

Integrating evaluation and forecasting

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IEPEC Conference 9 June 2010



Overview

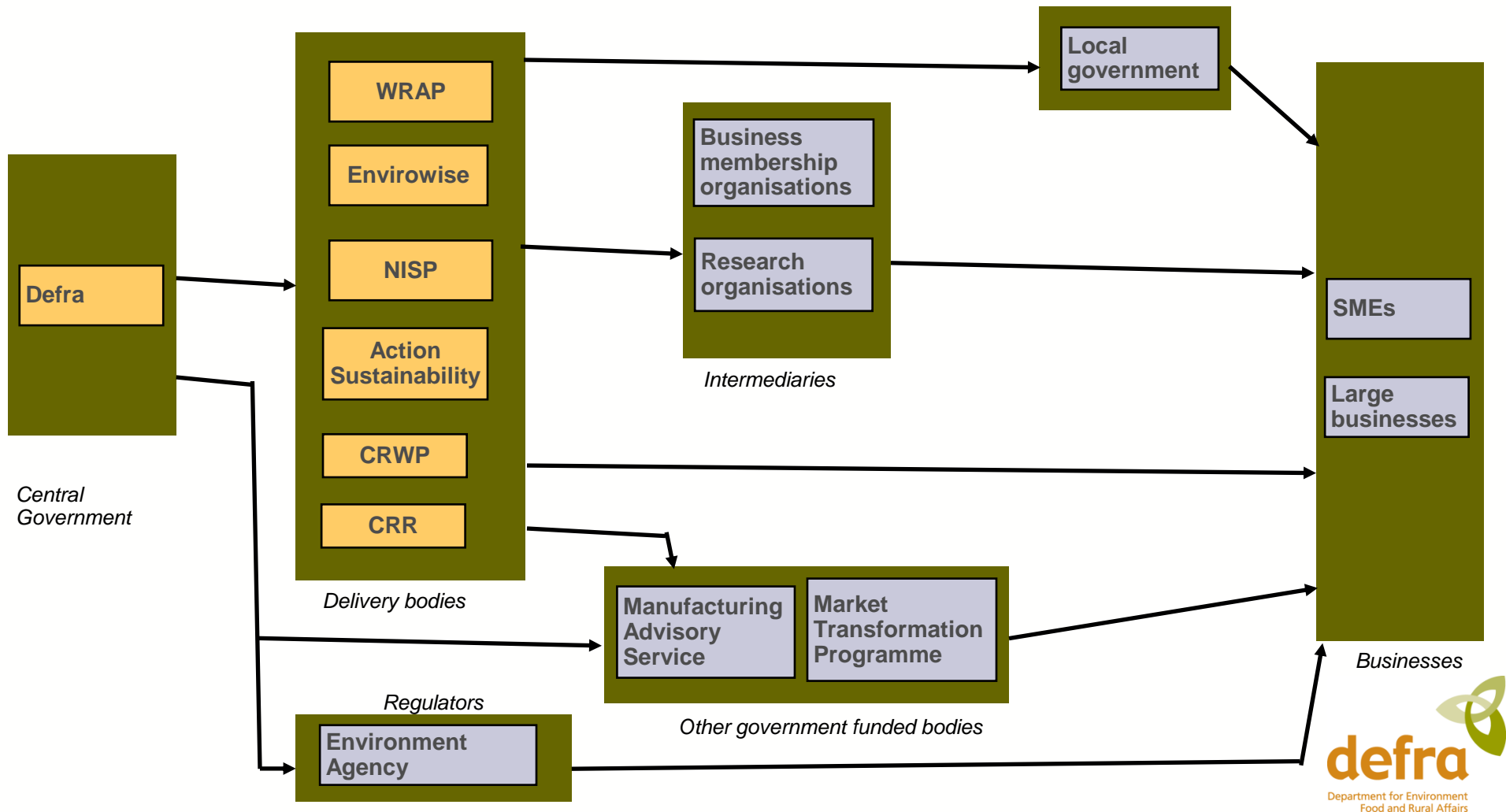
- The **resource efficiency** policy agenda in the UK
- Need for better information about **effectiveness** of support for businesses
- Development of a **framework and model** for evaluation and the key issues addressed
- Provisional **results** and next steps

Sustainable production policy context

1. The resource efficiency policy landscape in the UK
 - Government targets on non-household carbon, water and waste
 - Regulatory and fiscal policy levers, supported by Delivery Body activities:
 - Promoting and exemplifying best practice
 - Supporting market development where there is a failure
 - Leadership, engagement and awareness raising
2. The new coalition Government!



Defra resource efficiency delivery landscape

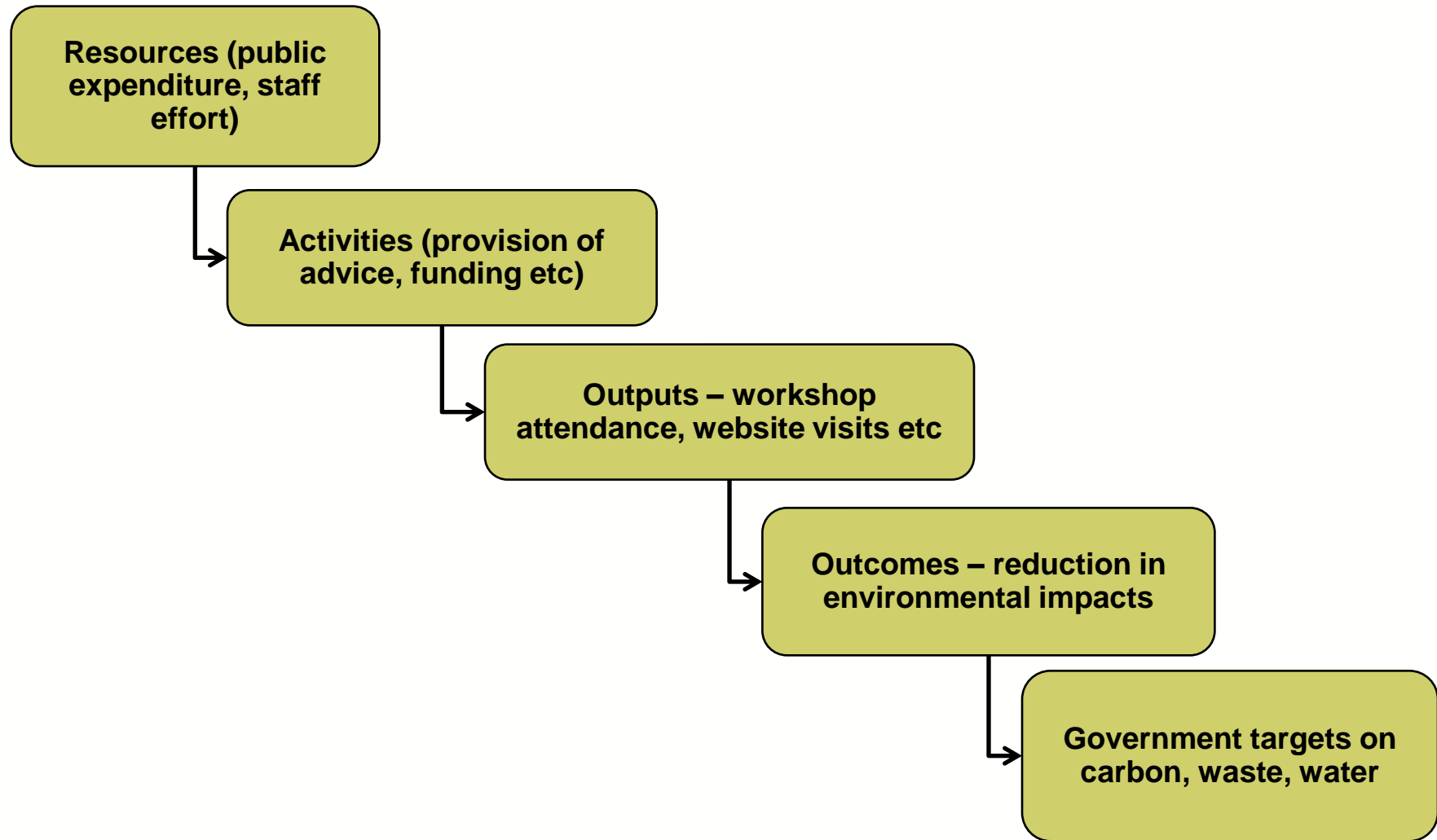


Policy requirements for evaluation

- Consistent approach to measuring impacts across the delivery landscape
- Transparency and accountability for reports to Parliament
- Value for money assessments
- Performance management
- Evidence base for developing and improving delivery



Establishing the logic chain



Establishing the evaluation framework

- Based on the outputs resulting from activities funded in a year
- Outputs are linked to funding and other resource inputs through costs of activities
- Users of outputs are tracked and outcomes assessed, projected and verified
- Implies an evidence base which combines a reporting data set with modelling facilities
- Embodies consistent core assumptions

Key issues addressed

- Time reference period – year of intervention
- Assessing and verifying lifetime outcomes
- Assessing the degree of influence of the Delivery Body (attribution)
- Adjustments for overlaps between parts of the programme (but not policy overlaps)
- Flexibility of analysis and reporting
- Disaggregation of data using standard classifications
- Confidence assessments

Attribution – default assumption

Unlikely to have happened without intervention	100%
A lot better because of intervention	50%
A little better because of intervention	25%
Likely to have happened without intervention	0%

To be further developed to take better account of more graduated information

Future outcomes (examples)

Type	Assumptions about future outcomes	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
1. Regular one-off	One-off activity	100%	0%	0%	0%	0%	0%
2. Regular ongoing	Ongoing activity	100%	75%	50%	25%	0%	0%
3. Mobile plant	Ongoing	100%	100%	100%	100%	100%	0%

- To be verified by a panel of businesses where outcomes are tracked over time
- Methodology for evaluating roll-out projects still to be developed

Development process

- Independent consultants (Databuild!!!!) develop and manage the evidence base on behalf of both the Department and the Delivery Body
- Data on impact collected from
 - Administrative data
 - Top down, bottom up, qualitative and follow-up surveys
 - Capital project monitors
- Model populated and made available publicly
- Iterative development

Applications

- To be used primarily for annual and business plan reporting
- Additional detail and link with financial and activity/output data will be useful in future programme planning and the assessment of different delivery combinations
- Value for Money and lifetime impacts will need to be assessed together with more qualitative evidence



Preliminary results for 2008/09 activities

Savings in:	2009/10	Lifetime	Units
Waste diverted from landfill	3.2	16.1	Million tonnes
Energy savings	34	84	Gigawatt hours
Avoided carbon emissions European Trading Scheme (ETS)	1.1	10.5	Million tonnes CO ₂
Avoided carbon emissions non-ETS	0.7	3.9	Million tonnes CO ₂
Cost savings	130	4,400	Million pounds
Sales growth	62	560	Million pounds
Raw materials avoided	1.9	5.5	Million tonnes
Water use reduced or avoided	1.3	5.3	Million cubic metres
Hazardous waste	16	38	Thousand tonnes

Disaggregations possible by ...

- Sub-programme
- Activity type (1 to 1, workshop, website user etc)
- Industrial sector
- Size of business
- Geographic region
- Degree of confidence
- Year of outcome

Next steps

- How to link costs in better to the activities and outcomes
- What to do about planned outcomes, roll-out, replication? How best to confirm lifetime outcomes
- How to develop the reliability/sensitivity analysis