Local Growth Fund Monitoring and Evaluation Framework

1. Introduction

The purpose of this framework is to outline the Local Growth Fund (LGF) programme management processes taken to:

- Maintain a regular record of project delivery expenditure and post-delivery outputs
- Manage funded projects and risks arising
- Ensure that evaluations of projects are undertaken and inform future programmes

It is produced alongside our Assurance Framework which sets out our approach to LGF decision making, funding and programme management.

The framework is intended to enable reporting and evaluation for the LGF programme between 2015/16 to 2020/21. Furthermore, the framework will need to allow us to capture the project outputs and outcomes of the LGF programme to 2024/25.

Specifically, this framework guides the Project Leads to understand why we monitor and evaluate projects, the objectives to be achieved through a structured evaluation process, and how the information needs to be prepared.

This document is divided into 4 sections:

1. The introduction to the framework, our LGF and its strategic aims.
2. The Monitoring Plan: what we require through metric monitoring from projects during and after funding and how it is conducted. This reflects the Cities and Local Growth Unit Guidance for Growth Deals Reporting and Data Submission.
3. The Evaluation Plan: our objectives in evaluation and links to useful sources of best practice.
4. The Requirements: what we require to be achieved by local Project Leads for monitoring and evaluation purposes, how the resulting information will be communicated to Government and stakeholders, and how good governance and quality in monitoring and evaluation will be achieved.

The key priority is to conduct a consistent and reliable monitoring and evaluation process that reflects best practice across the LEP Network. The policy and the evaluation arising will be reviewed by our Programme Sub Group (PSG) which reports to our Board. This document is a publicly-available record of our monitoring and evaluation practices and will be publicly available on our website once approved.

Our Local Growth Fund

Led by our Strategic Economic Plan (SEP), we are responsible for driving economic growth in Oxfordshire. We are using LGF funding as well as City Deal and Growing Places Funds to support the achievement of SEP's objectives. One of the key purposes of our monitoring and evaluation framework is to ensure that our LGF targets are recognised and delivered as a result of our investment both during (in terms of performance monitoring during delivery) and after project completion (in terms of the post-delivery outputs, outcomes and evaluation of funded projects).

The current forecasts for LGF outputs & outcomes are those stated in the 2019/20 Annual Delivery Plan:

KPI	Total to date (31 March 2019)	Provisional forecast to end of March 2020 (cumulative)	Provisional forecast to end of March 2021 (cumulative)	Provisional forecast to end of March 2025 (cumulative)
Direct jobs created	66	103	118	153
Indirect jobs created				9544
Homes enabled		500	650	1800
Learners	150	367	583	1875

The projects fall under four Strategic Economic Plan themes with Local Growth Fund contributions ranging from £0.4M to £25.85M. The full list of projects is available on our website.

2. Monitoring Plan

The monitoring and reporting of performance metrics are required to ensure the effective management of our funded projects and to ensure that Government funding targets are met. Performance against these targets must be reported to Government quarterly and monitored for each project to ensure that the approved funding submissions are leading to the delivery of job, home, learner and other outputs and outcomes. These are also reported to our PSG quarterly and to Board if necessary. From 2019/20 these will also be reported as part of the Annual Delivery Plan.

During the application and bidding stage, the project promoter submitted a business case which contained a spend profile and projected direct and indirect outputs and outcomes. This was subject to an appraisal and prioritisation using the DfT/Treasury approved "Early Assessment Strategic Toolkit" (EAST), then considered and approved by our Board. Once approved, the project was tested with further due diligence and scrutiny. A Funding Agreement was then signed. The final agreement to fund the project was based on the understanding that the forecast outputs and outcomes will be delivered as a result of the funding.

Quarterly Procedure:
The Funding Agreement sets out reporting requirements over the duration of the project which includes completion of quarterly monitoring reports. This will include, where appropriate,

- LGF and other Expenditure
- Progress against milestones
- Project management arrangements
- Communications activity
- Risk register
- Output and outcome delivery
- Overall RAG rating

This information is analysed by our Programme Manager and reported to our PSG and accountable body OCC. We report to Government on each project quarterly using a MHCLG spreadsheet. This form requires s151 Officer sign off prior to submission.

Exceptions are reported by our PSG to Board with recommendations where appropriate.

Information will be gathered quarterly until output and outcome delivery is complete or March 2025, whichever is the latest. After March 2025 information will be collected annually.

It is not our intention to monitor disproportionately a funded project beyond what can be reasonably expected to ensure clarity in respect of project performance and good governance given this is public funding and noting, we need to ensure compliance with the Government reporting requirements.

Change Requests:

We recognise that as a project is delivered, changes may occur which will impact on the output and outcome delivery. Our change request processes will be used where necessary. All change requests are considered by our PSG and/or our Board in line with delegations. This is to ensure that any change to the scope and delivery of the project is considered, including impact upon Value for Money.

Double Counting:

The risk of double counting outputs and outcomes occurs when LGF is used to match-fund or leverage other project funding. As our funding and value for money assessments are based on the whole project it is essential to recognise the need to apportion outputs and outcomes against each funding stream on a project by project basis. This approach should be discussed and agreed with our Programme Manager and may need to be referred to the PSG for approval.

Assessing risk:

We assess the overall risk position of the project using the monitoring data and risk register provided by Government. This is undertaken as part of the monitoring and reporting process and verified at our PSG quarterly meetings before formal reporting to Government.

3. Evaluation Plan

Evaluations review the efficiency and effectiveness of projects in achieving their desired outcomes and impacts. Evaluations during the project allow for difficulties to be identified and addressed in the moment. Evaluations at the end give an opportunity to recognise the success of a project in achieving its original objectives. Future projects benefit from lessons learnt.

This guidance is provided to aid LGF Project Leads when creating Evaluation Plans and conducting or procuring an evaluation of a project.

This guidance is intended to align with:
- Our Monitoring Plan, outlined above, which sets out the expectations in performance monitoring from LGF projects;
- Our Strategic Economic Plan;
- Respective funding agreements and project business cases for each LGF project;
- HM Government monitoring and evaluation requirements.

Evaluation Design

Evaluations should be planned from the outset of the project and be proportionate to the size, value and scope of a project. Evaluations do not seek to duplicate monitoring information, or produce in-depth coverage where unnecessary, but instead seek to answer specified relevant

questions about the success of a project. Evaluations should be self-critical and evolving such that they can be modified if they're failing to measure accurately or can benefit from more incisive data on other areas discovered in implementation of evaluation. It is expected that Project Leads will complete an evaluation in line with this guidance.

Evaluations can be separated into distinct questions that aim to assess the success of the objectives of a project. Broadly, evaluation questions can be separated into one of four categories:

- *Process evaluation*: an assessment of what aspects of the project management contributed towards delivery of project outputs.
- *Theory-based evaluation*: asks how the intervention succeeded by testing the effectiveness of mechanisms that were expected to be the key drivers of impact.
- *Outcomes evaluation*: asks whether outcomes moved in the desired direction and often includes contextual information to test non-project influences.
- *Impact evaluation*: asks whether the intervention had any impact on observed outcomes, providing a key component of assessment of both cost-effectiveness and cost-benefit.

We see impact evaluations as particularly valuable due to the quality of information they bring despite them being the most technically challenging and costly to implement. For example, they may help provide greater clarity on whether new jobs on an unlocked commercial site are the result of displacement from neighbouring areas.

There is no revenue funding available in the LGF programme to support evaluation so these costs would need to be met by the delivery partner and considered from the commencement of the funding application.

The Better Evaluation website is an excellent source of guidance and resources for those conducting an evaluation or writing an evaluation plan. The What Works Centre for Local Economic Growth (WWCLEG) produce comprehensive reviews of evaluations produced previously on specific economic development topic areas (e.g. infrastructure). This approach may not be proportional to many of the our LGF projects, however the WWCLEG should still be viewed as a source of substantial best practice.

We recognise that the specific outcomes that will be monitored and measured will differ depending on the type of intervention, with specific focus placed on those outcomes most relevant to the project objectives. Some projects will report on core LGF outputs of jobs, homes and learners; others will have a wider, but still tangible, range of outputs and outcomes (for example flood prevention, student achievement rates, and engagement with businesses) agreed at the approval stage and/or through a contract variation.

Project Evaluation Objectives

With respect to the LGF programme, we aim to assess the success of the Oxfordshire LGF allocation on the basis of the outputs and outcomes it has directly and indirectly delivered and ensure that lessons can be learned for future funding rounds, and future local funding for economic growth.

We have the following objectives for evaluating all LGF projects:

- To understand whether individual LGF projects have achieved their objectives and delivered good value for money,
- To understand whether they have contributed towards the successfully implementation of the OxLEP Strategic Economic Plan.
- To provide accountability for the LGF investments, by testing the relationship between relevant outputs and outcomes and project investment.
- To assist in the development of effective projects in the future and communicate any lessons that should be learned from LGF project implementation.
- To review the success of the governance processes for project management and deliverability

To match these objectives, we require evaluations to be guided by the following principles:

- Whilst all projects require good evaluation, projects requiring larger amounts of funding are expected to be more thorough and detailed in their evaluation than lower-funded ones.
- Projects that target areas or activities where little is known about previous similar interventions or best practice will provide the most valuable information to local and national partners.
- Monitoring arrangements on LGF projects should be put in place early on and be robust enough to ensure, at least, an outcome evaluation of the project.
- The evaluation should be mindful of the original business case, outputs, outcomes and responsibilities set out in the funding agreement

Where other funders require a more detailed evaluation report, we would seek to work with those requirements and not require our own separate report.

4. Requirements for Funded projects

We require an evaluation to be completed on each project that tests that the objectives, stated within the Business Case for each project, have been achieved once the project and its associated outcomes have been delivered. These evaluations should also reflect the objectives and principles set out within the 'Objectives' section of this document.

In order to progress this each project lead will complete an Evaluation Plan. A timeline will be agreed with each project to undertake the evaluation.

Evaluations will normally be required once agreed outcomes have been delivered. In a small number of cases an early or interim evaluation may be requested. Reasons could include

- The project timelines have been significantly delayed
- Project costs have significantly increased requiring additional external funding
- The project has received significant negative publicity
- Expected outputs and outcomes are not being delivered
- Expected outputs and outcomes are significantly delayed in delivery

We expect the following information to be included in the evaluation plan with details to be discussed with the Programme Manager

- Description. A summary of what is being delivered on site, the breakdown of costs, outcomes and outputs, and delivery timeframe (incl. wider context and reference to forecast output and outcome delivery).
- Logic model. A model that clearly illustrates how the following areas link together to form the project's intended impact on outputs and outcomes. A recommended approach would be to briefly detail how the following areas are linked in sequence:
  o Contextual conditions (i.e. existing economic conditions)
  o Key policy conditions (e.g. strategic fit with our objectives, or existing programmes)
  o Project objectives and rationale
  o Inputs
  o Activities / what is being delivered
  o Outputs
  o Intended Outcomes and impacts (i.e. the policy and contextual conditions addressed)
- Monitoring requirements for the project. The metrics that are being/ will be reported on the project.
- Implementation. Basic details on the resource and timing of an evaluation
- Method(s) of evaluation. The test(s) that will be applied to evaluate each objective.

Matching our focus on proportionality of evaluation, it is expected that an outcome evaluation, utilising the monitoring metrics agreed between us and the Delivery Partner will be the most appropriate form of evaluation for most projects. This is a guideline and will not necessarily apply to all projects or Delivery Partners, as another method of evaluation may be more applicable, or projects may wish to combine two different methodologies to evaluate their project to best fit with its objectives.

Any difficulties experienced through an organisation's limited resource or capability to monitor or evaluate their LGF project is expected to be raised with the Programme Manager and would be queried by the Programme Manager as part of the application process. The Programme Manager will review monitoring data, evaluation plans and evaluations on an ongoing basis and where issues arise and cannot be resolved the matter will be presented to Programme Sub Group.

Dissemination

We will disseminate evaluation information to the key partners involved in a particular project (these are to be listed within each project Evaluation Plan), BEIS/MHCLG and the LEP Network who will publish those reports on their respective websites. Therefore, within Evaluation Plans, Delivery Partners are required to record known stakeholders and clarify whether other individuals are considered relevant project stakeholders for their involvement in project delivery, project development or any other interest in the project (e.g. those who may be reasonable impacted by the delivery of the project or may benefit from lessons learned from the evaluation).

It is required in each project's funding agreement that any publicity or promotion is to be agreed in advance with us. It is expected that evaluation dissemination and communication of the key messages from evaluation form a part of this publicity and promotion.

Once completed, each evaluation will be published on our website. The use of this information may be proportional to the scope of the project evaluated, or the topics of the evaluation. Outcome evaluation is expected to take longer to complete but may also be shared with the partners involved in similar projects; particularly where best practice and lessons to be learned from the project delivery adds value. Additionally, where early insights, such as that provided by monitoring throughout project delivery, may assist effective monitoring and evaluation it will be shared amongst relevant partners under the direction of the PSG.