Ministry of Housing, Communities & Local Government

Towns Fund Evaluation Final Report

Main Report

July 2026

frontier economics

BMG an RSK company

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July 2026
Ministry of Housing, Communities & Local Government

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Foreword

The Towns Fund was established to support the regeneration of towns and high streets across England through investment in projects to strengthen local economies, renew town centres and support long-term change in places. As the programme has progressed, it has been important not only to understand what has been delivered, but also to draw out what can be learned from the design and implementation of a major place-based programme.

This report presents the final findings from the Towns Fund evaluation, bringing together evidence from the process, impact and value-for-money evaluations. It builds on the feasibility, early process and interim reports published throughout the programme and provides the most comprehensive assessment of the Towns Fund to date. While many projects have only recently been completed and some longer-term outcomes will take time to emerge, the evaluation provides important evidence on programme delivery, early impacts, value-for-money and implementation lessons.

The findings underline both the opportunities and challenges of evaluating complex, place-based programmes. The Towns Fund supported a wide range of locally tailored interventions, delivered across different local contexts and timescales. This makes evaluation challenging, but also highlights the importance of embedding evaluation and evidence generation into programme design and delivery from the outset.

I would like to thank the evaluation team at the Ministry of Housing, Communities and Local Government (MHCLG), Frontier Economics and BMG Research, and the many local partners and stakeholders who contributed to this evaluation.

Their evidence, insight and engagement have been central to understanding the delivery and early impacts of the Towns Fund, and the lessons it offers for future local growth and regeneration policy.

MHCLG remains committed to strengthening the evidence base for local growth policy and to using evaluation to inform future decision-making. The lessons from this evaluation will help support the design and delivery of future programmes, with the aim of improving outcomes for people and places across the country.

Stephen Aldridge

Director For Analysis & Data and Chief Economist

Ministry of Housing, Communities and Local Government

Executive summary

Context

The Towns Fund was a Ministry of Housing, Communities & Local Government (MHCLG) fund that aimed to create economic regeneration and reshape towns and high streets. It comprised 2 funds: Town Deals and the Future High Streets Fund.

The Towns Fund was a multi-billion programme supporting economic regeneration and the renewal of town centres and high streets across the UK. It included Town Deals, which provided £2.35 billion to 101 towns in England (funding 609 projects), awarded through a selection process in 2019. It also included the Future High Streets Fund, which provided over £830 million to 72 high streets across England (funding 254 projects) chosen through a competitive bidding process in 2020. In September 2025, the Town Deals fund was consolidated into the Local Regeneration Fund.

MHCLG commissioned Frontier Economics and BMG Research to evaluate the Towns Fund. The evaluation consisted of 3 parts:

- **Process evaluation:** a qualitative exploration of how the fund's management and structure; the projects' design, delivery, monitoring and evaluation; and the fund's wider processes worked
- **Impact evaluation:** an exploration of the Towns Fund's impact on the funded areas to date, which draws on quasi-experimental programme-level analysis and a theory-based analysis of 20 case studies of funded projects
- **Value for money (VfM) evaluation:** an assessment of whether the intervention was an effective use of public resources

This report sets out the findings from the overall Towns Fund evaluation. It builds upon the feasibility report published in January 2024, the early process evaluation insights report published in October 2024, and the interim evaluation report published in July 2025.

Key findings: process evaluation

The design, delivery, and management processes of the Towns Fund worked well in several respects, particularly financial management and flexibility, but were constrained by local capacity and appraisal challenges. Local authorities felt that strong local engagement helped make sure projects were aligned with local needs, and capacity funding helped address gaps in local expertise and resourcing. The Towns Fund's built-in flexibility reduced the impact of rising costs and delays. It also avoided underspending by allowing project extensions and reallocations of funding.

Collaborative design processes ensured projects aligned with local needs, although local authorities faced resourcing challenges

Case studies of funded projects found that:

- collaborative design processes, including engagement with council stakeholders, public and business consultations, and Town Deal Board involvement, supported local consensus and decision-making
- local authorities faced resourcing challenges, including capacity issues from local government reorganisation, council budget cuts, and designing and overseeing projects for multiple funds simultaneously
- capacity funding available to Town Deal recipients was essential for hiring specialist expertise to overcome capacity challenges, particularly for developing economic analyses and cost-benefit assessments
- inconsistency in how local authorities interpreted appraisal guidance for Future High Streets Fund projects was seen to disadvantage projects with harder-to-monetise impacts, including pride in place

Community engagement and funding flexibility supported successful project delivery, despite challenges from cost inflation and limited local resources. However, local authorities lacked plans to sustain Town Deal projects beyond the Towns Fund funding period, which risks weakening long-term sustainability and VfM:

- ongoing engagement with communities and businesses helped reduce disruption for residents and maintain public support throughout the delivery process
- involving project delivery partners throughout construction helped make sure that completed assets supported service delivery, community needs, and were suited to the location
- the Towns Fund's flexibility helped local authorities to reallocate funding and adjust project scope when conditions changed, reducing the impact of external factors, including COVID-19
- while the flexibility of the Towns Fund was valued, local authorities reported that Project Adjustment Requests were overly resource-intensive and contributed to delivery delays
- local authorities frequently lacked plans to sustain Town Deal projects beyond the Towns Fund funding period, as they often involved new equipment alongside the construction work

Local authorities found delivery monitoring to be proportionate

Local authorities interviewed for the case studies reported:

- the step-by-step process, where delivery partners collected monitoring data and local authorities and Town Deal Boards (for Town Deals) conducted data quality assurance, yielded timely data
- local authorities reported that they often conducted additional monitoring beyond the MHCLG-mandated 6-monthly returns, as this helped to track project progress, manage budgets, and address any issues
- local authorities viewed monitoring templates as lengthy and not user-friendly, although MHCLG's changes to these templates over time were well received

MHCLG's management and the structure of the Towns Fund supported delivery and prevented underspend

MHCLG used strong financial and risk management processes to oversee the programme. Strong management processes, combined with the flexibility to extend the programme and reallocate project funds, helped prevent underspend:

- the Towns Fund’s portfolio approach, which allowed funding provided to towns to be adjusted and reallocated among individual projects in their portfolios in response to changing circumstances, helped to maintain overall programme delivery
- Area Leads, who were MHCLG officials who served as the main departmental contacts for groups of towns, improved MHCLG’s understanding of local delivery and its ability to provide timely guidance and support
- the customisation of outcome monitoring across different projects created challenges for programme-level monitoring and learning and prevented their use for programme-level evaluation

For Town Deals, Town Deal Boards supported inclusive local governance and partnership working:

- several local authorities reported that they plan to keep the Town Deal Board operational for future funding programmes, citing positive experiences with the Town Deal Board model
- local authorities appreciated the model’s ability to bring together a wide range of local stakeholders and to have them agree on priorities and projects to be funded, thereby giving the community ownership of the projects

After submitting their business cases, some Future High Streets Fund recipients received partial funding following a ministerial decision to expand the fund's reach. This led to staffing pressures, increased workloads for local authorities and MHCLG analysts, and delays in project delivery. However, this decision allowed more towns to benefit from the Future High Streets Fund.

Key findings: impact evaluation

The impact evaluation used a robust mixed-methods approach. This approach incorporated a quasi-experimental analysis at the programme level, as well as a theory-based analysis based on case studies from individual projects to understand emerging impacts across the programme.

The impact evaluation had several limitations. Consequently, the results mainly reflect initial, shorter-term impacts from a small subset of projects which were completed on time for this evaluation. Many of the projects in the scope of this evaluation were completed only recently. In addition, only a proportion of the funded projects were completed on time for inclusion in the evaluation (the analysis included about 14.7% of the Town Deal projects and 35.1% of the Future High Streets Fund projects).

The case studies provide evidence of improvements in pride in place, and the quasi-experimental analysis shows evidence of improvements in footfall and business growth. There are also early indications of improvements in wellbeing and local skills in the case study areas. Overall, the impact evaluation results indicate an emerging short-term improvement that could lead to longer-term local impacts.

Residents' perceptions of town centres and pride in place are improving in the case study areas

Towns Fund projects contributed to improvements in resident satisfaction and pride in place, according to the available case study evidence. Improvements in pride in place were stronger in case study areas with more visible projects in the town centre and in case study areas with strong resident engagement throughout the design and delivery process:

- statistically significant improvements in residents' perceptions of their town centre were seen in 5 of the 7 towns assessed
- there was a 3.8 percentage point improvement in pride in place in the case study towns where projects aimed to increase pride in place
- no statistically significant change in pride in place was observed across England or the wider local authorities of the funded towns over a similar period

However, it is not possible to fully attribute these changes specifically to the Towns Fund projects, due to other regeneration projects in the areas that received funding and the lack of a robust comparator group. In addition, these findings might not be fully representative of the overall Towns Fund programme, as they are based on a limited number of case studies of projects expected to affect pride in place.

High street footfall increased significantly in towns which received Future High Streets funding

The programme-level quasi-experimental analysis found that:

- high streets that received funding experienced a 6.7% increase in overall footfall, above and beyond changes in similar comparator high streets
- funded high streets experienced a stronger average post-COVID-19 footfall recovery than similar towns that did not receive funding

The evidence suggests that this change in footfall is likely additional and was not displaced from nearby high streets. However, it is not possible to rule out some displacement from other areas. It is also not possible to assess whether any additional spending from these increased high street visits was displaced from online retail.

Early indicators point towards longer-term business and employment growth

The evidence from the programme-level analysis and case studies suggests that longer-term changes in business growth and employment may be realised for Town Deals:

- the quasi-experimental analysis found that the number of businesses in Town Deals-funded towns has likely increased between 0.9% and 2.4% relative to similar non-funded towns
- local stakeholders reported in the case studies that public realm improvement projects (particularly those funded through the Future High Streets Fund) were encouraging new, higher-quality businesses to open and supporting wider efforts to reduce vacancy rates

- case studies of new college facilities funded by the Towns Fund show strong local student enrolment, although with the available evidence it is not possible to assess how much of this is displaced from other programmes

The programme-level quasi-experimental analysis also found a negative impact (-3.2% to -2.3%) in the Future High Streets Fund towns tested. This suggests a short-term reduction in the number of businesses relative to the comparator group, which may reflect transitional disruption during delivery rather than longer-term effects. The ongoing nature of incomplete projects might have created further disruptions, masking the true impact of completed projects. As such, the findings should be interpreted as evidence of early post-completion impacts only, rather than the projects' long-term impacts.

For both funds, given that impacts on changes in the number of businesses are expected to be realised in the longer term, it is recommended to redo the analysis 3 to 5 years after the completion of all projects, depending on the indicator. This will allow the effects of disruptions to subside and, in the longer term, the true impact to be realised and observable in the data.

The Towns Fund increased participation in the local sports and leisure centres, libraries, and health centres that were included in the case studies

Evidence from the case studies shows that Towns Fund-funded sports and leisure centres, libraries, and health centres experienced increased participation. Of all evaluation case studies, 5 focus on wellbeing-related facilities. All of these facilities saw increases in use as a result of the projects. The available evidence suggests that increased use of these facilities is largely additional, rather than displaced from alternative facilities.

Project stakeholders and facility users view the collocation of multiple complementary services within a single facility, such as fitness facilities alongside a community cafe, as a key enabler of project success. Widespread community consultation also helped to make sure facilities were fit for local needs.

Key findings: value for money evaluation

The Towns Fund is on track to deliver benefits beyond its costs based on an analysis of selected outcomes and completed projects

The benefits of the Future High Streets Fund are likely to exceed its costs within 5 years of the funded project's completion. The increased footfall generates an estimated 1.2 million additional monthly visitor hours and is associated with additional spending on the high streets. However, not all of the generated spending can be considered a benefit; only the Gross Value Added (GVA). Data from ONS statistics suggested that about 23% of high street revenues are associated with GVA. Using this information, the break-even analysis found that a £26.5 spend per additional visitor hour results in a GVA that will break even within 5 years of the funded project's completion.

Town Deal projects that focused on improving business outcomes are likely to exceed costs within 5 years. Similar to footfall, the break-even analysis accounts only for the GVA that the additional business is likely to create (based on ONS data). The analysis found that if the fund leads to a 0.9% annual increase in the number of businesses, these projects will break even within 5 years of their completion. The quasi-experimental analysis found that the fund is likely to yield a 0.9% to 2.4% increase. Although the statistical significance varies across the models, they all indicate similar, consistent results. This provides evidence that the break-even assumption is realistic.

Recommendations for policymakers

While it is too early to assess the full impact of the Towns Fund, the process and impact evaluations provide valuable insight which can inform future policymaking:

1. **Invest early in local capacity:** upfront funding helps authorities develop stronger plans and reduce delivery delays, especially in deprived areas.
2. **Align appraisal requirements with place-based interventions:** provide clearer, tailored guidance on valuing place-based outcomes to support comparability and confidence in selection decisions, while maintaining appropriate local flexibility.
3. **Prioritise ongoing engagement:** early and continuous stakeholder involvement enhances design, reduces disruption, and improves delivery.
4. **Maintain inclusive governance:** representative local boards strengthen oversight, transparency, and partnership working.
5. **Monitor outcomes consistently across projects:** collecting data on a core set of outcomes across projects would support the evaluation of future place-based programmes.
6. **Focus on visible town centre improvements to drive pride in place:** improvements were greater in case study areas with visible town centre improvements, in particular when combined with strong community engagement.
7. **Continue high street investment:** regeneration funding is linked to increased footfall and stronger local economic recovery.

MHCLG has already begun to apply several lessons from the Towns Fund evaluation through newer programmes, wider funding reforms and high street renewal activity. Recent policy developments, including the Pride in Place Programme, the Local Regeneration Fund, and new tools to help local areas tackle vacancy and shape high streets, reflect many of these themes.

Recommendations for future research

Given the evaluation timing, this analysis focused on the short-term impacts. However, policymakers will be interested in whether the impacts are persistent or evolve over time. The long-term impacts and persistence of the changes observed should be assessed 3 to 5 years after all projects have been completed (starting in 2029).

Future programmes should design evaluation frameworks before deployment to ensure baseline data collection for harder-to-measure outcomes (such as pride in place). This would strengthen attribution, result in a comprehensive impact assessment, and increase the options for evaluation methods.

1. Introduction

Frontier Economics and BMG Research were commissioned by the Ministry for Housing, Communities and Local Government (MHCLG) to carry out an impact, value for money (VfM), and process evaluation of the Towns Fund programme, which included 2 funds: Town Deals and Future High Streets Fund.

Town Deals was a £2.35 billion fund aimed at driving towns' economic regeneration to deliver long-term economic and productivity growth. In 2019, 101 towns in England were awarded Town Deals through a selection process. The selection process focused on the 50% most income-deprived places, which formed a shortlist that was scored and ranked using a 7-criterion formula. Read more about the selection process in section 3.1 of the Towns Fund Evaluation Feasibility report. This fund was intended to support 609 projects. By 1 May 2025 (the high-level cut-off date for projects' completion to be included in this evaluation), 22.5% of the funded projects were complete. In September 2025, the Town Deals fund was consolidated into the Local Regeneration Fund.

Future High Streets Fund was a fund worth over £830 million aimed at renewing and reshaping town centres and high streets (places) to drive growth and provide future economic sustainability. Places were chosen through a 2-phase competitive process where places were shortlisted based on their submitted Expression of Interest (EoI). Next, 101 shortlisted places were asked to submit business cases, which were scored against 3 criteria. Read more about the selection process in section 3.2 of the Towns Fund Evaluation Feasibility report. In 2020, MHCLG chose 72 high streets for the Future High Streets Fund through a competitive bidding process. The fund was used to support 254 projects. By 1 May 2025 (the high-level cut-off date for projects' completion to be included in the evaluation), 53.5% of the funded projects were complete.

This is the final evaluation report. Annexes to this report include:

- Process Evaluation Annexes
- Programme-level Impact Evaluation Annexes
- Intervention-level Impact Evaluation Annexes
- Value for Money Annex

These Annexes are published separately from this report.

This report follows an evaluation feasibility report published in January 2024, a report on early process evaluation insights published in October 2024, and a report on emerging impact and process findings published in July 2025.

Section 3 of the feasibility report provides more information on the Towns Fund and outlines the Towns Fund processes, including management and delivery.

1.1. Structure of report

The report is organised as follows:

- **Section 2:** Overview of the Towns Fund evaluation provides a summary of the overall methodology for the evaluation
- **Section 3:** Process findings sets out key emerging findings for each theme of the process evaluation
- **Section 4:** Impact evaluation: pride in place sets out the key emerging findings and mechanisms for changes in pride in place
- **Section 5:** Impact evaluation: economic growth and employment sets out the key emerging findings and mechanisms for changes in economic growth and employment
- **Section 6:** Impact evaluation: wellbeing sets out the key emerging findings and mechanisms for changes in resident wellbeing
- **Section 7:** Other impacts briefly summarises evidence on other changes in funded areas
- **Section 8:** Value-for-money sets out findings on how the estimated benefits of the Towns Fund compare to its costs of delivery
- **Section 9:** Policy recommendations summarises the main recommendations for policymakers from the process and impact evaluations

2. Overview of the Towns Fund evaluation

This evaluation provides evidence to support future decision-making and insights that help make future public spending more effective. Government spending of public money should be evaluated to ensure transparency and accountability. Evaluations provide systematic, evidence-based frameworks that can help understand what works and what does not, whether the intervention's impacts were realised, and if the spending was cost-effective.

The evaluation of the Towns Fund consists of 3 parts:

1. **Process evaluation:** a qualitative exploration of how the design, delivery, monitoring and evaluation, and wider processes have worked to date.
2. **Impact evaluation:** a quasi-experimental programme-level evaluation and a theory-based intervention-level evaluation consisting of 20 case studies of funded projects.
3. **Value for money (VfM) evaluation:** an assessment of whether the intervention represented an effective use of public resources.

A Theory of Change (ToC) developed as part of the feasibility report informed the evaluation. The evaluation used this ToC to develop evaluation questions and an overall framework. More details on the ToC, impact evaluation questions, and evaluation methodologies are set out below. Read Annex B of the Process Evaluation Annexes for more information on the process evaluation questions.

2.1. Towns Fund Theory of Change

A ToC captures how an intervention is expected to work by outlining the steps involved in achieving the desired outcomes, the assumptions made, and the wider contextual factors. Developing a ToC involves considering the inputs (such as investments, regulations, and actions that will take place) and the causal chain leading to the expected outputs and outcomes. These causal chains are then tested through a combination of evidence.

The ToC outlined below was developed as part of the feasibility report. Read section 3 of the feasibility report for more information on the ToC development process.

2.1.1. Inputs and activities

The successful implementation of the Towns Fund relies on several key inputs. Financial and non-financial support, in the form of capital and revenue funding from Ministry for Housing, Communities and Local Government (MHCLG), is needed to administer the funds and support recipients in delivering the projects. MHCLG staff (including the MHCLG central team, the Towns Fund programme team, area leads, the Towns Fund Delivery Partner team, and the High Streets Task Force), along with their expertise and the wider non-financial MHCLG support, are needed to administer the fund and support recipients in project delivery. Local authority time and resources are also required to attract private investment, build business cases and monitoring and evaluation plans, manage Towns Fund projects, and leverage other public investment sources.

These inputs support the Towns Fund activities and fall into 5 categories. Activities in each category create direct outputs:

1. **Urban regeneration:** projects aimed at creating mixed-use spaces, restoring cultural facilities, and providing sustainable housing that will improve local spaces and create arts, sports, heritage, and culture facilities.
2. **Skills and enterprise:** enterprises receiving non-financial and skills support, new and renovated office spaces and education facilities, and increased enrolment in training and education programmes.
3. **Transport connectivity:** projects aimed at new transport facilities (such as cycling lanes) lead to new or renovated cycling, pedestrian, and public routes; improved road connections to town centres; electric vehicle charging points; and improved parking.
4. **Digital connectivity:** projects that create a wider, more reliable internet infrastructure lead to improved 5G connections, wifi hotspots, and broadband access for residents and businesses.
5. **Local authority capabilities:** MHCLG, through the Towns Fund Delivery Partner consortium, provided support and training on the management of Town Deals, which provided new skills for local authority staff.

2.1.2. Short-term outcomes

Short-term outcomes are expected to be seen soon after the project's end. The direct changes will be observable due to the local population's interaction with the projects' outputs. Short-term outcomes are also closely related to the outputs of the funded activities:

1. Activities targeted at urban regeneration lead to changes in **access to mixed-use, leisure, and outdoor spaces; vacancy rates; land values; and visitor numbers and footfall in towns and high streets.**
2. Activities targeted at skills and enterprise improvements lead to changes in demand and supply of people trained for **high-skilled work**, changes in **net migration amongst high-skilled workers**, changes in the **use of business development services**, and broader changes in skills growth and innovation within local businesses.
3. Activities and outputs from projects across the themes lead to changes **in pride in and perception of place** from changes in local pride and business dynamism.
4. Improvements in transport connectivity lead to changes **in the use of transport options** by residents and businesses, changes in **journey times** to town centres and places of employment, and changes in **the affordability, sustainability, and accessibility of transport.**
5. Improvements in digital connectivity lead to changes in **access to and quality of digital connectivity** through 5G and broadband for residents and businesses.
6. Improvements in local authority capabilities to develop strategic partnerships and deliver projects lead to alignment of local funding with town priorities, changes in **community engagement**, and changes in **project delivery efficiency.**

2.1.3. Medium-term outcomes

Short-term outcomes create follow-on changes that take longer to emerge. The medium-term outcomes are a result of a combination of several short-term outcomes:

1. Improvements in transport and digital connectivity, urban regeneration, and skills can lead **to employment changes**, with more jobs and a higher share of high-quality jobs.
2. These changes can also enable **changes in private and public investment**, driven in particular by improved perception of place and changes in potential return on investment.
3. All of these short-term outcomes can also drive **further business growth** as a result of the expansion and increased longevity of existing businesses, changes in the diversity of the business community, and new and innovative business creation.
4. The experience of local authorities managing these projects can lead to further **improvements in local management capability**, enabling further local growth.

2.1.4. Long-term impacts

All medium-term outcomes contribute to long-term impacts. Changes in household income (due to higher employment rates and higher-quality jobs), local investments, productivity, and Gross Value Added (GVA), alongside increased business growth, will lead to **local economic growth and a reduction in antisocial behaviour**. Wider improvements in land use and the built environment in the town can also enhance civic participation. More generally, changes in residents' income and wellbeing, a more equitable distribution of benefits to lower-income areas, changes in social mobility, and changes in life satisfaction can lead to equitable improvements in residents' income and wellbeing**.**

2.1.5. External barriers and enablers

Several external barriers and enablers also affect the realisation of these outcomes and impacts, and need to be considered when assessing the impact of the Towns Fund. Enablers include other government and local funding used to undertake similar projects (or co-fund them), as well as wider policies targeting local growth. Barriers include inflation, which can affect project affordability; local delivery partners (for example, supplier or consultancy contingencies); changes in regulatory policy frameworks; and the wider economic environment, such as shifts in consumer needs, as seen during the COVID-19 pandemic.

2.2. Process evaluation methodology

The process evaluation delivered insights from case studies of 18 Town Deal and Future High Streets Fund projects of different types and locations, including cancelled projects. It also drew on programme-level insights from interviews and focus groups with MHCLG programme delivery leads, the High Streets Task Force, and the Town Deal Delivery Partner consortium. Read Section 5 of the feasibility report for more information on the case study selection process.

The process evaluation aimed to understand the factors that helped or hindered the effectiveness of Towns Fund design, delivery, monitoring, and management. This helped generate lessons for future programmes.

The Towns Fund evaluation framework distilled the insights into the following themes:

1. **Design and planning:** focusing on the design and planning of funded projects, including developing investment plans or Expressions of Interest (EoI), business cases, and project plans.
2. **Delivery:** focusing on the implementation of Towns Fund activities and the factors that have helped or hindered implementation.
3. **Monitoring and evaluation:** focusing on how delivery and outcomes were monitored and evaluated.
4. **Structure and management:** focusing on overall governance and programme structure and management, including risk management and financial accountability.

For each theme, the evaluation identified relevant evaluation questions, success indicators, and data sources. Read Annex B of the Process Evaluation Annexes for more information on the evaluation questions underpinning this framework. These questions draw on evidence from:

- **in-depth qualitative interviews** with local authorities, consultants, project delivery partners, and the Towns Fund Delivery Partner consortium lead, following a semi-structured approach
- **focus groups** with MHCLG programme delivery leads, Town Deal Boards, High Streets Task Force members, and project beneficiaries
- **on-site observations** from site visits to the projects selected from the case studies
- **monitoring data** collected by MHCLG on the funded projects

Evidence from the in-depth interviews and focus groups was analysed with a case and theme-based approach (framework analysis). Read more on the process evaluation methodology in Section 7 of the feasibility report and Annex A of the Process Evaluation Annexes.

2.2.1. Process evaluation limitations

The process evaluation findings 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 depth of understanding, illuminate mechanisms, and capture variation in experience rather than quantify prevalence.

2.3. Impact evaluation methodology

The impact evaluation sought to determine whether the Towns Fund achieved the intended impacts and whether it had any unintended impacts. It also assessed the size of the impacts and how and why they occurred.

The impact evaluation comprises 2 parts:

- a programme-level evaluation
- an intervention-level evaluation

These parts explore the scale of any impacts and the reasons they have or have not occurred. This report presents the findings from both elements of the overall evaluation.

2.3.1. Impact evaluation questions

The impact evaluation questions, as outlined in [Section 5.3 of the original evaluation feasibility report](), are:

1. **Sustainable economic growth:** to what extent has the Towns Fund led to long-term sustainable improvements in local economic growth (that is, continues to occur year after year)?
2. **Employment and skills:** to what extent has the Towns Fund led to improvements in local employment opportunities?
3. **Pride in place and perception of place:** to what extent has the Towns Fund led to improvements in pride in place and perception of place?
4. **Local wellbeing and social mobility:** to what extent has the Towns Fund led to improvements in local wellbeing and social mobility?
5. **Physical and digital connectivity:** to what extent has the Towns Fund led to improvements in physical and digital connectivity?
6. **Local authority capabilities:** to what extent has the Towns Fund led to improvements in local strategic management capability?
7. **Differences in outcomes across different types of projects:** to what extent have the outcomes and impacts above differed across different types of projects?
8. **Differences in outcomes across different types of places:** to what extent have the outcomes and impacts above differed across different types of places?

This section presents more details on the methodologies used to explore these questions, as well as the evaluation's limitations.

2.3.2. Programme-level evaluation: high-level methodology

The programme-level evaluation aimed to understand the Towns Fund's overall impact by assessing outcomes in funded areas relative to a comparator. It used a quasi-experimental difference-in-differences (DiD) analysis to assess changes in short- and medium-term outcomes between towns that received Towns Fund funding and those that did not. The DiD analysis first assessed the difference in a certain indicator before and after the funding. Next, it compared changes in the indicators between the 2 time periods for towns or high streets that received funding (with at least 1 completed project) and comparator towns or high streets.

Given the different focuses and selection processes, the quasi-experimental analysis assessed each fund separately. In addition, the diversity of the projects and their intended impacts required separate analysis for each outcome of interest. Each outcome analysis included only the projects categorised as focusing on that outcome. Read Annex C of the second interim report of this evaluation for more information about the project categorisation by outcomes. Lastly, the analysis included only projects completed by a defined date and in scope for this evaluation. Read Annex A.1 of the Programme-level Impact Evaluation Annexes for more information about project completion cut-off dates and further inclusion considerations.

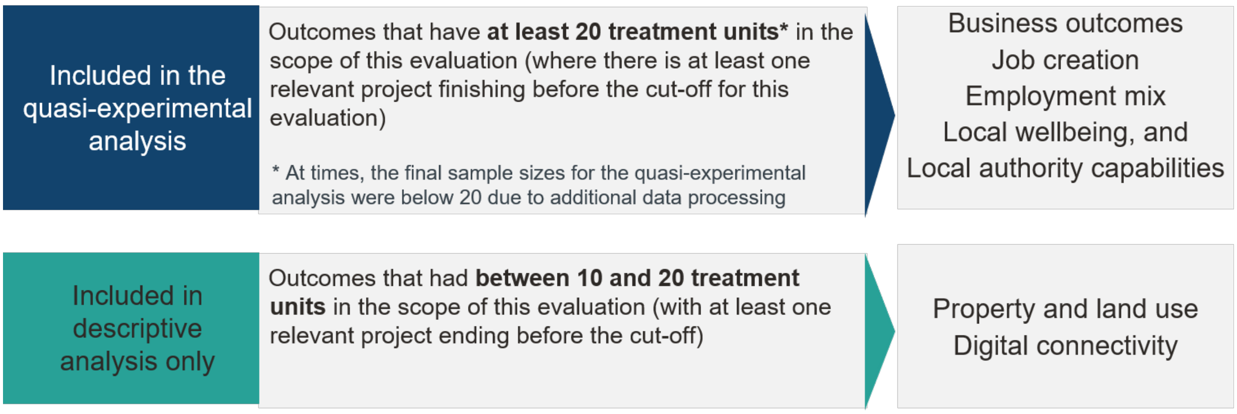
The main quasi-experimental analysis focused on the impact at the town and high street levels. Each specific outcome analysis included a treatment town (for Town Deals) or high streets (for the Future High Streets Fund) assessment if a town carried out at least one project, completed by the specified cut-off date, designed to affect the outcome in question.

Read Annex A of the Programme-level Impact Evaluation Annexes for more information about the programme-level impact evaluation methodology.

OUTCOMES AND SAMPLE SIZES INCLUDED IN THE ANALYSIS

Figure 2.1 presents the outcomes which were included in the quantitative programme-level analysis. Sample sizes across the quasi-experimental programme-level impact analysis were small.

Figure 2.1 Outcomes in the scope of the quantitative, programme-level analysis



Source: Frontier Economics.

Read Annex E.1 of the Programme-level Impact Evaluation Annexes for information about sample sizes and inclusion in the quasi-experimental programme-level impact analysis.

Since the quasi-experimental analyses were based on small sample sizes, their power was reduced. Identifying statistical significance with a small sample size is harder because it requires larger effect sizes to achieve statistical significance. As such, the lack of statistical significance does not indicate a lack of impact, but rather, given the current analysis setup and sample size, that statistically significant changes were not identified. In addition, a small sample size may yield fewer stable results, further weakening the analysis.

Overall, the programme-level evaluation covered about 14.7% of the Town Deal projects and 35.1% of the Future High Streets Fund projects.

SELECTION OF COMPARATOR AREAS

The quasi-experimental analysis compared changes in the indicators between towns or high streets that received funding and selected comparators. The comparator selection approach for the Town Deals and Future High Streets Fund analyses was designed to ensure that the treated and comparator groups were as similar as possible, given the information available. This ensured that observed changes in outcomes between the treated and comparator towns could be attributed to the funded project rather than to other drivers that could affect the 2 groups differently.

For the Town Deals analysis, comparator towns were selected from the shortlisted towns which did not receive the funding. An advanced matching and weighting approach was used to identify a relevant comparator group. The final comparator towns were chosen based on town characteristics, which were part of the fund selection criteria, and wider characteristics which might affect the outcome in question. This resulted in a comparator group that highly resembled the treatment group before the treatment. Post-matching and weighting tests were conducted to ensure similarity of the groups. Read Annex A.2.1 of the Programme-level Impact Evaluation Annexes for more information about the comparator group for the Towns Deal analysis.

For the Future High Streets Fund analysis, comparator high streets were places that submitted an Expression of Interest (EoI) but did not receive funding. Given the relatively small number of these high streets (158 in total), the analysis did not deploy a weighting and matching technique to ensure the largest possible sample size. The EoI group would be the most comparable group, as applications to the fund are likely to be driven by similarities in characteristics between awarded and not awarded places. To ensure the credibility of the comparator group in this case, pre-treatment testing, such as parallel-trend testing, was conducted post-analysis. Read Annex A.3.1 of the Programme-level Impact Evaluation Annexes for more information about the comparator group for the Future High Streets Fund analysis.

ACCOUNTING FOR DISPLACEMENT EFFECTS

Lastly, the quasi-experimental analyses assessed possible evidence of displacement activities for relevant outcomes. The analyses tested whether observed patterns were consistent with possible displacement effects. Displacement analysis was applied only where economically feasible.

The analysis used a concentric-ring approach to assess a possible pattern of displacement. In particular, the analysis tested patterns of co-movement between the area where the projects were located and areas up to 10 kilometres from the impact epicentre. Only for the Future High Streets Fund footfall outcomes, the displacement analysis assessed patterns of displacement with up to 3 neighbouring high streets that had a high co-visitation level with the treated high streets.

Given the methodology used, the displacement analysis is partial and does not provide a full assessment of all possible displacements which might have occurred. In particular, the analysis cannot rule out possible displacement to other towns, online activities, or other untested high streets (for footfall displacement).

Read Annex A.4 of the Programme-level Impact Evaluation Annexes for more information about the displacement analysis.

2.3.3. Intervention-level evaluation: high-level methodology

The intervention-level evaluation complemented the programme-level evaluation. While the qualitative nature of the intervention-level approach limits the extent to which findings can be generalised across all projects, it provides valuable insights into the mechanisms, barriers, and enablers of the funded projects. It illustrates the types of impacts the programme may create.

The evaluation utilised a Realist Evaluation framework to understand and test the hypothesised causal mechanisms for each intervention across 20 case studies. Of these 20 case studies, 14 overlapped with the projects included in the process evaluation. The selected case studies differ between the intervention-level and process evaluations because the process evaluation includes cancelled and delayed projects, which could not be included in the intervention-level case studies. These represent 1.8% of Town Deal projects and about 4.4% of all projects completed on time for this evaluation.

The analysis used a Qualitative Comparative Analysis (QCA) framework to explore the factors and contexts associated with changes in pride in place across the case studies. The QCA applied only to pride in place because the other evaluation outcomes showed insufficient variation across projects.

Unlike quasi-experimental methods, Realist Evaluation does not objectively measure the specific causal impact of an intervention. Instead, it evaluates the strength of evidence for links between an intervention and observed outcomes. Assessing causality is challenging when outcomes are subjective, time-sensitive, and influenced by external factors (such as pride in place).

The evaluation categorises the evidence for each Realist Evaluation hypothesis using a bespoke framework. The evidence strength followed the definitions below:

- **Strong:** multiple sources of validated quantitative and qualitative analyses returned consistent findings
- **Medium:** multiple pieces of quantitative and qualitative analysis reported similar findings, but factors other than the Towns Fund were likely to have also impacted the findings
- **Weak:** quantitative evidence was limited, or findings were inconsistent across sources

Targeted surveys of the immediate surroundings of funded projects, which focused on pride in place or wellbeing in 16 towns, informed the intervention-level analysis. The analysis also drew on secondary and project-monitoring data, as well as interviews with over 200 residents, businesses, and council team members.

Read more about the intervention-level impact evaluation methodology in Annex A of the Intervention-level Impact Evaluation Annexes, and the approach to selecting projects for case studies and defining interventions in Section 5 of the feasibility report.

CASE STUDIES INCLUDED IN THE INTERVENTION-LEVEL ANALYSIS

Table 2.1 presents the 10 case studies of the projects included in the Town Deals intervention-level evaluation. Read Annex C of the Intervention-level Impact Evaluation Annexes for information on the case studies.

Table 2.1 Selected projects – Town Deals case studies

Case study	Region	Project name	Project description	Project funding
Kidsgrove	West Midlands	Kidsgrove Sports Centre	Redeveloped a disused sports centre into a community-run facility, including a swimming pool, a sports hall and a flexible business and community space.	£2.3m
Norwich	East	Advanced Construction and Engineering Centre	Built new education facilities providing new equipment and classes focused on digital, engineering, and manufacturing skills.	£3.1m
Redcar	North East	Clean Energy Education Hub	Built a new training facility providing qualifications and apprenticeships in construction, engineering, and maintenance with a particular focus on clean energy skills.	£2.4m
Hereford	West Midlands	Electric Buses (City Zipper)	Delivered a free electric bus service for residents and visitors to Hereford.	£1.7m
Warrington	North West	Living Well Hub	Developed a health and wellbeing centre in a previously vacant retail space in Warrington town centre.	£3.1m
Kirkby and Sutton (Ashfield)	East Midlands	Enterprising Ashfield	Delivered a tailored business support programme for start-ups, scale-ups, and entrepreneurs, as well as short courses for employees and people based in the Ashfield area.	£3.9m
Mablethorpe	East Midlands	Station Leisure and Learning Centre	Redeveloped and expanded the existing leisure and learning centre, including additional fitness facilities, a swimming pool and wider community spaces.	£7.4m

Case study	Region	Project name	Project description	Project funding
Harlow	South East	Cambridge Road Junction	Delivered a new road junction connecting an employment site to a main road.	£1.5m
St Ives	South West	St Ives Theatre	Refurbished and upgraded an existing theatre to help secure its long-term sustainability.	£1.5m
Scunthorpe	Yorkshire and the Humber	Creating 21st Century Digital Connectivity	Delivered ultrafast fibre to central Scunthorpe and key business areas.	£0.2m

Source: MHCLG Monitoring data.

Note: Project funding includes funding from the Towns Fund and other sources. Amounts are rounded.

Table 2.2 presents the 10 case studies of the projects included in the Future High Streets Fund intervention-level evaluation. Read Annex C of the Intervention-level Impact Evaluation Annexes for information on the case studies.

Table 2.2 Selected projects – Future High Streets Fund case studies

Case study	Region	Project name	Project description	Project funding
Northallerton	Yorkshire and the Humber	Town Square	Delivered public realm improvements around the Town Hall, including event space, seating and greening.	£1.2m
Loftus	North East	Duncan Place	Renovated the site of the Family Hub and Youth Services, relocating the Loftus library and providing a new activity and sports hall.	£1.7m
Yeovil	South West	Borough and High Street	Improved the public realm along the high street, including widened footpaths, new seating, new lighting, and additional trees.	£1.3m
Sutton in Ashfield	East Midlands	High Pavement House	Refurbished a disused office to create office units for small businesses, a purpose-built space for Inspire College, and a Makerspace for residents.	£1.7m
Heanor	East Midlands	Heart of Heanor	Improved the public realm around Heanor's Market Place, including new planting and seating.	£1.2m
Carlisle	North West	Devonshire Street	Introduced outdoor seating and improved planting and lighting on a key entertainment street.	£2.0m
Chatham	South East	Innovation Hub	Developed an office and co-working space in a previously vacant unit in the shopping centre.	£2.5m
Blyth	North East	The Link	Delivered road, pedestrian, cycling and public realm improvements on a main route to the town centre.	£1.7m
Great Yarmouth	East	Market Place	Rebuilt the existing covered market, relocating the local library and improving the wider Market Place.	£13.1m

Case study	Region	Project name	Project description	Project funding
Woolwich	London	Beresford Square	Improved the public realm of a Square in the town centre, including new seating, street lighting and a water feature.	£7.4m

Source: MHCLG Monitoring data.
Note: Project funding includes funding from the Towns Fund and other sources. Amounts are rounded.

2.3.4. Impact evaluation limitations

The mixed-methods approach to the impact evaluation was designed to maximise learning in light of the challenges identified in Section 5 of the feasibility report. This approach follows the guidance in the HMT Magenta Book, though it has several limitations.

INCOMPLETE COVERAGE OF FUNDED PROJECTS IN THE IMPACT EVALUATION

Not all projects had been completed at the time of this evaluation, and only those that had been completed were included in the final analysis. As a result, the programme-level analysis only covered 20.5% of Towns Fund projects.

This means the results primarily reflect the impacts of projects completed earlier and may not represent the full mix of Towns Fund projects. In particular, projects completed earlier may be smaller in scale and lead to smaller impacts. As such, the overall programme impact may be larger once delivery is complete and long-term effects have had time to emerge.

The intervention-level evaluation drew on 20 case studies to provide evidence on specific funded projects and their impacts. This limited sample and the qualitative nature of the approach limit the extent to which findings can be generalised to the programme level.

LOW VISIBILITY OF MEDIUM- AND LONG-TERM IMPACTS

Given the timing of the evaluation, the analysis could not assess longer-term impacts. Section 5 of the feasibility report highlighted this limitation, noting that the short time elapsed between project completion and this evaluation means the evidence is likely to capture only short-term impacts. Therefore, this shorter-term assessment provides evidence for the earlier stages of the fund's ToC and offers only indicative evidence of possible longer-term impacts.

Project delays also meant that more case studies were completed later than originally planned, reducing the time available to observe medium-term effects in the intervention-level evaluation.

A fuller assessment of longer-term impacts (and their magnitude) would require a follow-up evaluation at least 3 to 5 years after the completion of all funded projects.

LIMITED SAMPLE SIZE FOR ANALYSIS

Sample sizes for the outcomes included in the quasi-experimental analysis range from 13 to 43 treated towns and high streets. An initial assessment screened for outcomes based on whether at least 20 treatment units were available within the evaluation parameters. However, subsequent data cleaning and analytical processing reduced several final samples below this threshold. Even the upper end of the range (43) corresponds to a relatively small sample size, limiting analytical power. Repeating the quasi-experimental analysis at a later stage would allow more projects to be completed and would increase sample sizes.

LONG DURATION BETWEEN PRE- AND POST-TREATMENT

A gap of at least 4 years between the start of funding (the pre-treatment period) and project completion limits the ability to select suitable comparator units for the quasi-experimental analysis. The quasi-experimental design assumes that the comparator group presents the same trend in the outcome of interest as the treatment unit would, absent the treatment. If this assumption holds, any differences in the outcome of interest between the treatment and comparison groups would be due to the treatment. This is called the parallel trends assumption, which is a key assumption for using a DiD approach.

However, the credibility of this assumption is materially weakened by the long gap in this case, as it includes various external events which affected local communities and economies. Notably, the COVID-19 pandemic and recovery period took place between 2020 and 2023 (the gap period) and imposed significant, long-lasting shocks on local economies and communities. The effects of these events are unlikely to have been uniform across places. Different towns and high streets were exposed in different ways, depending on factors such as sectoral composition, pre-existing deprivation, reliance on town-centre activity, or local response patterns. As such, any pre-treatment parallel trends are likely to provide weak evidence on how treated and comparator towns would have evolved over the post-treatment period in the absence of investment.

Therefore, the parallel-trends evidence for this evaluation should be interpreted as supportive but not conclusive, as it cannot rule out the possibility that treated and comparator areas experienced different shocks or recovery paths during the intervening period.

REPRESENTATIVENESS OF THE HOUSEHOLD SURVEY

The survey sampling was designed to be as representative of the general population as possible. However, in practice, there were limits to this due to differences in response rates across household types. The household surveys used in the intervention-level evaluation tended to oversample older respondents (aged 55 and above) relative to the Census profile.

Rather than reweighting the sample to account for this, the analysis assessed whether the sample composition influenced the reported changes in pride in place. Read Annex B.1 of the Intervention-level Impact Evaluation Annexes for more information on these results.

CHALLENGES ASSESSING DISPLACEMENT FROM NON-TREATED AREAS

The programme-level evaluation assessed trends which might suggest possible displacement of outcomes from neighbouring areas. However, it was not proportionate to test and collect evidence on all possible displacement options, as those might span numerous areas across England (including online activity in the case of economic activities).

The intervention-level evaluation assessed the potential for displacement through qualitative interviews and, where possible, by collecting visitation data at alternative sites near the funded projects. However, it was not possible to compare outcomes in case study areas with a comparator group of similar towns within the evaluation. As a result, the case studies do not quantitatively control for potential displacement or establish a causal link between the funded projects and the observed outcomes.

Read more about the programme-level evaluation limitation in Annex A.9 in the Programme-Level Impact Evaluation Annexes and in the intervention-level evaluation limitations in Annex A of the Intervention-level Impact Evaluation Annexes.

2.4. Value for money evaluation methodology

The VfM analysis used a break-even approach. However, full VfM was not feasible at the time, since:

- most projects have not yet been completed
- not enough time has passed for longer-term impacts to materialise and be identified in the impact evaluation
- not all impacts are monetisable

Read Section 6 of the feasibility report for more information about the challenges of a full VfM assessment.

A break-even approach identifies the minimum assumptions needed to make sure the monetary value of selected benefits exceeds the costs. Next, the analysis provides evidence to support the likelihood that the minimum assumption will be realised.

This break-even analysis tested 4 indicators based on combined evidence from programme-level quasi-experimental analysis and case study data. In particular:

1. Changes in footfall in areas of Future High Streets Fund projects, based on the quasi-experimental programme-level analysis findings. The break-even analysis included all Future High Streets Fund projects that were completed on time for this evaluation. These accounted for 32.9% of all Future High Streets Fund projects.
2. Changes in the number of businesses in towns with Town Deals focused on business outcomes, based on the programme-level quasi-experimental analysis findings. All Town Deal project categories that focus on business outcomes and have been completed for this evaluation were included. This accounts for 4.6% of all Town Deal projects and 10.4% of Town Deal project categories that focus on business outcomes.
3. Changes in pride in place for relevant Future High Streets Fund projects based on evidence from 4 case studies.

4. Changes in wellbeing for relevant Town Deals and Future High Streets Fund projects based on evidence from 7 case studies.

These changes in outcomes reflect short and medium-term impacts. The analysis focused on outcomes for which the impact evaluation identified evidence of monetisable impacts (to varying degrees of robustness).

About 21% of the Town Deal projects did not focus on business outcomes related to wellbeing, and the analyses did not explore the likelihood that those projects would break even. Rather than focusing on short-term impacts, these projects focused on longer-term impacts, which were harder to assess given the short period between project completion and this evaluation. These longer-term impacts are:

- digital connectivity
- physical connectivity
- property and land use
- job creation
- employment mix

2.4.1. Value for money assessment limitations

Some aspects of the break-even analysis utilised findings from the programme-level evaluation, creating limitations similar to those discussed in Section 2.3.2.

Because of these limitations, the break-even analysis reflects the shorter-term impact of a small subset of projects that completed relatively quickly rather than the full portfolio. As such, the findings reflect the lower bound of the likelihood that the fund will break even.

Lastly, the break-even analyses considered only a subset of shorter-term, measurable impacts. Long-term impacts, which are likely to occur 3 to 5 years after the completion of all funded projects, depending on the indicator, are likely to increase the associated monetary value.

3. Process findings

This section presents the findings of the process evaluation. It includes findings on design and planning, delivery, monitoring and evaluation, and the structure and management of the Towns Fund.

The findings are based on 18 qualitative case studies, as well as interviews and focus groups with programme-wide delivery leads. This limited sample and the qualitative nature of the approach mean the findings may not be representative of the programme as a whole. Read Section A of the Process Evaluation Annex for more information on the methodology.

3.1. Design and planning

This section focuses on findings about the processes of designing and planning the funded projects, including developing investment plans/Expressions of Interest, business cases, and project plans. It also explores the role of capacity funding (for Town Deal recipients) and the process of appointing delivery partners (for both funding streams).

In addition, the section analyses how local authorities engaged with the support available at the design and planning stages, including interactions with Area Leads, the Towns Fund Delivery Partner consortium, and the High Streets Task Force.

Findings are based on 18 qualitative case studies, as well as interviews and focus groups with programme-wide delivery leads.

3.1.1. Overview of the design and planning process

For Town Deals, the design process involved creating a locally-owned Town Investment Plan that outlined priorities for economic growth, regeneration, and community development. This process was led by the Town Deal Boards, which brought together representatives from local authorities, businesses, community organisations, and local political leaders.

Boards were responsible for developing investment plans, ensuring they aligned with local needs and aspirations, and voting on which projects to fund. The plans aimed to drive long-term economic and productivity growth while addressing challenges like outdated infrastructure and limited opportunities. For the Future High Streets Fund, local authorities submitted Expressions of Interest (EoIs) outlining the challenges facing their high streets and proposing a strategic approach to regeneration. The EoIs were part of a 2-stage application process in which local authorities described the significance of their town centres, provided evidence of the challenges they faced, and proposed innovative solutions to address them.

Following the investment plan/Expression of Interest stage, both funding streams required business cases and project plans. These documents set out the rationale, value for money (VfM), and deliverability of proposed projects, providing a consistent basis for assessment. Local authorities and Town Deal Boards used the HM Treasury Green Book 5 Case Model to structure business cases, covering strategic, economic, commercial, financial, and management aspects. This approach ensured alignment with government guidance and best practices. Local authorities then submitted a summary document detailing business cases and project plans to the Ministry for Housing, Communities and Local Government (MHCLG) for approval before funding was released.

The Towns Fund provided capacity funding to support Town Deals recipients in developing their Town Investment Plan and preparing for project delivery. Towns were typically allocated between £140,000 and £173,000. The Towns Fund prospectus (GOV.UK) provides a full breakdown of the capacity funding allocated to places. This funding aimed to build the necessary resources, skills, and expertise to create robust plans and ensure effective implementation. It was intended to enable local authorities to engage with stakeholders, conduct research, and develop business cases.

Local authorities received support from various stakeholders during the design and planning stage. Area Leads, who were MHCLG officials serving as the main departmental contacts for groups of towns, clarified requirements for local authorities and escalated issues to MHCLG as needed. The local authorities received further support from the Towns Fund Delivery Partner consortium, a group of private-sector consultancies and specialist advisers offering expertise in business cases, project design, and delivery.

In addition, the High Streets Task Force, a government-funded partnership of retail, planning, and regeneration experts, provided local authorities with diagnostic insights, placemaking expertise, and capacity-building support. This included tailored advice, data analysis, training, and on-the-ground engagement to help shape local approaches to high street revitalisation, rather than direct technical support for the delivery of Town Deals or Future High Streets Fund projects.

Read Section C of the Process Evaluation Annex for a full list of members of the High Streets Task Force and the Towns Fund Delivery Partner consortium.

3.1.2. Aspects that worked well

Local authorities reported that the collaborative design process helped align projects with local needs and priorities.

Local authorities across the 18 case studies reported that funded projects aligned with socioeconomic needs and council priorities. They explained that this alignment was achieved through a collaborative design process involving:

- Town Deal Board involvement (for Town Deal projects)
- council stakeholder engagement (for Town Deals and Future High Streets Fund projects)
- public and business consultations (for Town Deals and Future High Streets Fund projects)

Local authorities and Town Deal Boards interviewed for this evaluation felt that the boards created local consensus and transparency in decision-making. Bringing stakeholders together helped them understand each other's priorities and, where possible, design projects that addressed multiple priorities simultaneously.

Economic development, strategy, and senior council officers participated in design workshops and informal discussions. Councils' boards and senior officials approved priorities and projects. Local authorities reported that their involvement ensured projects aligned with councils' priorities, such as tackling high unemployment rates and town regeneration agendas.

Online and in-person consultations gathered feedback on project proposals from the public and local businesses. Feedback was also gathered through existing council-led groups, such as regeneration boards. Local authorities said that consultations helped align projects with local priorities and built public and business support. Local authorities reported that consultations also helped communicate project plans early, reducing disruption, especially for businesses.

Towns Fund capacity funding was essential for hiring consultants and bridging expertise and resourcing gaps within local authorities.

Capacity funding enabled local authorities to hire bid consultants and project designers to support the development of investment plans/Expressions of Interest, business cases, and project plans. Consultants helped address both resourcing and expertise gaps that local authorities could not fill internally, particularly in developing economic analyses and cost-benefit assessments.

In addition, local authorities used the capacity funding to hire project design specialists, including principal designers, quantity surveyors, architects, and urban designers. In interviews, local authorities said that these specialists added value to the design and planning process 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

Although capacity funding was only available to Town Deal recipients, some local authorities that received both Town Deals and Future High Streets Fund funding said they used it to support both programmes. Read Section 3.1.1 for more information on capacity funding allocations.

Local authorities interviewed for this evaluation generally felt well supported during the design and planning stage, reporting that guidance and support were sufficient. They particularly highlighted the:

- Area Leads
- Towns Fund Delivery Partner consortium support (for Town Deals)
- High Streets Task Force support

Local authorities interviewed for this evaluation valued having a named Area Lead as a main contact within MHCLG. Area Leads attended Town Deal Board meetings (for Town Deals), answered questions promptly (for example, about Towns Fund guidance documents), and escalated issues to MHCLG when needed. This gave local authorities confidence that someone in government understood local issues and supported their progress.

The Towns Fund Delivery Partner consortium reviewed draft investment plans and provided constructive feedback, which local authorities interviewed felt strengthened their proposals. It also ran workshops on writing business cases and developing project plans, addressing areas where local authorities reported limited experience. Short advisory sessions within these workshops enabled councils to resolve specific issues quickly. The consortium also supported peer learning by helping local authorities share experiences and solve common problems together. Local authorities said this approach increased confidence in their plans.

Local authorities that had engaged with the High Streets Task Force valued its specialist advice and diagnostic reports. This support was particularly helpful for placemaking and stakeholder engagement. In some cases, it led to improvements in project design and engagement plans. However, MHCLG and High Streets Task Force staff interviewed for this evaluation said that some local authorities lacked the time to make full use of this support. As a result, those local authorities did not gain all the potential benefits.

Four interviewed local authorities were requested to resubmit their Future High Streets Fund business cases following constructive feedback discussions with MHCLG officials. These discussions helped them assess project options and understand what was deliverable. However, local authorities said staff shortages and turnover within MHCLG reduced the effectiveness of this support, sometimes requiring repeat discussions, slowing progress, and undermining effectiveness.

3.1.3. Challenges and lessons learned

Local authorities lacked sufficient staff and expertise to prepare investment plans/Expressions of Interest, business cases, and project plans, highlighting the importance of capacity funding and consultants to help fill these gaps.

Local authorities across the 18 case studies reported having limited staff and skills to design and set up regeneration projects. Factors contributing to limited capacity within local authorities include:

- council mergers and structural changes
- small regeneration teams, especially in deprived areas
- managing multiple programmes at once

The creation of new unitary councils and reorganisations disrupted teams and distracted officers from regeneration work. In some cases, governance changes meant staff had to balance transition duties with the preparation of funding bids.

Most local authorities interviewed that served more deprived communities reported that they had never had sufficient funding to build or maintain large, skilled regeneration teams. Years of budget cuts and limited regeneration funding left them without in-house economists, project managers, or technical experts needed for complex business cases aligned with HM Treasury's Green Book guidance.

In interviews, council teams often said they had to design and oversee projects across multiple funding streams simultaneously, including the Town Deals, the Future High Streets Fund, the Levelling Up Fund, the UK Shared Prosperity Fund, and local schemes. This spread their capacity thin and increased pressure.

All local authorities interviewed across the 18 case studies said that Green Book appraisal methods and benefit-cost ratio calculations required advanced economic modelling skills they did not have. Many local authorities interviewed had never written strategic outlines or full business cases to Treasury standards. They were unfamiliar with the 5-case model's structure, language, and evidence requirements. This caused them to rely heavily on external consultants and technical specialists.

The tension between the need for external expertise and limited budgets highlights the importance of early capacity funding in the planning stage. However, only the Town Deals recipients received this funding.

There was an inconsistency in how local authorities and their consultants interpreted and applied economic appraisal guidance for Future High Streets Fund projects. This affected funding decisions and disadvantaged projects with harder-to-monetise impacts.

Local authorities and hired consultants interviewed for this evaluation reported that the economic case requirements were poorly suited to high-street and public-realm projects. In particular, they argued that the benefit-cost ratio and reliance on land value uplift did not reflect place-based benefits (such as higher footfall, longer visits, and improved pride in place). These benefits are difficult to monetise and less tangible than property-led outcomes. This difficulty stemmed partly from the business case guidance for the Future High Streets Fund not providing a tailored method for adapting business cases to public-realm schemes. Instead, it required local authorities to apply high-level Green Book approaches that did not provide specific, detailed guidance on how to appraise proposed Future High Streets Fund interventions.

For example, social and place-based benefits include higher footfall, longer visits, and improved pride in place. These benefits are difficult to monetise and less tangible than property-led outcomes.

Local authorities and consultants felt the land value uplift metric was designed for housing or commercial development. This was because these developments are likely to affect property sale prices and rental values, making it a poor fit for public-realm interventions.

Without a standard method for valuing public-realm benefits under Green Book rules, places interviewed said they used workarounds to make benefit-cost ratios acceptable. These included expanding project boundaries to capture more uplift, using proxy assumptions (eg assuming the project benefits all town residents), or removing project elements that weakened the ratio. Local authorities and consultants considered these approaches inconsistent and claimed they caused confusion.

Stakeholders perceived 2 key risks arising from this inconsistency and lack of guidance: the potential for misallocated funding and the risk that projects with genuine place-based benefits would not be selected.

Several of the 18 local authorities interviewed also felt pressured to drop valuable but harder-to-monetise interventions to strengthen the benefit-cost ratio. Stakeholders noted that this dynamic could favour commercially-led schemes, undervalue outcomes such as pride in place and footfall, and particularly disadvantage places with lower land values.

It is important to note that these challenges reflect the appraisal requirements and programme guidance in place at the time of the Future High Streets Fund. Since then, there has been further development of appraisal guidance, including the publication of updated Green Book guidance in 2026.

3.2. Delivery

This section covers project implementation and associated activities, including construction works and service delivery after construction was completed. It also examines collaboration between local authorities and delivery partners in project delivery and beneficiary engagement, as well as the contextual factors influencing implementation.

Additionally, it discusses the Project Adjustment Request process. This was a formal request that allowed local authorities or Town Deal Boards to modify agreed funding, outputs, and outcomes. This flexibility ensured projects remained viable and delivered VfM, even when circumstances changed. 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.

This section also covers future project delivery after the Towns Fund funding ends.

Findings are based on 18 qualitative case studies, as well as interviews and focus groups with programme-wide delivery leads.

3.2.1. Aspects that worked well

Local authorities and delivery partners proactively engaged with businesses to minimise disruption during delivery.

Regular face-to-face communications between local authorities, delivery partners, and local businesses helped reduce disruption, according to stakeholders interviewed across the 18 case studies.

Local authorities and contractors interviewed for this evaluation said they anticipated issues and engaged stakeholders early to reduce impacts. Discussions covered construction timelines, material deliveries, and business opening hours, allowing affected parties to be informed and to influence mitigation measures. This was particularly important where mobility needs or service disruption were expected, such as public transport obstructions or works during opening hours.

Stakeholders, including highways teams, transport operators, utility companies, and contractors, said they worked together to coordinate and adjust work phasing. They felt this coordination helped minimise local disruption, including road closures.

Ongoing communication with the local community supported smoother delivery and helped maintain public confidence.

Delivery partners, local authorities, and Town Deal Boards (for Town Deals) interviewed for this evaluation reported that they kept local communities informed about construction progress through multiple channels. These included site tours, drop-in sessions, newsletters, and social media updates. They felt that face-to-face engagement was particularly important for those who were less present or less confident online. In addition, local authorities explained that local communities could raise concerns and ask questions.

The information they shared with the local communities included notices about closures, diversions, and construction phases. Regular communication about project benefits and future public spaces helped maintain support, despite disruption, according to local authorities and delivery partners. In cases where communication was more limited, residents often expressed frustration with delays.

These findings suggest a clear lesson for future programme design: involving delivery partners and end users early and maintaining consistent, accessible engagement throughout delivery can help manage disruption, build trust, and sustain community support.

Involving delivery partners throughout construction helped ensure that completed assets were fit for purpose.

For Future High Streets Fund projects, embedding Highways teams early helped avoid design flaws and ensure technical viability. Highways officers said they reviewed designs and identified construction, safety, and access issues before and during works. For example, they advised on pavement load-bearing capacity, drainage-compatible materials, and emergency vehicle access. Their early input allowed the designs to reflect site-specific conditions, such as the presence of unexpected cellars rather than solid ground. These adjustments resulted in infrastructure better suited to the location.

In Town Deal projects, local authorities interviewed for this evaluation explained that they consulted frontline service delivery teams on layouts, access, internal flow, and shared space requirements during the design and construction phases. These projects included libraries, youth services, and family hubs. Delivery teams felt that the consultation helped identify practical issues and improve suitability for service users. They said this early engagement was particularly important for services used by families, young people, and people with additional needs to meet accessibility and usability requirements (for example, the space required for wheelchairs).

Local authorities and delivery partners felt this co-design approach was pivotal for creating flexible, functional spaces that supported service delivery and community use. They explained that, as a result, some services that had previously existed elsewhere saw increased use because spaces were more accessible and had improved facilities.

Where service providers were not engaged early, they felt issues emerged after occupation, when changes were harder to make. For example, in 2 of the 18 case studies, delivery partners reported limited consultation, resulting in facilities that were less fit for purpose. These issues relate to the building layout and the materials used, which are considered not robust enough for the spaces' intended use.

3.2.2. Challenges and lessons learned

Contextual factors such as inflation and supply chain issues negatively affected delivery, causing delays or reduced project scope.

Most local authorities and delivery partners engaged through the 18 case studies reported that high inflation increased delivery costs beyond design stage expectations, with material and labour costs rising significantly. Many said this forced value engineering, such as design or material changes, or reductions in project scope. In several cases, rising costs and inflation made projects unviable, leading to project cancellations and funding reallocation.

Additionally, some of the interviewed local authorities and delivery partners said that 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
- Global events such as the Suez Canal blockage.

According to a few local authorities and delivery partners, delayed material deliveries often pushed project timelines back by several months. Certain local authorities explained that when material delays made projects infeasible, this led to project redesigns and the use of alternative materials.

MHCLG monitoring data reinforces these findings. Inflation was the most frequently cited contextual factor across all monitoring rounds, appearing 299 times between June 2022 and June 2025. Mentions were particularly high in the monitoring returns covering October 2024 to March 2025, where inflation was cited 112 times.

In contrast, supply-chain-related factors were far less prominent in monitoring returns. COVID-19 was mentioned 45 times overall, while global shipping disruptions, such as the Suez Canal and Red Sea crises, were not mentioned at all. This indicates that although supply chain disruptions had significant impacts in specific cases, inflation was the most consistent and widespread challenge to project delivery. Read Section B.3 of the Process Evaluation Annex for more information on the contextual factors.

Project Adjustment Requests required additional resources and incurred additional costs. Lengthy approval processes delayed delivery or forced local authorities to proceed with changes at risk.

According to the local authorities interviewed across the 18 case studies, completing Project Adjustment Requests placed significant resource and financial pressures on councils. They said they commissioned new economic modelling and updated benefit-cost ratios to justify their proposed changes. Many said they paid external consultants to complete this work, often appointing the same consultants who had supported the development of the business case at the design and planning stages. The local authorities often offset these costs from their budgets. They reported that capacity funding had already been used during the design and planning stages. This highlights the importance of staged revenue and capacity funding across the programme lifecycle, including design, delivery, and post-completion management, to ensure local authorities have sufficient resources to respond to change without placing undue pressure on core budgets.

Local authorities felt that processes for Project Adjustment Requests were sometimes lengthy and resource-intensive. They said some requests required several rounds of amendments before approval. In a few cases, they said the process took 9 months, delaying projects by several months. These delays were particularly noticeable early in the Towns Fund, before MHCLG established change management and sign-off procedures for Project Adjustment Requests.

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

Local authorities lacked plans to sustain Town Deal projects beyond the Towns Fund funding period.

Local authorities noted that the lack of allocated Towns Fund funding for operations and maintenance made it challenging to future-proof Town Deal projects. While MHCLG did not require local authorities to plan for future operational and maintenance costs, they encouraged them to do so, as Towns Fund funding covered only capital and initial expenses.

Following this recommendation, some projects planned various methods of generating income after funding ended, for example, through tenancies or private investors. However, many of the 8 Town Deal case study 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 in attracting external investment where financial returns were limited or uncertain.

Different views on future-proofing across Town Deals and the Future High Streets Fund stemmed from differing project types. Town Deal projects often involved new equipment alongside construction works, such as computer equipment in education centres or sports equipment in sports centres. Stakeholders felt that this 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.

On the other hand, future-proofing was generally less challenging for Future High Streets Fund projects. Local authorities interviewed for the case studies considered Future High Streets Fund projects, generally focused on high street redesign and regeneration, to be designed for low long-term maintenance. For instance, one local authority expected renovation materials to remain in good condition for 20 years.

While some Future High Streets Fund projects also involved equipment, these were services that the local authorities were already providing (such as libraries). This meant that the maintenance and update costs were included in existing budgets.

3.3. Monitoring and evaluation

This section focuses on monitoring processes, including the biannual monitoring returns which local authorities submit to MHCLG for Town Deals and the Future High Streets Fund. It also explores views on the requirement to continue monitoring for up to 3 years after project completion. Finally, this section examines the role of Town Deal Boards in monitoring (this applies only to Town Deals).

Findings in this section focus on monitoring rather than evaluation. MHCLG encouraged, but did not require, local authorities to undertake local evaluations. In interviews, local authorities explained they had not commissioned local project evaluations. This was due to limited available funding and a perceived lack of benefit, as projects were meeting delivery and beneficiary engagement targets. However, some local authorities said they conducted resident surveys to gauge sentiment during project delivery.

This section also considers internal monitoring by local authorities and delivery partners beyond MHCLG requirements, as well as the impacts of this activity.

Findings are based on 18 qualitative case studies, as well as interviews and focus groups with programme-wide delivery leads.

3.3.1. Overview of the monitoring process

The process of completing monitoring returns for MHCLG involved data collection by delivery partners, quality assurance by local authorities, and formal sign-off.

Delivery partners routinely collected operational and usage data, including footfall, user counts, financial information, and progress updates. Local authorities consolidated this data, entered it into MHCLG templates, and labelled project progress as 'red', 'amber', or 'green' to indicate delivery status and risk levels. Internal teams, including project managers and finance officers, assured data quality, for example, by verifying financial data with in-house finance teams.

Formal sign-off further strengthened quality assurance. This included review by Section 151 officers or equivalent financial controllers. For Town Deal projects, Town Deal Boards provided an additional layer of oversight by reviewing and approving monitoring returns before submission to MHCLG.

3.3.2. Aspects that worked well

A step-by-step process for completing monitoring returns ensured accurate and timely data.

Stakeholders interviewed for this evaluation explained that local authorities and Town Deal Boards (for Town Deals) conducted quality assurance of the data collected by the delivery partners. They said this approach enabled timely data collection and provided sufficient time for quality checks and oversight. The process supported compliance with the Towns Fund funding agreement by setting clear responsibilities for data collection and assurance.

Local authorities welcomed the 6-monthly reporting frequency of MHCLG monitoring returns. They reported that this timeframe helped ease resourcing constraints and minimise repetition, allowing enough time for meaningful progress between reports.

In contrast to the 6-monthly monitoring reports for Towns Fund, other local-level funds required more frequent and more onerous reporting.

Beyond the 6-monthly MHCLG returns, local authority-led monitoring helped track progress, manage budgets, and address issues promptly.

Local authorities interviewed for this evaluation said they monitored projects frequently through regular site visits and ongoing discussions with delivery partners. They explained that they routinely reviewed financial data from delivery partners, with in-house finance teams conducting quality checks. Local authorities felt this ensured financial control and allowed early identification of variances, enabling timely adjustments to spending.

Local authorities reported that they conducted these monitoring activities separately and more frequently than the MHCLG returns. They said these supported compliance with internal local authority project management and monitoring requirements. The frequency of internal monitoring varied between local authorities, ranging from monthly to quarterly.

According to interviewed local authorities and delivery partners, the systematic collection of output and usage data helped track progress towards the intended benefits. Delivery partners said they collected operational data, such as footfall, service use, and participation counts. They explained that this data fed into local authority monitoring and helped assess whether facilities and services were being used as anticipated.

They felt that regular communication between local authorities and delivery partners, including on-site meetings, helped identify risks and resolve problems early.

Local authorities and delivery partners felt that clear monitoring structures helped maintain delivery momentum despite unforeseen challenges. When unexpected issues arose, internal local authority monitoring procedures (such as monthly meetings or budget reviews) enabled problems to be communicated promptly and mitigations to be put in place. Stakeholders felt this helped projects remain broadly aligned with delivery milestones, despite unforeseen factors, such as delays or cost increases.

3.3.3. Challenges and lessons learned

Initially, stakeholders considered monitoring templates to be lengthy and not user-friendly. However, MHCLG's iterative improvements, informed by local authority feedback (including pre-population), significantly reduced the effort required to complete them.

Local authorities across the 18 case studies said early monitoring templates were time-consuming due to complexity, repetition, frequent changes, and extensive manual data entry. Local authorities felt that the lack of an 'auto-fill' function for repeated information increased the time needed to complete the returns.

However, the stakeholders reported that the changes MHCLG made over time (including automation and a consistent template) significantly improved usability. Template auto-fill 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 interviewed for this evaluation said they used webinars and direct engagement with local authorities to clarify expectations. These sessions explained the monitoring process more clearly than the written guidance. They also supported peer learning, helping local authorities understand the templates more quickly.

3.4. Structure and management of the Towns Fund

This section focuses on MHCLG's overall governance and programme management, including risk management, financial management, and accountability.

The findings also examine programme monitoring processes, including how outputs and outcomes were tracked. In this case, 'outputs' refer to what the programme delivered (for example, activities completed or the number of beneficiaries supported), and 'outcomes' refer to the changes the programme aimed to achieve (for example, improved services, skills, or wellbeing).

This section also examines how MHCLG appraised the design and planning documents submitted by the local authorities.

In addition to internal governance, this section considers external oversight. This includes the Government Major Projects Portfolio and the Public Accounts Committee. The Government Major Projects Portfolio tracks the government's most complex and high-risk programmes. It provides assurance, scrutiny, and support to improve programme delivery. The Public Accounts Committee is a parliamentary committee that examines how public money is spent. Its focus is on VfM and the effective use of resources.

The findings also reflect specific features of the fund, including Town Deal Boards and Area Leads.

Findings are based on interviews and focus groups with MHCLG programme-wide delivery leads, 18 qualitative case studies with projects, and secondary programme management data.

3.4.1. Overview of the Towns Fund management process

MHCLG's programme structure included Grade 7 civil servants who managed day-to-day delivery below Grade 6 and deputy director roles.

Grade 7 staff led core functions such as finance, monitoring, and evaluation, supported by programme management and reporting teams. These teams helped coordinate delivery, manage information, and track progress across the programme.

Grade 6 staff were experienced managers overseeing multiple projects, while the deputy director led strategic programme delivery.

Internal MHCLG governance included monthly Programme Board meetings. These meetings reviewed delivery progress, risks, and financial performance. They were attended by finance, programme management, performance and data teams, regional leads, Grade 6 civil servants, and the deputy director.

Appraisal took place at the design and planning stage and was led by MHCLG analysts. Analysts were civil servants who reviewed investment plans and business cases submitted by towns. They assessed evidence and data, monitored progress, and advised on monitoring, evaluation, and performance reporting. They also worked with local authorities and delivery partners to ensure submissions met government requirements.

In terms of external governance, the Government Major Projects Portfolio reviewed the Towns Fund programme risks, delivery progress, and mitigations. The Public Accounts Committee supported accountability to Parliament by examining whether funding achieved its intended outcomes and delivered VfM.

3.4.2. Aspects that worked well

Strong financial and risk management processes, combined with flexibility to extend the programme and reallocate project funds, supported delivery and prevented underspend.

The programme had robust financial and risk management processes in place.

Grade 7 leads were responsible for core functions, including finance, monitoring, briefing, and communications, alongside 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 issues at the place level. Benefits included teams being less likely to work in isolation, issues being identified earlier, and senior confidence in risk management increasing 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 and strategically altered forecasts, 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 driven by 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.

Risk dashboards brought together risks across all projects, making it easier to identify issues affecting multiple towns, such as widespread inflationary pressures. This supported programme-level responses rather than isolated interventions, reducing the likelihood of serious delays or budget problems emerging later in the delivery process.

Monthly programme board meetings reviewed budgets, spending profiles, and risks, enabling timely action whenever financial pressures or other delivery issues emerged. They provided structured oversight, helping the team understand risks and agree on necessary adjustments.

In addition to MHCLG's processes, the Government Major Projects Portfolio governance and the Public Accounts Committee provided external scrutiny of financial and delivery matters. The Government Major Projects Portfolio reviewed the Towns Fund programme risks, delivery progress, and mitigations. The Public Accounts Committee examined VfM, focusing on whether the funding achieved its intended outcomes and was spent effectively, thereby supporting accountability to Parliament. These external checks reinforced MHCLG oversight through regular reporting and early escalation of issues or risks.

Programme flexibility complemented the financial and risk management processes. This allowed MHCLG to respond proactively to delivery challenges while maintaining financial control.

The Towns Fund's portfolio approach treated all projects as a single funding package. This allowed funds to move from delayed or unviable projects to those ready to proceed, helping maintain overall programme delivery and using available funding effectively. This helped prevent underspend and supported local priorities by responding to changing circumstances, such as inflation or other project-specific delivery issues. Local authorities and Town Deal Boards could move funds from cancelled or reduced-scope projects through the Project Adjustment Request process.

The flexibility to relocate funds was enabled by non-ring-fenced Section 31 grants. These grants allowed funding to be used according to local needs rather than allocating money to specific projects, while meeting capital-spend requirements.

Strong financial and monitoring processes supported successful delivery. By April 2025, £1.85 billion in Town Deals grants had been paid to places (88% of the £2.1 billion total allocation). Monitoring data from June 2025 showed that 117 Town Deal projects had finished, with another 287 due to finish by the end of the 2025/26 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 2026/27 and 2027/28 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 had been completed, with another 75 expected to be completed by the end of the 2025/26 financial year.

As of the monitoring returns covering deliveries 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, because the Towns Fund programme was integrated into the Local Regeneration Fund in September 2025. 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 these changes support government missions and demonstrate VfM. The reforms introduced greater flexibility, extended spend deadlines to March 2028, and reduced reporting requirements. These changes were introduced after the delivery of the Towns Fund, as evaluated in this report, and are therefore presented as contextual information on the current policy framework rather than as features of the Towns Fund programme assessed in this evaluation.

Area Leads functioned as a link between the government and local authorities, providing practical support to places and local insight to MHCLG.

Local authorities, Town Deal Boards (for Town Deals), and MHCLG delivery leads described Area Leads as having a dual role. They responded to queries from places about programme guidance and shared local delivery challenges with MHCLG. This improved MHCLG's understanding of local delivery and enabled timely guidance, clarifications, and targeted support.

Area Leads helped resolve delivery problems at the local level, earlier than would otherwise have been possible. In particular, Area Leads helped mitigate limitations in the standard monitoring data, which did not always highlight emerging delivery risks or reflect local circumstances in a timely way. MHCLG delivery leads and local authorities reported that without Area Leads, they would have identified delivery risks later and felt less supported.

During delivery, Area Leads shared on-the-ground insights on risks and delivery challenges. This complemented self-reported monitoring returns from places with real-time local knowledge. It improved monitoring accuracy and allowed MHCLG to act early on issues such as delays, cost pressures, or stakeholder tensions.

Area Leads also improved communication by translating central guidance into practical steps for places. They fed back local concerns to help MHCLG refine guidance and messaging.

For Town Deals, Town Deal Boards supported inclusive decision-making and governance by encouraging partnership working within local areas.

MHCLG guidance promoted inclusive representation by requiring that Town Deal Boards include a wide range of local stakeholders. Their formal governance role created structured spaces for collaboration on local priorities.

During design and planning, Town Deal Boards agreed and signed off on priorities for Town Investment Plans and voted on which projects to fund. Involving Town Deal Boards in this process helped build agreement on how to spend the funding. It also ensured that decisions reflected a range of local voices, not only those of local authorities.

During delivery, Town Deal Boards closely monitored project delivery progress and risks, challenging delivery teams where appropriate. Town Deal Boards typically met every 6 weeks. This oversight helped projects reach completion by addressing delivery problems early. Common delivery challenges included rising costs from inflation, delays in material supply, and unexpected ground conditions.

Boards with stable memberships and strong engagement were more effective at overseeing projects than those with frequent changes or lower engagement. Stable boards were able to assign project champions (individual members responsible for overseeing the delivery of specific projects), often aligning projects to members' areas of expertise. This model was harder to implement where attendance was inconsistent, engagement was low, or membership changed frequently, as continuity and clear ownership were more difficult to maintain.

Local authorities interviewed for this evaluation felt the Town Deal Board model increased transparency, inclusivity and partnership working beyond Town Deals.

Before the Towns Fund, several local authorities in the 18 case studies reported having partnership groups or consulting stakeholders unilaterally. However, these arrangements often lacked structure or a clear purpose. Some local authorities were less familiar with partnership working.

The Town Deal Board composition, which brought together business, voluntary, community, and public-sector voices, and its governance, which gave the board a formal role in decision-making and delivery oversight, created a space for stakeholders to share priorities and tackle challenges collectively.

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

Given the positive experiences with the Town Deal Board model, several local authorities interviewed for this evaluation said they plan to keep the board for future funding programmes.

3.4.3. Challenges and lessons learned

Partially funding some places and fully funding others through the Future High Streets Fund increased reach but created short-term staffing pressures at MHCLG, higher workloads for local authorities, and design-stage delays.

The decision to fully fund 15 places and partially fund 57 places meant that the Future High Streets Fund benefited more towns than originally intended. However, this decision was made after business cases were submitted, creating extra work for local authorities and MHCLG.

Shortages of analysts at MHCLG increased pressure on delivery teams and delayed the approval of business cases. The original analyst team had already been disbanded by the time 57 revised business cases required urgent reassessment, creating an immediate capacity gap. Delivery teams and remaining analysts completed the work by diverting staff from planned delivery roles.

Reassessment was due to finish in March 2021, but announcements were delayed until May 2021, postponing the start of delivery. Limited capacity within MHCLG meant reviews were less detailed than planned, with analysis focused on benefit-cost ratios.

Local authorities receiving partial funding had to redesign projects after allocations were reduced. Lower-than-expected funding forced local authorities to scale back or remove projects, increasing workload and reducing planning certainty. Many local authorities interviewed for this evaluation said early clarity on funding levels would have prevented unnecessary redesign and repeat approval processes.

Redesign work by local authorities and longer approval times at MHCLG reduced the time available to deliver projects. Design processes that were initially expected to take 12 months took around 18 months, making delivery timescales unrealistic for some places.

Delays in MHCLG business case approvals, combined with inflation and slow delivery of materials, meant some projects needed programme extensions to remain viable.

Outcome monitoring at the programme level was ineffective because projects used customised measures, which prevented comparability across projects and assessment of programme-wide VfM

The MHCLG delivery team interviewed for this evaluation reported using 280 distinct outcome indicators across projects, rather than a fixed, standardised set for all projects. This high level of variation limited the ability to aggregate outcomes across places and assess VfM, which constrained MHCLG’s learning at the programme level.

The lack of standardisation reduced comparability between projects and constrained MHCLG’s ability to assess VfM, as outcomes could not be meaningfully synthesised or benchmarked. It also hindered programme-wide learning and limited the development of clear, consistent public messaging about programme achievements to demonstrate success externally. More broadly, the absence of robust programme-level outcome data made it difficult to demonstrate overall success and to inform future policy decisions.

These issues were driven in part by the absence of an early strategic decision regarding the primary purpose of outcome monitoring. As a result, the monitoring framework was developed reactively and became overly broad in scope, attempting to serve both delivery management and evaluation objectives. In practice, this led to a disproportionate volume of outcome data being collected, including many low-value indicators, and to the creation of large datasets that were difficult to analyse or compare across projects. Evaluation needs, in particular, were not well served by this approach, and the absence of established outcome baselines further limited the ability to measure progress or assess whether the programme achieved its intended impacts.

Because outcomes were highly customised and not comparable across projects, MHCLG analysts could not use them to calculate VfM. Instead, VfM assessments relied primarily on outputs, which are a weaker proxy for impact because they measure delivered activity rather than actual changes for people or places. Outputs are also harder to monetise and require extra assumptions to estimate real benefits.

As a result, benefit-cost ratios were less robust than they would have been with consistent, monetisable outcome data. This reduced the accuracy and comparability of VfM assessments and limited MHCLG's ability to assess overall programme performance and compare effectiveness across places. It also constrained programme-wide learning by weakening the evidence base that informs future funding decisions and policy design.

In addition, the programme-level and VfM assessments in this report had to rely on public and proprietary data at the appropriate granularity and enabled comparability across the treatment and comparison areas.

Future place-based funding programmes should adopt a small core set of standardised outcome indicators aligned to the programme's strategic objectives, with the option for projects to include additional locally specific indicators where appropriate. Outcome baselines should be established from the outset of delivery. This approach would support aggregation, comparability, and VfM assessment at the programme level, while preserving flexibility for local priorities and improving the quality of evidence available for evaluation and future policy design.

4. Impact evaluation: pride in place

This section presents the findings of the impact evaluation analyses with regard to pride in place. It includes an overview of the mechanisms by which Towns Fund projects are expected to affect pride in place, as well as the analytical approach. It then provides a summary of how resident satisfaction with town centres and overall pride in place has changed in case study areas.

Figure 4.1 summarises the main findings of the analyses. The remainder of Section 4 sets out more information on these findings.

Figure 4.1 Impact evaluation: pride in place main findings infographic

Source: Frontier Economics.

4.1. Context and mechanisms

'Pride in place' refers to people's attachment and attitudes towards their local community. Pride in place includes people's satisfaction with their local area and engagement with their local community.

Local pride in place is expected to be negatively affected by a poor appearance of a town centre, limited accessibility, a lack of connection to public spaces, and a lack of local community facilities. Research by the Local Government Association (LGA, 2022) found that the key conditions for people to feel pride in place include good local amenities and sufficient social connections. Other key factors include an optimistic view of the place's future and people's core material needs being met (such as housing and jobs).

This section presents findings from the intervention-level case studies of projects that focused on increasing pride in place. It does not include programme-level analysis.

The case study projects strived to increase pride in place through 2 key mechanisms:

- **improving the appearance and accessibility of the town centre**
- **delivering community facilities well-suited to the needs of local residents**

Visible improvements to key town centre areas aimed to increase town centre visits and improve resident satisfaction with the town centre. Over time, this is expected to support a stronger sense of pride in place amongst residents. There are 8 case study projects (out of 149 Future High Streets Fund projects related to pride in place) focused on these benefits, including upgraded town squares, marketplaces, and pedestrianised high streets.

Providing improved local community facilities and activities aligned with community needs is expected to improve local participation and attitudes in the short term. In the longer term, this may contribute to changes in pride in place within the wider community. There are 5 case studies of projects focused on renovations and development of key community buildings.

All 13 case study projects are a subset of the 423 projects funded by the Towns Fund that are expected to affect pride in place, as determined by the projects' categorisation exercise. Read Section 5 of the feasibility report for more information on the selection criteria for case study projects, and Annex C of the second interim report of this evaluation for more information on the project categorisation exercise.

The Towns Fund Theory of Change (ToC) expects that, in the short term, an early increase in satisfaction with town centres and visitation to town centres and community facilities will be measurable. However, wider changes in pride in place may take longer to emerge and may be influenced by factors unrelated to the projects. Other factors which may affect pride in place include non-Towns Fund regeneration projects, changes to local community services, or changes in broader economic conditions. In towns where a small proportion of the population uses the facilities, changes in perceptions and satisfaction with town facilities and amenities may be limited to those exposed to them.

4.2. Analytical approach

4.2.1. Overall approach

A Realist Evaluation approach was used to test changes in pride in place, the extent to which the Towns Fund projects affected these changes, and how other town features and characteristics influenced them.

The evaluation team, along with local partners, developed a logic model and set out hypotheses linking local town characteristics, the mechanisms by which the projects were intended to deliver change, and the expected outcomes. The team then collected evidence to test these hypotheses and assess the strength of the causal mechanisms.

Annex A.3 of the Intervention-Level Impact Evaluation Annexes provides the framework for assessing the strength of the evidence. Strong evidence consists of multiple sources supporting the same finding, with a mix of quantitative and qualitative evidence. This includes before-and-after resident survey results and consistent insights from stakeholder and resident interviews.

Patterns identified as part of the Realist Evaluation were tested systematically using Qualitative Comparative Analysis (QCA). This method explored the factors and conditions consistently observed across towns that saw pride in place improvements versus those that did not. Read Annex A.3 of the Intervention-Level Impact Evaluation Annexes for more information on this approach.

Table 4.1. presents the 13 case studies of projects aimed at increasing pride in place. In this table, ‘FHSF’ refers to Future High Streets Fund and ‘TD’ refers to Town Deals. Read Annex C and Annex D of the Intervention-Level Impact Evaluation Annexes for more information on the individual case studies.

Table 4.1 Pride in place case study areas

Town	Funding	Project	Project type	Project completion date	Towns Fund funding
Northallerton	FHSF	Town Square	Improvements to the town centre	June 2022	£1.2m
Yeovil	FHSF	Borough and High Street	Improvements to the town centre	December 2023	£1.3m
Heanor	FHSF	Heart of Heanor	Improvements to the town centre	July 2024	£1.2m
Carlisle	FHSF	Devonshire Street	Improvements to the town centre	August 2024	£2.0m
Chatham	FHSF	Innovation Hub	Improvements to the town centre	October 2024	£2.5m
Blyth	FHSF	The Link	Improvements to the town centre	December 2024	£1.7m
Great Yarmouth	FHSF	Market Place	Improvements to the town centre	May 2025	£13.1m
Woolwich	FHSF	Beresford Square	Improvements to the town centre	June 2025	£7.4m
Kidsgrove	TD	Kidsgrove Sports Centre	Community facilities	July 2022	£2.3m
Loftus	FHSF	Duncan Place	Community facilities	August 2023	£1.7m
Ashfield	FHSF	High Pavement House	Community facilities	November 2023	£1.6m
Mablethorpe	TD	Station Leisure and Learning Centre	Community facilities	July 2024	£7.5m
St Ives	TD	St Ives Theatre	Community facilities	April 2025	£1.5m

Source: Frontier Economics.
Note: FHSF – refers to Future High Streets Fund. TD – refers to Town Deals. Amounts are rounded.

4.2.1. Methodologies and sources of evidence

Each case study synthesises several evidence sources, including resident surveys, stakeholder and resident interviews, and project-level administrative data.

Resident surveys are the primary source of information on changes in residents' satisfaction with their local areas and pride in place. These surveys covered areas where the projects were expected to deliver pride in place or wellbeing impacts. Survey questions followed the Community Life Survey guidance on core measures of pride in place. The surveys also contained project- or town-specific questions on awareness, usage, and satisfaction.

Where possible, the data collection included a baseline survey before project completion, and a follow-up survey approximately 1 year after completion. Baseline and follow-up surveys were carried out in 10 of the case study areas. In 9 of these areas, the follow-up survey was conducted between 11 and 13 months after the baseline survey. In one area (Harlow), there was an 18-month period between baseline and follow-up surveys. This was due to the project closing temporarily after its initial opening date, which required the survey timings to be adjusted.

For 3 of the towns included in the pride in place case studies, baseline surveys could not be conducted because the projects had been completed before surveys could be carried out. Consequently, only follow-up surveys were carried out in these towns.

The timing and geographic scope of the surveys aimed to limit the impact of factors beyond the case study projects on changes in pride in place. To limit seasonality effects, the baseline and follow-up surveys were conducted at similar times of year. In cases where baseline surveys were not feasible, the analysis relied on static follow-up questions that asked residents about changes over time in their areas, as well as qualitative interviews.

4.2.1. Limitations of the analysis

Assessing causal links between individual projects and changes in pride in place is complex. The evaluation primarily assessed causality by exploring mechanisms through qualitative interviews and by timing the surveys to minimise the potential for other local factors to affect pride in place. However, attributing any change in pride in place directly to specific projects remains challenging because many other factors may be at play.

4.3. Resident satisfaction with town centres and local amenities

Residents' satisfaction with their town centres has improved in case study areas where projects were expected to affect pride in place. There is strong evidence from the resident surveys and qualitative interviews that the Towns Fund contributed to this change. Larger changes in satisfaction were associated with areas which received funding for visible town centre regeneration works, particularly where residents felt better informed about project design and progress.

The case studies provided strong evidence that pride-in-place-related projects help improve resident satisfaction. However, it is not possible to establish a causal relationship between completed projects and improved resident satisfaction at the programme level. Evidence of improvements in resident satisfaction is limited to a few case studies and may not reflect programme-wide impacts.

4.3.1. Residents’ perceptions of town centres have improved in the case study areas

Overall, there is strong evidence that funded projects are delivering the early conditions for wider improvements in pride in place in case study areas. Survey and qualitative evidence found consistent improvements in residents' perceptions of their town centres. Findings are strongest in projects that focused on pride in place, especially when combined with continuous community engagement and a baseline pride in place below the England average. Non-Towns Fund factors, such as wider regeneration projects or changes in local community services, did not appear to account for most of the observed changes based on the available qualitative evidence.

Table 4.2 summarises the change in the general perception of the town, as measured by the share of residents who report that their town centre is attractive and has improved over the last 2 years. It also summarises a key factor affecting perception: the share of residents who report being satisfied with services and amenities in their town centre. This evidence is available for 7 towns in which pride in place was a primary or secondary outcome, with both baseline and follow-up survey data.

Table 4.2 Changes in the proportion of residents who consider their town centre to be attractive or have improved

Town	The town centre is attractive	The town centre has improved over the past 2 years	Satisfaction with services and amenities in the town centre
Heanor	13%***	16%***	11%**
Blyth	15%***	21%***	14%***
Woolwich	10%**	19%***	-5%
Carlisle	1%	8%***	8%*
Great Yarmouth	8%**	15%***	13%***
St Ives[A]	1%	2%	8%*
Sutton-in-Ashfield[A]	Not applicable	1%	2.6%

Source: Frontier Economics.

*Note: Asterisks indicate significance: * p< 0.10, ** p<0.05, *** p<0.01.*
[A] The selected projects in Sutton-in-Ashfield and St Ives were primarily focused on improving wellbeing for users of the facilities, with pride in place as a secondary outcome.

General perceptions of town centres increased by a statistically significant amount in 5 of the 7 towns for which data were available. The projects in the towns that did not experience significant changes (Sutton-in-Ashfield and St Ives) focused primarily on wellbeing and did not aim to affect short-term perceptions of pride in place.

Improved satisfaction with the town centre correlated with satisfaction with services and amenities. Of the 5 case studies with a significant growth in perception of town improvement, 4 saw a significant increase in the proportion of residents satisfied with local services and amenities. Across these case studies (Heanor, Blyth, Carlisle, and Great Yarmouth), satisfaction increased by 8 to 14 percentage points between baseline and follow-up. While there was a decline in satisfaction with services and amenities in one town centre (Woolwich experienced a 5-percentage-point decrease), this change was not statistically significant.

The qualitative interviews support these findings. Stakeholders and residents often linked improved perceptions in their town centre to recent public realm works, especially where changes were easy to see, and facilities were accessible to the community. They were generally positive about the projects and their effects on the appearance of public spaces and available amenities. Where perceptions were more mixed, residents and stakeholders pointed to prolonged disruptions caused by construction in the town centre, as well as frustration with limited community engagement and consultation.

4.4. Overall pride in place

There is medium-strength evidence of improvements in pride in place. Pride in place increased by a statistically significant amount across the 10 case study areas for which baseline and follow-up data were available. The resident surveys and qualitative interviews showed that the Towns Fund contributed to the observed changes. However, there was significant variation in pride in place changes across individual areas.

Although there is medium-strength evidence of improvements in pride in place, it is not possible to establish a causal relationship between completed projects and improved resident satisfaction at the programme level. This evidence is drawn from a limited number of case studies, which may not be representative of the programme as a whole.

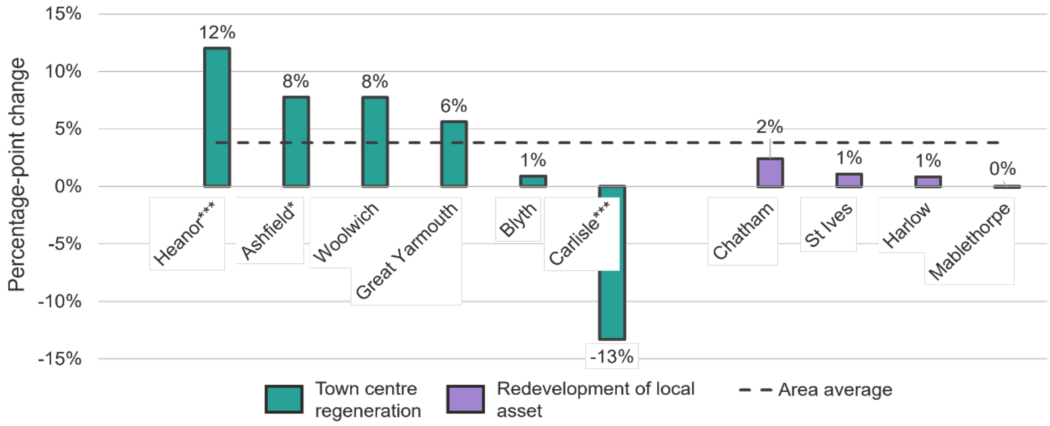
4.4.1. Pride in place has improved in case study areas, although the strength of these changes varies across towns

The share of residents who agreed that they are proud to live in their local area increased by an average of 3.8 percentage points across areas with baseline and follow-up survey data. This change is statistically significant at the 5% level.

Two towns were treated as outliers and excluded from the calculation of the average change in pride in place. Ashfield was excluded because local evidence suggested that the change in pride in place was likely driven by wider investment and activity in the town, rather than the project. Carlisle was excluded because the large negative change reflected differences between the baseline and follow-up survey samples and wider contextual factors, rather than changes attributable to the project. When including these outliers, the average change in pride in place is slightly lower, but remains positive and statistically significant at the 10% level.

Figure 4.3 presents the weighted average, along with the respective changes in pride in place per town. There was no statistically significant change in pride in place over the same period in England, or in the funded towns' wider local authorities (Community Life Survey, 2025).

Figure 4.2 Changes in the share of residents reporting being proud to live in their local area



Source: Frontier Economics.

*Note: Asterisks indicate significance: * p< 0.10, ** p<0.05, *** p<0.01.*
The figure includes all the towns with baseline and follow-up survey data (n=10).

Changes in pride in place were stronger in surveyed areas where the Towns Fund project focused on improving residents' perceptions through substantial town centre or high street regeneration works.

Changes in pride in place were weaker in surveyed areas where individual community assets were redeveloped. This includes leisure centres and theatres. In general, local authorities and project stakeholders indicated that improving pride in place was not the primary objective of these projects. Changes in pride in place resulting from the regeneration of community assets may be more significant for asset users or may take longer to emerge. However, it was not possible to assess this through the town-level surveys.

The extent to which the change in pride in place can be attributed to the selected project remains uncertain. The timing of the baseline and follow-up surveys broadly aligns with project completion. Qualitative evidence from the in-depth interviews, in particular residents' views on the projects, also supports that the Towns Fund projects are key drivers of changes in local pride in place. This provides some confidence that the Towns Fund is responsible, at least in part, for some of the uplift in pride in place. However, the sample is small, and there is no robust comparator set, so it is not possible to confidently attribute the observed differences to the selected projects.

Only 3 of the towns (Woolwich, Great Yarmouth, and Blyth) do not yet show statistically significant increases in pride in place. However, early indicators of improved perception of the town centres, combined with qualitative evidence, suggest that these towns may expect greater shifts in pride in place as other regeneration work outside the case study projects is completed and benefits become more visible.

Read Annex C and Annex D of the Intervention-Level Impact Evaluation Annexes for more information about the cases and their respective case study summaries.

4.4.2. Changes in pride in place appear to depend on the visibility of the project and on the level of community consultation

Pride in place was more likely to improve where the case study projects were highly visible and visited by residents. Strong resident engagement and consultation throughout the design and delivery phases also appeared to be key contributing factors, as evidenced by interviews with residents and stakeholders. However, as these findings are drawn from case-study towns, they may not fully represent causal relationships at the programme level.

To assess the key enablers and barriers to changes in pride in place, the analysis compared findings across the case studies using a QCA approach. Extensive interviews with stakeholders and residents complemented this method.

Both the QCA and the interviews indicated that pride in place improvements are most common where regeneration activity is more visible. This includes the delivery of new marketplaces, redesigned high streets, and visible changes to frequently visited parts of town. In addition, they identified consistent community engagement as an important enabler of the regeneration projects.

Resident and stakeholder interviews highlighted prolonged disruptions caused by ongoing roadworks and construction as barriers to pride in place. However, of the 6 towns that displayed pride in place improvements, 2 appeared to have ongoing disruption in the area at the time of the follow-up survey. These differences suggest that the influence of ongoing disruption is likely to be context-specific and difficult to isolate from wider factors.

Areas that received higher per capita Towns Fund funding were less likely to show significant changes in pride in place. This appears to be due to the average per capita funding under the Future High Streets Fund being lower than that under the Town Deals. The Future High Streets Fund was more focused on delivering highly visible public realm changes than Town Deals, which focused on a broader range of projects.

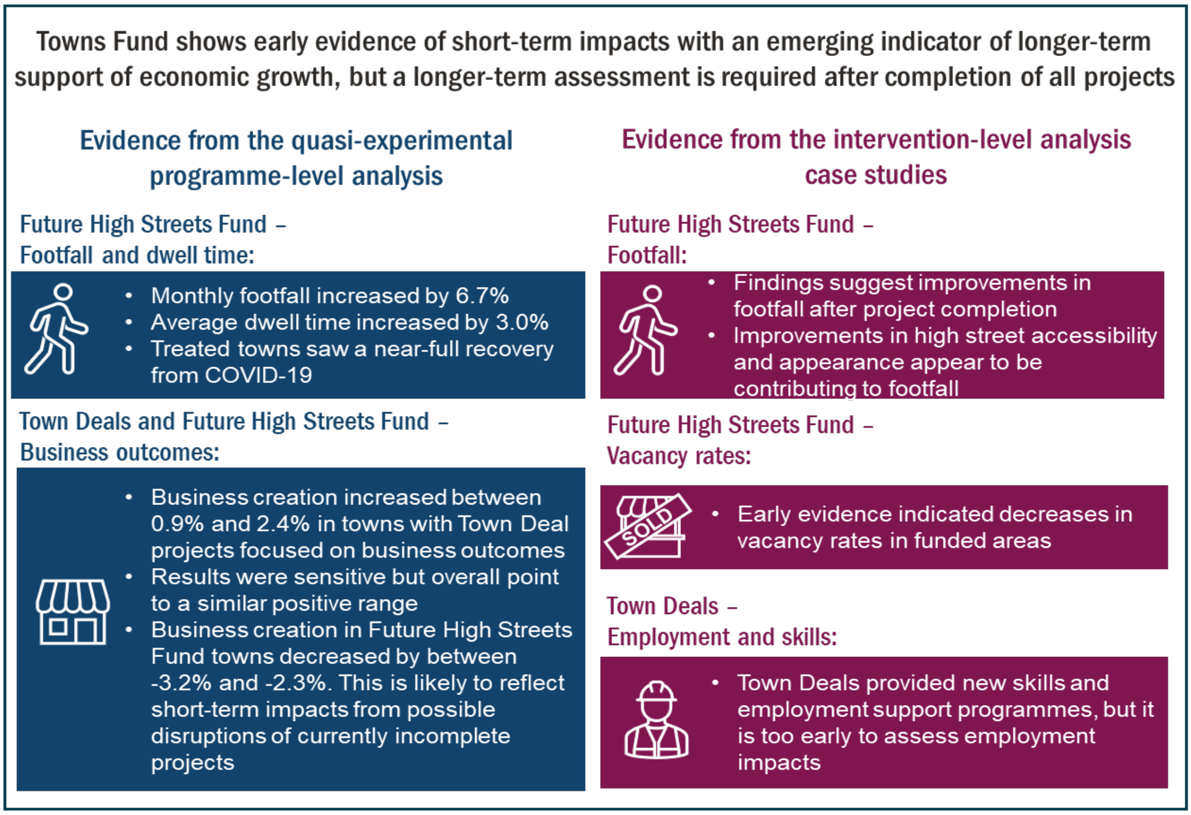
Finally, the QCA found that pride in place improvements were larger in towns that started with lower baseline pride in place than the England average. This may be because towns with lower baselines had more scope for change.

5. Impact evaluation: economic growth and employment

This section presents the findings of the impact evaluation analyses with regard to economic growth and employment. It includes an overview of the mechanisms by which Towns Fund projects are expected to affect economic growth and employment, and the analytical approach. It then provides a summary of how footfall, vacancy rates, employment and skills, and wider business outcomes have changed in areas which received Towns Fund funding relative to comparators.

Figure 5.1 presents the main findings of the impact evaluation analyses with regard to economic growth and employment outcomes. The remainder of Section 5 sets out more information on these findings.

Figure 5.1 Impact evaluation: Economic growth and employment main findings infographic



Source: Frontier Economics.

Economic growth and employment outcomes are expected to materialise in the long term, 3 to 5 years after all projects are completed. This is beyond the scope of the current evaluation timeline.

Short-term indicators are more likely to have materialised between projects' completion and this evaluation (several months to a year after completion). These indicators can help provide evidence of initial effects and possible longer-term impacts. The discussion focuses on leading short-term indicators, for which the evaluation identified evidence of impact. In particular, changes in:

- high street footfall and dwell time
- vacancy rates on high streets
- employment and skills
- business creation and local skills

A quasi-experimental analysis was also conducted on the number of businesses and business birth rate, unemployment benefit claimants, the share of part-time jobs, and sector employment shares. As no statistically significant changes were identified in these indicators at the time of this evaluation, they are reported only in Annex D of the Programme-Level Impact Evaluation Annexes.

5.1. Context and mechanisms

The Future High Streets Fund focused on creating growth and ensuring the economic sustainability of local high streets. In the short term, the fund aimed to improve the appearance and accessibility of high streets, increasing footfall and dwell times. These short-term impacts align with the fund's Theory of Change (ToC). The ToC suggests that the additional footfall would boost economic growth through greater local spending, which is expected to be realised and observable in the medium to longer term, 3 to 5 years after completion of all projects.

Town Deal projects focused on economic growth and employment improvements across entire towns. In the short term, following the fund's ToC, those projects aimed to improve local skills and education and create new high-quality spaces for local businesses in the funded towns. Improved access to needed skills and better business locations are expected to boost overall business activity and encourage economic growth in the medium- and long-term, 3 to 5 years after completion of all projects. Town Deals did not focus on footfall changes in concentrated areas, such as high streets, which are unlikely to change as a result of the fund.

5.2. Analytical approach

5.2.1. Overall approach

The analysis focused on short- and medium-term impacts. The programme-level analysis also examined long-term outcomes but did not identify significant impacts. This does not mean the fund had no long-term impacts, but rather it might be too early to measure them. Those impacts should be tested 3 to 5 years after all projects are completed, depending on the indicator. The report mentions the longer-term impact findings when relevant. Read Annex D.2 of the Programme-Level Impact Evaluation Annexes for more information about the indicators considered and tested.

The analysis assessed the changes in the 4 leading short-term indicators using the most suitable methodologies for the project's aims and available data:

- monthly footfall and dwell time on high streets
- vacancy rates on high streets: explored through 8 case studies of high street regeneration projects and descriptive statistics analysis of relative changes in vacancy rates
- employment and skills
- number of businesses

5.2.2. Methodologies and sources of evidence

MONTHLY FOOTFALL AND DWELL TIME ON HIGH STREETS

Impacts on footfall and dwell-time indicators were assessed for Future High Streets Fund towns through programme-level and intervention-level analyses.

The programme-level analysis utilised a quasi-experimental approach that compared changes between funded and similar unfunded high streets. In particular, it used a difference-in-differences (DiD) approach. It first assessed the difference in footfall and dwell time on high streets before and after the projects in scope were funded and completed. It then compared the changes in the indicators between the 2 time periods for the treatment high streets (where at least one Future High Streets Fund project was completed) and the comparator high streets. Comparator high streets are those suggested by local authorities for receiving the Future High Streets Fund but not chosen to receive it. Testing of the covariate distribution between the treatment and comparator high streets showed overall similarity between the groups. Choosing comparator high streets from the Expressions of Interest (EoI) set further ensures that the unobservable characteristics are similar. The analysis also tested the parallel trends assumption, which is required for a DiD analysis in most cases. Lastly, the analysis assesses changes in footfall at the same period in neighbouring towns to assess if there is evidence for possible footfall displacement.

The programme-level quasi-experimental analysis used proprietary data on footfall and dwell time provided by Place Informatics. Read Annex A.1 of the Programme-Level Impact Evaluation Annexes for a fuller description of the quasi-experimental method, Annex A.3 for the footfall and dwell time specification (including discussion about parallel trend assumption testing), and Annex E for the list of data sources.

Changes in footfall and dwell time were also explored in 8 of the Future High Streets Fund case studies. The case studies drew on data from local authorities or Place Informatics to assess changes in footfall and dwell time over time. Where available, these changes were compared with comparable nearby towns or, when focused on a specific stretch of road, with wider town trends.

Where available, qualitative input from stakeholder interviews supported quantitative findings. The analysis also used qualitative evidence to explore the mechanisms, drivers and enablers of changes in footfall and dwell time. Intervention-level findings provided additional evidence and insights into the impact of the Future High Streets Fund on footfall. Read Annex C and Annex D of the Intervention-Level Impact Evaluation Annexes for more information about these findings.

VACANCY RATES ON HIGH STREETS

The impacts on vacancy rates in Future High Streets Fund high streets were assessed using an intervention-level analysis. In particular, the analysis was based on findings from 5 case studies of high street regeneration projects. The case studies drew on a mix of quantitative and qualitative data. Where available, statistics on town centre vacancies were provided by local authorities and were used to assess changes over time in a before-and-after analysis.

Additional qualitative insights were collected from local stakeholders to further assess the project's contribution to the changes and to explore its drivers and barriers. Read Annex C.1 to C.5 of the Intervention-Level Impact Evaluation Annexes for more details about these findings.

Descriptive analysis assessed the relative change in vacancy rates in towns which received Future High Street Fund projects or Towns Deals projects and relevant comparator groups. The two separate analyses for each fund found that in both cases, towns with funded projects saw an increase of 2% and 5%, respectively, in the commercial vacancy rates relative to the comparator trend between the pre- and post-treatment periods. This presents an opposing view to the case study findings. However, it is important to note that these findings only present a before-and-after comparator without controlling for any other changes in the treated and comparator areas. Read Annex E.3 of the Programme-Level Impact Evaluation Annexes for more details about this analysis.

EMPLOYMENT AND SKILLS

Employment and skills indicators were assessed through the intervention-level analysis. In particular, the analysis explored 2 case studies of skills investments in local colleges and one case study of a business support programme. The case study analysis drew on project-level enrolment and programme completion data, participant surveys, and qualitative interviews with participants and wider stakeholders. Read Annex D.1 and Annex D.2 of the Intervention-Level Impact Evaluation Annexes for more details about these findings.

It was too early to assess changes in overall employment using quasi-experimental programme-level analysis or in employment outcomes for students enrolled in the 2 case-study colleges. Read Annex D.1 and Annex D.2 of the Intervention-Level Impact Evaluation Annexes for more details about these findings.

5.2.3. Number of businesses

The impact on the number of business indicators for Town Deals was assessed through programme-level and intervention-level analyses.

The programme-level analysis utilised a quasi-experimental approach, comparing changes between funded high streets and similar unfunded high streets. In particular, it used a DiD approach. It first assessed the difference in the total number of businesses before the funding and after the projects in scope were completed. Next, it compared changes in the indicator between the 2 time periods in the treatment towns. The analysis utilised matching and weighting techniques to create a suitable comparator town pool with characteristics similar to those of the treatment towns. In this way, when comparing the treated and comparator towns, any statistically significant changes could be attributed to the funded projects. The pool of comparator towns comprised those shortlisted for the Town Deals but not selected. Read Annex E.2 of the Programme-Level Impact Evaluation Annexes for more information about this analysis.

The quasi-experimental analysis also examined changes in indicators for the Future High Streets Fund towns, but none were significant. Read Annex E.2 of the Programme-Level Impact Evaluation Annexes for more details about this analysis.

Leading indicators of changes in overall business outcomes were also assessed through the case studies. These included a mixture of quantitative data on the number of businesses, collected through the UK Business Count or local authority data, and supported by qualitative insights from interviews with a wide range of stakeholders. Read Annex C and Annex E of the Programme-Level Impact Evaluation Annexes for more details about this analysis.

5.2.4. Limitations of the analysis

The subsections below discuss the particular limitations of the impact evaluation indicator. Read more about overarching programme-level and intervention-level limitations in 2.3.4

MONTHLY FOOTFALL AND DWELL TIME ON HIGH STREETS

The analysis assessed only the impact of funded Future High Streets Fund projects completed in time for the evaluation (about 32.9% of Future High Streets Fund projects). As such, the results reflect the impact of a subset of completed projects, which may suggest an underestimation of the true impact on the funded projects. Read Section 2.3.3 for further discussion about the programme-level impact evaluation limitations.

The case studies explored changes in footfall and dwell time in specific funded areas. However, it is not possible to directly attribute observed changes to specific projects, as many other factors may be at play.

VACANCY RATES ON HIGH STREETS

Due to data limitations, it was not possible to test changes in vacancy rates using programme-level analysis. The descriptive analysis of vacancy rates cannot be interpreted as a causal impact attributable to the Towns Fund, as it reflects only a difference in observed trends. Other drivers, such as changes in population or local conditions that may affect treated and comparator areas differently, may drive the observed differences in ways unrelated to the funded projects. The descriptive analysis can therefore only provide indicative evidence of potential change, which should be tested at a later stage using more robust impact evaluation methods.

The case studies explored changes in vacancy rates in a limited number of funded areas. The small sample size and the lack of a robust comparator group mean the findings may not reflect the programme's wider vacancy effects.

EMPLOYMENT AND SKILLS

The intervention-level evaluation drew on 3 case studies of Town Deal projects to provide evidence on changes in employment and skills. This limited sample and the qualitative nature of the approach limit the extent to which findings can be generalised to the programme level.

NUMBER OF BUSINESSES

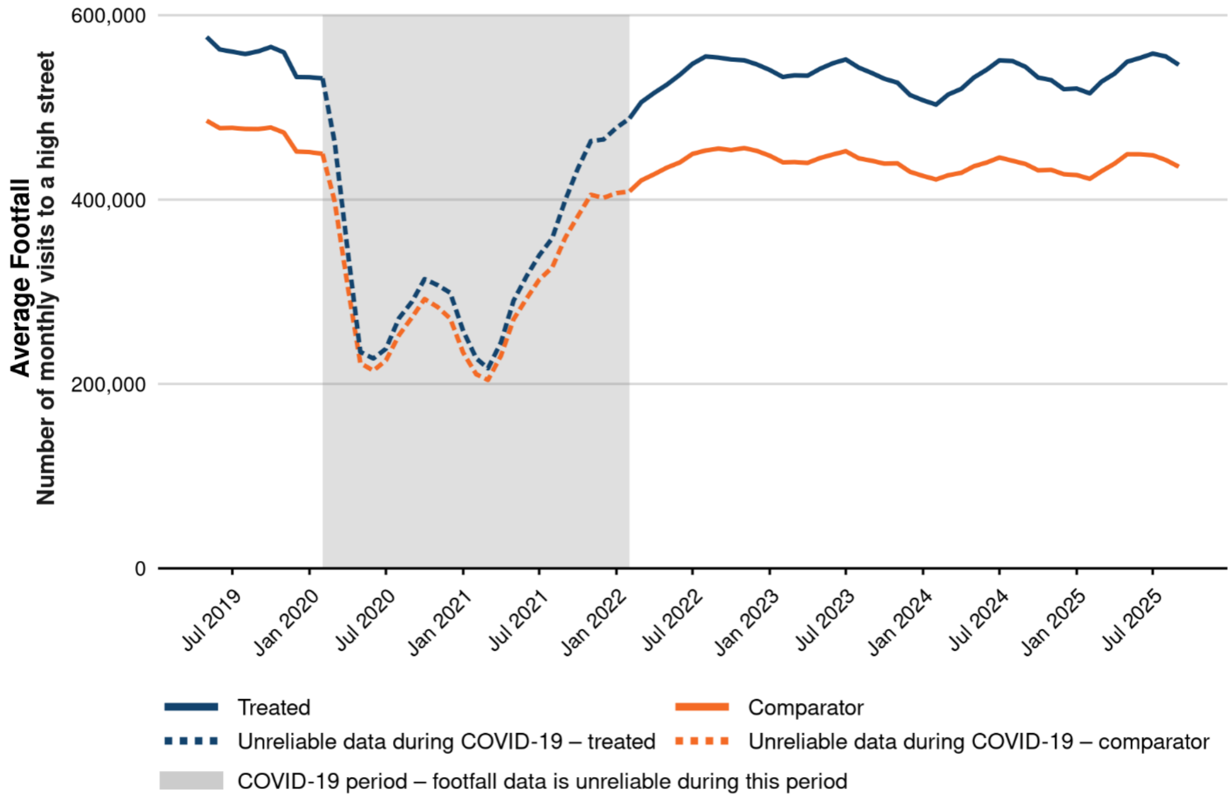
The analysis assessed only the impact of funded projects completed in time for the evaluation (about 32.9% of Future High Streets Fund projects). As such, the results reflect the impact of a subset of completed projects, which may suggest an underestimation of the true impact on the funded projects. Longer-term impact, which required a longer term (5 years or more) for a proper assessment. Read Section 2.3.3 for further discussion about the programme-level impact evaluation limitations.

5.3. Footfall and dwell time

5.3.1. Footfall increased in areas which received the Future High Streets Fund, based on quasi-experimental analysis at the programme-level

Footfall on high streets increased by 6.7% in Future High Streets Fund towns, compared with similar towns which were shortlisted but did not receive funding. Funded high streets recovered more quickly from lockdown than similar non-funded high streets, although they have not yet returned to pre-COVID-19 levels. Figure 5.2 illustrates the pre- and post-treatment trends of average monthly footfall in the treatment and comparator towns.

Figure 5.2 Changes in footfall in treated and comparator high streets



Source: Frontier Economics and Place Informatics.

Note: Footfall data for the greyed-out period (February 2020 to January 2022) is unreliable, as it coincided with the COVID-19 Pandemic, during which lockdowns across the UK materially impacted footfall patterns.

The results are based on a DiD quasi-experimental analysis, which compares changes in footfall between funded high streets and those that applied for the fund but were unsuccessful. This type of analysis assumes that the treatment and comparator units would have had a similar trajectory absent the fund. As such, any difference observed between the 2 groups can be attributed to the funded projects. The analysis tested the parallel trends assumption for footfall and found no statistically significant difference between the treated and comparator groups before the intervention. Read Annex E.2 of the Programme-Level Impact Evaluation Annexes for more information about the parallel trend test.

Evidence from the quasi-experimental analysis indicates that increases in footfall were not due to displacement from neighbouring high streets. The analysis tested changes in footfall in the 2 neighbouring towns for each future high street. The test found no significant relationship between changes in footfall in these towns and the funded towns. However, it is not possible to rule out displacement from other towns or areas. Read Annex E.2.4 of the Programme-Level Impact Evaluation Annexes for more information about the displacement analysis results.

5.3.2. The case studies suggest that further changes in footfall may emerge over time, as more projects are completed

There was ongoing regeneration and construction work across funded areas at the time of the analysis. A systematic comparison of the Future High Streets Fund case studies found that 4 of 5 cases with ongoing disruption at the time of the site visit did not see footfall improvements above those of the comparator streets. Local stakeholders also reported, in qualitative interviews, that they expect changes in footfall to emerge over time as wider works in the area are completed. This suggests that, after all relevant projects on the high streets are complete, footfall may also improve.

5.3.3. Improvements in high street accessibility and appearance appear to be contributing to footfall, based on the case study evidence

Changes in footfall observed in individual case studies cannot be robustly attributed to the fund. This is due to the short time between project completion and the analysis, as well as broader factors that are not possible to control for in individual areas. This includes general post-COVID-19 recovery and the completion of works not funded by the Towns Fund, such as the Elizabeth line in Woolwich. Despite this limitation, the intervention-level case studies provide evidence of the mechanisms driving the increase in footfall that the quasi-experimental analysis highlights.

Residents, community groups and other stakeholders interviewed in the case studies noted improvements in the town centre's appearance and accessibility. Improved seating and planting were reported to encourage more people, particularly families, to spend more time on the high street.

In addition, residents emphasised the importance of the new and improved events supported by the projects. The majority of Future High Streets projects in the case studies created spaces for a range of high-quality events in the town centre. Residents reported that these events were a key factor in encouraging them to visit the high street and town centre.

Changes in footfall and changes in pride in place appear to be related. The Qualitative Comparative Analysis of the case study towns found that all 4 high-street towns that saw higher-than-comparator footfall improvements also experienced increased pride in place. However, at this stage, it is not possible to determine whether changes in footfall affect pride in place, whether changes in pride in place affect footfall, or whether another unobserved factor is driving changes in both. The evidence above suggests that the 2 are related, but causal links cannot be drawn.

5.3.4. Dwell time on high streets may have increased in funded areas, based on quasi-experimental analysis at the programme-level

Dwell time increased by 3.0% in the funded high streets compared to similar high streets. This result of the quasi-experimental analysis of all Future High Streets Fund towns is not statistically significant. Model variations showed similar positive effects, with some also showing statistically significant changes of similar size. Given the sensitivity of the results, it is not possible to say with certainty that dwell time improved.

These results are based on the quasi-experimental approach. In particular, they are based on a DiD approach that compares changes in average dwell time on funded high streets with those on high streets that applied for the fund but were unsuccessful. This type of analysis assumes that the treatment and comparator units would have had a similar trajectory absent the fund. As such, any difference observed between the 2 groups can be attributed to the funded projects. This assumption is called the ‘parallel trends assumption’ and is a key assumption for a DiD quasi-experimental analysis.

This analysis tested the parallel trends assumption for average dwell time and found a statistically significant difference in these trends between the treated and comparator groups prior to the intervention. This might reduce the validity of any findings from this analysis, as it could indicate that the comparator group does not approximate the indicator in the treated group without the treatment. However, in this case, the pre-treatment trends for the treatment and comparator units might have lower predictive power than in other similar analyses. In particular, the pre-treatment period is set in Q3 2019, whereas the post-treatment period is Q3 2025. The long period in between might have included various shocks that would have altered the trends observed prior to treatment. In particular, COVID-19, which included lockdowns, has likely affected high street footfall trends. Differences in COVID-19 recovery might have led to differences in post-treatment footfall and dwell-time trends. Read Annex E.2 of the Programme-Level Impact Evaluation Annexes for more information about the parallel trend test in this evaluation.

The analysis assessed only the impact of funded projects completed in time for the evaluation (about 32.9% of Future High Streets Fund projects). As such, the results reflect the impact of a subset of completed projects and may underestimate the true impact of the funded projects. Read Section 2.3.3 for more information about the programme-level impact evaluation limitations.

Evidence from 4 case studies found an increased dwell time on high streets following project completion. Dwell time increased by 14% in Heanor, by over 20% in Woolwich, and by 45% in Great Yarmouth. In Northallerton, the proportion of visits to the town centre that lasted at least an hour increased from 24% to 29%. The timing of these changes and input from residents and wider stakeholders suggest that they may be linked to the completed projects. However, it is not possible to fully attribute these changes to the projects. It was also too early to assess the persistence of any changes in dwell time in the case study areas.

5.4. Vacancy rates

5.4.1. Early evidence from the case studies indicates decreases in vacancy rates

Evidence from 5 Future High Streets Fund case studies (Carlisle, Heanor, Northallerton, Woolwich, and Yeovil) shows early reductions in vacancy rates in the immediate surroundings of completed projects. This small sample size and the lack of programme-level evidence mean the findings do not reflect the programme's wider vacancy effects.

Vacancy rates in the areas immediately surrounding completed projects have decreased in half of the Future High Streets Fund case study areas. While it is not possible to attribute these decreases specifically to the case study projects, local stakeholders highlighted that the projects helped create the conditions for reductions in vacancy rates. In addition, local stakeholders say the business mix in these areas has improved, with higher-quality retail shops opening on the high streets.

In areas where vacancy rates did not improve, the case study projects primarily redeveloped specific local buildings rather than wider streets and town squares. In general, these projects were not expected to directly affect overall vacancy rates in the short term, based on the logic models developed with local stakeholders.

Local business and council stakeholders reported that the investment was supporting these changes because the:

- funding provided a signal which boosted business confidence and supported wider investment
- overall portfolio of public realm improvements helped shift perceptions about the use of the funded areas, which improved the appeal of the town centre and high streets

The funding has also directly reduced vacancy rates in some areas by regenerating vacant local assets. In Great Yarmouth, the fund converted a vacant department store in the town centre into a public library, a college campus, and a council services office. In Warrington, a vacant large retail unit was converted into a local health and wellbeing centre. In Chatham, vacant space in a local shopping centre was transformed into an innovation hub and co-working space. In Sutton-in-Ashfield, a disused office building was converted into a community workshop, college facilities, and business offices.

However, it is not possible to establish a strong causal link at this stage between project completion and changes in vacancy rates in town centres. Vacancy rates and business mixes are likely to be affected by wider economic conditions, retail market trends, shifts in consumer behaviour, and other local interventions or investments in the area. These overlapping influences make it difficult to isolate the specific contribution of Towns Fund projects to any observed changes.

Read more details about the mentioned case studies in the following annexes:

- **Carlisle:** Annex C.1 of the Intervention-Level Impact Evaluation Annexes
- **Heanor:** Annex C.2 of the Intervention-Level Impact Evaluation Annexes
- **Northallerton:** Annex C.3 of the Intervention-Level Impact Evaluation Annexes
- **Woolwich:** Annex C.4 of the Intervention-Level Impact Evaluation Annexes
- **Yeovil:** Annex C.5 of the Intervention-Level Impact Evaluation Annexes

Descriptive analysis of vacancy data also shows a relative decrease of -1% in vacancy rates compared to the competitor group. This indicates that average property prices in treated towns grew marginally less than in the comparator towns over the pre- and post-treatment periods. However, since the analysis does not control for other drivers, these results should be seen as indicative only. Read Annex E.3 of the Programme-Level Impact Evaluation Annexes for more information about the parallel trend test in this evaluation.

5.5. Employment and skills

The 3 relevant Town Deals case studies are providing additional skills and employment support in their areas. The case study projects have enrolled thousands of students and learners. In qualitative interviews and surveys, these participants reported improvements in their skills and employment prospects. Stakeholders emphasised the importance of engaging with local businesses and employers to develop courses that meet local needs. However, these findings are based on a limited number of case studies and may not be fully representative of the overall Towns Fund programme.

It is not possible to assess longer-term employment impacts at this stage due to the projects' recent completion dates. It is also not possible to fully assess whether students were displaced from other courses due to data limitations. Students displaced from other courses may have improved their skills through these alternatives. Therefore, it is not possible to attribute an overall increase in skills to the funded projects.

5.5.1. Case study evidence suggests that the Towns Fund provided new skills and employment support programmes, but it is too early to assess employment impacts

Support for local skills and employment increased across the 3 relevant Town Deals case studies. A large and growing number of students have been educated through the newly funded facilities and the business support projects. These facilities focused on providing skills training in high-demand fields, particularly digital and net-zero industries. However, it is too early to assess the overall impact of these projects on employment.

Redcar and Cleveland College was able to offer new courses through the Clean Energy Education Hub, including 2 T Levels in Engineering and industry-leading scholarship courses. Total enrolment in courses used by the Clean Energy Hub has more than doubled since the Hub’s completion, from 79 in 2022/23 to 177 in 2025/26. This increase in enrolment appears to be primarily driven by courses that were unavailable at Redcar and Cleveland College prior to the construction of The Hub. Read Annex D.1 of the Intervention-Level Impact Evaluation Annex for more information on the Clean Energy Education Hub.

Enrolment at the Advanced Construction and Engineering Centre and the Digi-Tech Factory in Norwich has steadily increased since the projects' completion. In 2024/25, 1,528 learners and apprentices enrolled in the facilities, up from 865 in 2023/24. This is approximately triple the annual target in the town investment plan. Read Annex D.3 of the Intervention-level Evaluation Annex for more information on the Advanced Construction and Engineering Centre and the Digi-Tech Factory.

As of February 2026, more than 1,100 new learners have enrolled in or completed training courses through the Enterprising Ashfield project. In a response to a programme-team-run survey, 69% of short-course attendees said the training gave them new skills to further their careers. In addition, 64% of attendees reported they would not have obtained the training in the absence of the programme. Read Annex D.3 of the Intervention-level Evaluation Annex for more information on Enterprising Ashfield.

Project delivery partners and local businesses emphasised the importance of engaging local businesses in the programme design. This helped ensure the courses met local needs. For example, in Redcar, several large business partners donated equipment and provided apprenticeships for students. Students reported that the direct involvement of these businesses was important in their decision to enrol.

Displacement from other courses is difficult to assess due to a lack of robust data. The nature of the facilities and limited alternatives, as well as stakeholder and student interviews, suggest that the projects provided new learning opportunities which were previously unavailable to local students. However, it is not possible to fully assess where students would have gone otherwise. While the views of project stakeholders and students provide useful early insights, it is not possible to determine whether the enrolment is additional or a displacement from other programmes due to data limitations.

Overall, the additional skills may lead to longer-term improvements in employment. The Enterprising Ashfield case study provides evidence of potential long-term benefits in employment and business creation. In particular:

- 23% of course participants reported the training helped them secure a job or set up a business
- 87% of business start-up programme participants reported having started (or in the process of starting) a business
- 33% of those who started a business said they would not have done so without the programme support

However, this evidence was drawn from a single case study, so it is not necessarily representative of wider Town Deal projects.

5.6. Number of businesses

5.6.1. Business creation increased in towns which received Town Deals but decreased in those that received the Future High Streets fund, based on the quasi-experimental analysis

The total number of businesses is likely to have increased by 0.9% to 2.4%in towns where Town Deal projects focused on improvements in business outcomes, beyond the changes seen in the comparator group.

The analyses utilised a quasi-experimental approach. In particular, it used a DiD approach that compares changes in the total number of businesses in towns that received Town Deals with a matched, weighted set of towns that were shortlisted for funding but did not receive it. Given the various parameters of this analysis, sensitivity testing was conducted by varying some parameters. The results of the main specification are sensitive to changes in model parameters. However, all the results have similar impact sizes and trends.

The main results are also likely to underestimate the full impact of the Town Deals on the number of businesses. The analysis included only projects that were completed in time for this evaluation. These accounted for 10.4% of all Town Deal project categories that impacted business outcomes. In addition, changes in the number of businesses have medium- to long-term impacts, and they are likely to be fully realised only 3 to 5 years after the completion of all relevant projects, depending on the indicator. As such, the analysis is partial, and the results are likely to underestimate the full impact.

Furthermore, the analysis found a negative impact of -3.2% to -2.3% on the total number of businesses in towns with the Future High Streets Fund that had at least one completed project categorised as focusing on Business outcomes. Across most specifications, this effect was statistically significant. This suggests a robust short-term reduction in the number of businesses relative to the comparator, which may reflect transitional disruption during delivery rather than longer-term effects. In addition, 72% of business outcomes-related projects were not yet complete at the time of the evaluation. The ongoing nature of these projects might have created further disruptions, potentially masking the true impact of the completed projects. As such, the findings should be interpreted as evidence of early post-completion impacts only, rather than as evidence of the projects' long-term impacts.

For both funds, further testing of these outcomes is recommended after all projects have been completed and after additional time has elapsed to assess the robustness and persistence of this finding.

6. Impact evaluation: wellbeing

This section presents the findings of the impact evaluation analyses with regards to wellbeing. It includes an overview of the mechanisms by which Towns Fund projects are expected to affect wellbeing and the analytical approach. It then provides a summary of how resident engagement with sports facilities, libraries, and health centres has changed in case study areas.

Figure 6.1 presents the main findings of the impact evaluation analyses with regards to wellbeing. The remainder of Section 6 sets out more information on these findings.

Figure 6.1 Impact evaluation: wellbeing main findings infographic

Source: Frontier Economics.

6.1. Context and mechanisms

Wellbeing includes factors such as life satisfaction, happiness, and anxiety, as well as wider measures of physical and mental health. Contextual factors such as a lack of local leisure and recreation facilities or health services, which can be amplified by local deprivation and inequality, can negatively affect wellbeing.

The Towns Fund, in particular Town Deals, has funded several community facilities which aim to affect local wellbeing by making sport and community activities more accessible and appealing. These facilities include leisure and sports facilities, libraries, and health centres. As set out in the Towns Fund Theory of Change (read Section 2.1 of this report), short-term changes in local wellbeing may include increased participation in sport, health, and wider community services (such as library groups). In the longer term, this increased participation aims to improve participants' overall wellbeing and health (such as increased happiness and reduced long-term sickness). Increased use of these facilities, as well as wider public realm improvements, also aim to reduce local antisocial behaviour and crime in the longer term.

In the short term, changes in wellbeing are likely to be mainly experienced by residents who participate directly in the expanded community activities. This creates challenges for identifying changes in overall wellbeing in the short term, due to the limited data available on wellbeing for individual residents. As a result, this section focuses primarily on leading indicators of longer-term improvements in wellbeing.

6.2. Analytical approach

6.2.1. Overall approach

Evidence on changes in local wellbeing was drawn from 5 case studies among 303 Towns Fund projects that focus on local wellbeing, as well as the programme-level analysis. The case studies used a Realist Evaluation approach to explore outcomes and test hypothesised mechanisms for individual projects. The programme-level analysis used a quasi-experimental approach to compare funded areas to a comparator.

6.2.2. Methodologies and sources of evidence

The case studies provided evidence of expected short-term changes. They drew on a combination of project-level usage data, qualitative interviews with residents and local stakeholders, and resident-survey data. The case studies include 2 sports and leisure centres, 2 libraries, and 1 health centre.

The programme-level quasi-experimental impact analysis focused on changes in long-term sickness, antisocial behaviour, and crime, which might take longer to emerge. There were no significant changes in these measures relative to comparator towns over the evaluation period.

6.2.3. Limitations of the analysis

The intervention-level evaluation drew on 5 case studies of sports and leisure centres, libraries, and health centres. This limited sample and the qualitative nature of the approach limit the extent to which findings can be generalised to the programme level.

6.3. Use of sports centres, libraries, and health centres

There is strong evidence from the 5 case studies of increased participation in sports and leisure centres, libraries, and health centres. Quantitative evidence from usage data and qualitative input from stakeholders suggest that the projects have been well received and well used by local communities. The evidence also suggests that increased use of these facilities is largely additional, rather than displacing use of other facilities. However, there is no evidence of measurable improvements in overall wellbeing to date, either in the case studies or in the programme-level quasi-experimental analysis.

The available evidence suggests that the funding has not had a material impact on antisocial behaviour or crime in Towns Fund areas to date. While the programme-level quasi-experimental analysis found a decrease in antisocial behaviour and crime in funded areas, other similar towns which did not receive funding experienced similar decreases.

6.3.1. Visits to local sports and leisure centres have increased

Both sports and leisure centres included in the case studies saw significant increases in visitation after their redevelopment.

The Kidsgrove Sports Centre was redeveloped with Town Deals funding and reopened in July 2022, after closing in 2017. The new sports centre averaged approximately 5,000 visits per month between April 2023 and April 2024, with 19% of residents reporting they visited the centre in the 12 months leading to May 2024. Read Annex D.10 of the Intervention-Level Impact Evaluation Annexes for more details.

Memberships and visits to the Station Leisure and Learning Centre in Mablethorpe increased by nearly 300% following its redevelopment. Monthly visits increased from approximately 3,500 to approximately 13,600, while yearly memberships increased from 385 to over 1,500. Nearly half of these visits were to the pool facilities, which did not exist before the centres' redevelopment. Read Annex D.7 of the Intervention-Level Impact Evaluation Annexes for more details.

Evidence suggests that visits to the Kidsgrove Sports Centre and the increase in visitation to the Station Leisure and Learning Centre represent overall increases in physical activity, rather than displacement from nearby sports facilities. In both areas, there are few alternatives to the local facilities. Footfall and usage data from the nearest potential alternatives show no decline in visitation following the opening of the Town Deals-funded centres. In interviews, centre users reported using the facilities for activities not available elsewhere and that their physical activity had increased as a result.

6.3.2. Visits to local libraries have increased

The 2 libraries included in the case studies experienced an increase in visits following their redevelopment. Active borrowers at the Loftus library increased by approximately 17% following its relocation to a newly renovated facility, compared with other libraries in the local authority. The increase in visits to the Great Yarmouth library was much more substantial, rising by approximately 200% following its relocation to the newly renovated facilities in the town centre. The larger increase in Great Yarmouth appears to reflect a more substantial difference in the relocated library's centrality and the substantially increased size of the new facilities. In addition, Great Yarmouth has a larger population.

In both cases, the evidence supports the conclusion that increased visitation to the libraries represents an overall increase in library usage and is not the result of displacement from nearby libraries. There are few alternatives to the funded libraries in the local areas, and users reported not having access to other facilities. Library stakeholders also attributed the increase in visits to the redevelopment and did not identify any other factors that might explain the increase. Read Annexes C.6 and C.10 of the Intervention-Level Impact Evaluation Annexes for more details.

6.3.3. Specific projects are supporting wider health and wellbeing

Evidence suggests that the Living Well Hub in Warrington has increased the accessibility and use of health and wellbeing support services. The centre aims to reduce health disparities between more and less deprived areas. It collocates multiple health and community services in a formerly vacant retail space in the town centre.

The Living Well Hub had 16,510 attendees in its first year of operation, exceeding its target of 15,000. Attendance has continued to rise, averaging more than 3,000 attendees per month from April 2025 to March 2026. Of these visitors, 15% reported that they would not have gone to another health or support centre for help if the Living Well Hub were not available. Visitors were also frequently referred on to other services at the Living Well Hub, with 9% of all visits resulting in a secondary service being used. Delivery teams reported that the Living Well Hub made it easier to refer attendees to other services and that, without the collocated services, users would be less likely to receive the additional support they needed. Read Annex D.8 of the Intervention-Level Impact Evaluation Annexes for more details.

6.3.4. Collocation of multiple services and community consultation are key drivers of project success, according to local stakeholders

Input from project stakeholders and facility users highlighted 3 key mechanisms that have enabled the success:

1. **The collocation of multiple services:** all 5 projects involved locating multiple complementary services in the same accessible location. This includes cafes and community services at the leisure centres, wider council services at the libraries, and multiple complementary health and community services at the Living Well Hub.
2. **Community consultation:** project and local authority stakeholders emphasised the importance of widespread consultation in making the facilities fit for local needs. This also prevented the duplication of locally available facilities, minimising displacement effects.

3. **The accessibility of the facilities:** community consultation helped make the facilities accessible for different groups, such as people with reduced mobility or older users.

6.4. Antisocial behaviour and crime

6.4.1. There are no changes in antisocial behaviour and crime attributable to the programme to date

Evidence of changes in antisocial behaviour and crime in Towns Fund-funded local areas is limited. While the programme-level quasi-experimental analysis found decreases in antisocial behaviour and crime in funded areas, similar towns that did not receive Towns Fund funding also reported declines in these behaviours. There was no evidence of an additional decrease attributable to Towns Fund funding. Read Annex E.6 of the Programme-Level Impact Evaluation Annexes for more information about this analysis.

Evidence from the individual case studies is mixed. In some towns, residents and stakeholders reported that regeneration projects were helping to reduce antisocial behaviour by opening up areas previously obscured from public view, and improving the appearance of public spaces. However, in other towns, residents reported that the improved seating installed as part of regeneration projects was encouraging antisocial behaviour, including increased public alcohol consumption.

6.5. Overall wellbeing and health

As set out in the feasibility report, it is too early to robustly measure changes in overall health and wellbeing in funded towns. The programme-level quasi-experimental analysis excluded assessment of long-term sickness. Read Annex A.1 of the Programme-Level Impact Evaluation Annexes for more information about indicators included in the programme-level evaluation.

Similarly, resident surveys conducted in the 5 relevant case study areas did not show statistically significant changes in life satisfaction, happiness, or anxiety. However, the evidence of increased use of sports centres and libraries may translate into observable changes in overall wellbeing across wider local areas in the future. Read Annex C and Annex D of the Intervention-Level Impact Evaluation Annexes for more information about these findings.

7. Other impacts

The Future High Streets Fund and Town Deals aim to improve physical and digital connectivity. The Town Deals also expect to impact local authority capabilities by providing funds for support and management training.

Programme-level analyses of digital and physical connectivity were excluded due to insufficient sample sizes. Only 4 Future High Streets Fund projects and 1 Town Deal project were categorised as impacting only these outcomes. The programme-level evaluation analysis does not cover these projects. These impacts were assessed through 2 case studies. Indicative findings from these case studies are discussed below.

The programme-level analysis assessed changes in one indicator for local capabilities resulting from Town Deals funding but found no evidence of impact. This might be due to data limitations in observing these changes.

The findings in this section were drawn from a small number of case studies and programme-level analysis of a limited number of indicators. These findings may not be representative of programme-wide impacts. It is not possible to establish a causal relationship between completed projects and improvements in physical or digital connectivity, or in local authority capability, at the programme level, based on the available evidence.

7.1. Physical and digital connectivity

7.1.1. The case studies show limited evidence of changes in physical and digital connectivity

Both physical and digital connectivity case study projects have delivered on their outputs and are driving improvements in their local areas. However, evidence of overall improvements in wider physical and digital connectivity is limited. The case studies include the:

- City Zipper electric bus project in Hereford, which is mainly expected to improve physical connectivity
- ultrafast broadband rollout in Scunthorpe, which is mainly expected to improve digital connectivity

The City Zipper exceeded the expected usage target set out in the Hereford Town Investment Plan, and is delivering approximately 15,000 passenger journeys per month. Qualitative evidence from stakeholder and resident interviews suggests this is displacing existing car journeys rather than other public transport journeys, and leading to additional trips into the city centre. However, there is no evidence that this project led to wider improvements in physical connectivity or reductions in traffic congestion in Hereford.

In Scunthorpe, Town Deals funding supported the rollout of ultrafast broadband in the town centre and key business locations. The project shows clear improvements in ultrafast broadband availability in targeted areas, where new full-fibre networks were delivered. The evidence on longer-term business impacts from this rollout is less certain. Stakeholders report some uptake and benefits for digital reliability and digital working, but wider effects on productivity and growth are not yet evidenced. Given the relatively small amount of funding allocated to this project, attribution is difficult.

While these projects delivered their outputs and improved local connectivity, the sample is too small to draw broader conclusions about the Towns Fund's overall impact. Read Annex D.4 and Annex D.5 of the Intervention-Level Impact Evaluation Annexes for more information on these individual case study projects.

7.2. Local authority capabilities

7.2.1. There is no evidence of significant changes in local authority capabilities

In qualitative interviews, local authorities reported that the Towns Fund helped them develop new skills. This view was fairly consistent across the 20 case studies included in this report.

Smaller local authorities, especially those with less experience applying for similar funding, were most likely to report having developed skills to support future government funding applications. In general, local authorities reported that the programme had improved their ability to deliver similar projects and programmes in the future. However, it is not possible to confirm this with quantitative measures.

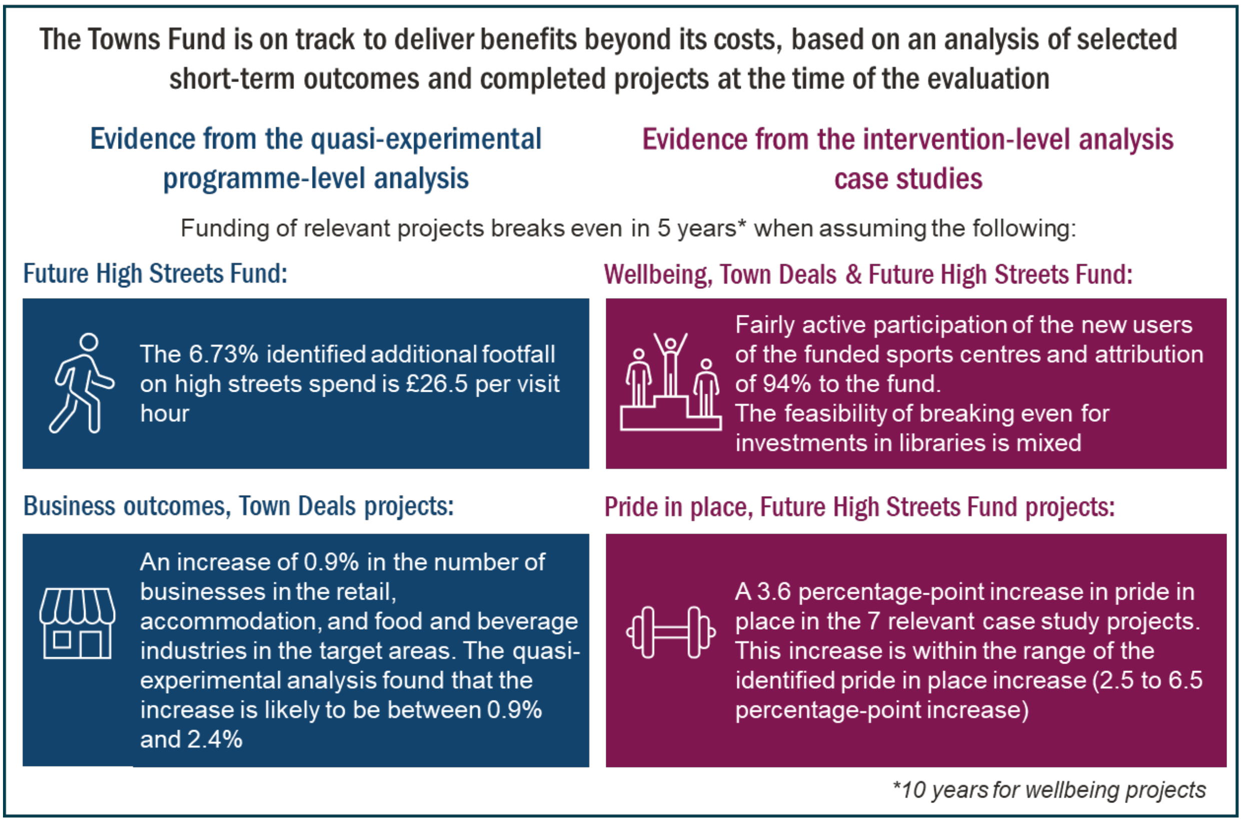
The programme-level analysis did not identify any significant changes in the tested indicator of local authority capabilities. Read Annex A.1 of the Programme-Level Impact Evaluation Annexes for more information about indicators included in the programme-level evaluation.

8. Value for money

This section presents the findings of the Value for Money (VfM) analysis. It includes a summary of the analytical approach and the results across the short-term outcomes which were quantified for the analysis.

Figure 8.1 presents the main findings of the VfM analysis. The remainder of Section 8 sets out more information on these findings.

Figure 8.1 Value for Money findings infographic



Source: Frontier Economics.

The break-even analysis for the Future High Streets Fund indicated that the fund is likely to break even within 5 years. This is assuming:

- a spend of £26.5 per additional visit hour, based on an analysis of all completed Future High Streets Fund projects (32.9% of funded Future High Streets Fund projects)
- an increase of 3.6% in pride in place impacts across the case studies based on an analysis of 7 case studies (applies to Future High Streets Fund projects with a primary aim of pride in place improvement, 4.7% of projects)

Both assumptions are considered realistic.

The break-even analysis of the Town Deals provides a more complex view:

1. Town Deal projects focused on business outcomes break even if they lead to an annual increase of 0.9% in the total number of businesses over 5 years. These projects make up 44.0% of Town Deal projects. Of these, 26 (10.4%) were completed on time and included in the analysis.
2. Town Deal projects focused on local wellbeing, which funded sports centres, break even within 10 years (if users are fairly active), assuming a 94% attribution rate to the fund. However, local-wellbeing-focused projects that fund libraries may not break even based solely on monetisable benefits to additional library users. The analysis was based on 4 case studies. Of all Town Deal projects, 39.2% focused on local wellbeing, although this includes other project types.
3. About 22.2% of Town Deal projects were not focused on business outcomes or local wellbeing, so the break-even analyses excluded them. Instead, those projects focused on longer-term impacts, which are harder to assess after the short period between project completion and this evaluation.

A full VfM assessment was not feasible at this stage. Current findings were either not quantifiable, monetisable, or attributable to the Towns Fund. Revisiting the analysis 3 to 5 years after most projects' completion might provide stronger evidence for a more comprehensive VfM assessment.

In addition, the break-even analysis focused on the shorter-term primary impacts. However, all funded projects, including those in the scope of this analysis, are likely to generate further impacts. If the analysis included the additional impacts, the break-even assumption would likely have been lower.

8.1. Analytical approach and results

The VfM analysis uses a break-even approach to assess the monetary benefit required to exceed costs. In particular, it explores assumptions about unknown parameters, such as the monetary value of the change, to make sure the benefits' monetary value exceeds the costs. The analysis then assesses the evidence supporting the likelihood that those assumptions occurred. This approach provides a view of the likelihood that the intervention generated a greater monetary value than its costs.

Figure 8.2 shows the components of the break-even analysis.

Figure 8.2 VfM analysis components

Source: Frontier Economics.

This break-even analysis tested 4 indicators based on combined evidence from programme-level quasi-experimental impact analysis and case study data. In particular, changes in:

- footfall on areas of Future High Streets Fund projects
- the number of businesses in towns with Town Deals focused on business outcomes
- pride in place for relevant Future High Streets Fund projects case studies
- wellbeing for relevant Town Deals and Future High Streets Fund projects case studies

8.1.1. Footfall expenditure on the high street

The programme-level analysis found evidence that Future High Streets Fund-funded projects increased footfall. The quasi-experimental analysis included all Future High Streets Fund projects completed by the time of the evaluation, representing 32.9% of the total.

The analysis identified the minimum required spend per visit hour on the high street over 5 years, so that the Gross Value Added (GVA) from the additional spending will break even with the costs. The analytical steps included:

1. **Identifying the additional number of visit hours:** utilised the baseline number of visit hours in the towns included in the quasi-experimental assessment. The analysis applied the impact identified in the impact evaluation to isolate the additional number of new hourly visits per year across the relevant towns. Since the results are statistically significant, they suggest that the changes are associated with Future High Streets Fund-funded projects.
2. **Assigning monetary value:** the analysis only accounted for the GVA associated with the additional spending as an economic benefit from the funded projects. Based on reported total revenues and GVA for high street retailers in the 2025 Annual Business Survey, only 23% of high street expenditure is attributable to GVA.
3. **Computing the costs:** the analysis included the full costs of the Future High Streets Fund projects, which were within the scope of the quasi-experimental analysis.
4. **Assessing the minimum spend needed:** the analysis identified the minimum spend on the high streets by the additional attributable visits, which will generate GVA that will break even with the cost in 5 years, assuming stable economic conditions.

Read Annex A.2 of the Value for Money Annex for further details and data sources used in this analysis.

The analysis found that an average spend of £26.5 per visit hour will translate into a GVA that breaks even with the total costs of the relevant projects after the observed benefit persists for 5 years.

The following assumptions are considered realistic:

1. UK consumer behaviour research by CACI (2024) suggested that about half of high street visits are for 'small shop' or a 'big day out' type of visits, which supports the assumption that a £26.5 spend per visit hour 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 is £27.26 (in 2025 prices). This provides further confirmation that the break-even analysis is reasonable.

2. The impacts are likely to persist for 5 years, given that the investments focused on facilities and structural improvements, which are not likely to fade in the near future. However, to break even within 5 years, the analysis also assumes that spending per visit hour on the high street is constant over that period and that the differential between treated and comparison areas remains constant over the 5 years. To ensure all assumptions hold, it is recommended to test the impact 3 to 5 years after the completion of all projects, depending on the indicator, which will provide strong evidence of the impacts' persistence.

8.1.2. Additional companies' revenues in the Town Deals area

The programme-level analysis found evidence of varying strength that Town Deals increased the number of businesses in towns where projects focused on improving business outcomes. Those project types account for 44.0% of all Town Deals. Only 26 projects completed by the time of the evaluation were included, accounting for 10.4% of projects in this category.

The analysis assessed the minimum change in the number of businesses needed for the associated GVA to break even. The analytical steps included:

1. **Identifying the additional number of new businesses:** utilised the baseline number of new businesses in retail, accommodation and food and beverage sectors in the towns which were in scope of the quasi-experimental analysis. The analysis focused on those sectors because funding was directed more towards local regeneration, which is more likely to have impacted those types of businesses.
2. **Assigning monetary value:** the analysis identified the GVA associated with additional business in those sectors on a high street. The Inter-Departmental Business Register (IDBR) was used to estimate the number of businesses and the average revenue per business in the retail, accommodation, and food and beverage sectors in the treated towns. Based on ONS statistics, the analysis assumed that 23% of retail spending and 52% of accommodation and food and beverage spending are associated with GVA.
3. **Computing the costs:** the analysis included the full costs of the Town Deal projects, which were within the scope of the quasi-experimental analysis.
4. **Assessing the minimum needed increase in the number of businesses:** the analysis identified the minimum needed increase in the number of businesses in those sectors to break even with the cost in 5 years.

Read Annex A.2 of the Value for Money Annex for further details and data sources used in this analysis.

The analysis found that the fund needs to deliver a 0.9% annual increase in new businesses for the associated GVA to break even on costs over 5 years.

The required minimum increase in the number of businesses is realistic. The programme-level results indicate that the fund is likely to increase businesses by 0.9% to 2.4%. As such, the minimum required assumption appears realistic. However, because the statistical significance of the results depends on the specification, it is not possible to determine which impact level is closest to the actual level.

The assumption that the impact persists for 5 years is realistic. The Town Deals supported projects with long-term, persistent impacts in mind. As such, a 5-year persistent impact is likely. Changes in the number of businesses are considered to have a medium- to long-term impact. Therefore, the real change might be higher when tested 3 to 5 years after the completion of all projects.

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.

8.1.3. Wellbeing benefits resulting from Town Deals and Future High Streets Fund projects

The intervention-level analysis identified emerging evidence of increases in pride in place. The following analysis includes 2 projects that were part of the intervention-level case study analysis (Kidsgrove and Mablethorpe) and that funded the rebuilds of sports centres. In addition, 2 other projects (Great Yarmouth and Loftus), which were part of the intervention level case studies, funded improvements to local libraries.

WELLBEING IMPROVEMENTS FROM FUNDED SPORTS CENTRES

The break-even analysis considered the required levels of improved physical activity attributable to the funding. The analytical steps included:

1. **Identifying the number of new users of the funded sports centres:** the monitoring data from the 2 case studies identified 2,700 new users who visit the funded sports centres at least twice a week. The analysis assumed that the funding leads to a step change in users, which remains constant for the next 10 years.
2. **Assigning monetary value:** according to Sport England, the monetary value from participation in sports depends on users' activity levels. More active users experience higher benefits. In particular:
    a. **fairly active users:** spend at least 30 minutes a week in the sports centre and are associated with a £1,436 benefit
    b. **active users:** spend at least 150 minutes a week in the sports centre and are associated with a £2,927 benefit
3. **Attribution of new users to the funded projects:** the analysis needs to account for how much of the observed increase in users can be attributed to the funds. When assuming higher participation and higher benefits, a lower fund attribution assumption is needed.
4. **Computing the costs:** the analysis included the full costs of the 2 Town Deals case studies, which funded improvements in sports centres.

Read Annex A.2 of the Value for Money Annex for further details and data sources used in this analysis.

To break even within 10 years, one of the following assumptions is needed if all new users are:

- fairly active, the attribution needs to be 94%
- active, the attribution needs to be 46%

Evidence from the case studies identified high levels of additionality and attribution of the additional participation to the funded projects. There is no further evidence to point to the true level of user activity. However, given evidence of high attribution levels, the required break-even assumptions for the activity level are considered reasonable.

Moreover, the actual monetary value of the benefit of participation in sports centres is likely higher than that in the analysis. The analysis used the average value for sports and physical activity for all new users of the facilities. However, certain groups, such as older people, derive greater benefit from physical activity. These groups are disproportionately represented in the case studies, particularly in the Mablethorpe leisure centre. If the monetary value of the benefit is higher, the required attribution rates to break even are likely to be lower than those mentioned previously.

WELLBEING IMPROVEMENTS FROM LIBRARIES

The break-even analysis found mixed evidence regarding whether the monetisable benefits of the 2 projects in scope will exceed the total associated costs within 10 years.

Both the increase in library visits and the total costs vary across the projects. There is also a wide range of potential monetisable benefits from libraries. This includes savings for users from relatively modest reductions in book purchase costs, as well as the most significant benefits from reductions in loneliness. In the case studies, it was not possible to directly assess the projects' impact on loneliness and community participation. Collectively, this introduces significant uncertainty about whether the library improvements will generate benefits that exceed their costs.

Read Annex A.2 of the Value for Money Annex for further details and data sources used in this analysis.

8.1.4. Improvements in pride in place in Future High Streets Fund projects

The intervention-level analysis identified emerging evidence of increases in pride in place. The analysis includes 7 Future High Streets Fund projects focused on high street regeneration. Town Deals case studies are excluded from the analysis because these projects were not primarily intended to improve pride in place.

The break-even analysis considered the average increase in pride in place required to break even with costs. The analytical steps included:

1. **Identifying the number of adults in the relevant area:** based on ONS data, the analysis identified 216,357 adults in the built-up areas of the 7 case studies
2. **Assigning monetary value:** the analysis used the HACT Social Value Calculator monetary value of £4,620 for improvements in pride in place, in line with the approach taken by the UK Shared Prosperity Fund evaluation
3. **Decaying impact of pride in place over 5 years:** the improvement in pride in place attributable to the Future High Streets Fund projects will decline over time. As time passes, other factors are likely to play a role in any sustained improvements in pride in place. Therefore, the break-even analysis assumes that the attributable improvement declines by 25% each year and reaches zero 5 years after project completion
4. **Computing the costs:** Improvements cannot be attributed solely to the individual case study projects. As such, the break-even analysis included the costs of all completed

Future High Streets Fund projects in the funded areas, which were intended to increase pride in place

The analysis found that the 7 projects will break even solely on pride-in-place benefits if the initial increase in pride in place is at least 3.6 percentage points.

This required minimal increase falls within the estimated range of pride-in-place impacts. For 5 of the projects included in the break-even analysis with baseline and follow-up data available, the average increase ranges from 2.5 to 6.5 percentage points. The upper bound excludes Carlisle, which saw a significant decline in pride in place, which was driven by factors beyond the case study project.

However, the other assumptions used in the break-even calculation are conservative. While the analysis assumes that improvements will reach zero 5 years after project completion, pride in place may continue to improve as ongoing disruption ends.

9. Policy recommendations

While it is too early to assess the full impact of the Towns Fund, the process and impact evaluations provide valuable insights into what has worked well and less well so far, which can inform future policymaking.

Investing early in local capacity is critical to enable high-quality plans and business cases, particularly in more deprived areas. Capacity funding enabled local authorities to hire consultants and technical specialists to address gaps in skills and resourcing, particularly in areas with limited in-house capability, helping them interpret requirements, strengthen proposals, and resolve issues early. Future programmes should continue to include upfront capacity funding alongside assurance arrangements to ensure local authorities have both the incentives and the capability to meet programme expectations, reducing delays and improving the quality of project design.

Improving the appraisal of place-based interventions. The Towns Fund evaluation identifies a number of non-property outcomes that can be built into the appraisal of high street and public realm projects. The Towns Fund evaluation shows that ambiguity about how to value these outcomes can lead local authorities to adopt different assumptions and appraisal approaches, affecting comparability and confidence in selection decisions. Developing the appraisal approach and incorporating it into current MHCLG appraisal guidance would support more rigorous and consistent appraisal of place-based interventions, while still allowing local flexibility.

Early and continuous stakeholder engagement before and during delivery is key. Proactive, face-to-face engagement with businesses, service users, and communities was found to help minimise disruption, maintain public confidence, and improve delivery outcomes. Co-design approaches reduce post-completion issues and should be standard practice, particularly for complex or people-facing facilities. Future programmes should set clear expectations and allocate time and resources for ongoing engagement by local authorities and delivery partners throughout construction and service implementation.

Retaining inclusive local governance models is important. Town Deal Boards were found to strengthen transparency, partnership working and delivery oversight where membership was stable and engaged. Their success suggests value in continuing formal, representative local governance structures in future regeneration programmes.

Monitoring a core set of outcomes consistently across projects can support programme-level evaluation. The customisation of outcome monitoring across different projects created challenges for programme-level monitoring and learning. Inconsistencies in outcome measures across local authorities prevented their use for programme-level evaluation. Future programmes should establish a common set of primary outcomes to monitor across the programme and ensure that data on these outcomes is collected in a consistent way.

Focus on visible town centre improvements to drive pride in place. Pride in place improvements were strongest in case study areas with more visible projects in the town centre and strong resident engagement throughout the design and delivery process. This includes public realm improvements in the town centre, such as the redevelopment of town squares and large vacant buildings. Policymakers seeking to influence this outcome should prioritise funding for visible, place-based town centre improvements while encouraging strong resident engagement throughout project design and delivery, as these factors are associated with increases in resident satisfaction and pride in place.

Continue investment in high streets. Future High Streets Fund funding has been effective at driving high street footfall. Policymakers should continue to invest in high street regeneration, as these interventions are associated with measurable increases in footfall and stronger post-COVID-19 recovery relative to comparable areas.

MHCLG has already begun to apply several of these lessons in the design of newer programmes, wider funding reforms, and recent activity to support high street renewal and address vacancy in town centres. These developments reflect the recommendations to continue investing in high streets, focus on visible town centre improvements, strengthen local capacity, improve appraisal approaches, reduce administrative burdens, and support more consistent programme-level monitoring. For example:

- measures such as High Street Rental Auctions and Community Right to Buy are strengthening the powers and tools available to local authorities and communities to shape the composition of high streets
- MHCLG has taken steps to simplify the funding landscape for local authorities, to reduce administrative burden and put in place proportionate monitoring requirements that support programme-level oversight
- the new Pride in Place Programme includes funding to help areas establish capacity and delivery capability within local authorities
- the Pride in Place Programme also has clearly defined roles for community representatives and local boards to support community buy-in
- the Local Regeneration Fund includes measures intended to reduce administrative complexity for local authorities and simplify monitoring requirements