and the associated benefits are assumed to be constant for 10 years, then fall to zero. This results in the assumed discounting weight (8.32). The annual benefit is multiplied by this weight to calculate the benefits over 10 years.	£66,240,611 total NPV (rounded to an integer).
Required attribution level to the Town Deal projects to break even when assuming fairly active users	Not applicable	Dividing the total costs by the total benefits when assuming fairly active users.	94% total benefit attribution is required for break-even, as informed by the break-even analysis (rounded to an integer).

Item	Calculation input	Source or assumption level	Final number
Required attribution level to the Town Deal projects to break even when assuming active users	Not applicable	Dividing the total costs by the total benefits when assuming active users.	46% total benefit attribution is required for break-even, as informed by the break-even analysis (rounded to an integer).

Source: *Frontier Economics*.

Leisure centre projects break even on wellbeing benefits alone. The required attribution levels depend on the assumption about how much physical activity users undertake at the leisure centre:

1. All users engage in moderate levels of physical activity (at least 30 minutes per week), and 94% of this activity is attributed to the projects.
2. All users engage in high levels of physical activity (at least 150 minutes per week), and 46% of this activity is attributed to the projects.

The necessary assumptions are reasonable and similar for both projects. Case study evidence indicates high levels of additionality in the use of these facilities due to a lack of nearby alternatives. Read more details about the case studies in Annexes D.7 and D.10 of the Intervention-Level Impact Evaluation Annexes. In addition, the monetised values represent an average across all users and likely underestimate the actual size of the benefits. These benefits are expected to be greater when the site is predominantly visited by older people or those with lower activity levels. This is likely the case in Mablethorpe, where older people are the primary visitors to the site.

The analysis assumes that the first-year usage increase remains constant over the 10 years covered by the break-even analysis. Since the projects have only recently been completed, there is a lack of evidence on how the number of users will change over time. If additional users visit the leisure centre (for example, if it becomes more embedded in the community), this will reduce the required attribution rate to break even. The opposite is true if fewer users visit the leisure centre (for example, due to an initial spike in interest when it first opens). Retesting participation levels several years after project completion would provide further evidence of how long those impacts persist.

LIBRARIES

Table A.6 details the methodological steps, sources, and calculations for the break-even analysis for libraries' impacts on wellbeing.

Table A.6 Wellbeing break-even methodology (libraries) – Town Deals and Future High Streets Fund

Item	Calculation input	Source or assumption level	Final number
Total costs, Great Yarmouth	£7,662,031	MHCLG monitoring data. Includes all costs of related projects (Town Deals, Future High Streets Fund, and other sources).	£7,662,031
Required annual benefits compared to the costs	8.32 discounting weight for annual benefits over 10 years (rounded to 2 decimal places)	Discounting weight applied to annual benefits to account for benefits across multiple years. In line with HM Green Book recommendations, benefits are modelled for 10 years and future benefits are discounted 3.5%. Engagement and the associated benefits are assumed to be constant for 10 years, then fall to zero. This results in the assumed discounting weight (8.32). The total cost is divided by this weight to provide the annual monetary value of the benefit required to break even.	£921,293 total annual monetary value of the benefits to break even (rounded to an integer).
Increase in visitation, Great Yarmouth	103,248 additional annual visits and 2,652 new users	Data provided by the local authority.	103,248 additional annual visits and 2,652 new users.
Required wellbeing value per visit year, Great Yarmouth	Not applicable	Required annual benefits are divided by the increase in visitation.	£9 per visit, or £347 per user required to break even (rounded to integers).
Total costs, Loftus	£2,454,818	MHCLG monitoring data. Includes all costs of related projects (Town Deals, Future High Streets Fund, and other sources).	£2,454,818

Item	Calculation input	Source or assumption level	Final number
Required annual benefits compared to the costs	8.32 discounting weight for annual benefits over 10 years (rounded to 2 decimal places)	Discounting weight applied to annual benefits to account for benefits across multiple years. In line with HM Green Book recommendations, benefits are modelled for 10 years and future benefits are discounted 3.5%. Engagement and the associated benefits are assumed to be constant for 10 years, then fall to zero. This results in the assumed discounting weight (8.32). The total cost is divided by this weight to provide the annual monetary value of the benefit required to break even.	£295,171 annual total monetary value of the benefits to break even (rounded to an integer).
Increase in visitation, Loftus	1,239 additional annual visits and 63 new users	Data provided by the local authority.	1,239 additional annual visits and 63 new users.
Required wellbeing value per visit year, Loftus	Not applicable	Required annual benefits are divided by the increase in visitation.	£238 per visit or £4,672 per user required to break even (rounded to integers).
Literature evidence of wellbeing value per year (used as a benchmark for the level of benefits required to break even)	£1,800 per library user; £28 per library visit	A 2013 DCMS study calculates the value per library user. A more recent study for Libraries Connected East (2023) conducted a granular assessment of the value of libraries, including the wellbeing value per library visit. The study also provides additional evidence of the wider values of libraries, which are not monetised in this VfM assessment. These numbers are not used directly but rather as a benchmark, as they reflect only one source rather than an established value.	Not applicable

Source: Frontier Economics.

Note: Great Yarmouth project costs refer only to those associated with the place, not to the wider regeneration works.

The evidence of breaking even is mixed across the case studies.

In Great Yarmouth, the wellbeing value must be £9 per library visit or £347 per library user. These are less than half of the monetised value reported in the literature (£28 per visit and £1,800 per user). Therefore, it is reasonable to assume that Great Yarmouth breaks even.

In Loftus, the equivalent values are £238 per visit and £4,672 per user. Both are an order of magnitude higher than the values from the literature. Based on this evidence, Loftus does not break even. However, the library's costs also include the collocation of health and youth services, which are not accounted for in the monetisation of benefits. Moreover, libraries deliver other services and benefits (such as reducing loneliness) that are challenging to monetise without a granular assessment of the library.

The mixed evidence reveals challenges in assessing these types of projects in the future. In particular, it suggests a need for data collection which better aligns with existing evidence on the value of libraries. It also shows significant variability in the monetary value attributable to existing investments across libraries.