

DG Cities evaluation for local authorities

Whitepaper 1: an introduction to monitoring and evaluation





Sharing Cities Series: Evaluating Local Interventions

Whitepaper 1: an introduction to monitoring and evaluation

This whitepaper series supports the knowledge sharing of insights relevant to the wider policy and innovation community, and is written to support learning for those working in and with local authorities.

In this whitepaper we:

- Introduce monitoring and evaluation processes and value for local authorities;
- Explore the key concepts of monitoring and evaluation, outlining the difference between the key types;
- Illustrate a simple step-by-step process for undertaking monitoring and evaluation activity;
- Point to key resources to help design and deliver monitoring and evaluation in a local authority context.

Introduction

Understanding what does and doesn't work in any initiative is critical in determining how best to deliver projects and create the best outcomes for stakeholders. Local authorities commit significant resources to delivering projects; understanding what works is therefore vital in making the best decisions when it comes to investing in, delivering and generating value through policies and projects.

This white paper introduces the purpose of monitoring and evaluation to local authorities and central governments, and highlights the key concepts for those looking to learn about and deliver monitoring and evaluation activities in a public sector setting.

What is monitoring and evaluation and why is it important?

Evaluation is the systematic assessment of an intervention's design, implementation and outcomes. Evaluation tests:

- if or how far an intervention is working or has worked as expected;
- if the costs and benefits were as anticipated;
- whether there were significant unexpected consequences; and,
- how it was implemented and, if changes were made, why.

Monitoring and evaluation (M&E) is an important concept in local government strategy and project delivery for several reasons:

- **Improving efficiency and effectiveness:** effective M&E helps local authorities to identify where resources and capabilities can be better used to generate greater impact from interventions. For local authorities this can mean better outcomes for residents and businesses, and more efficient use of public resources to deliver against objectives.
- **Increasing accountability:** M&E helps local government be accountable to communities and stakeholders by providing evidence of how public resources are being used, and the effect of their strategies and projects. Accountability is key to building trust in local government.
- **Demonstrating transparency:** effective M&E helps to ensure that the public has access to the impacts and outcomes resulting from the use of public resources, as well as visibility of decision making, and the policies and processes. This transparency helps to build trust with the public and other stakeholders.
- **Supporting ongoing learning and improvement:** M&E supports continuous improvement, reflection and learning by surfacing the opportunities and challenges of policy and project delivery, ensuring that local authorities can better provide services in the future. For complex organisations such as local authorities, this is crucial in delivering their social purpose.

How are local authorities currently monitoring and evaluating their programmes?

Local authorities can benefit significantly from the use of monitoring and evaluation approaches. M&E methods can help leaders and teams track their progress against their strategic goals and objectives, enable evidence-based assessment of the quality and performance of programmes and services, and identify clear opportunities for improvement.

For public facing services this can be hugely beneficial: understanding the impact of programmes and services on residents and business can support the design and delivery of better services, and ensure resources are allocated efficiently and effectively.

Reporting the outcomes of evaluation processes in reports, data dashboards, and as information such as infographics through social media, are a useful way to build trust and credibility with stakeholders including the public, and demonstrate accountability.

Key concepts

Monitoring and evaluation processes are often highly standardised to ensure robustness of results, and comparability across evaluations. Less formal evaluation strategies are also useful, as they can offer opportunities for reflection, and incremental improvement. However those implementing M&E must balance the desire for quality and comparability against factors such as cost, speed and ease of delivery. Understanding the purpose of the M&E from the outset is important to then design a suitable approach.

Process evaluation and impact evaluation: what's the difference?

M&E strategies and methodologies are designed according to the purpose of the evaluation. Local authorities commonly use one or both of the following types of evaluation activity, as outlined in the HM Treasury Green Book¹, depending on their requirements:

¹ HM Treasury (2022). *The Green Book: central government guidance on appraisal and evaluation*.

<p>Process evaluation assesses how well a project or intervention was delivered and whether it was delivered as intended/planned.</p>	<p>Impact evaluation assess the effect or outcome of the project or intervention on its target group (e.g. residents)</p>
<p>Key questions answered in a process evaluation are:</p> <ul style="list-style-type: none"> • Was the project implemented as planned? • Are planned services or activities being delivered effectively? • Is the project impacting target groups as intended? • What barriers or opportunities are there that influenced the implementation of the project processes? 	<p>Key questions answered in an impact evaluation are:</p> <ul style="list-style-type: none"> • Did the project achieve its desired outcomes? • What were the positive and negative outcomes generated by the project? • Are project outcomes sustainable over the short, medium and long-term? • How do different participants respond to the project / do different groups realise different outcomes?
<p>Project implementation is the focus of a process evaluation. E.g. can we deliver the project more efficiently?</p>	<p>Project outcomes are the focus of an impact evaluation. E.g. is it worth continuing to deliver the project? Are target beneficiaries benefiting from the project?</p>
<p>Common methods used in process evaluation include:</p> <ul style="list-style-type: none"> • Stakeholder interviews: programme partners, delivery personnel are interviewed to understand their views on the implementation of the project. • Document review: project plans, timelines, reports, participant records are reviewed to understand if the project was delivered according to plan. • Surveys: data from project partners, participants including feedback on the implementation of the process. 	<p>Common methods used in impact evaluation include:</p> <ul style="list-style-type: none"> • Stakeholder interviews: programme partners, delivery personnel are interviewed to understand their views on the implementation of the project. • Document review: project plans, timelines, reports, participant records are reviewed to understand if the project was delivered according to plan. • Surveys: data from project partners, participants including feedback on the implementation of the process.

Value for money

Value for money (VfM) is an additional assessment that is undertaken to understand the extent to which an intervention has achieved its objectives and delivers benefits relative to its costs.

VfM can help local authorities in several ways to improve:

- Decision-making by providing evidence on the qualities of different project and policy options;
- Transparency and accountability to how resources are being used, supporting local authorities to demonstrate how resources are being used effectively and efficiently.

Common methods used in VfM assessments include:

- **Benefit-cost ratio (BCR):** BCR is calculated by dividing the total value of the benefits of an intervention by the total cost of the intervention; BCR equal to 1 means benefit and costs are equal, whilst BCR greater than 1 indicates that benefits are greater than costs.
- **Sensitivity analysis:** sensitivity analysis is undertaken to assess the impact of uncertainty on VfM and involves varying the assumptions in a BCR calculation to understand how these affect the BCR.
- **Multi-criteria analysis (MCA):** MCA helps evaluators understand how different objectives are met by an intervention. Criteria are identified and their importance for evaluating outcomes are weighted, creating a score. The MCA can help to illustrate the intervention that has the best overall performance.

The distribution of benefits is often an important assessment to also undertake. This can help local authorities understand where benefits were realised and how target areas/ groups benefited in relation to others.

A step by step evaluation process

Evaluation processes can differ in detail according to the requirements of the project. A common evaluation step-by-step approach is outlined here, which can be adapted for different project requirements.

Planning and set up: this step develops the purpose and focus of the M&E activity, defines key research questions and key performance indicators (KPIs) to be measured, and defines the methods of data capture and analysis. At this stage evaluation design is undertaken - methods such as Theory of Change (ToC) are used to map out steps and measures. Timelines and resources are also developed at this stage.

Delivery/implementation: data is collected during the delivery stage, and often occurs before (pre), during and after (post) the delivery of interventions. The data before intervention is important to understand the baseline, whilst collecting data for non-intervention areas of groups may be required for comparison analysis. Different methods are used depending on the research questions, KPIs, and resources available; but often include desk-based data analysis, surveys, workshops, interviews, and document analysis.

Analysis: Once data collection is complete, analysis is the process of interpreting and drawing conclusions relevant to the purpose of the M&E and the key research questions. A variety of methods can be used depending on the nature and quality of the data collected. These can include statistical analysis of numerical/quantitative data as well as content analysis of qualitative data.

Reporting: Reporting consists of communicating findings to project stakeholders in an accessible and understandable format. Reporting should include an outline of the plan, key research questions and KPIs, and the outcomes of the analysis process. Finally, recommendations are presented. For local authorities, reporting can include publishing accessible reports and data on public facing websites, and sharing outcomes of M&E activity with programme funders, delivery partners and service users.

Adoption of findings: The final stage of the process involves the integration of M&E findings into decision making processes in the local authority, and the implementation of recommendations. Adoption can include changing programme design, how it is implemented, and changing resource allocations.

Key resources

Several resources exist that can support local authorities looking to start their monitoring and evaluation journey:

Local Government Association: Evaluation Guidance. Guidance developed for local authorities to support the evaluation of community engagement activity, outlining the steps and processes required to undertake evaluation of community investment activity.²

UK Evaluation Society: Good Practice Guidelines. Guidelines developed by the UK Evaluation Society members for practitioners, commissioners, participants and institutions outlining good practice, and takes a social, political and ethical perspective of evaluation processes.³

Joseph Rowntree Foundation: Evaluating Community Projects - a practical guide. This guidance outlines the approach to be taken for evaluating community projects and understanding their impact over time. The guidance outlines step by step approaches, and a set of principles for local authorities and third-sector stakeholders to help structure and deliver evaluations of community based interventions.⁴

About Sharing Cities

Monitoring and evaluation is a key element of Sharing Cities, an international smart cities project, funded by EU Horizon 2020. The Royal Borough of Greenwich participated in Sharing Cities and delivered a range of initiatives as the London demonstrator area.

The programme completed in 2021 and included the energy efficient retrofit of over 200 social homes and the piloting of a number of smart devices and IoT tech solutions to enable remote monitoring and optimisation of energy assets, and exploring fleet electrification.

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². LGA (2010) LGA Guidance for evaluating engagement. Accessed online: https://www.local.gov.uk/sites/default/files/documents/Useful%20guidance%20on%20evaluation_2.pdf

³. UK Evaluation Society (2003) The Guidelines for Good Practice in Evaluation. Accessed online: <https://www.evaluation.org.uk/professional-development/good-practice-guideline/>

⁴. Joseph Rowntree Foundation (2005) Evaluating Community Projects - a practical guide. Accessed online: <https://www.jrf.org.uk/sites/default/files/jrf/migrated/files/1859354157.pdf>



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