

BIS | Department for Business
Innovation & Skills

RDA Evaluation: Practical Guidance
on Implementing the Impact
Evaluation Framework

DECEMBER 2009



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Appendix 1 – Beneficiary Surveys and Methodology	Separate Document¹

¹ Appendix 1 is a separate product which follows on from this document, containing beneficiary surveys, guidance and methodology on constructing such surveys. There are four sections to Appendix 1, A1 – Practical Guidance for Conducting Beneficiary Surveys; A2 – Suggested Sets of Common Beneficiary Survey Questions; A3 – Feedback for Beneficiary Surveys; A4 – ONS Data to aid Evaluations, and in this document when referred to will be signposted as A1, A2, A3, A4 respectively.

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Executive Summary

Background

- X1. The principles that Regional Development Agencies (RDAs) must follow when conducting Impact Evaluation are set out in the Impact Evaluation Framework (IEF). However, recent work, including work undertaken by PricewaterhouseCoopers looking at evaluation exercises across all RDAs, has shown that there is still inconsistency in the way evaluations are carried out and the metrics used to assess impact. This document provides further detail on the appropriate methodology that should be used by RDAs when conducting evaluations as well as some high level requirements on the submission and approval process for RDA impact evaluation plans.
- X2. This document is principally designed to be used by those managing evaluation exercises within RDAs. The Annexes that cover particular areas of evaluation in detail are most relevant for evaluation practitioners, either within RDAs themselves or for outside consultants commissioned to undertake evaluations on behalf of the RDAs. It has been produced by officials with the Economic Development Directorate from the Department of Business, Innovation and Skills (BIS) with extensive support and input from RDAs, the Office of Project and Programme Advice and Training (OffPAT) and other Government Departments through the Evaluation Steering Group and the Evaluation Practitioners Group. External consultants, who work on evaluations for RDAs, have also had the opportunity to input and comment on this guidance as it has been developed.

Key Requirements for RDAs

EVALUATION PLANS

- X3. RDAs will submit evaluation plans to BIS each year covering the previous three years' spend on a rolling basis. These plans will provide a description of impact evaluation already undertaken for spend over this period and describe the proposed timings and methodology to be used to evaluate other programmes/projects.
- X4. These plans need to be signed off and agreed with BIS. RDAs should aim to have plans in place to evaluate all areas of spend with a guideline minimum of 60% of spend covered by existing or planned evaluation exercises. The precise coverage figure will be agreed with BIS during the sign off process.

EVALUATION METHODOLOGY

X5. All impact evaluations should report on the achieved to date, and cumulative and future potential, net GVA impact of the intervention (following the methodology set out in this document, GRADE and the Green Book). This will also include the GVA to cost ratio. To reflect the full impact of RDA interventions, this will be based on as comprehensive a measure of GVA impact as possible, reflecting not just jobs created, but other significant economic, social and environmental impacts. In practice it will not always be possible to translate all impacts into GVA equivalents. However, where those impacts are significant, every effort will be made to quantify them as far as possible, with the methodology used clearly described.

DATA SOURCES

X6. Ideally, GVA estimates should be based on primary research. RDAs should use the information contained in A2 (beneficiary surveys) to assist in data gathering and use the standard questions set out as a basis for constructing these surveys wherever appropriate. Where primary data gathering is not possible or feasible, RDAs should make use of the benchmarks on additionality and persistence as described in this document.

FEEDBACK AND LESSONS SHARING

X7. In order to facilitate the spreading of best practice and raise the overall effectiveness and value for money of RDA interventions, RDAs are required to ensure that the details of evaluations they conduct are made available to others undertaking similar work. This will be done by placing completed evaluation reports on the OffPAT e-library. In any evaluation or appraisal work all RDAs will need to make reference to similar pieces of work.

IMPROVING METHODOLOGY

X8. This guidance will be revisited and updated by BIS and the RDA evaluation practitioners group as necessary, based on feedback from RDAs. In particular, RDAs are required to provide feedback on the suggested beneficiary surveys set out in A3 and the suggested benchmarks for persistence and additionality.

1. Background and Purpose of this Document

- 1.1 The Department for Business, Innovation and Skills (BIS) and the Regional Development Agencies (RDAs) jointly developed the Impact Evaluation Framework² (IEF) as a basis for guiding RDA work on evaluation. The IEF incorporates, or makes reference to other major guidance on evaluation, for example, HMT's Green Book³ and English Partnership's Additionality Guidance.⁴ It provides a set of guidance concerning the approach to evaluating impact in England's RDAs and provides a robust overall approach on the principles of evaluation for the RDAs. A central thrust of this guidance concerns helping RDAs move from monitoring and reporting on outputs to measuring net outcomes and impacts.
- 1.2 One of the key lessons from the 2009 national RDA Impact Evaluation carried out by PricewaterhouseCoopers was that the IEF does not provide sufficient guidance to ensure consistency of approach. This document therefore provides more practical guidance to ensure consistency in evaluation across interventions and RDAs. It is about how to practically implement the IEF, rather than replacing that guidance, with a key focus on establishing common measures and approaches to collecting data.
- 1.3 This guidance is consistent with the principles and guidance contained in the IEF and the other sources mentioned. It has been developed by RDAs and central Government analysts drawing on a wide range of sources, including lessons learnt from the 2009 impact evaluation report, follow-up work undertaken by individual RDAs and expertise from consultants and academics who have been engaged in RDA evaluation.

2 Evaluating the impact of England's Regional Development Agencies: Developing a Methodology and Evaluation Framework, DTI Occasional Paper No. 2, February 2006

3 HMT Greenbook www.hm-treasury.gov.uk/data_greenbook_index.htm

4 EP Additionality Guide www.englishpartnerships.co.uk/

1.4 The rest of this document is divided into three main sections:

- Section 2 sets out how RDAs will be required to report on their evaluation programmes in order to meet BIS requirements, and the principles which RDAs need to follow when conducting evaluations
- Section 3 provides detail on the metrics that RDAs should use when assessing impact, and information on how to calculate these
- Section 4 goes on to examine the evaluation methodology that should be used by RDAs undertaking impact evaluation, covering the use of beneficiary surveys, the need to consider the additionality and persistence of benefits from interventions, and consideration of how impact should be apportioned when funding comes from a variety of sources.

2. Requirements for Evaluation of RDA intervention

- 2.1 Evaluation is a key part of the project lifecycle as outlined in BIS's *Guidance for RDAs in Appraisal, Delivery and Evaluation* (GRADE). As well as being important to assess the performance of an individual project or programme, it also provides a valuable source of information that can be used to inform future project appraisals.
- 2.2 The aim of evaluation is, therefore, threefold:
- to assess performance against the original aims and objectives of programmes/projects as set out in their business cases;
 - to assess the impact (economic, social or environmental as appropriate) resulting from the delivery of those programmes/project aims and objectives;
 - to learn which interventions work well and why, so as to inform future investment planning, sharing best practice across the RDA network.
- 2.3 This section sets out how RDAs will be required to report on their completed evaluation exercises and their future evaluation plans in order to meet BIS requirements, and the principles that RDAs need to follow when conducting impact evaluations.

EVALUATION PLANS

- 2.4 RDAs will produce an evaluation plan covering their spend over the three previous years. These plans will be updated on an annual rolling basis and will include detail of impact evaluations already undertaken and planned evaluation exercises. The aspiration will be that all project/programme spend is covered, with a guideline of 60% of spend covered by existing or planned evaluation exercises. The precise coverage figure will be agreed with BIS during the sign off process. A clear justification for any areas of spend not covered by evaluation plans is required.
- 2.5 A template for these plans is included in Annex B, though it is recognised that RDAs may choose to populate this in different ways, with some RDAs providing a long list of project evaluations and others focusing on descriptions of key programme evaluations. In all cases a full description of the methodology used/proposed for the evaluation should be provided, including details of any sampling approach used.

- 2.6 Evaluation plans covering 07/08, 08/09 and 09/10 spend should be submitted to BIS so that feedback and comments can be provided in time to allow final sign off by the end of the financial year (end of March 2010). Future updates will need to be submitted by the end of the financial year with sign off by the end of June.
- 2.7 The sign off process will ensure that evaluation activities jointly meet the requirements of BIS and the RDAs, as well as the requirements of this guidance. RDAs will detail any changes to evaluation activity outside these plans via the annual updates to BIS (as mentioned above). Overall responsibility for the commissioning and quality of RDA project/programme evaluations will continue to lie with the RDAs themselves.

AREAS TO BE EVALUATED

- 2.8 Each RDA will continue to decide which programmes/projects it evaluates, how and when. These decisions will be informed by considerations of proportionality, taking into account the following factors:
- need for continuation funding;
 - timeliness;
 - expenditure covered;
 - proportion of agency outputs accounted for by the activity;
 - whether an activity is innovative or a pilot;
 - whether an activity is a major/flagship project; and
 - whether the activity is considered high risk.
- 2.9 In addition to Single Budget funded projects and programmes, the following programmes also need to be included within the evaluation plan:
- European Regional Development Fund (ERDF);⁵
 - Rural Development Programme for England (RDPE); and
 - National Programmes (such as Solutions for Business [SfB])
- 2.10 For SfB products the primary responsibility for evaluation lies with the product owner (a list of all SfB products and product owners is included in Annex F). However, RDAs will need to liaise with SfB product owners and ensure they are aware of evaluation plans for these products. RDA evaluation practitioners and SfB product owners will undertake to minimise any duplication of evaluation activity (particularly primary data collected through beneficiary surveys).

⁵ Where RDAs contribute to ERDF funding. Where RDAs do not provide matched funding but simply administer the allocation and distribution of ERDF funds, it is up to individual RDAs as to whether they include detail of planned impact evaluations for these projects in the evaluation plans submitted to BIS for approval.

CONSISTENCY

2.11 RDAs should ensure that all impact evaluations follow the guidance set out in this document as consistently and as widely as is possible.

2.12 Wherever RDAs are undertaking similar interventions, they should consider the potential benefits of conducting joint evaluation in order to achieve value for money, ensure more robust results and/or to allow comparisons to be made and lessons learnt. As part of the evaluation sign off process, BIS and RDAs will identify areas where there is scope for co-ordinated evaluation activity.

INTERVENTION THEMES AND SUB-THEMES

2.13 RDAs should indicate how the areas of evaluation will map onto the Intervention Themes and Sub-Themes set out in Figure 2-1 (as described in the PwC impact evaluation report).⁶

Figure 2-1: Intervention Themes and Sub-Themes

Main theme	Sub-theme
Business development and competitiveness interventions (business)	<ul style="list-style-type: none"> • Individual enterprise level support • Sector/cluster support • Science, R&D and innovation infrastructure • Inward investment • Sustainable consumption/production • Internationalisation of indigenous business • Other
Regeneration through physical infrastructure interventions (place)	<ul style="list-style-type: none"> • Bringing land back into use • Public realm • Image, events and tourism • Cross-cutting regeneration interventions • Other regeneration interventions
People and skills interventions (people)	<ul style="list-style-type: none"> • Skills and workforce development • Matching people to jobs • Supporting the development of educational infrastructure • Hybrid people
Integrated (hybrid)	

⁶ Note: these themes are slightly different from those used by Solutions for Business; however, the figure included in Annex F shows the different headings read across.

2.14 It is recognised that the theme and sub-theme categorisation above presents a challenge for each RDA, because their programmes and projects do not always fit neatly into a given set of categories. Each time an evaluation is completed each RDA must identify how its programmes and projects fit best with these categories. By matching programme and project spend to each theme and sub-theme at the outset (appraisal stage), when it is time for an overall impact evaluation to be conducted this task will be much easier. RDAs can use more detailed categories for their own work provided that they can be mapped on to these categories for reporting purposes.

TIMEFRAME FOR EVALUATIONS

2.15 In terms of when evaluation takes place, GRADE states this should be:
“after the project when ... impact can be effectively assessed. For larger or more complex projects this is likely to be between six months and five years after the end of the project”.

For some capital projects the timeframe for benefits to be fully realised may be even longer.

2.16 This guidance, therefore, does not set out the timings for evaluation activity – this should be determined by individual RDAs on a project/programme basis. However, for projects where final benefits are not deemed to accrue for over five years, and projects where ongoing funding decisions are being made RDAs should ensure interim evaluation is undertaken.

IMPACT

2.17 RDAs will ensure that all impact evaluations for programmes/projects with an economic rationale report on the actual achieved to date and future potential (including cumulative across the life of the intervention) net GVA impact of the intervention thereby enabling a GVA to cost ratio to be calculated. This methodology for calculating GVA impact will be consistent across RDAs (see section 3 and 4 where this is detailed) and has been agreed between RDAs and BIS during the development of this guidance.

INDEPENDENCE

2.18 It is important that evaluations are conducted independently from the project teams involved with the appraisal and delivery of the intervention. This can be done either through use of external contractors, or, when an evaluation is done in house, by ensuring clear separation between the project team and the evaluator. This independence should be made clear in the evaluation plans put forward. In all cases it is the responsibility of the RDA commissioner to ensure that the evaluation is carried out in line with this guidance.

2.19 For large evaluation exercises (evaluating projects/programmes with total RDA spend over £10m), it is advised that a steering group be set up to oversee the evaluation and provide advice and guidance. This steering group should include members who are independent of the project/programme and are external to the RDA conducting the evaluation. The exact detail of how these steering groups will run should be decided by the individual RDA responsible.

PROPORTIONALITY

2.20 Expenditure on evaluation must be proportionate to the original investment, and each RDA will continue to decide on the appropriate thresholds/criteria for evaluation. BIS recognises that highly robust evaluation comes at a cost, but this guidance should assist RDAs in conducting evaluation in the most efficient way (for example, by providing a template for beneficiary questionnaires).

REQUIREMENTS OF APPRAISAL STAGE

2.21 RDAs should ensure that project and programme appraisals have set out a clear rationale for intervention and SMART objectives (the 2009 Impact evaluation report highlighted that this does not always happen). This is vital in allowing evaluation against objectives.

2.22 A monitoring and evaluation plan should be produced at the project appraisal stage that can be used to feed into RDAs annual evaluation plans. It is also important to ensure baseline measures are established before the commencement of an intervention.

ON COMPLETION

2.23 Once a project or programme evaluation report is completed, a summary of the key results should be completed (the template for this is attached at Annex A). The completed report should be made widely available, including being placed on OffPAT's e-library.⁷ The summary will be used to ensure key evidence is captured to improve and build on the overall evidence base to inform future appraisals and evaluation exercises conducted by the RDAs.

3. Metrics to Assess the Impact of Interventions

- 3.1 This section of the document provides some standard metrics that can be used by RDAs when undertaking evaluation exercises. The specific metrics that are appropriate for a given project/programme depend on the objectives of that project or programme.⁸ These may include environmental or social objectives as well as economic ones.
- 3.2 For all interventions with an economic rationale, BIS would expect RDAs to provide an estimate of gross economic impact using gross value added (GVA). RDAs should provide an estimate of GVA using one of the calculation methods outlined below.
- 3.3 Clearly GVA alone does not capture the impact of the full range of RDA interventions. The second part of this section considers other areas which RDAs may need to report on, depending on the exact nature of the intervention and its objectives. No standard methods are put forward but high level principles and sources of advice are noted. The methodologies suggested for assessing the impact of interventions in each of these areas are provided as starting points and are not mandatory. Areas covered include:⁹
- carbon emissions
 - other environmental indicators
 - brownfield land
 - social measures
 - destination marketing
 - public realm
 - strategic added value.
- 3.4 Wherever possible, the estimates for these factors should be expressed in GVA terms to enable them to be included in the overall GVA: cost ratio. However, where it is not possible to do this, the guidance suggests other ways of reporting impact.

8 When deciding which measures to use to evaluate a project, the first step is to consider the rationale for an intervention as set out at the appraisal stage. The use of logic models which describe the project/programmes objectives, inputs/activities, outputs and outcomes, is an essential tool for doing this (for examples OffPAT PAN 2/2006 A Project Logic Chain (PLC) Approach).

9 Information on assessing the impact of these and other relevant factors will be updated as further information and research work becomes available.

3.5 In all cases, data for evaluations should be used with reference to the following hierarchy:

- Primary data – e.g. information from beneficiary surveys
- Secondary data – e.g. aggregated data or data collected from other projects, which can be used as a proxy in the absence of primary data; companies' accounts; etc.

Gross Value Added¹⁰

3.6 Estimates of GVA can be obtained in several ways. Which method is most appropriate depends on the particular project/programme being considered. Only one of these methods should be used, to avoid double counting.

Figure 3-1: Methods for calculating GVA

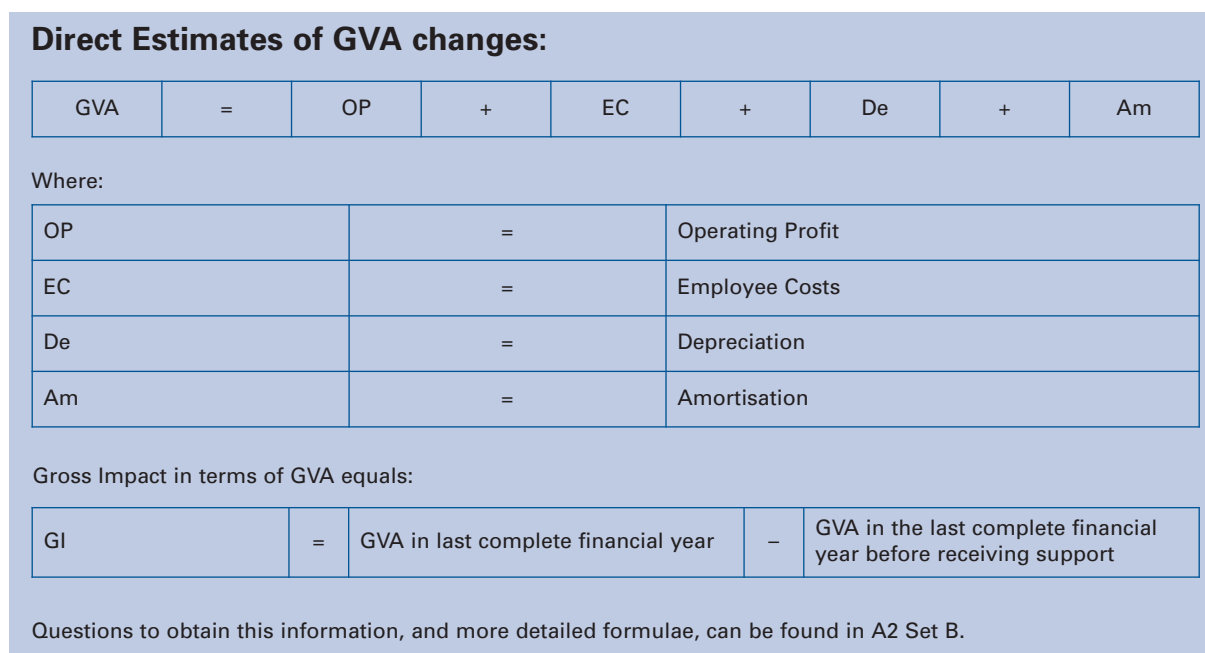
Method	Description
Direct estimate of GVA changes	This method is appropriate for interventions directed at business, particularly those which have more than one core objective e.g. improving productivity and creating jobs.
Gross jobs created or safeguarded	Should be used where jobs created/safeguarded was the main aim of the project.
Skills uplift	For interventions aimed at improving skills, the impacts may best be measured at the individual level – with increases in productivity being reflected in increased wages.

DIRECT ESTIMATE OF GVA CHANGES

3.7 This method relies on gathering information on the GVA before and after the intervention and determining how much of this change can be attributed to the intervention. A2 Set B provides suggested beneficiary survey questions that can be used to gain this information directly or, as a second best option, through proxying GVA changes via changes in business turnover.

¹⁰ Note: ONS is due to publish a series of papers discussing the use of GVA to measure the economic impact of an investment or intervention. The first of these papers will be published in late 2009. The first paper will examine the feasibility of calculating GVA consistent with ONS Regional Accounts GVA, which forms a PSA target for RDAs. The methods for calculating GVA proposed here are not consistent with that used as PSA targets, and the results cannot be aggregated to Regional Accounts GVA to provide an estimate of a region's economy.

Figure 3-2: GVA Calculation



JOBS CREATED/SAFEGUARDED

- 3.8 The PwC Impact evaluation report used jobs (created and safeguarded) as the main source of GVA impact. This is a well-accepted mechanism through which impact can be described. This is done by collating information on the number of jobs created/safeguarded and then determining how much of this was directly attributable to the intervention. A2 Set C contains details of survey questions that can be used to collect this data.
- 3.9 The next step in reaching a GVA figure is to use this information on jobs created/safeguarded, together with information on the average GVA per workforce job for that particular region.¹¹ This data is provided in Figure 4-3 A4. This is a similar approach to that followed by PwC in their work.
- 3.10 Based on this approach, it is possible to calculate Gross GVA created or safeguarded by using the formulae provided in Figure 3-3.

11 If time and budget allow, primary data could be collected to allow the number of jobs created or safeguarded to be converted into a GVA figure. GVA per worker will vary by firm even within a region, and thus, providing the data is collected successfully, this method is likely to result in more accurate estimates of impact. However, this method is more data intensive as, along with information on employment it also requires that information on turnover and non-wage costs as a percentage of turnover be collected. To minimise respondent burden, the questions in A2 Set C for this method assume that secondary data (from the ONS) will be used to determine GVA impacts and thus do not include questions on turnover and non-wage costs.

Figure 3-3: Job Calculation

Gross jobs created or safeguarded should be estimated using:

GI	=	Number of full-time equivalent employee jobs at end of last complete financial year	-	Number of full-time equivalent employee jobs at end of last complete financial year prior to support
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The net impact should be estimated by:

NI	=	GI	-	GI*
----	---	----	---	-----

(note this would need to be adjusted for leakage, displacement, substitution and multiplier effects)

Where:

GI*	=	Number of full-time equivalent employee jobs at end of last complete financial year X Factor to indicate amount of these full-time equivalent employee jobs that would have existed in last financial year without the support	-	Number of full-time equivalent employee jobs at end of last complete financial year prior to support
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The next stage is to quantify these jobs in terms of GVA.

This can be done using the information on GVA per worker for the relevant region (see information in A4 Figure 4-3).

Worked Example:

Jack has received Business Support to improve his marketing. As such, he has increased his sales, exports and employment. Jack was then asked how many FTE employees he had before he received support – he said ten. He now has 20 FTE employees.

Jack was asked how different his employment would have been without receiving the support. Jack said employment would have been 40% lower without the intervention (the counterfactual).

Therefore:

Actual increase in FTE employees (GI)	= 20-10	= 10
Counterfactual increase in FTE employees (GI*)	= (20 x (1+(-40%)))-10 = (20 x 0.6)-10	= 2
Net jobs created or safeguarded	= GI-GI*	= 8

So eight new jobs have been created as a result of the intervention. In this example it will be assumed that there is no displacement, substitution, leakage or multiplier effects. The next step is to evaluate these jobs in terms of GVA.

Jack is based in the North West. It is assumed that the jobs have existed for one whole year. Results from Figure 4-3 A4 indicate that GVA per workforce job in the North West is £35,080.

Therefore:

Gross jobs created or safeguarded = 8

GVA per worker in the North West = £35,080

Gross GVA created or safeguarded = £35,080 x 8 = £280,640

Where more detailed beneficiary information is available on turnover, and the proportion of turnover that is non-wage costs the best approach is to use this business specific information to translate the jobs created or safeguarded. However, to minimise respondent burden, the use of the average regional GVA per workforce job figure provided in A4 is illustrated here.

Questions to obtain this information, and more detailed formulae, can be found in A2 Set C.

USE OF COMPANY ACCOUNTS

- 3.11 The number of business employees should be obtained from primary research (e.g. beneficiary surveys) in the first instance. Where it is not possible, proportionate or practical to use primary data, company account, could be used instead. While this has the benefit that it is fully audited information, it will only be available with a time lag that may not be appropriate for undertaking evaluations. This information is also only available for a subset of companies and there will be difficulties using some of the data for multi-site businesses.
- 3.12 This information also fails to take account of additionality of the intervention – i.e. by describing what proportion of any job created or safeguarded can be attributed directly to the intervention, so would need to be used either with some beneficiary survey data, or alongside benchmarks on additionality, included from the Cambridge Economic Associates paper in Annex D.

SKILLS UPLIFT

- 3.13 With interventions aimed at skills, the impact may be best measured via the effect on the individual. This can be obtained by gathering information on wages before and after the intervention. This data would need to be captured through a beneficiary survey and example questions to be used can be found in A2 Question Set E.
- 3.14 Based on an individual's response to whether they have been trained as part of the RDA intervention and whether this has led to them gaining a higher key qualification, and what this qualification was, it is possible to establish the potential wage increase. On the basis of research undertaken by the Centre of the Economics of Education, it is assumed that obtaining an NVQ Level 2 qualification or equivalent is associated with around a 15% wage return to the individual, whereas obtaining an NVQ Level 3 qualification is associated with around a 5% wage return.¹²
- 3.15 Therefore, the assumption is made that for each employee who achieved a higher NVQ level of qualification, their increase in annual wage is:
- annual wage before receiving the support multiplied by 15% (up to NVQ Level 2)
 - annual wage before receiving the support multiplied by 5% (up to NVQ Level 3).

12 Blundell, R., L. Dearden and B. Sianesi (2003)–Estimating the Returns to Education: Models, Methods and Results, IFS Working Paper No. WP03/20. Results of this work indicate that higher qualifications are associated with higher wages. As this research acknowledges, the results identify a relationship but do not identify causation, or include in the analysis the many other characteristics which may impact on wages. Results in this paper look at disaggregated qualification levels. It is, therefore, not possible to look at the overall relationship between certain NVQ Levels and wage returns. The results find that 5 GCSE (A*-C) (equivalent to NVQ Level 2) are associated with a 25% wage return, while two or more A-Levels (equivalent to NVQ Level 3) are associated with a 15% wage return. However, it is acknowledged that returns from vocational qualifications at the same level are much lower (around 10 per cent less). Hence, the assumption we have made results in the figures of 15% and 5% for NVQ Level 2 and 3 respectively. These estimates are quite crude and will be reviewed as more information becomes available.

3.16 In order to establish the gross impact in GVA, it is necessary to ascertain what the region and industry split is between wage and non-wage GVA. Estimates of the GVA: wage ratio are available from the ONS and are shown in Figure 4-2 in A4.

3.17 In order to establish gross GVA impact, the total increase in annual wages (the difference between an individual's starting salary and what their estimated salary is after getting the higher qualification) is multiplied by the appropriate GVA: Wage ratio.

Figure 3-4: GVA Skills Calculation

Individual Gross GVA impact due to skills uplift should be estimated using:

Annual individual Gross Impact in terms of wages	=	Level of salary/annual wage just before he/she received the training support	X	15% – Up to NVQ Level 2 or 5% – Up to NVQ Level 3
Annual individual Gross impact in GVA	=	Annual individual Gross Impact in terms of wages	X	Regional GVA: Wage ratio from

Note: For skills interventions that do not involve a movement equivalent to gaining NVQ Level 2 or 3, any assumptions about % wage gains should be clearly stated when using this method.

The figures we use here are based on work undertaken by the Centre for the Economics of Education¹³ (reported in the Leitch review¹⁴). As acknowledged in the paper, qualifications of an academic nature generally have higher returns than those of their vocational counterparts, hence the adjustment to the figures reported here.

Additional information about benefits of training to individuals can be gained using the information in Question Set D/E, A2.

Worked Example:

Jane has received some training from EMDA, her local RDA, which has meant that she was able to get an 'A' level in Business Studies and Biology (i.e. she is now qualified up to an NVQ Level 2 equivalent).

Prior to starting the training courses, she was getting paid about £20k a year.

Therefore:

Previous salary	=	£20,000
NVQ Level 2 uplift	=	15%
Total increase in annual wages	=	20 x 15% = £3k
East Midlands GVA: Wage ratio	=	1.61
Gross impact in GVA	=	£3 x 1.61 = £4,830

Questions to obtain this information, and more detailed formulae, can be found in A2 Set D/E.

13 Returns to Education: A Non-Technical Summary of CEE Work and Policy Discussion, 2003.

14 Leitch review. HMT website. Note: These are average figures across the UK and there will be some regional variation.

Other suggested measures to assess impact

3.18 This section considers other ways RDAs may consider the impact of their interventions. These are guidelines only and will be developed and updated, with input from the evaluation practitioners group as further information becomes available.

CARBON DIOXIDE EQUIVALENT (CO₂e) EMISSIONS SAVINGS

3.19 There are a wide range of environmental impacts potentially arising from RDA activities which, where significant, should be considered for evaluation of their costs and benefits. Further guidance on this, and all aspects of environmental assessment, is provided by Defra.¹⁵

3.20 Changes in greenhouse gas emissions, measured as carbon equivalent (CO₂e), are a common impact of RDA interventions and also an area where economic analysis is well advanced. As a result, this is likely to be a key environmental measure for consideration in RDA evaluation. Wherever possible, the measured impact of these other factors should be expressed in GVA terms to allow them to be included in the GVA:cost ratios.

3.21 The cross RDA Carbon Accounting Principle and Framework methodology was developed following the Government's Energy White Paper. The White Paper established the need for RDAs to report carbon savings estimates to Government. The following types of projects should report against the environmental metric of a reduction in carbon dioxide equivalent (CO₂e) greenhouse gas emissions:

- Physical development projects (defined as new build and/or refurbishments);
- Transport projects (defined as tangible projects, not feasibility studies);
- Resource efficiency (RE) projects (defined as energy, water, waste reductions);
- Renewable energy and CHP projects (if different from RE description above);
- Waste projects (if different from RE description above).

3.22 Estimates of carbon dioxide equivalent (CO₂e) emissions saved should only be calculated on the basis of performance against Business as Usual (BAU) e.g. the CO₂e the project would have produced if delivered in a conventional manner. And the savings must also be attributable to the RDA intervention in a robust manner e.g. the RDA's funding allowing a project to adopt a specifically low carbon approach. The expected tonnes of CO₂e saved – for example, from applying higher construction standards to a Built Environment project, or using renewable energy – should then be estimated and recorded.

¹⁵ Defra guidance provides advice and tools on assessing environmental impacts and valuing the costs and benefits of environmental change. Further details are in figure 3-6. This is a dynamic area of analysis, and Defra's website is frequently updated to reflect progress www.defra.gov.uk/corporate/policy/regulat/impact-assessment/envguide/index.htm.

3.23 The figure below provides some suggestions for methods that can be used to assess the extent that RDA interventions achieve CO₂e savings.

3.24 NOTE: Further work is being undertaken in this area by the cross-RDA carbon accounting group and this additional information/guidance will be available once this work is completed.

Figure 3-5: CO₂ Calculations

Carbon dioxide equivalent (CO₂e) emissions saved should be calculated on a case-by-case basis, but can be estimated using:

Project	Detail
<p>Physical development projects (defined as new build and/or refurbishments):</p>	<p>Business as usual (up to 2010) – Application of BREEAM Pre-Construction Estimator (www.breeam.org/login.jsp) to a project meeting Building Regulations Part L (up to 2010).</p> <p>Estimated CO₂e saved – Application of BREEAM Pre-Construction Estimator (www.breeam.org/login.jsp) on a building meeting BREEAM Very Good (refurbishment), Excellent (New build) or Outstanding. The difference between (1) and (2) will be expressed as Target CO₂ Emission Rate (TER) kg/m², which should be converted to tonnes/CO₂e saved prior to reporting.</p>
<p>Transport projects (defined as tangible projects, not feasibility studies):</p>	<p>Business as usual – Previous period mileage/distance travelled and mode of transport. The CO₂e can be calculated by using the metrics and conversion factors on the Defra website.</p> <p>Estimated CO₂e saved – Projected reduction in CO₂e achieved through either/or reduction in miles travelled, modal shift achieved or changes to fuel/engine type. For example, bus journeys are equivalent to 0.0891kg CO₂e per passenger km, whereas encouraging walking, cycling or teleworking is rated at 0.0kg CO₂e per passenger km.</p>
<p>Resource efficiency projects (defined as improved design/ operations leading to reductions in energy, water, waste):</p>	<p>Business as usual – Application of Carbon Trust carbon foot printing tool or similar Government endorsed impartial tool (www.carbontrust.co.uk/solutions/CarbonFootprinting/FootprintCalculators.htm) to establish previous period carbon footprint (based on direct, indirect and employee transport CO₂e emissions). Estimated CO₂e saved – Reapplication of Carbon Trust carbon foot printing tool or similar Government endorsed impartial tool, based on operations including the more resource efficient technology, design or approach.</p>

<p>Renewable Energy and CHP projects (if different from above):</p>	<p>Business as usual – Previous period CO₂e emissions associated with energy supplied by the National Grid mix of electricity generation (conventional means). Estimated CO₂e saved – For guidance on how to calculate the carbon savings achievable through implementation of a renewable energy project (over the National Grid mix of electricity generation) or through implementation of a CHP project or conversion, please see the FAQ section of this document.</p>
<p>Waste projects (if different from above):</p>	<p>Business as usual – The volume of waste (kg) sent to landfill in a previous comparable period. It may also be possible to count the carbon emissions from the transportation of waste from the project site to the disposal facility (utilising Defra transport and road freight methodology), which can be counted within the BAU calculation if this will reduce as a result of the project.</p> <p>To estimate the carbon savings achievable through sustainable waste management (defined for output purposes as avoidance of landfill), apply the following factor:</p> <p>Volume (kg) of general mixed waste sent to landfill x 0.56 kg CO₂e = Total kg CO₂e from landfill methane.</p> <p>Estimated CO₂e saved – Apply factor 0.56 to reduced levels of land filled waste estimated to occur by applicant as a result of project and claim difference between BAU as estimated CO₂e saved. Kg/CO₂e should be converted to tonnes/CO₂e saved prior to reporting.</p>

3.25 It should be noted that DECC are about to publish new guidance on shadow prices of carbon. Once available, this guidance should enable the CO₂e saved by RDA interventions to be valued appropriately.¹⁶

3.26 There are other environmental measures that could be used to assess the impact of an intervention. These are highlighted in figure 3-6 and can be used by RDAs where interventions are likely to have a significant effect in any of these areas. Defra provides guidance on using these measures. In some cases, for example changes to air quality, monetised values can readily be calculated. In other areas quantitative or more qualitative assessments may be necessary. Where environmental effects are significant or wide ranging, an ecosystem approach is the recommended method for assessment.¹⁷

¹⁶ www.decc.gov.uk/en/content/cms/publications/lc_trans_plan/lc_trans_plan.aspx

¹⁷ The Defra guidance, including a contact email for more advice, is www.defra.gov.uk/corporate/policy/regulat/impact-assessment/envguide/index.htm.

Figure 3-6: Environmental Indicators

Indicator	Suggested Method
Impact on air or water quality	www.defra.gov.uk There are standard approaches to measuring air quality impacts, but this is much harder and less established for water quality.
Increased resource efficiency	In considering whether resources are used more efficiently, account needs to be taken of the appropriate counterfactual, and to what extent resources are genuinely being used more efficiently than the next best alternative. In some cases, this will be captured within a look at productivity.
Improvements to local environment, e.g. green infrastructure	Natural England’s Green Infrastructure Guidance can be found at: www.naturalengland.etraderstores.com/NaturalEnglandShop/ In particular, section 3 talks about the value of green infrastructure in qualitative terms. There is no standard methodology for monetising this nature of benefits at the current time.

SOCIAL MEASURES

3.27 The range of potential social impacts from RDA interventions is large and disparate. This makes the selection of metrics extremely challenging. RDA interventions may have an impact on levels of crime in an area, the health of residents or contribute to increased levels of social cohesion through greater participation in community or voluntary activity. There is no single indicator, or even a small set of indicators, which can adequately capture these impacts, and this guidance does not suggest a key social measure. Nevertheless, evaluations should recognise where there are significant social impacts and consider whether it is possible to quantify them. Even when the key objective of a project is GVA growth, a suitable assessment of wider social impacts should still be made wherever appropriate. Figure 3-7 sets out some other social impacts and highlights where there are existing methodologies that can be used to assess them.

Figure 3-7 Other Common Impacts from RDA Interventions together with sources of further guidance

Social	Sources of guidance
Impact on crime. For example, a public realm intervention may reduce opportunities for crime in and around a previously derelict site. However, note that crime may just be displaced to other sites in the area.	Home Office Crime reduction, Passport to Evaluation, 2009 found at www.crimereduction.homeoffice.gov.uk And: The Economic and Social cost of crime against households and individuals www.hm-treasury.gov.uk
Social Return on Investment	This is actually an overarching appraisal approach in a project led by Cabinet Office. It does not provide specific indicators for common social impacts. Nevertheless, it may be a useful approach to consider.
Reduction in the number of people classified as not currently in education, employment or training (NEET)	Figures on the cost to society of an individual who is NEET = £50,857 per individual; stopping an individual entering the criminal justice system = £63,040 per individual; Valuations sourced from Cummings et al (June 2007) – ‘Evaluation of the Full Service Extended Schools Initiative: Final Report’ DfES www.dcsf.gov.uk/research/data/uploadfiles/RR852.pdf

DESTINATION MARKETING

- 3.28 Work is currently ongoing – with London Development Agency being the lead RDA – in developing a more representative metric to reflect the economic benefit of destination marketing and related tourism.
- 3.29 This work seeks to improve and complement the existing beneficiary survey methodologies used by destination marketing agencies to assess the impact from domestic and overseas marketing campaigns and to assess the impact arising from activities designed to attract business visitors. The study will also provide a conversion methodology to convert the current return on investment figure, which is based on the net additional amount of visitor spend achieved in return for the amount of LDA money spent on campaigns to attract those visitors to London, into the return on the additional GVA achieved due to the goods and services consumed as a result of expenditure by visitors. This will provide an economic return on investment and a benefit cost ratio.

PUBLIC REALM

- 3.30 Due to the large amount of expenditure which RDAs spend in relation to public realm, there is a need to have a metric which will reflect the impact of this work. There is, however, no currently accepted method of calculating economic impact generated by public realm development.
- 3.31 Figure 3-8 opposite sets out suggested methods that could be used, but, as a standard metric has not been agreed, it is up to RDAs to decide which method is most appropriate in any given case. Note also that for each of these suggestions careful consideration of the level of additionality will be needed.

Figure 3-8: Possible metrics to assess impact of public realm projects

Method	Data sources and methodology
Increase in land, property and rental value in the surrounding area	Sales prices of houses/flats (see Land Registry data available from www.myhouseprice.com/); rental value of houses/flats; rental values of commercial properties pre- and post-improvements.
Increase in turnover experienced by shops before and after the completion of the public realm development. ¹⁸	A survey of local businesses pre- and post-improvements (a control group of local shops not in the proximity of the public realm intervention could provide valuable information).
Increased private investment into the area.	Survey of other projects connected with the public realm intervention to ascertain private leverage pre- and post-improvements.
Stated preference surveys	The PERS system can be used to assess the quality of any pedestrian environment. Work undertaken by CABE develops a methodology for assessing the benefit of good street design based on this system. ¹⁹

BROWNFIELD LAND

3.32 The impacts of interventions that result in the remediation, reclamation and development of brownfield land can often be long term in nature. In the long term, when a site has been developed, benefits flow from the activity that takes place on that site. In the short term, for a variety of reasons, there may be an interval between remediation and reclamation, and subsequent site development. In this instance it is still possible that the intervention delivers benefits through the form of public realm improvements, and RDAs should try and ensure that these are captured in some form (though this is not always easy).

3.33 However, there is currently no generally accepted measures for assessing the impact of brownfield land redevelopment. The following section suggests some metrics which can be used, dependent on the status of the work:

- **For Developed sites** – e.g. sites which have been developed and are now in productive use – the economic benefits can be captured using the process described above under the ‘Gross jobs created or safeguarded’ metric detailed above. Though, as in all cases, it will be necessary to assess the extent that these jobs are genuinely additional rather than reflecting jobs displaced from another area.
- **For Non-developed sites** – Land value could be used. While there are generic figure for land value – see Property Market Reports by the Valuation Office²⁰ – these provide data at a regional level. It is highly unlikely, however, that any project will be of the size to affect regional land values. As such, it is likely to be necessary to ascertain the value of the land prior to RDA intervention via independent valuation by a surveyor, and at the conclusion of the remediation work. It may also be necessary to gather information on rentals/property values surrounding the site. It is anticipated that such an assessment would only take place in a small minority of projects where the RDA outlay justifies the expense of hiring an independent land valuer, before and after the project.

18 e.g. Work by SQW/DTZ found that turnover for businesses in a high street location increased by between 5 and 15% following investment in a proximate public realm development.

19 ‘Paved with gold: The real value of good street design’ www.cabe.org.uk/files/paved-with-gold.pdf

20 www.voa.gov.uk/publications/property_market_report/index.htm

3.34 The problem with using land values is that they fail to take into account externalities (often the key reason why RDAs would have invested in the site) and, therefore, underestimate the economic benefits generated. Insofar as possible, RDAs should seek to estimate the level of these externalities.²¹

STRATEGIC ADDED VALUE (SAV)

3.35 The concept of Strategic Added Value (SAV) was introduced in the 2005 RDA Tasking Framework and aims to capture the effects of the wider co-ordinating, catalytic and influencing role of an RDA and its investment, and which is not captured in the outputs of direct project support. SAV, then, allows an opportunity to:

- reflect on the 'whole' contribution of the project;
- assess the performance of activities such as change in research orientation, strategy-making, awareness raising, influencing, etc;
- qualify and reassess project progress that is also measured in outputs; and
- encourage longer term thinking and the sharing of best practice.

3.36 SAV is covered extensively in the Impact Evaluation Framework (IEF), as it currently stands – as such definitions of SAV functions and key questions will not, be duplicated here.

3.37 SAV is an important part of RDAs' roles, but there is no standardised method for quantifying it. Suggested starting points include the SAV Framework developed by GHK for EMDA, and work undertaken by SEEDA/LDA.

3.38 Future evaluations based on SAV will assure that value for money and economic and social goals are achieved. Where possible similar projects that are known to have provided high SAV, based on observed outcomes, should be referenced.

21 Green book guidance HMT Greenbook www.hm-treasury.gov.uk/data_greenbook_index.htm contains guidance on measuring externalities in general. Land related externalities can be inferred from this.

4. Methodological Approach

4.1 This section of the paper sets out some of the detailed methodology that should be used by RDAs undertaking impact evaluation. This covers:

- The use of **beneficiary surveys** to collect data to estimate the metrics described in section 3 (further information on beneficiary surveys, including suggested questions, is contained in A2).
- Information to ensure that **additionality** of interventions is taken into account – including a description of the appropriate benchmarks to use where primary data is not available.
- A methodology for including **persistence** of the impact of any intervention – again, including some appropriate benchmarks to use.
- Information on how impact should be **apportioned** when funding comes from a variety of sources.

Beneficiary Surveys

4.2 To assess the net impact of an intervention, information is needed on the situation that would exist both with and without the intervention. The standard approach is to use a beneficiary survey – asking questions on the impact of the intervention and getting beneficiaries to estimate what would have happened otherwise. There are clearly limitations with this methodology. Responses may be subject to bias with regards to what has happened (e.g. beneficiaries may overstate or understate the impact of the intervention).

4.3 A more robust approach is to compare the change in activity and outputs of beneficiaries before and after the intervention against the achievements of a control group²² (i.e.: people/businesses that would have been eligible for support but did not receive it). However, results are dependent on identifying an appropriate control group, which is not possible in many cases. There is an element of self-selection bias in any takers of business support, so what appears to be a control group may not really be one. In addition, a control group approach is usually more expensive than beneficiary surveys. As a result, using a survey of beneficiaries is generally the preferred approach when balancing costs and benefits of the two methods.²³

22 There is future potential to make more use of control group and data matching methods to assist in RDA evaluation. This is something that EMDA, LDA and YF have been pursuing with ONS. However, for the time being, the most common methodology will be to utilise beneficiary surveys.

23 BIS have commissioned a wider piece of work to provide guidance on the different methodological approaches available for use in impact evaluations designed to assess the impact of a government intervention on the business community. This work will include the identification of a set of business characteristics/variables that would be ideally measured and would provide a strong base on which to match businesses. This work is due to be completed in early 2010.

- 4.4 A1 provides detailed practical guidance for RDAs managing beneficiary surveys conducted by external consultancies. This provides an overview of different issues that need to be considered when conducting surveys to ensure resulting estimates are of as high a quality and as consistent as possible. This practical guidance assumes that beneficiary surveys are conducted by telephone, as reviews of past evaluations and other research has identified it as an appropriate survey mode in this context.²⁴ However, the research methods used should be appropriate for the data required and the intervention being assessed (e.g. face-to-face or on-line surveys may be more appropriate).
- 4.5 In conducting these surveys, RDAs should ensure that they are aware of other survey work covering their target groups due to happen over a similar time period and seek to make use of this, perhaps by adding further questions, rather than commissioning new surveys, wherever possible.
- 4.6 A2 provides sets of common questions developed for surveys of business and individual beneficiaries. These standard questions cover the GVA metrics as detailed in section 3. Alongside the questions is commentary on how the results can be used to assess the impact of an intervention. The standardised questions aim to develop a harmonised approach to ensure consistency. RDAs should use these standard questions in future survey work wherever appropriate.
- 4.7 The questions proposed, although based on extensive reviews of previously conducted beneficiary surveys undertaken for evaluations, have not been subject to formal piloting or cognitive testing in this format. The large variation in the types of intervention being evaluated make providing a standard set of questions that will work in all situations very difficult. As a result, in all cases the question blocks selected for use should be reviewed thoroughly to ensure they are fit for collecting the information required to evaluate the specific intervention. Where possible this should be done in collaboration with those experienced in questionnaire design. As a result, RDAs (via consultancies commissioned to undertake this work) should provide feedback on how well they operate in the field. A list of questions that can be used to gather this information is provided in A3. BIS and the RDA Evaluation Practitioner Group will review the set of common questions on the basis of feedback collected.
- 4.8 Whatever the survey methodology used for a particular project or programme evaluation, it needs to be clearly explained in the associated evaluation report. This should include:
- The full questionnaire used
 - Sampling method used (probability/non-probability)
 - Confidence level and confidence interval/margin²⁵ of error achieved (if a probability sample)

24 NatCen/BIS – Self-Assessment as a tool to measure the economic impact of BERR policies – a best practice guide – 2009.

25 'A confidence interval indicates the sampling error associated with a sample estimate as a result of measuring the sample rather than the whole population. There will also be non-sampling errors associated with estimates. One of the most likely non-sampling errors in this context is likely to be measurement error, as respondents may not be able to identify impacts accurately. RDAs should be aware of this and aim to minimise measurement error as far as possible. Guidance on ways to do this can be found in A1.

- How the survey results were used to assess total impact estimates (including any grossing procedures).

4.9 The establishment of key indicators at appraisal stage and setting in place effective monitoring are very important to enable effective beneficiary surveys to be conducted. Data collected in monitoring (e.g. contact details of beneficiaries, level of qualifications achieved by training interventions) reduces the amount of data required to be collected. Also data collected prior to the intervention is likely to be more accurate than if it had been collected at the evaluation stage.

Additionality

4.10 HMT Green Book defines additionality as

“an impact arising from an intervention is additional if it would not have occurred in the absence of the intervention”.

The additional effect of a project in the context of an evaluation is, therefore, the difference between what would have happened anyway i.e. the counterfactual situation and the benefits achieved by the project, adjusted for displacement, leakage, substitution, and multiplier effects.

Figure 4-1: Key questions for an informed additionality judgment

Element	Key questions
Deadweight	What level of outputs and outcomes would have happened anyway without the project, and in what time period?
Leakage	Who were targeted beneficiaries? Have the outputs/outcomes benefited non-target group(s) and/or area(s) at the expense of the target group and/or area? If yes, by how much?
Displacement	Has the project reduced existing activity from within the target group or area? If yes, where and by how much?
Substitution	Has the project resulted in organisations/firms substituting an activity or input for a similar one to take advantage of public funding? If yes, where and by how much?
Multiplier effects	How much additional economic activity is generated through purchases along the supply chain, employee spending rounds and longer term effects?

Source: Adapted from EP's additionality guide – 2008²⁶

4.11 Assessing additionality is crucial to understanding the net impact of Government interventions. It allows for:

- Challenging the actual achievements against the objectives/targets of projects/programmes
- Informing the work for drawing lessons from the projects/programmes evaluated
- Informing the development and appraisal of future similar projects.

²⁶ English Partnership, 2008, Additionality Guide – A standard approach to assessing the additional impact of interventions – Third Edition.

Figure 4-2: Additionality Equation

Key Formula:

Net impact	=	Additionality of Intervention	-	Counterfactual/Deadweight
NI	=	$[GI \times (1-L) \times (1-Dp) \times (1-S) \times M]$	-	$[GI^* \times (1-L^*) \times (1-Dp^*) \times (1-S^*) \times M^*]$

Where:

GI	=	Gross Impact
L	=	Leakage
Dp	=	Displacement
S	=	Substitution
M	=	Multiplier

* Indicates the counterfactual situation

At all times it is assumed:

L	=	L*
Dp	=	Dp*
S	=	S*
M	=	M*

4.12 RDAs should consider the additionality of all projects/programmes as part of the evaluation exercises. The additional impact of the project/programme can be computed with the following equation:

4.13 The first source of information on additionality of a particular project/programme should be primary data, usually from beneficiary surveys (though clearly the issues and limitations of these surveys discussed above and in A1 need to be borne in mind). Where it is not feasible or appropriate to collect primary data, the benchmarks contained in the Cambridge Economics Associates (CEA) 2009 report should be used as an alternative.²⁷ Annex D provides a summary of the CEA benchmarks and guidelines on how to use them. In the cases where these benchmarks do not meet the particular needs of evaluations, values chosen through a review of previous evaluations of similar projects/programmes can be used, provided the rationale for this is clearly explained.

4.14 Differences between CEA benchmarks and the first principles estimates for the case being evaluated do not necessarily indicate an error; however, any differences should be recognised and explained. In particular, any aspects of a particular project or programme, which have sought to minimise substitution, leakage or displacement, should be described.

4.15 In reporting on the impacts of a particular intervention, RDAs should clearly set out all the assumptions used for additionality. In particular, GVA values should be reported both with and without multiplier effects.

4.16 The success of an intervention can be determined not just by the amount or scale of benefits delivered, but by the time and quality additionality of the

27 www.berr.gov.uk/publications/economicstatistics/economics-directorate/page14639.html

intervention so, for example, the results were achieved faster than otherwise. RDAs should seek to address these factors wherever possible, specifying where benefits have been brought forward and quality improvements achieved.

Measurement Reporting

4.17 Establishing persistence of the impacts of RDA interventions is a crucial part of any assessment of overall impact. For practical reasons many projects are, by necessity, evaluated before all benefits have been realised. Furthermore, the benefits arising from certain types of intervention may take longer to accrue than others. Future evaluations should, therefore, report impacts as:

- **Actual achieved benefits:** This relates to impacts which have actually been achieved at the time of the evaluation. These figures should be actual and represent the impact to date of the intervention. When presenting these figures, RDAs should clearly indicate the time period covered.
- **Cumulative benefits:** This relates to the benefits of the intervention beyond the actual funding for the intervention, as well as the cumulative benefits across the life of the intervention and (if necessary):
- **Future potential benefits:** The benefits, and persistence of benefits, that have yet to be realised from the intervention. RDAs should report on whether this has been calculated, and, if so, provide information on how calculated and the outcome (this may only be applicable in specific interventions such as remediating land. Questions to calculate this are not provided).

Persistence of Benefits

4.18 In considering the overall impact of an intervention it is important to consider the extent to which the benefits generated persist over time. Benefits will persist where the intervention has built the capacity of the individual or organisation to sustain or continue to achieve further benefits.

4.19 The starting point for information on persistence should be primary data, usually obtained from beneficiary surveys. However, collecting this data may not always be feasible, particularly as respondents may not be able to gauge what the benefit of the intervention is likely to be longterm. Because of this, all future RDA evaluation plans should make reference to the persistence assumptions in Figure 4-3 (as used by PwC in their recent work evaluating the impact of RDA interventions). These assumptions can either be used as the main source of information or, where other information is used, as a comparator – with the rationale for any differences explained.

4.20 It is also important to consider that the way in which an outcome or benefit is valued can have an effect on the approach to estimating the persistence effect. For example, if an intervention involving bringing land back into use is valued by the change in land values that is achieved as a direct result, then that valuation would be based on the future use of the land and the benefits that arise as a result, which effectively means that the persistence effect has already been

Figure 4-3: Assumptions underpinning PwC estimates of GVA in the RDA impact report

Intervention type	Period over which benefits build (years)	Persistence of benefits (years)
Individual enterprise level support	1	3
Sector/cluster support	1	3
Promotion and development of science, R&D and innovation infrastructure	3	3
Inward investment promotion	1	5
Bringing land back into use	3	10
Public realm	2	10
Image, events and tourism	1	2
Skills and workforce development	1	3
Matching people to jobs	1	1
Supporting the development of educational infrastructure	1	10
Other – place	2	2
Cross-cutting themes – place	3	10
Persistence of benefits from carbon savings		See key metrics reference ²⁸

Source: PWC 2009

built into the calculation; whereas if this type of intervention were valued by the number of jobs created as a direct result of the commercial floor space that will be produced by bringing the land back into use, then persistence effects would still be applied to the valuation of the number of jobs created.

4.21 The PwC review was the most recent look at persistence, but data available for the review was limited. Therefore, it is proposed that, over time, further data is collected on the persistence of benefits from beneficiary surveys on persistence (suggested survey questions are included in A2 section G), as well as any other evidence that comes to light. These persistence assumptions will, therefore, be reviewed by BIS and the RDA Evaluation Practitioner Group one year after this guidance is implemented.

4.22 Ideally, evaluators would also consider whether these impacts would remain constant or diminish over time i.e. whether there is any decay in the persistence effects. At present there is no robust evidence on this, so no suggested decay rates are proposed in this guidance. RDAs should simply report impact assuming the benefits accrue constantly over the persistence period.²⁹

4.23 A discount rate of 3.5% (in line with Green book guidance³⁰) should be applied to the future stream of benefits.

28 Is taken from guidance published by Salix Finance and the Carbon Trust on the persistence of CO₂ savings benefits, found at www.salixfinance.co.uk/localauthoritiesRPF.html, uses a range of persistence factors for different types of intervention.

29 If information on decay rates in persistence becomes available in the future, BIS will work with the RDA evaluation practitioners group to include this in future guidance. A suggested beneficiary survey question, that could provide data to use here is included in A3 Set G.

30 www.hm-treasury.gov.uk/data_greenbook_index.htm

Apportionment of Impact

- 4.24 Apportionment of impact relates to the value of the impact delivered through RDA investment as distinct from other investment sources (public or private). The way in which impact is apportioned compared to RDA investment, is likely to be an important issue for a limited number of programmes/projects.
- 4.25 The OffPAT Combined Indicator Technical Note (May 2008)³¹ states that: “Projects may be funded by the Agency alone or the Agency may fund in partnership with one or more other public sector bodies and/or the private sector i.e. there may be a “cocktail” of funders”.
- 4.26 While other public sector funding bodies count and report those outputs relevant to their own funding contribution to government, the private sector does not. The Agencies and other public funding bodies will normally count and report outputs in proportion to their funding contribution to avoid “double counting” the same outputs.
- 4.27 The PwC report included private sector funding in the apportionment of outputs on the basis of outputs being allocated based on total funding for the programme/project. Future RDA evaluation should continue to use the approach as set out in the OffPAT note, which does not include private sector funding in the apportionment of outputs.

Summary

Figure 4-4: Summary of Steps for Establishing Persistence and Apportionment of Net Benefits

Step	Description
1. Collection of data, most likely through beneficiary survey	Use common questions wherever possible to capture information to assess gross impact, additionality and persistence data, follow guidance of A1/2 on conduct of beneficiary survey and common questions.
2. Use of data to assess gross and net impact	As per the guidance in sections 3 and 4.
3. Apply persistence factors	These should be applied from the point where impacts begin to be realised. Where the beneficiary survey gives a very different result to the standard assumptions, both results can be reported.
4. Apply discount rate to stream of future benefits	3.5% in line with green book guidance
5. Ensure impacts are apportioned correctly amongst public funders	

31 www.OffPAT.info/Publication.aspx?ID=588 , Publication | OffPAT Public Site pg 11

Annex A – Template for Evaluation Results Summary

A1. Once an evaluation report is completed, a summary should be completed to incorporate key information from the evaluation. This will facilitate preparation of the national report and ongoing building of the evidence base.

Figure A-1: Template for Evaluation Results Summary

RDA Name	
Project Name	
Short description	
Theme	
Sub-theme	
Rationale	
Key elements of the logic chain	
Timings:	<ul style="list-style-type: none"> • Time period evaluated³² • Date of evaluation
Methodology employed:	<ul style="list-style-type: none"> • Beneficiary survey? • Sampling approach?
Net GVA impact	<ul style="list-style-type: none"> • Achieved to date • Cumulative and future perceived benefits
Economic Impacts only; or,	<ul style="list-style-type: none"> • Social • Environmental etc.?
Additionality factors:	Beneficiary surveys or benchmarks <ul style="list-style-type: none"> • Deadweight? • Displacement? • Leakage? • Substitution? • Multiplier?
Persistence?	<ul style="list-style-type: none"> • Net GVA impact including any future expected benefits after intervention ends.
Any other adjustment factors included (i.e. grossing; apportionment)?	
Headline summary of key findings and lessons	

32 We define the intervention start point where the first instalment of funding is drawn down and the end point where the last instalment of funding is drawn down by the recipient.

Annex B – Template for RDAs' Evaluation Plans

- B1. When assessing RDAs' evaluation plans BIS will be looking for; indication that at least of 60% of spend committed more than three years ago has already been evaluated and robust evaluation plans exist for a minimum of 60% of more recent spend.
- B2. The figures overleaf provide a template for providing a summary of evaluation plans. For each completed evaluation (interim or final), the summary of the results should also be submitted using Figure A-1 in Annex A and with links to relevant detailed reports. For planned evaluations, RDAs would need to submit detail on the methodology to be used.
- B3. These plans will be reviewed and signed off by BIS.

Figure B-1: Template for Evaluation Plans

Project approval date	Project or programme	Project/programme timings	Intervention theme and sub-theme	Spend profile (*- evaluation already completed)	Dates for evaluation	Summary of finding/ overview of proposed evaluation exercise
				07/08 08/09 09/10 10/11+		
	Project/programme title and brief description	Start and end times	Using list included in section 2 of this guidance		Describe timings for evaluation – including if interim or final	Methods used – links to any reports
2006/7						
2007/8						
2008/9						
2009/10						
% of spend already evaluated						
% of spend planned to be evaluated						
% of SPEND COVERED						
60% Target Met						

This template should be updated on an annual basis.

Example of evaluation plan

Figure B-2: Example of Evaluation Plan put forward in 2010/11

Project approval date	Project or programme	Project/programme timings	Intervention theme and sub-theme	Spend profile (* - evaluation already completed)	Dates for evaluation	Summary of finding/overview of proposed evaluation exercise
06/07	Project Finance: Provision of loans to SMEs	Current funding due to end 09/10. Evaluation will inform decisions on continuation of project	Business: Individual enterprise support	07/08 £5m* 08/09 £5m* 09/10 £5m 10/11+ £0m (unless decision to continue)	Interim evaluation complete covering spend up to 08/09, final evaluation due 2009/10.	Interim eval by XYZ available at (include link). Findings indicated that GVA of £X generated for every £1 spent. Full evaluation will increase sample size to XX
06/07	Project Land: Buy land to decontaminate and then develop into business park.	Spend started 07/08 – self-funding from 2009/10	Place: Bringing land back into use	£8m* £5m* £0m £0m	Full evaluation was conducted in 2009/10.	Evaluation completed by ABC Consultants report available at XXX. Results indicated....
07/08	Project Job: Aiming to provide tailored employment support service and assisting people into training or upskilling to better enable them to apply for jobs.	Initiative started mid way through 07/08. Funding in place until 2010	People: Skills and Workforce development	£2m* £3m £3m £3m	Interim evaluation covering spend in 07/08 completed Mar 09.	Interim evaluation available at XXX. Final evaluation based on beneficiary survey with target sample size of XX
08/09	Project Innovate: building an innovation centre to provide support for new, innovative, knowledge-based businesses.	Work on innovation centre started 08/09. Should be complete 2012 and then self-financing.	Business: Promotion and development of science, R&D and innovation infrastructure	£0m £2m £7m £9m	Final evaluation due 2010.	Evaluation will look at how well project has met its overall objectives of e.g. creating jobs. Evaluation will take place through beneficiary survey...

Figure B-2: Example of Evaluation Plan put forward in 2010/11 (Cont...)

Project approval date	Project or programme	Project/programme timings	Intervention theme and sub-theme	Spend profile (* – evaluation already completed)	Dates for evaluation	Summary of finding/overview of proposed evaluation exercise
09/10	Project Investment: Event to promote inward investment and business growth	Initially one off event due to take place 2011. Will take place bi-annually if successful	Business: Inward investment promotion	07/08 £15m 08/09 £15m 09/10 £15m 10/11+ £2m	09/10 10/11+ 10/11/12	Evaluation due to be conducted 2011/12
	Total RDA spending (Excluding national programmes)			£15m	£15m	£15m
	% of spend already evaluated			100%	67%	0%
	% of spend planned to be evaluated over next three years			0%	33%	100%
	% of SPEND COVERED			100%	100%	100%
	60% Target Met			YES	YES	Should be met if planned evaluations carried out.

Annex C – Principles for Assessing Additionality

Estimating additionality from first principles

C1. The additional impact of the project/programme can be computed with the following equation:

Figure C-1: Additionality Calculation

Key Formula:

Net impact	=	Additionality of Intervention	–	Counterfactual/Deadweight
NI	=	$[GI \times (1-L) \times (1-Dp) \times (1-S) \times M]$	–	$[GI^* \times (1-L^*) \times (1-Dp^*) \times (1-S^*) \times M^*]$

Where:

AI	=	net additional impact,
GI	=	gross impact,
L	=	leakage,
Dp	=	displacement,
S	=	substitution; and
M	=	the multiplier.

* denotes the reference case and hence deadweight. We assume reference case to be the same.

Gross Impact (GI)

C2. Sections 3 and 4 establish the key outcome metrics according to which the gross impact of interventions may be evaluated.

C3. A series of issues when estimating gross impacts should be addressed in a consistent manner:

- **Timing.** Time period should relate to the life of the intervention, capturing all the important costs and benefits over the period, and where appropriate, any significant anticipated benefits following the end of the formal intervention period.
- **Multi-site firms:** RDAs' interventions are usually targeted to small firms (with one site in the region), but some beneficiary firms can have several sites within the region concerned or even in the UK. When collecting data from businesses, it should be made clear at which level information is required. Respondents might prefer to provide information for their workplace; others might prefer to provide information for their business at the national level. RDAs' evaluations are primarily concerned by gross impacts at the regional level. As a result, data should be primarily collected at the regional level.

- **Weighting.** Whatever the sampling approach selected, the question of whether observations should be weighted according to characteristics of the targeted population should be addressed (e.g. should we weight data collected on businesses according to their characteristics, for example, number of employees?).
 - **Quality and Time additionality.**³³ The success of an intervention can be determined not just by the amount or scale of benefits delivered, but by the time and quality additionality of the intervention so, for example, the results were achieved faster than otherwise. Thus it is important to assess these effects wherever possible.
- C4. For many projects, it may be possible to record the amount of time an intervention benefit has been advanced in comparison with the reference case. For larger scale, long-run projects, the technique of cost-benefit analysis may be adopted to assess the overall influence of timing on intervention benefits. This technique favours projects that produced results earlier, and incurred costs later, in the life of the intervention.
- C5. It may be also important to measure the impacts of an intervention in terms of the quality of intervention outputs or outcomes. The first step is deciding upon a suitable scale of measurement to assess the quality of an intervention impact. For example, if an intervention benefit is expected to be an increase in good quality employment, then the quality of employment might be measured by the salary levels of employees, or productivity gain. However, this type of information may not always be readily available. Where such detailed data on quality of intervention benefits is not available, an alternative approach may be to gather scores of perceived quality. For example, a respondent from a business survey may be asked to score a change in job quality between: 1) very negative effect on quality; 2) somewhat negative effect on quality, 3) no effect on quality; 4) somewhat positive effect on quality; 5) very positive effect on quality.
- C6. Any individual intervention may display a particular combination of additionality in terms of scale, time and quality. However, these will be measured on different scales and are usually not easily combined into an overall measure of additionality. Instead, the different types of additionality may be accounted for separately as part of an overall account of a particular project or programme. In some evaluation cases it may be appropriate to weight the outputs of the actual case in comparison with the reference case based on their relative output quality (e.g. the reference case producing higher quality jobs than the actual case). Such weighting should be explicit. The weighted outputs under the various delivery options could then be taken into account in any value for money assessment.

33 Scottish Enterprise. Additionality and Economic Impact Assessment Guidance Note. A summary Guide to Assessing the Additional Benefit, or Additionality, of an Economic Development Project or Programme. November 2008

Counterfactual/Deadweight (GI*)

- C7. The counterfactual/deadweight will be the sum of benefits that would have happened anyway without the intervention. This should take into account:³⁴
- Additionality of actions – the probability that beneficiaries would have undertaken actions to improve their business/personal or professional situation in the absence of the support provided.
 - Additionality of outcomes – the probability that businesses/people saw increased outcomes aimed by interventions as a result of the actions they took to improve the performance of their business/personal or professional situation.
 - Additionality of support – the probability that beneficiaries would have found similar alternative support in the absence of the support they received.
- C8. Beneficiary surveys may be used to estimate these components of additionality of interventions. A question could be asked for each aspect. However, respondents may not be able to distinguish accurately one additionality aspect from another one, and deadweight may be under or over estimated. Thus, we recommend asking a general question on the benefits that would have occurred anyway without RDA intervention rather than a series of questions trying to estimate each individual component of additionality.

Adjustment Factors

- C9. In practice, adjustment factors for leakage, displacement, substitution and multiplier effects are considered to be the same both in the actual situation and in the reference case.
- C10. The additionality look up tables of the Offpat Advice note on the additionality of project benefits³⁵ provides useful guidance on additionality factors relevant by output type.

Leakage (L)

- C11. In general, leakage is considered to arise where:
- Beneficiaries are located outside the targeted area. Leakage also includes employees of beneficiaries who live outside the targeted area.
 - Beneficiaries indicate an intention to relocate from the region in the future. This concerns future impacts only.

³⁴ Ecotec – Draft Toolkit for the Evaluation of emda Strategic Programmes 2007/08-2010/11-2009

³⁵ Offpat – Advice Note 8/05 on the Additionality of Project Benefits; 2005

C12. Beneficiary surveys should collect information on beneficiaries' location and on their relocation intention. The percentage of beneficiaries located outside the region will be the leakage displacement factor used for computing actual benefits of interventions.

C13. The percentage of beneficiaries with intention to relocate may be used for estimating net future impacts.

Displacement (Dp)

C14. Displacement arises where the intervention takes market share (called product market displacement) or labour, land or capital (referred to as factor market displacement) from other existing firms within the geographical area being assisted.

C15. We recommend to proxy product displacement effects by the following formula:

Displacement factor (Dp)	=	percentage of additional sales generated going to region	x	percentage of firm's competition based in region ³⁶
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C16. When evaluating export support activities, two types of product displacement effects need to be taken into account:³⁶

- Displacement with respect to export sales. As all export sales occur outside of the regional market, in this case consideration will be given to displacement outside of home markets. This should be estimated by:

Export Sales Displacement	=	percentage of beneficiaries' competition in export markets (by market share) that are based in the targeted region.
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- Negative displacement associated with trade diversion. Firms may have reduced domestic sales as a result of increased sales to international markets, and these sales may be taken up by firms in the targeted region. The calculation involved for negative displacement is:

Negative Displacement	=	Fall in sales to domestic markets following increase in exports	x	[1 – (percentage of competition based in the region before support x percentage of sales to the region before support)]
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C17. These measures clearly focus on displacement associated with product market within the region. In practice, product market displacement effect may be more straightforward to estimate than factor market displacement. However, factor market displacement can be significant if scarce factors of production are used (i.e. labour/skills issues, land/property issues; capital/finance issues). These should be considered where practical to do so (through in-depth analysis of labour force market for instance). In any case, multiplier effect factor should be sense-checked with the CEA benchmarks as explained in Annex D.

36 Ecotec – Draft Toolkit for the Evaluation of EMDA Strategic Programmes 2007/08-2010/11-2009

Substitution

C18. These are considered to be potentially relevant mostly to human resource interventions, particularly those involving either training beneficiaries from particular target groups or placing them into employment.

C19. There are evident difficulties in assessing how provision of training for individuals from target groups affects the employment prospects of others, so substitution effects are typically to be considered only in relation to employment placements and are to be measured as:

Substitution factor (S)	=	% of jobs into which beneficiaries are placed which would otherwise have been expected to have been filled from the general labour market. ³⁷
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C20. Substitution could also arise in relation to other factor inputs such as land and property. A firm renting premises could, for example, take advantage of accommodation provided by the public sector at a reduced cost by relocating from its current building. Substitution should be also considered if businesses switch collaborations in order to take advantage of support, while the output aimed by interventions is businesses engaged in new collaborations. Substitution in relation to other factor inputs or collaboration can only be measured in general terms. As a result, we recommend to proxy substitution effects as the extent to which beneficiaries have replaced one activity for a similar activity solely to benefit from RDAs' interventions.

Multiplier

C21. The economic benefits of an intervention are multiplied because of knock-on effects within the economy. Two types of multiplier can be identified:

- A supply linkage multiplier (also referred to as an indirect multiplier or first round multiplier) due to purchases made as a result of the intervention and further purchases associated with linked firms along the supply chain. Supply chain effects can typically be estimated from the following formula:

M	=	percentage of business' purchases from x region based suppliers	x	relevant GVA/turnover ratio (according to the region concerned and, ideally, the sector of suppliers) ³⁷
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- an income multiplier (also referred to, induced multiplier or second round multiplier) associated with local expenditure as a result of those who derive incomes from the direct and supply linkage impacts of the intervention. Income multiplier cannot be easily estimated from beneficiary survey. When an income multiplier effect is considered to be particularly significant, the CEA Benchmarks, which include both supply linkage and income multipliers, should be used as detailed in Annex D.

Annex D – Additionality Benchmarks

- D1. In October 2008 the Department for Business, Innovation and Skills (BIS) commissioned Cambridge Economic Associates (CEA) to undertake an assignment which would capture additional evaluation evidence on additionality, as well as explore the latest thinking on particular areas of the adjustment, most notably agglomeration economies and their relevance for the multiplier adjustment.
- D2. The study has been designed to collate and analyse new evidence gathered on additionality in recent years, particularly as a result of the independent assessment of the impact of the spending of the nine English RDAs (PricewaterhouseCoopers, 2009).³⁸
- D3. Data was captured on deadweight, leakage, displacement, substitution and multiplier effects. Where sufficient data existed, a net additionality ratio was also calculated on a consistent basis. Results have been captured at two spatial levels: the sub-regional level and the regional level.
- D4. The study also captured data on key project characteristics, allowing the additionality data to be disaggregated according to: the themes and sub-themes used by the recent RDA Impact Evaluation; whether the intervention was a programme or project; and the rationale for intervention.
- D5. The CEA report does not replace English Partnership's Additionality Guide – this represents the method. These CEA results shall be used alongside the EP Additionality guide to present benchmarks.
- D6. Where it is proportional, appraisals and evaluations should still establish estimates from first principles – the benchmarks should be used as a guide to sense-check the results obtained.
- D7. At this time BIS are producing a summary note that will aid on how the CEA report benchmarks can be used on a practical basis. When published, this document will be updated with links to the note.

38 www.berr.gov.uk/publications/economicstatistics/economics-directorate/page14639.html

Summary Figures of Additionality Adjustment Factors

D8. The following tables, taken from CEA's report, provide additionality adjustment factors by:

- Spatial area
- Primary Theme (Sub-Regional)
- Primary Theme (Regional)
- Programme vs Project (Sub-Regional)
- Dominant market failure Programme vs Project (Regional)
- Regeneration (Physical Infrastructure)

Figure D-1 Summary of additionality estimates at the sub-regional level

Additionality estimate	Number of observations (N)	Lower end of range (%)	Upper end of range (%)	Mean (%)	Median (%)	+/- at 95% Conf Level (ppts)
Deadweight	148	0.0	97.5	39.5	38.5	5.0
Displacement	158	0.0	80.0	21.5	12.0	3.6
Leakage	51	0.0	90.0	15.8	6.0	6.9
Substitution	37	0.0	100.0	2.7	0.0	5.4
Multiplier (not % in columns 2-5)	137	1.00	2.71	1.25	1.21	3.9
Net additionality ratio	74	0.0	152.9	45.8	47.0	6.8

Figure D-2 Additionality by primary theme. Means and +/- 95% confidence levels* at the sub-regional level

*In brackets.

Themes	Deadweight	Displacement	Leakage	Substitution	Multipliers	Net additionality ratio
Business development and competitiveness	47.2 (5.6)	19.5 (3.9)	16.3 (8.2)	2.7 (5.4)	1.25 (3.7)	35.9 (13.3)
Regeneration through physical infrastructure	7.5 (3.9)	38.7 (6.7)	14.1 (9.3)	NA	1.33 (9.9)	54.2 (6.2)
People and skills	26.3 (10.9)	17.9 (11.1)	13.5 (9.9)	NA	1.66 (67.2)	54.0 (3.6)

Figure D-3 Additionality by primary theme. Means and +/- 95% confidence levels* at the regional level

*In brackets.

Themes	Deadweight	Displacement	Leakage	Substitution	Multipliers	Net additionality ratio
Business development and competitiveness	45.5 (3.3)	29.3 (3.3)	11.5 (3.1)	3.4 (2.2)	1.51 (4.3)	49.7 (6.1)
Regeneration through physical infrastructure	33.9 (5.4)	37.4 (6.7)	10.4 (3.5)	2.2 (3.8)	1.40 (5.9)	50.8 (5.2)
People and skills	39.4 (5.2)	24.7 (5.1)	14.2 (4.7)	4.4 (3.2)	1.36 (7.5)	55.1 (4.9)

Figure D-4 Additionality by programme v project. Means and +/- 95% confidence levels* at the sub-regional level

Themes	Deadweight	Displacement	Leakage	Substitution	Multipliers	Net additionality ratio
Programme	44.2 (5.5)	16.6 (4.4)	10.8 (3.8)	0.0 (-)	1.24 (3.1)	57.1 (6.3)
Project	36.1 (8.0)	25.0 (5.1)	17.0 (8.5)	2.8 (5.5)	1.26 (5.7)	27.1 (12.1)

*In brackets.

Figure D-5 Additionality by programme v project. Means and +/- 95% confidence levels* at the regional level

Themes	Deadweight	Displacement	Leakage	Substitution	Multipliers	Net additionality ratio
Programme	43.8 (2.9)	26.2 (2.8)	11.5 (2.8)	5.8 (3.0)	1.40 (2.4)	54.8 (4.0)
Project	41.8 (4.8)	33.9 (5.0)	11.2 (3.3)	1.6 (1.7)	1.51 (6.3)	43.8 (7.0)

*In brackets

Figure D-6 Additionality adjustments for jobs generated by projects associated with Regeneration through Physical Infrastructure % (except for multiplier)

Additionality variables	Project 1		Project 2		Project 3		Project 4		CEA				
	Local	Regional	Local	Regional	Local	Regional	Local	Regional	Mean (+/- 95% ci)	Local	Median	Mean	Regional Median
Deadweight	10.0	10.0	0.0	0.0	0.0	0.0	35.0	35.0	7.5 (3.9)	0.0	0.0	33.9	35.0
Leakage	15.0	5.0	15.0	2.0	25.0	5.0	15.0	0.0	14.1 (9.3)	10.0	10.0	10.4	5.0
Displacement	0.0	66.0	10.0	15.0	25.0	40.0	0.0	47.0	38.7 (6.7)	37.0	37.0	37.4	29.0
Substitution	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	2.2	0.0
Multiplier effects	1.21	1.38	1.29	1.44	1.25	1.41	1.21	1.38	1.33 (9.9)	1.32	1.32	1.40	1.39

Note: For all estimates other than those for the multiplier effect is a factor, the units are per cent with the confidence interval in percentage points. For the multiplier effects estimates are factors with the confidence interval in per cent.

Annex E –Theme Mapping

- E1. The figure set out here indicates how the themes and sub-themes put forward in this document can be mapped onto SfB products and the OffPAT e-library themes.
- E2. In order to place final evaluation reports on the e-library they should be sent to Doree Moretti at the Office of Project and Programme Advice and Training (OffPAT) at doreemoretti@offpat.info. The evaluation report will be sent to researchers to have an abstract produced to aid in the ease of search on the OffPAT e-library. When complete, the report will be added to the e-library using one of the below mapped categories, to aid sharing of best practice.

Figure E-1: Theme Map

OffPAT Theme		IEF+ Theme		Solutions for Business Products	
Business	Business Improvement	Collaboration	Individual Enterprise Support	Enterprise Coaching Coaching for High Growth	
		Diversification			
		Information Assistance			
		Modernisation			
		Networks and Fora			
	Clusters/Sectors	Building Technologies	Sector and Cluster Support	Business Collaboration Networks Business Premises Manufacturing Advisory Service	
		Environmental Technologies			
		Food and Drink			
		ICT			
		Manufacturing			
Environmental Management	Media/Film	Sustainable Consumption/production	Improving Your Resource Efficiency Low Carbon Energy Demonstration		
	Medical Technology				
	Professional Services				
	Tourism and Leisure				
	Climate Change				
Finance	Resource Efficiency	Inward Investment/Individual Enterprise Support	Finance for Business Understanding Finance for Business Small Loans for Business Grant for Business Investment Enterprise Finance Guarantee Rural Development Programme for England		
	Sustainable Consumption				
	Sustainable Production				
	Waste Management				
	Access to Finance				
	Venture Capital Funds				

Figure E-1: Theme Map (Cont...)

OffPAT Theme		IEF+ Theme		Solutions for Business Products		
Business (cont...)	Innovation	Knowledge Transfer	Promotion and development of science, R&D and innovation	Innovation Advice and Guidance Networking for Innovation Innovation Vouchers Designing Demand Business Growth: Specialist Facilities and Environments Collaborative R&D Knowledge Transfer Partnerships Grant for Research and Development		
		Products/Processes				
		R&D				
		Science and Technology				
Inward Investment and Trade	Exporting/Trade		Internationalisation of indigenous business	Accessing International Markets Developing Your International Trade Potential Export Credit Insurance		
		Inward Investment				Inward Investment Promotion
Start-ups	Encouraging Business Formation	Spin-outs	Individual Enterprise level support/ Sector and Cluster support	Starting a Business Intensive Start-Up Support Starting a High Growth Business		
People	Employment	Economic Inclusion	Matching people to jobs			
		Worklessness Brokerage				
	Skills and Training	Basic Skills	Skills and Workforce development/ development of educational infrastructure		Train to Gain	
		E-learning Management and Leadership				
Social Regeneration	Vocational Qualifications	hybrid				
	Workforce Development					
	Crime and Safety					
	Diversity/equalities					
	Health and Wellbeing					

Figure E-1: Theme Map (Cont...)

OffPAT Theme		IEF+ Theme		Solutions for Business Products		
Place	Built Environment	Design	Public Realm/Cross-cutting regeneration interventions/ Other regeneration interventions			
		Eco-town				
		Housing				
	Land and Sites	Non-domestic buildings Tourist/Leisure/Cultural				
		Hospital Sites				
		Master planning				
		Purchase and Sales				
	Marketing	Remediation/Stabilisation				
		Restoration				
		SUDS				
		Culture				Image, events and tourism
		Events				
	Public Realm	Image				
		Open Space				Public Realm
		Town Centres				
Rural Areas	Market Towns					
	Air	Cross-cutting regeneration interventions/Other regeneration interventions				
	Gas/Electricity					
	ICT					
	Rail					
	Road					
	Water					
Transportation and Infrastructure						

Annex F – Solutions for Business Product Owners and Contact Details

Figure F-1: Solutions for Business Product Owners and Contact Points

Product	Name	Email	Telephone
Non-BIS Products	Export Credit Insurance	dawn.faniku@bis.gsi.gov.uk	020 7215 257
	Enterprise Coaching	andrew.maginn@communities.gsi.gov.uk	020 7944 8320
	Business Collaboration Networks	tonysims@advantagewm.co.uk	0121 503 3283
	Business Premises		
	Business Growth: Specialist		
	Facilities and Environments		
	Low Carbon Energy Demonstration	Allan Taylor allan.taylor@decc.gsi.gov.uk	01224 254128
	Improving your resource efficiency	Bobbie Warwick bobbie.warwick@defra.gsi.gov.uk	020 7238 4459
	Rural Development Programme for England (RDPE)	Amanda Desmond amanda.desmond@defra.gsi.gov.uk	020 7238 6931
	BIS Products	Enterprise Finance Guarantee	ian.shaw@bis.gsi.gov.uk
Finance for Business		mark.turner@bis.gsi.gov.uk	020 7215 6465
Understanding Finance for Business			
Small Loans for Business			
Train to Gain		Caroline Blondell caroline.blondell@bis.gsi.gov.uk	020 7273 5519
Starting a Business (SAB)		andrew.miller@bis.gsi.gov.uk	020 7215 6198
Starting a High Growth Business (SHGB)			
Intensive Start-Up-Support (ISUS)			
Coaching for High Growth			

Figure F-1: Solutions for Business Product Owners Contact Points (Cont...)

Product	Name	Email	Telephone
Manufacturing Advisory Service	John Mackay	john.mackay@bis.gsi.gov.uk	020 7215 5629
Grant for Business Investment	Edwin James	edwin.james@bis.gsi.gov.uk	020 7215 1662
Collaborative R&D	Fergus Harradence	fergus.harradence@bis.gsi.gov.uk	020 3300 8919
Networking for Innovation			
Knowledge Transfer Partnerships			
Innovation Vouchers			
Grant for Research and Development			
Designing Demand			
Innovation Advice and Guidance			
Maximising Foreign Direct Investment	Steve O'Leary	steve.oleary@ukti.gsi.gov.uk	020 7215 8850
Accessing International Markets			
Developing Your International Trade Potential			

Annex G – Acronyms

BAU	Business as Usual
BERR	Department for Business, Enterprise and Regulatory Reform
BIS	Department for Business, Innovation and Skills
BRE	Better Regulation Executive
BREEAM	BRE Environmental Assessment Method
CABE	Commission for Architecture and Build Environment
CEA	Cambridge Economic Associates
CHP	Combined Heat and Power
CI	Confidence Interval
CO₂e	Carbon Dioxide Emissions Equivalent
DECC	Department for Energy and Climate Change
Defra	Department for Environment, Food, and Rural Affairs
DTI	Department for Trade and Industry
DTZ	DTZ Consultants
EMDA	East Midlands Development Agency
EP	English Partnerships
EPG	Evaluation Practitioners Group
ERDF	European Regional Development Fund
ESG	Evaluation Steering Group
FTE	Full-time equivalent employees
GHK	GHK Consulting
GRADE	Guidance for RDAs in Appraisal Delivery and Evaluation
GVA	Gross Value Added

HMT	HM Treasury
IEF	Impact Evaluation Framework
LDA	London Development Agency
NEET	Not in education, employment or training
NVQ	National Vocational Qualification
OffPAT	Office of Project and Programme Advice and Training
OGD	Other Government Departments
ONS	Office of National Statistics
PERS	Pedestrian Environment Review System
PwC	PricewaterhouseCoopers
R&D	Research and Development
RDA	Regional Development Agency
RDPE	Rural Development Programme for England
SAV	Strategic Added Value
SfB	Solutions for Business
SMART	Specific, Measurable, Achievable, Relevant, Time-Bound
SQW	SQW Consulting
SROI	Social Return on Investment
TER	Target Emission Rate
YF	Yorkshire Forward

Annex H – References

Key Appraisal and Evaluation sources

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