

Greater Manchester Evaluation and Cost Benefit Analysis Newsletter – No. 2 – January 2011

Welcome to the second Greater Manchester Evaluation and Cost Benefit Analysis (CBA) Newsletter.

In this newsletter we:

- Give an update on our work to develop a cost-benefit model of the Greater Manchester Strategy (GMS) pilots.
- Provide information on the types of CBA training opportunities we will be rolling out.
- Inform pilots of our discussions with Salford University regarding resident surveys.
- Explain how we are linking our work to the Greater Manchester Community Budget, which will begin in April.

If you want to find out more, our contact details are given at the end of the newsletter. Alternatively, visit the Community of Practice website.

Update on CBA modelling

We continue to develop our proof of concept CBA model, using further information provided by the Ardwick pilot, secondary research and meetings with central government departments.

We now possess a detailed cost breakdown for all four elements of the Ardwick pilot and a methodology for helping the remaining pilots to produce similar cost breakdowns.

From our own research we have developed more sophisticated ways of modelling the fiscal, economic and social benefits associated with outcomes such as reducing worklessness within the pilot areas.

We have also agreed how we will calculate the deadweight ('what would have happened anyway') associated with pilot activity. In some instances this will involve tracking the performance of other GM neighbourhoods ('control areas'); in other instances we will calculate deadweight based on the personal experiences of pilot participants.

Later this month we have a fourth meeting with the government departments who have been involved in developing the CBA model. Following this, we will be 'signing off' the model and rolling it out to the remaining Early Years and Better Life Chances pilots.

CBA training programme

Later in January we will be running the first of our CBA training sessions for local authority staff. The sessions will be 2-3 hours in length and involve an introduction to the principles of CBA, followed by group work to identify the costs and benefits associated with a worked example of a GMS pilot.

The first session will be targeted at staff within the Policy and Performance community, with the intention that these staff then offer hands-on support to GMS pilot teams. By training this cohort in the principles of CBA (and good evaluation practice more generally) we will also be creating a resource that can support the process of writing proposals for GM Community Budget funding (see below).

More information on the training sessions will be provided via the area leads meetings and on the Community of Practice website.

In addition to the training sessions, we also plan to convene expert seminars and action learning sets.

The expert seminars will provide an opportunity for pilot teams, partner agencies and external experts to discuss some of the key policy issues facing the GMS pilots. It has been proposed that the first seminar will focus on the impact of population transience within isolate neighbourhoods. We plan to ask the Department of Work and Pensions to discuss their research on the topic with several of the Better Life Chances pilot teams. The date of the first expert seminar will be confirmed in the next few weeks.

The action learning sets will bring together groups of GMS pilot leads. The sets will be created and led by the GMS theme leads. Group members will discuss the challenges associated with establishing, running and evaluating pilot initiatives and suggest solutions that fellow pilots could implement. The intention is that the action learning sets strengthen networks between pilot teams, whilst also raising the standard of project management within pilot teams. The action learning sets will begin in February.

University of Salford survey offer

To be able to demonstrate the full impact of a GMS pilot it will be necessary to employ a range of different research techniques. Tracking of indicators such as the numbers of residents living in workless households will be important but, on their own, indicators will not be able to provide insight into how the pilots are making a difference to people's lives.

In recognition of this fact, we have had discussions with the University of Salford about making a bespoke resident survey available to pilots. Prior to Christmas, an email was sent to all 10 Better Life Chances pilots, informing them of the opportunity to work with the University over a 2-3 month period to design a resident survey, train local residents to manage the survey, and then for the University to analyse and report the results.

The types of issues that will be covered by the survey will include: residents' satisfaction with public services; perceptions of the local area as a place to live and work; and indicators that are not adequately covered in other pieces of publicly available research – for example, it is not possible to access skills and qualifications data at a neighbourhood level.

Several pilots have expressed an interest in running a survey. We hope to have the first few surveys running by February, with findings by April. We are also seeking funding to cover some of the survey costs.

If successful, the surveys will be repeated on an annual basis in order to produce a rolling picture of resident satisfaction with public services in the GMS pilot areas.

If you would like more information on the survey work please get in touch.

Linking our work to the GM Community Budget

Since we started in post the government has announced that GM will be one of 16 areas to pilot a Community Budget.

The GM Community Budget will involve the pooling of several funding streams from different agencies to support a combined proposition. Proposals will need to include evidence of the cost-effectiveness and efficiency of the proposed intervention.

Potential exists for the CBA models that we have developed to become part of the architecture by which GM Community Budget proposals are assessed.

In recognition of this overlap, over recent weeks we have held meetings with central government departments. At these meetings we have introduced the GM CBA models we have developed to date and learnt about each department's approach to tracking and monetising outcomes.

More work is needed before we can finalise a GM Community Budget CBA model. This work will include defining the size and scope of the GM Community Budget propositions (and hence which outcomes our model will need to monetise) and agreeing the process by which proposals will be assessed. We will address the former issue via meetings with central government departments and the latter via participation in the GM Community Budget task and finish groups that are being established.

By developing a GM Community Budget CBA model we will give central government confidence in the ability of GM partners to manage Community Budget powers effectively and efficiently.

Next steps

The next steps in our work programme include:

- Developing our CBA models to include further outcomes such as reductions in anti-social behaviour.
 - Applying the CBA model to 5 or 6 further GMS pilots, based on the costs and outcomes information they report to us.
 - Developing CBA models for the Housing and Low Carbon pilots.
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Contact details

To find out more about Evaluation and Cost Benefit Analysis or provide feedback, please contact us.



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