Appraisal and evaluation for City and Growth Deals

Graeme Roy
Overview

• Evolution of Deals in Scotland

• Evolution of appraisal and evaluation process

• Challenges (and opportunities) in appraisal and evaluation

• Next steps?
Evolution of deals

• Deal-making has endured for a decade now

• Interesting changes in approach - new notions & approaches to urban & regional policy

• Inclusive growth retrofitted into the deal in the Scottish context post-2015, like Wellbeing has in Wales (post 2016).

• As a result – whilst dealmaking has persisted, their orientation and what they contain has shifted – e.g. infrastructure spending in 1st wave to broader focus on innovation etc. in the latter waves (e.g. compare Glasgow deal with Edinburgh's)
**Outcomes**

- Evolving – and increasingly ambitious
- Inclusive growth diagnostic
- Established in 2019
- Key tool for local authorities to develop appraisals

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<thead>
<tr>
<th>Category</th>
<th>Description</th>
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<tr>
<td><strong>Productivity</strong></td>
<td>Businesses are competitive and economic growth is resilient and sustainable.</td>
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<td><strong>Population</strong></td>
<td>Scotland has a sustainable working age population.</td>
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<td><strong>Participation</strong></td>
<td>Inequality of opportunity to access work is addressed and jobs are fulfilling, secure and well-paid.</td>
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<td><strong>People</strong></td>
<td>Scotland’s population is healthy and skilled and economic benefits are spread more widely, with lower levels of inequality.</td>
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<td><strong>Place</strong></td>
<td>Communities across Scotland have the natural and physical resources to ensure they are strong and sustainable.</td>
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Appraisal

- ‘Deal-making’ embraced by all local areas in Scotland
- Collaboration between and within local areas
- Ambitious claims of ‘success’
- Divergence from rUK on outcomes – inclusive growth
- Transparency of selection of projects? (Getting better)
- Governance arrangements – in place, yet to be tested
- Appraisal of overall package of ‘deals’?
Monitoring

- Arrangements for monitoring deals have become more uniform over time
- Each deal must submit an annual report to the Scottish City Region Deal Delivery Board (SCRDDDB)
- Focus is largely on ‘progress’ of delivery as opposed to impact
Evaluation

• Initial deals across UK – including Glasgow – had ambitious plans for evaluation
  o ‘Gateways’, independent commissions and investment in monitoring and evaluation

• But reality is that effective evaluation framework only just emerging – questions on moving form gateway 1 to gateway 2 for places like Glasgow.

• Latter deals have less formal gateways. Audit Scotland had been critical of need to:
  o “develop arrangements for measuring impact of the overall deals programme, in particular how it has taken account of... [NPF]...and whether it has achieved value for money;”
  o “clarify for partners how they should measure and report on the impact of individual deals”
Challenges in evaluation

- Focus so far has been on ‘logic changes’.....

- ....but traditional measures of evaluation difficult to undertake on spatial basis – ‘control group’, displacement vs. proving additionality etc
  - Long-term outcomes vs. short-term spend
  - Data quality
  - Cost of evaluation and monitoring
  - Capacity building
Benefits & Risks

• Deals have supported ‘new’ investment in projects in Scotland

• Led to greater joint-working – both between and within local areas

• Forced policymakers at all levels to focus upon operationalising ‘inclusive growth’

• Challenges in evaluation creates risks – for individual deals & overall programme

• Shifting policy focus – ‘levelling-up’, Shared Prosperity Fund, National Strategy for Economic Transformation

• Budget risks, political support and regional buy-in – will it remain?

• Risk of evaluation talk, to some extent.
A way forward

• Can evaluation evolve from tool that disciplines localities (e.g. gateway payments) to an ethos where evaluation is given consideration in policy design?

• Can we provide clarity on aims & objectives for deal programme – effective evaluation is to effective appraisal?

• Need for continued investment in data and guidance for evaluation and monitoring

• Political reform to accompany dealmaking?

• Agree what success looks like (collaboration?)
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