Draft Cambridgeshire and Peterborough Devolution Monitoring and Evaluation Framework

February 2017

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Introduction

Cambridgeshire and Peterborough local authorities and Local Enterprise Partnership have agreed a Cambridgeshire and Peterborough Devolution Deal with central government, alongside the creation of a new Cambridgeshire and Peterborough Combined Authority (CA) with a directly-elected Mayor to receive the package of devolved powers and funding set out in the deal.

The devolution deal begins a process of the transfer of resources, powers and accountability from central government to Cambridgeshire and Peterborough. The aim of the agreement is to drive forward greater increases in the net contribution of the area to the UK economy and enable further transformation of local public service delivery to deliver better outcomes for local residents.

The devolution deal includes a range of tools to enable Cambridgeshire and Peterborough CA to deliver on its ambitious vision for the area, including:

- **Infrastructure –** a £20m per annum fund for 30 years, to form and capitalise a single funding pot to unlock investment in infrastructure and deliver economic growth.
- **Housing –** In recognition of the high levels of growth and exceptional market conditions in Greater Cambridge, a £100m housing and infrastructure fund to deliver the right tenure mix of affordable housing to meet the needs of Cambridgeshire and Peterborough (including affordable rental homes as well as affordable home ownership) delivering at least 2,000 affordable homes, and an additional £70m capital over five years ring-fenced for Cambridge to meet housing needs. This will include a non-statutory spatial framework, the ability to create Mayoral development corporations, a Joint Investment and Assets Board with a Land Commission, partnership with the HCA, and work on new housing settlements.
- **Transport** - Measures to better connect the whole of Cambridgeshire and Peterborough, including an agreed multi-year transport budget, bus franchising/enhanced partnership powers and smart and integrated ticketing.
- **Skills –** measures to help address the mismatch between the supply of skills and the business needs to ensure people have the skills to fulfil business needs now and in the future, including local commissioning of 19+ Adult Education budgets, taking forward the outcome of the post-16 education and training Area Review and responsibility for the Apprenticeship Grant for Employers.
- **Employment –** work with Department for Work and Pensions to co-design the new National Work and Health Programme, establish an integrated job service, support JobCentre Plus in the delivery of the Youth Obligation, support life chances, offer careers advice, and develop an innovative pilot to support career and pay progression for those claiming Universal Credit.

1. Evaluation and Monitoring

Background

1.1 The limited evidence base on the macro relationship between growth and devolution is currently mixed, with some evaluations showing positive impacts and some negative, but generally so far, no evidence that devolved arrangements generate better impacts than national arrangements, but equally nothing to demonstrate they are any worse. This is largely due to an inadequate nature of the evidence base. Given these weaknesses, the CA wishes to use its evaluation and monitoring process to assist understanding of the impact of decentralised arrangements as well as assess the impact of its own deal.

1.2 At present different studies have used different scales when seeking to measure subnational growth, and across all studies conclusions are inconclusive and direct causation seldom proved. Given these identified weaknesses, for the Cambridgeshire and Peterborough devolution deal, there is a commitment to **'an extensive programme of evaluation'**, and a commitment that every project which involves new funding from devolution will be evaluated.

Broad Approach

1.3 In summary, the broad approach will be to combine nationally collected data and statistics with local records, to reasonably cover the monitoring and evaluation aspects of each policy area. The challenge will be to maintain the appropriate level of investigative rigor in order to demonstrate effectiveness.

1.4 Decision-makers will need to ensure that there is a well-structured approach to the commissioning of schemes under the Cambridgeshire and Peterborough devolution deal. In particular the project investment criteria will need to be in place to enable specific monitoring and subsequent evaluation of individual projects to be effective. In developing these criteria attention will need to be given to how they relate to the best practice models for developing the business case for investment such as the EAST tool[1] (Early Assessment and Sifting Tool, as a precursor for developing a more detailed business case) and webTAG[2] (Transport Analysis Guidance tool, detailed assessment tool). The use of these methodologies is referenced within **the '**Value for Money and Business Case Development**' section of the** Assurance Framework that accompanies this document.

1.5 Decision-making authorities will need to ensure that there is then appropriate output and outcome monitoring and subsequent evaluation for each of the schemes that are taken forward. Noting that pre-existing monitoring and evaluation arrangements will continue for specific elements of the single pot (in addition to requirements of the core Local Government Financial Framework). These may include Local Growth Fund

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1 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/4475/east-guidance.pdf
2 https://www.gov.uk/government/publications/webtag-tag-overview

monitoring and evaluation and the **Department for Transport's Monitoring and Evaluation Framework for Local Authority Major Schemes.**

1.6 The impact of investment fund spending and particularly its additional contribution to economic growth will be evaluated by an independent evaluation panel. The requirements for the evaluation panel will be outlined in a specification document that will be shared with stakeholders in the development of the monitoring and evaluation process.

1.7 The objectives for the monitoring and evaluation will be:

- To provide accountability for the investment decisions;
- Justify future spending allocations / investment decisions;
- Assess the value of private sector investment that is part of any growth interventions;
- Enhance the operational effectiveness of existing schemes or future scheme extensions;
- Improve future initiatives (as well as future Value for Money appraisal) based on learning; and
- Contribute to the national evidence base for the effectiveness of devolution as a policy.

1.8 Evaluation objectives will relate back to the business case and build on the assumptions used in the appraisal process. The specific outcomes that will be monitored and measured will differ depending on the type of intervention. Monitoring and evaluation should therefore focus on those outcomes that are most relevant to the impact of the schemes objectives. These issues are dealt with in more detail throughout the remainder of this document.

Collecting and Defining Metrics

1.9 At present the partners within the CA have a well-defined vehicle for defining, collecting **and presenting metrics that relate to the area's economy in the Cambridgeshire Insight**[3] website (hosted by the County Council). Examples include the robust local economic assessments, hosting of the regional economic forecasting model as well as more specific economic studies for places of interest such as Wisbech. The site also **encompasses a comprehensive approach to 'Open Data' providing a platform for** defining the metrics to monitor, along with sourcing and update frequency. Partners will explore how the site and the work associated with it can be used to effectively underpin the requirements for this monitoring and evaluation framework.

The specific commitment

1.10 The CA is accountable to local people for the successful implementation of the devolution deal; consequently, government expects the CA to monitor and evaluate its deal in order to demonstrate and report on progress. The Cities and Local Growth Unit will work with the shadow / proposed CA to agree a locally resourced monitoring and

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[3] www.cambridgeshireinsgiht.org.uk

evaluation framework that meets local needs and helps to support future learning. This framework must be approved by the DCLG accounting officer prior to delivery.

1.11 The CA will be required to evaluate the additional £20 million per annum of funding for 30 years, which will form part of and capitalise the CA single pot. The £20 million per annum fund will be subject to:

A. Gateway assessments for the £20 million per annum scheme, including the supplementary £70m in the first five year period, ring fenced for Cambridge.

The CA and government will jointly commission an independent assessment of the economic benefits and economic impact of the investments made under the scheme, including whether the projects have been delivered on time and to budget. This assessment will be funded by the CA, but agreed at the outset with central government, and will take place every five years. Subsequent five year tranches of funding will be unlocked if government is satisfied that the independent assessment demonstrates that the investments have met the objectives and contributed to growth;

B. The gateway assessment should be consistent with the HM Treasury Green Book, which sets out the framework for evaluation of all policies and programmes and, where relevant, with the more detailed transport cost-benefit analysis guidance issued by the Department for Transport (DfT). The assessment should also take into account the latest developments in economic evaluation methodology;

C. The government would expect the assessment to show that the activity funded through the scheme represents better value for money than comparable projects, defined in terms of a Benefit to Cost ratio.

1.12 The CA will write a single local assurance framework for the single pot, based on guidance produced by DCLG, to outline decision-making processes to allocate funding, and project appraisal. The local assurance framework will be signed off by the government.

1.13 The constituent local authorities of the proposed CA, and the CA when formed, will work with the government to develop a full implementation plan, covering each policy agreed in this deal, to be completed ahead of implementation. This plan will include the timing and proposed approach for monitoring and evaluation of each policy, which will take into account the latest developments in economic evaluation methodology and help support future learning. This implementation plan must be approved by the DCLG accounting officer prior to delivery.

1.14 The CA will identify as early as possible which specific schemes are candidates for the most robust evaluation, and propose analytical methods to conduct this. This could include methods to identify the counterfactual – the outcome had there been no additional intervention – such as randomised control trials and/or the use of control variables in regression analysis.

1.15 The CA and the government will agree a process to manage local financial risk relevant to these proposals and will jointly develop written agreements on every devolved power or fund to agree accountability between local and national bodies on the basis of the principles set out in this document.

1.16 The CA will continue to set out their proposals to government for how local resources and funding will be pooled across the region.

1.17 The CA will agree overall borrowing and capitalisation limits with the government and have formal agreement to engage on forecasting. The CA will also provide information, explanation and assistance to the Office for Budget Responsibility where such information would assist in meeting its duty to produce economic and fiscal forecasts for the UK economy.

1.18 The CA will continue to progress programmes of transformation amongst authorities to streamline back office functions and share more services and data, including on assets and property.

1.19 The CA will continue to adhere to its duties under section 149 Equality Act 2010 for both existing and newly devolved responsibilities.

1.20 Government will support the constituent members of the proposed CA by levering existing monitoring and evaluation frameworks and, where applicable, by providing assistance to ensure consistency and coordination of metrics and methodologies with other areas receiving a devolution agreement. As part of this commitment, the government will work with the constituent members of the proposed CA to explore options for the coordinated application of high quality impact evaluation methods in relation to certain policies, which may include i) local commissioning of 19+ skills; and ii) employment support.
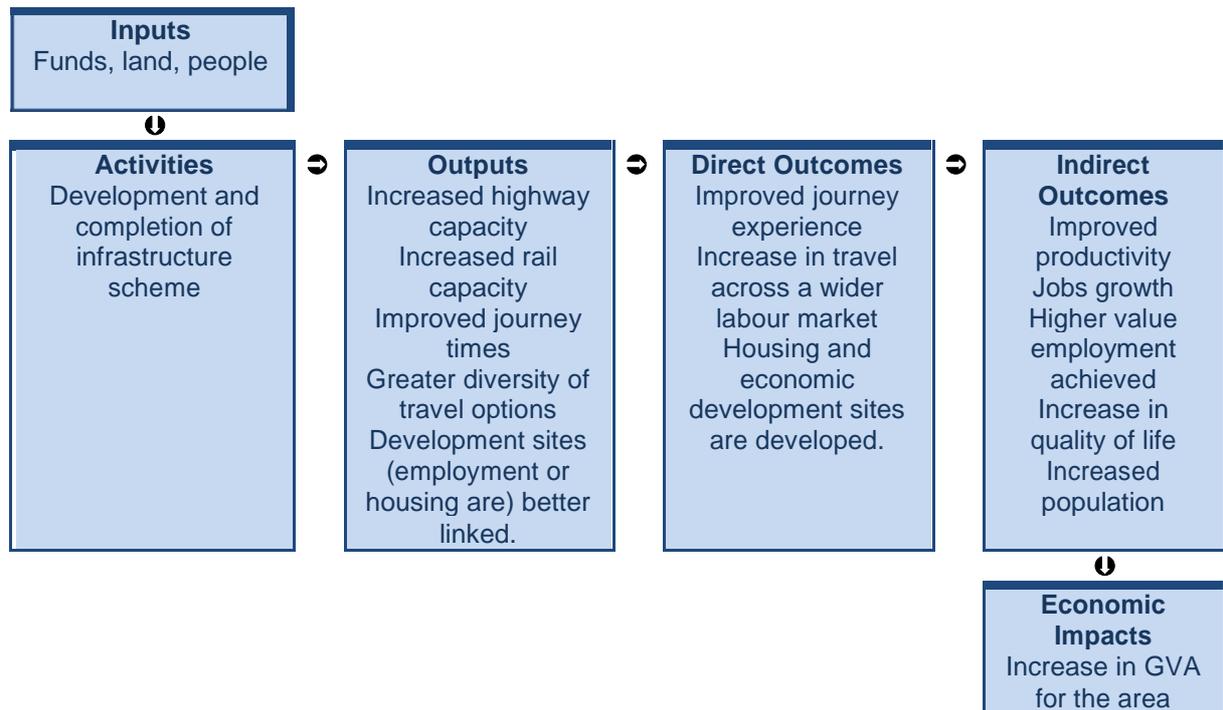
2. Infrastructure

2.1 A £20m per annum fund for 30 years, will be used to form and capitalise a single funding pot to unlock investment in infrastructure that in turn will deliver economic growth.

2.2 The key strategic aim will be to vastly improve connectivity within Cambridgeshire and Peterborough linking people and places; connecting areas with the potential for housing growth with employment hubs. Individual schemes will be assessed on their merits as they come forward, and could include non-transport infrastructure (such as digital connectivity or utilities) however it is expected that the following type of scheme / work will come forward.

2.3 Physical improvements along the A47 corridor have the potential to improve East / West connectivity, particularly within Fenland and the Ely Bypass, and together with upgrades to the A10 have the potential to unlock housing and employment growth in

East Cambridgeshire. The CA also recognises the importance of providing sustainable transport links for the development at Wyton Airfield as well as unlocking further economic growth potential for St Neots by developing plans for infrastructure and transport solutions. The CA will also work with central government to bring about significant rail improvements such as a parkway station at Whittlesey to serve Peterborough.

2.4 Infrastructure proposals of this type would lead to the CA having the following high level logic[4] model to evaluate that desirable outcomes are achieved (this would be suitably adapted for non-transport infrastructure investments).

Infrastructure: High level logic model

Inputs
Funds, land, people

⊍

Activities	⮕	Outputs	⮕	Direct Outcomes	⮕	Indirect Outcomes
Development and completion of infrastructure scheme		Increased highway capacity Increased rail capacity Improved journey times Greater diversity of travel options Development sites (employment or housing are) better linked.		Improved journey experience Increase in travel across a wider labour market Housing and economic development sites are developed.		Improved productivity Jobs growth Higher value employment achieved Increase in quality of life Increased population

⊍

Economic Impacts
Increase in GVA for the area

2.5 Individual scheme delivery and monitoring will be conducted by scheme promoters while the CA will oversee the evaluation of the programme as a whole.

2.6 All major scheme budgets will include a proportionate fund for evaluation, with a nominal rate of up to 0.5% of total capital costs considered for the largest and most important schemes. The budget will be provided through capitalisation, subject to acceptance of this approach by CA finance staff.

2.7 A baseline value for all key indicators for each scheme will be established before construction starts. Data collection will take place at intervals depending on the type of outcome/impact expected for each scheme and the time for stabilisation of behaviours or benefits lag associated with each outcome or impact. Interim findings about such

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[4] A logic model (also known as a logical framework or theory of change) is a tool used by funders, managers, and evaluators of programs to evaluate the effectiveness of a program. They can also be used during planning and implementation in order to manage the achievement of desired outcomes.

things as improved traffic flows, journey times and customer satisfaction should be available 12-18 months after completion, depending on whether seasonality needs to be allowed for.

2.8 Economic impacts should be reportable three to five years after completion.

The Analytical Approach

Methods We anticipate that the a combination of the following evaluation methods / activities will be used for each scheme	Data Requirements We anticipate that there will be a combination of the following data required to evaluate and monitor each scheme
• Development of baseline data used to monitor and evaluate each scheme • Standard reporting on the delivery of each scheme: budget, timescales, milestones • Monitoring of scheme outputs: length of road built / replaced, increased public transport capacity etc. • Monitoring of traffic flows, journey times, system capacity, travel choices, house building, development of employment land • Commission of independent evaluation (where appropriate) • Co-assessment (with evaluators) of the logic mapping / narrative of how each major scheme impacts on their local economy • Building of logic maps / hypotheses to test • Econometric analysis of the impact on transport infrastructure investment on economic growth • At an individual business level measurement relationships with transport infrastructure and improved business performance • Use of monitoring and evaluation results to feedback into the process and • To develop lessons learnt analyses for sharing beyond Cambridgeshire and Peterborough	• Traffic modelling and flow data • Active traffic monitoring • Journey times • Passenger satisfaction • Patronage and footfall • Business and residents surveys • Evidence of Modal shift • Employment and commercial activity around transport hubs • House building • Employment land development • Business data • Income data • Employment / labour market statistics • Measurement of local GVA

Challenges to Evaluation

2.9 Any evaluation for an improvement of connectivity and reliability (outputs) will need to objectively pose questions such as the following:

- Have journeys got shorter, quicker and/or cheaper?

    In some cases, options may have opposite impacts on time and cost and evaluators will need to weigh up the individual impacts to form an overall judgement.

- Are journeys more reliable?

Has the developed option had an impact on the day to day variability in journey times or the average minutes of lateness? Has there been any impact on the number of incidents?

- Have housing or employment sites been developed?

This includes reference to development trajectories and economic / population forecasts as well as to discerning that sites have come forward at a faster rate.

2.10 In order to answer these questions a robust monitoring / data framework will need to be in place. Any problems at this stage of the logic model will make it difficult to move further along the chain to consider the achievement of outcomes. Therefore the CA recognises its role alongside other local agencies in commissioning this work.

2.11 Similarly, when considering the wider economic impacts (achievement of outcomes), there will need to be an initial screening as to whether there may be an impact that would need to be evaluated in more detail. For example:

- If direct user benefits have been achieved, has this led to any impact in agglomeration?
  Agglomeration impacts arise because firms derive productivity benefits from being close to one another and from being located in large labour markets. If transport investment brings firms closer together and closer to their workforce this may generate an increase in labour productivity beyond that which would be expected from the direct user benefits alone.

- Have firms exploited their access to larger product, input and labour markets to increase productivity?

- Have tax revenues been impacted by different labour market choices, moves to more or less productive jobs.

2.12 As with the monitoring of the achievement of the scheme outputs there needs to be a robust local evidence base to complement national data; this would include targeted local business surveys / employment monitoring, regular assessment of local labour clusters of employment for specific areas of economic activity. Again the CA recognises its role alongside other local agencies in commissioning this work.
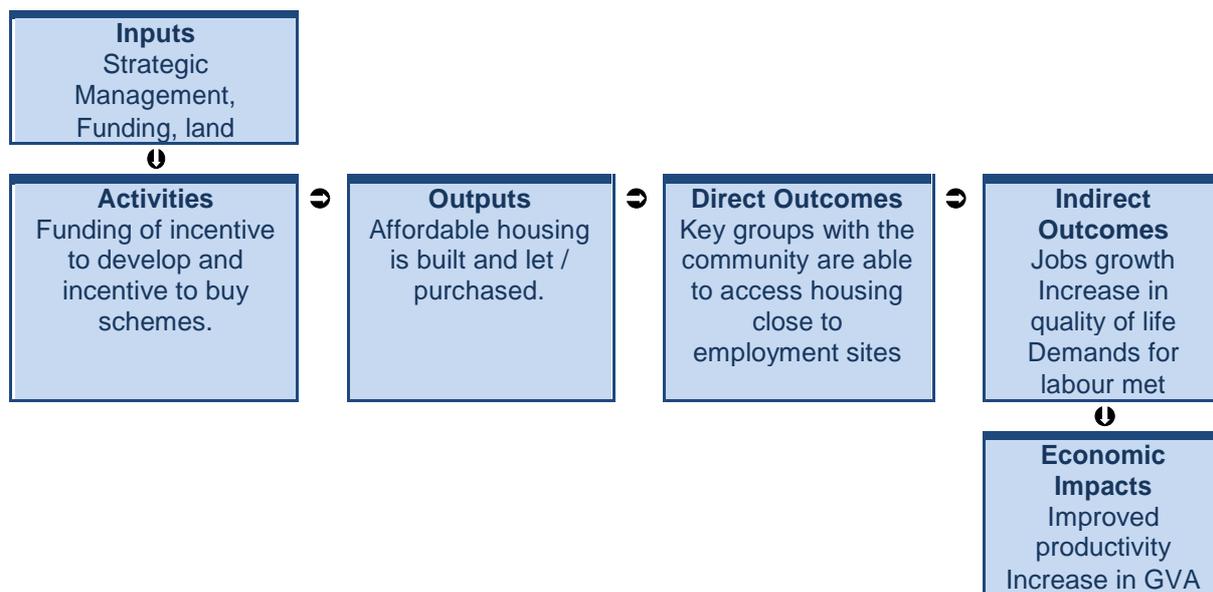
3. Housing

3.1 A total minimum investment of £170m will be used to stimulate the delivery of affordable homes in Cambridgeshire and Peterborough.

3.2 In recognition of the high levels of growth and exceptional market conditions in Greater Cambridge, there is a £100m housing and infrastructure fund to deliver the right tenure mix of affordable housing to meet the needs of Cambridgeshire and Peterborough (including affordable rental homes as well as affordable home ownership) delivering at

least 2,000 affordable homes, and an additional £70m capital over five years ring-fenced for Cambridge to meet housing needs. This will include a non-statutory spatial framework, the ability to create Mayoral development corporations, a Joint Investment and Assets Board with a Land Commission, partnership with the HCA, and work on new housing settlements.

3.3 The funding can be expected to **support both a 'bricks and mortar' approach where** sites for affordable homes come forward for development at a greater pace than **present and a 'people centred' approach where mechanisms are developed that allow** people with key skills for the local economy to access affordable housing.

Housing: High level logic model

Inputs
Strategic Management, Funding, land

⇕

Activities	⇨	**Outputs**	⇨	**Direct Outcomes**	⇨	**Indirect Outcomes**
Funding of incentive to develop and incentive to buy schemes.		Affordable housing is built and let / purchased.		Key groups with the community are able to access housing close to employment sites		Jobs growth Increase in quality of life Demands for labour met

⇕

Economic Impacts
Improved productivity Increase in GVA

The Analytical Approach

Methods We anticipate that a combination of the following evaluation methods / activities will be used for each scheme	Data Requirements We anticipate that there will be a combination of the following data required to evaluate and monitor each scheme
• Development of baseline data used to monitor and evaluate schemes • Standard reporting on the delivery of each scheme: budget, timescales, milestones • Monitoring of scheme outputs: Number of affordable homes built • Monitoring of local affordability, rental market and need registers for housing • Commission of independent evaluation (where appropriate) • Co-assessment (with evaluators) of the logic mapping / narrative of how each scheme impacts on their local economy • Building of logic maps / hypotheses to test • Econometric analysis of the impact on increased affordable housing on the local economy • At an individual business level measurement of ease of recruitment for key staff groups • Use of monitoring and evaluation results to feedback into the process • To develop lessons learnt analyses for sharing beyond Cambridgeshire and Peterborough	• Count of planned affordable homes • Allocations of parcels of land, • Monitoring of permissions and build rates for housing • Housing starts • Changes in land value • Monitoring of housing needs registers • New development surveys • Local labour market monitoring • Employment and commercial activity • Income / affordability ratios • Employment / labour market statistics • Measurement of local GVA

Challenges to Evaluation

3.4 Any evaluation for an improvement in the availability of affordable housing and the extent to which key skill groups within the labour market can access housing will be challenging due to the complexity of the housing market and the extent to which cause and effect can be demonstrated. In addition, other parts of the devolution deal (improving the local economy) could increase the disparity between income and average house price; hence this part of the deal investment could be seen as a much needed **'balancing' measure.**

- Has affordable housing come forward quicker?

3.5 This issue can best be discussed within the local context. One of the reasons why developments such as the extension of Winteringham Park on the edge of St Neots have stalled is the lack of agreement between planners and developers regarding the proportion of affordable homes on the site. The creation of the housing fund has the **potential to 'unlock' negotiations such as this. However, there are other considerations** that also need to be considered such as the ability of local infrastructure to cope when a development is completed.

3.6 In many cases, the cause and effect of different factors will need to be considered.

- Are key workers able to access housing?

3.7 Feedback from businesses based in Cambridge and South Cambridgeshire has indicated issues with the recruitment and retention of staff in key technical roles such as laboratory staff. These may not be the highest wage jobs but ones that require a certain level of skill and education, with some target workers earning around the median wage. These are the people that will struggle at the moment to find affordable satisfactory housing within the Cambridge sub-region due to the high ratio between median house price and median wage.

3.8 Any evaluation would need to provide a sufficiently robust baseline to ensure that this qualitatively assessed situation is backed up with quantitative data so that change can be measured over time.

- Have housing needs been addressed?

3.9 This issue very much depends on the type of housing need being targeted and the ability to meet this need through an increase in the volume of affordable housing overall versus investment in more specialist schemes.

3.10 The key challenge in evaluation would be to match changes with demand against changes in supply. For example the funding may improve supply but changes in demand would also have an impact on the situation. Changes in policy outside of the control of the CA may also have an impact such as alteration to housing related benefits.
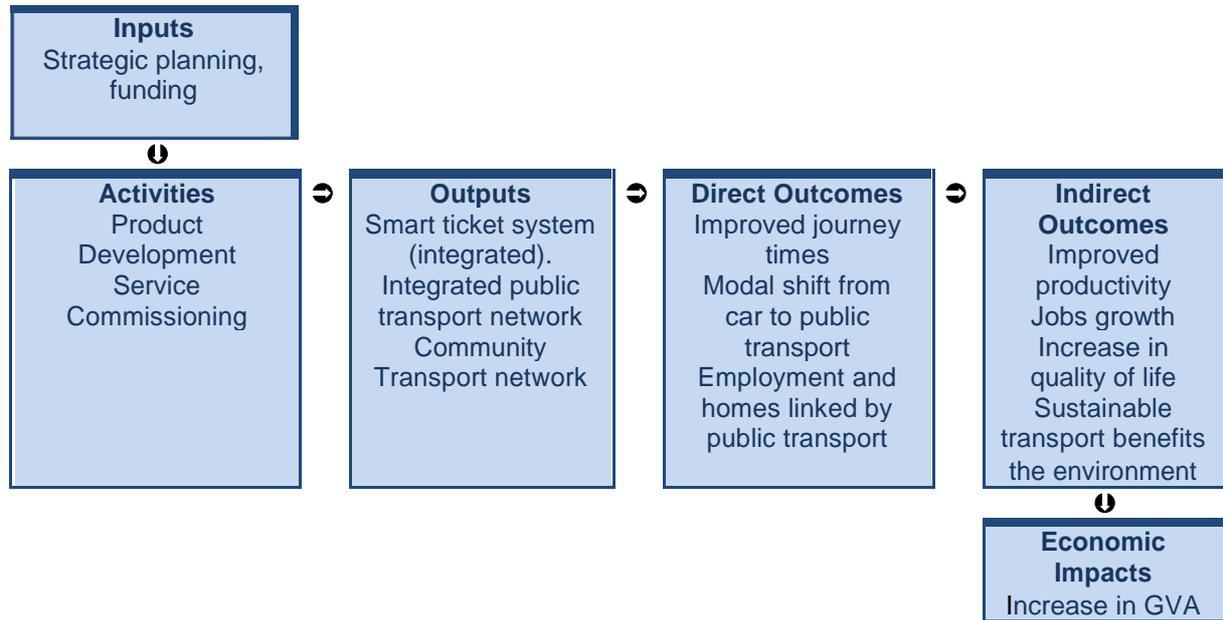
4. Transport

4.1 Connectivity will be enhanced through the CA adopting an integrated approach to managing the local transport infrastructure and services creating a single policy and delivery body.

4.2 Potential improvements include smart integrated ticketing across the region, a high quality bus network (achieved through commissioning) and an integrated approach to community transport.

4.3 The funding can be expected to support the extent to which connectivity between different places in Cambridgeshire and Peterborough is strategically planned and managed. In the future journeys between market towns, cities and major employment centres will be easier and interconnected making it easier to pay for and move between different modes of transport. By improving connectivity we can **support the process to 'spatially decentre' away from growth** being entirely focused on either being entirely focused on either a Cambridge or Peterborough context.

Detailed Methodology

Transport: High level logic model

Inputs
Strategic planning, funding

⇩

Activities
Product Development
Service Commissioning

⇨

Outputs
Smart ticket system (integrated).
Integrated public transport network
Community Transport network

⇨

Direct Outcomes
Improved journey times
Modal shift from car to public transport
Employment and homes linked by public transport

⇨

Indirect Outcomes
Improved productivity
Jobs growth
Increase in quality of life
Sustainable transport benefits the environment

⇩

Economic Impacts
Increase in GVA

The Analytical Approach

Methods We anticipate that the a combination of the following evaluation methods / activities will be used for each scheme	Data Requirements We anticipate that there will be a combination of the following data required to evaluate and monitor each scheme
• Development of baseline data used to monitor and evaluate each scheme • Standard reporting on the delivery of each scheme: budget, timescales, milestones • Monitoring of scheme outputs: passenger numbers, increased public transport capacity etc. • Monitoring of flows, journey times, system capacity, travel choices, house building, development of employment land • Commission of independent evaluation (where appropriate) • Co-assessment (with evaluators) of the logic mapping / narrative of how each major scheme impacts on their local economy and wider connectivity • Building of logic maps / hypotheses to test • Econometric analysis of the impact on transport infrastructure investment on economic growth • At an individual business level measurement relationships with transport infrastructure and improved business performance • Use of monitoring and evaluation results to feedback into the process and • To develop lessons learnt analyses for sharing beyond Cambridgeshire and Peterborough	• Passenger modelling and flow data • Active passenger monitoring • Journey times • Passenger satisfaction • Patronage and footfall • Business and residents surveys • Evidence of Modal shift • Employment and commercial activity around transport hubs • House building • Employment land development • Business data • Income data • Employment / labour market statistics • Measurement of local GVA

4.4 In implementing this approach the CA will need to indicate at an early stage the transport schemes that will **be subject to the more robust 'fuller evaluation' standard** as defined in the DfT evaluation framework for local major schemes. At this point the following commitments will need to be made:

- Commitment to developing the detail of specific monitoring and evaluation plans for individual schemes once the detail/context of schemes are more clearly scoped.

- Commitment to base monitoring and evaluation **on the DfT's framework fo**r local major schemes (where schemes qualify as such).

- Within the analytical approach a clear identification of what type of impact is being measured and over what spatial areas to ensure monitoring activity is correctly aligned.

- Commitment to an approach that allows, as much as possible, for outcomes to be attributed to individual schemes, ie what data will be collected in comparison areas unaffected by schemes to understand whether any changes have occurred directly because of the intervention.

4.5 These commitments will be challenging to meet methodologically therefore the CA has **undertaken to work with the '**What Works Centre for Local Growth**'** in terms of developing monitoring and evaluation proposals and particularly in sharing best practice with other devolved authorities.

Challenges to Evaluation

4.6 Overall the challenge to evaluation in this area will be to demonstrate the wider impact of improved connectivity alongside the direct benefit yielded by individual schemes. Methods for measuring the value of individual schemes are fairly straight forward[5] eg a recent DfT Assessment identified *'that the 33 major bus-related schemes that qualified for funding in the last 5 years have a combined Benefit-Cost Ratio of 4.2. Every £1 invested in these schemes will yield roughly £4 in benefits'.* However, proven benefits were concentrated around time and money savings (reduced journey times and lower fuel costs) for business and consumer users (commuting and leisure/other) resulting from more efficient bus services. The challenge once this particular box is ticked will be to demonstrate that the wider benefits for the local economy have been achieved.

- Has true integration been achieved?

4.7 Previous evaluation work on the impact of the French TGV network[6] has emphasised the importance for there to be regional connectivity beyond the main transport node and the level of integration with local transport networks.

- Has the fragmentation of transport in the area been addressed?

4.8 One of the fundamental criticisms of transport planning[7] has been the extent to which the planning of services has been fragmented across a number of providers and commissioning bodies. The extent to which this planning has been demonstrably brought together for the benefit of passengers will need to be proved within the evaluation.

- Have transport improvements brought about economic benefit?

4.9 The evaluation methodology will need to demonstrate that the improvements in journeys around the Cambridge and Peterborough region and further afield have provided true economic benefit; that is, improved reliability, quicker journey times and increased capacity has unlocked hitherto unrealised economic growth.

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5 Value for Money Assessments for Major Bus-Related Schemes, Dept for Transport, Feb 2016.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/503824/Value_for_Money_Assessment_for_Major_Bus-Related_Schemes.pdf

[6] Chen and Hall, The wider spatial-economic impacts of high speed trains, 2011

[7] RTPI, Transport Infrastructure Investment, Capturing the Wider Benefits, 2014
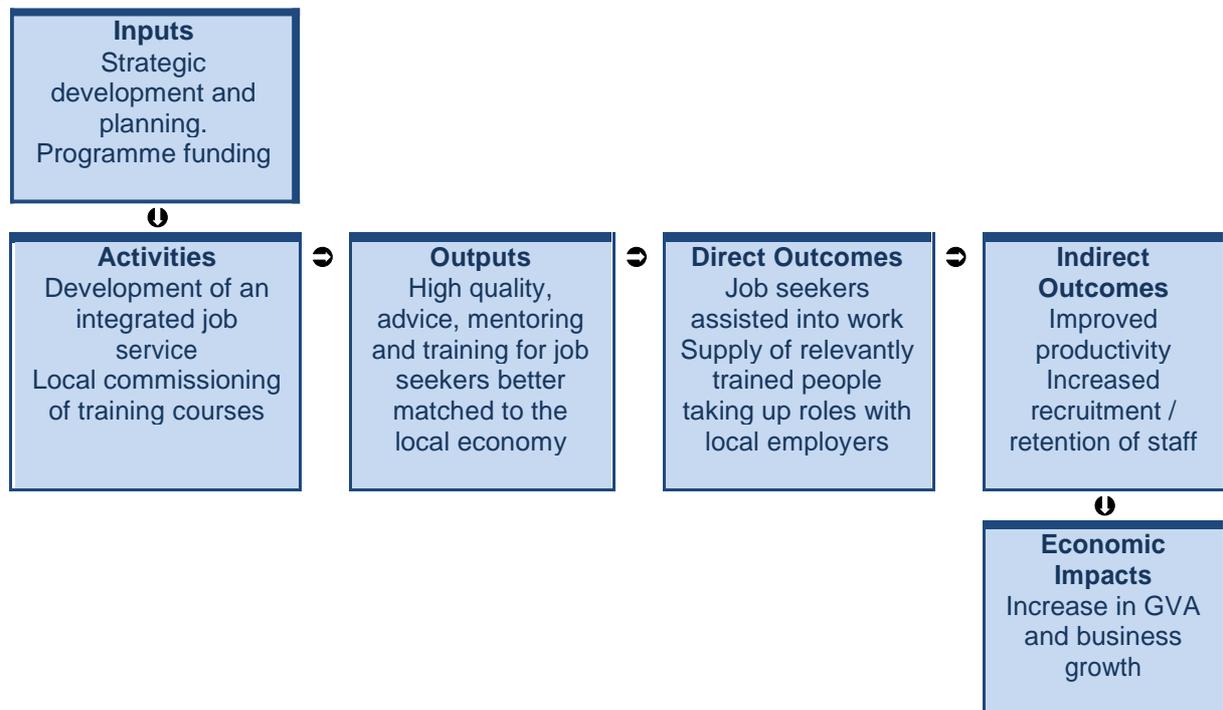
5. Employment and Skills

5.1 Benefits for the employment and skills area will be realised through the devolution and local management of a number of responsibilities.

5.2 For employment, work will be carried out with the Department for Work and Pensions to co-design the new National Work and Health Programme, establishing an integrated job service, supporting JobCentre Plus in the delivery of the Youth Obligation, support life chances, offer careers advice, and develop an innovative pilot to support career and pay progression for those claiming Universal Credit.

5.3 For skills, measures will be taken to help address the mismatch between the supply of skills and the business needs of the area to ensure people have the skills to fulfil business needs now and in the future. This will include local commissioning of 19+ Adult Education Budgets, taking forward the outcome of the post-16 education and training Area Review and responsibility for the Apprenticeship Grant for Employers.

Skills: High level logic model

Inputs				
Strategic development and planning. Programme funding				

Activities	**Outputs**	**Direct Outcomes**	**Indirect Outcomes**
Development of an integrated job service. Local commissioning of training courses	High quality, advice, mentoring and training for job seekers better matched to the local economy	Job seekers assisted into work. Supply of relevantly trained people taking up roles with local employers	Improved productivity. Increased recruitment / retention of staff

Economic Impacts
Increase in GVA and business growth

The Analytical Approach

Methods We anticipate that the a combination of the following evaluation methods / activities will be used for each scheme	Data Requirements We anticipate that there will be a combination of the following data required to evaluate and monitor each scheme
• Development of baseline data used to monitor and evaluate each scheme • Standard reporting on the delivery of each scheme: budget, timescales, milestones • Monitoring of scheme outputs: numbers trained, supported into work etc. • Monitoring of retention within employment three months, six months and so on. • Commission of independent evaluation (where appropriate) • Co-assessment (with evaluators) of the logic mapping / narrative of how each programme impacts on their local economy • Building of logic maps / hypotheses to test • Econometric analysis of the impact on skills programme investment on economic growth • At an individual business level measurement relationships with transport infrastructure and improved business performance • Use of monitoring and evaluation results to feedback into the process and • To develop lessons learnt analyses for sharing beyond Cambridgeshire and Peterborough	• DfE data, for example, data from the Individualised Learner Record (ILR). • Local Employment / labour market statistics • Employer / employee surveys • Tracking data for programme participants • Business data • Income data • Measurement of local GVA

5.4 Post devolution, the Secretary of State remains responsible for reporting on the delivery of all further education to Parliament and DfE will retain a national data collection.

5.5 Devolved areas have the opportunity to **utilise information from DfE's national surveys** such as the Learner Satisfaction Survey and Employer Satisfaction Survey, which collect performance indicator data that measure aspects of performance such as success rates, learner and employer satisfaction and learner destinations. The DfE has made a commitment to disseminate further education data into the public domain for transparency purposes (Further Education Statistical First Release (SFR) and its supplementary products).

5.6 The CA will need to explore the options for using DfE data, eg tracking individuals over time, utilising ILRs may be feasible in some circumstances.

Challenges to Evaluation

5.7 Part of the challenge within this area will be the ability to track individuals over time in order to measure progress against a defined set of outcomes. Due to this challenge evaluation will need to be designed into the fabric of the individual programmes.

5.8 **Another significant challenge will be to build into each programme a measure of 'cost per participant' in terms of the intervention to enable benchmarking against other**

schemes and against predicted savings, in terms of avoidance of future benefit payments.

5.9 **Evaluators will also need to take into account any 'legacy' impacts such as** a legacy that includes encouraging more inclusive approaches to recruitment and selection by employers; increased personal confidence and so on.

https://www.ons.gov.uk/economy/economicoutputandproductivity/output/articles/cityregionsarticle/2015-07-24