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WHAT WORKS TO BOOST COMMUNITY ENGAGEMENT AND PARTICIPATION WITHIN LOCAL AREAS:

A REPORT TO THE MINISTRY OF HOUSING, COMMUNITIES & LOCAL GOVERNMENT

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INTRODUCTION

This report reviews evidence, both from Britain and abroad, on what works to boost community engagement and participation in civic, social, and economic action within local areas. The key questions are:

- What types of interventions have proven to be effective at increasing involvement in civic and social life[1] (such as community involvement in local decision-making) and in local economic planning and activity?[2]
- What factors have been essential to or facilitated these outcomes?
- What can we say about the costs associated with these interventions (in terms of unit costs and social and economic return on investments)?
- What are the main gaps in evidence that need to be addressed to improve our understanding of what works to strengthen community involvement and engagement in these forms of local action?

Whilst the concept of community is used inconsistently across research and programme development, in this report we nevertheless focus on interventions aimed at relatively small local areas rather than those aimed at larger geographical units such as regions or cities. The interventions that we consider are typically government-sponsored or government-funded ones aimed at economically disadvantaged communities (which also tend to experience other social problems too). We do not explicitly consider problems arising from ethnic diversity or lack of ethnic integration, although we should note that many disadvantaged communities will also be ethnically diverse.

To find examples of interventions, we have drawn on MHCLG's own evidence pack, have followed up references to further work, have explored National Audit Office (NAO) reports, and have followed up leads to similar examples in other countries, notably Australia, the Netherlands, and the USA. We have reviewed both impact and process evaluations. Given limitations of time and resources, we have primarily concentrated on British examples, as the generalizability from other national contexts may be unclear. We have also limited ourselves to relatively recent interventions (since the 1990s), again because the generalizability from earlier historical contexts to the present day is uncertain. It is also worth noting that this review is based on a select set of evaluation reports that have comprehensive information about the nature and aim of the intervention, the evaluation method, and at least preliminary results. According to these criteria, this review leaves out projects with no evaluation at all or with limited information available. As a result, the reviewed projects are not a representative sample of policy interventions in this field. For this reason, the conclusions of this report should be treated with caution.

We distinguish four broad types of intervention:

A. Investment in housing and physical environment within a particular locality
B. Use of tax and other incentives to promote economic development and employment in smaller geographical areas

[1] including community involvement in local decision making, engagement with local governance (local councillors and local government officials) devolution of power to communities, community involvement in management / ownership of public assets (e.g. parks, community centres); commissioning and delivery of public services (including housing) and decisions on local public sector budgets.
[2] including involvement in local economic development plans, influencing local economic priorities, nurturing community enterprises and community-led businesses.

C. Investment in people to promote community engagement and empowerment
D. Investment in organizations to strengthen the capacity of the third sector and cooperation between service providers

We should note that some initiatives involve multiple investments in order to target several different outcomes. They could thus in principle appear under more than one heading.

Effectiveness – 'what works?' – is the central focus of this review. In order to assess effectiveness we need to have reports of the outcomes of the interventions, and we have therefore excluded from our review interventions where outcomes have not been reported. The ideal is for interventions to be evaluated rigorously either with field experiments (analogous to randomized controlled trials in medicine) or with rigorous quasi-experimental observational studies approximating to field experiments (with before and after studies of communities where the intervention was implemented and compared to matched communities where the intervention was not carried out). In practice, many interventions have either not been evaluated at all, or have only been evaluated with less rigorous methods. To our knowledge there have been no large-scale field experiments in Britain on community development. While there have been a number of quasi-experimental observational studies, these have been restricted to the largest and most expensive projects. More limited interventions involving modest expenditures have almost invariably received cheaper and relatively informal evaluations, which do not allow one to draw firm conclusions about their effectiveness or value for money. This review considers evaluations of varying-levels of rigour. If we were to exclude interventions with less rigorous evaluations, we would in effect bias our results in favour of large-scale interventions. On the other hand, experience suggests that, the more rigorous the evaluation, the less likely is an intervention to be found to be effective.

Augmenting the Maryland Scientific Methods Scale as a method of ranking the rigor of studies, we distinguish five levels of evaluation:

1. Evaluation is available, but the evaluation uses only informal methods and is not independent of the project being evaluated (and is thus at risk of 'optimism bias')
2. The evaluation was conducted by an independent agency, but the evaluation itself used informal research methods.
3. The evaluation was conducted by an independent agency using systematic research methods but less rigorous than Level 4.
4. The evaluation was conducted by an independent agency using systematic quasi-experimental research methods comparing changes pre- and post-intervention in the 'treated' communities with those in equivalent but 'untreated' communities.
5. In addition to the criteria of Level 4, a cost-benefit analysis was also conducted in order to show the extent to which the intervention represented value for money.

Overall, we reviewed evidence for 16 interventions. We classified seven of these 16 evaluations as level 4 or 5 on our scale. Table A1 in the appendix summarizes the levels of evaluation of the various interventions discussed in this report.

A. INVESTMENT IN HOUSING AND PHYSICAL ENVIRONMENT

These interventions involved investment in the physical infrastructure (such as housing and the material environment) within socio-economically deprived areas, with the aim of improving the environmental quality of the area and in turn improving social opportunities for residents. Some programmes (such as the National Coalfields Programme) were narrowly focussed on physical infrastructure and place-related outcomes while others (such as the New Deal for Communities and the Coalfields Regeneration Trust) involved additional social interventions focussed on people-related outcomes. All these interventions involved substantial sums of money and were relatively long-term projects (invariably five years or more). Most interventions were evaluated in a relatively rigorous quasi-experimental way (for example with 'before and after' comparisons between the intervention areas and matched comparison areas where no intervention had taken place).

Table 1: Interventions involving expenditure on housing and the physical environment (HPE)

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
New Deal for Communities (NDC) 1998 – 2011	Multi-dimensional programme including investment in housing and physical environment (HPE), as well as a range of support and engagement initiatives in order to achieve 'holistic change' in three place-related outcomes (crime, community, and HPE) and three people-	39 of the most deprived areas in England (with average of around 10,000 residents)	Level 5: Rigorous and independent. However, no attempt was made to link expenditures on particular domains with progress on that domain (Batty et al., 2010)	Between 2002 and 2008, NDC areas saw significantly greater improvement on 19 of 34 indicators, compared with comparator areas (i.e., similarly deprived neighbourhoods in the same local authorities as NDC areas). The marks shown in brackets after each indicator are percentage point improvements when NDC areas were compared to comparator areas. • Relatively large improvements for lawlessness and dereliction index (+9), mental health (SF36 index) (+7), satisfaction with area and environment (+6), victimisation in the last year (+4), and	Average £50 million for each individual area. 32% of the overall £1.71 billion investment was used for housing and physical environment. **Formal Cost Benefit Analysis[4] indicated that the monetary benefits of the programme were substantially greater**

[4] The overall approach adopted by evaluators was shadow pricing methods. The analytical approach was to determine the compensating change in income that would produce an equivalent change in quality of life as would change in a given outcome. Two cost-benefit options were developed for robustness checks. One points to benefits amounting to more than five times the money spent, and the other points to three times. Evidence shows that much of this benefit arises from two outcomes: improvements in satisfaction with the area and improvements in mental health. The evaluation report concludes that monetary benefits that can be attributed to the programme are substantially greater than costs.

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
	related outcomes (education, health, and worklessness) [3]			taking part in education or training in the past year (+4) • No significant difference for employment rate (+2), gross household income (+1), or receipt of benefits (+0) • Negative results for educational achievement (key stages 2 and 4) (-2) and overall health (-3). Whether negative results were due to the implementation of NDC or to other factors is not clear.	**than costs. Evaluators concluded that the programme provided good value for money.**
Neighbourhood Renewal (NR) Programme in Northern Ireland 2003/4-2012/3	Multi-dimensional programme including physical environment renewal (e.g. land improved or reclaimed for open spaces, or buildings improved) in the most deprived areas in Northern Ireland. The objectives were to achieve community renewal (e.g. participation in	36 of the most deprived wards in Northern Ireland	Level 3/4 evaluation of progress in achieving economic and social renewal (but no baseline data available for community renewal) (RSM McClure	The gaps between the treated Neighbourhood Renewal Area (NRAs) and non-NR areas appear to have closed in some respects but not others: • Mixed results for economic renewal—gaps closing with respect to economic activity and unemployment but increasing for JSA claimants • Gaps closing at KS4 (GCSE) • Mixed results for indicators of health—with teenage births declining, but with	Average cost of £5.4 million for each individual ward. Of the total expenditure of £194 million, 39% was spent on physical renewal (but less than 10% on economic renewal). **No Value for Money assessment has been**

[3] The initiatives are area-specific. In terms of place-related targets, for example, Newcastle implemented an enhanced police service and neighbourhood warden scheme to address issues of crime and community safety. Bradford developed a community facilities strategy and built up three new neighbourhood centres to increase community engagement. To improve housing and physical environment, Hartlepool delivered a Community Housing Plan by demolishing old residential properties and constructing new homes and community parks. Regarding people-related targets, for instance, Southwark provided study guides, books and IT facilities to students who were in need. Haringey offered vulnerable people health and wellbeing services, including drug and alcohol services for adults, a programme to tackle childhood obesity, and winter warmth for low-income households. To deal with worklessness, Bradford provided sport-related activities, training opportunities and employment services for young people. As these initiatives were designed with different purposes for different areas, the effectiveness can hardly be compared directly. Overall, the evaluation report shows that place-related interventions have produced greater positive changes than people-related interventions. In broad terms, positive improvements were more frequently reported for interventions involving community, housing and the physical environment and crime issues, and less positive changes were observed in relation to health, worklessness, and especially, education. Apart from the complexities of intervening in these fields, it is worth noting that people-related interventions, such as job training schemes, were mainly targeted at a small group of people, while place-related interventions, such as environmental improvement schemes, benefited more local residents and may therefore make it easier for large-scale household surveys to pick up positive effects. In addition, outcomes of place-related interventions tend to remain within the area, whereas benefits arising from people-related interventions may leave the area as a result of migration.

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
	community projects), economic renewal (e.g. jobs created or safeguarded) and social renewal (e.g. student attainment).		Watters (consulting) 2015)	mortality rate for those under 75 and alcohol related deaths increasing • Increasing gaps for indicators of crime However, more rigorous counter-factual analysis suggested that NR did not have a discernible additional impact on the economic and social performance of NRAs. Overall, the NRAs remained among the most deprived in NI.	**undertaken but, given the evidence that NR did not have a discernible additional impact on economic and social performance, it is unlikely that VfM would have been achieved.**
The National Coalfields Programme (NCP), Coalfields Regeneration Trust (CRT) and Coalfields Enterprise Fund (CEF) 1998 -	The NCP aimed to regenerate the coalfields by creating employment space, homes, leisure facilities and public space. The CRT focussed on projects to increase access to opportunities, education and skills, health and well-being, and enterprise. The CEF (a commercial operation) aimed to create new SMEs and encourage existing businesses to expand	107 former coalfield communities across England	Level 3: Independent evaluation by the National Audit Office (2009a)	Overall the interventions reduced the amount of derelict land substantially and made former coalfields more attractive places to live, but achievements in creating employment were less apparent: • NCP made considerable progress (compared with targets) in bringing coalfield land back into use and creating commercial floor-space, but less progress in creating jobs and building houses • The CRT met its targets but the reductions in unemployment mirrored national changes and were largely achieved before the CRT was fully established. Economic inactivity and deprivation remained relatively high • The CEF was expected to make a modest return on its investments of 4-6%.	Average cost of £4.3 million for each individual community. 80% of total £1.1bn investment was allocated to the NCP. The NCP recouped some costs through selling sites to private developers. **The NAO judged that the department had over-claimed the benefits attributed to the NCP but was most critical of the performance of the CEF. The NAO's overall VfM conclusion stated that VfM had been limited by the Department's lack of oversight, but did not go**

Name and dates	**Nature and aims of intervention**	**Type of area covered**	**Evaluation**	**Conclusions of the evaluation**	**Cost and value for money assessment**
					so far as to say that VfM had not been achieved.
Growing Community Assets project 2006– present	Grants from the Big Lottery Fund to enable communities to acquire and develop assets (or compensate for potential loss of a community asset) in order to generate income to support sustainable services and amenities. Assets were largely physical ones such as a community café, bunkhouse, petrol station, renewable energy scheme.	170 communities in Scotland	Level 1 evaluation conducted by the funding body (Samuel 2017)	Mixed results were found but the majority of projects reported that they were progressing more or less as planned. With some projects, however, doubts were reported over sustainability, volunteer fatigue/turnover and uncertainties regarding future income streams.	Average £0.5 million cost for each individual project, funded by the Big Lottery Fund Scotland (with total spend of £85 million). **A more detailed evaluation is expected, but it is not possible at this stage to evaluate VFM. However, projects which are proceeding as planned may well provide VfM.**
Action Plan Empowered Neighbourhoods in the Netherlands 2006-2012	Key aspects of the plans included replacement of rented homes by owner-occupier dwellings, selling off social housing, improving public spaces, creating multifunctional neighbourhood centres, and providing help and support to families with problems. Expected outcomes included improved income profile of residents, social advancement, liveability and safety	40 priority neighbourhoods with a range of economic and social problems	Level 4 quasi-experimental evaluation (Permentier, et al. 2013)	Rigorous quasi-experimental evaluation found largely null effects overall: • No measurable effect on social advancement and income profile • No measurable effect on safety and liveability • Negative effect on neighbourhood participation However, some specific interventions had positive effects: • Building new owner-occupied homes had beneficial effects on reducing violent crime and vandalism, and liveability/satisfaction with the area • However, selling council housing stock had no measurable effect • Social programmes seemed to have no measurable effect	Total spend over 4 years of just over 1 billion euros. **No Value for Money assessment was undertaken but, given the absence of measurable effects on the main intended outcomes, it is unlikely that VfM would have been achieved.**

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
The Community Development Programme in Australia 2014–2018	Grants from the Australian government were used to assist jobseekers in remote areas to improve their job opportunities, increase their workforce participation, and reduce their welfare dependency. Third-party service providers delivered services on behalf of the government. They established work-like activities which were relevant to community needs, and jobseekers must participate in these work-like activities five days a week so that they could construct a full-time work routine	33,000 participants from more than 1000 communities across 60 designated remote regions in Australia	Level 3: Independent evaluation by the Australian National Audit Office (2018)	Existing evaluations mainly focus on assessing the service of third-party providers. • The first assessment was conducted four months following the introduction of the CDP. Only 37 per cent of service providers were on track to meet performance targets, and the level of engagement of jobseekers varied across the regions. • The most recent assessment that is available was conducted in 2016, when the programme had been implemented for around 2 years. The performance review ratings have improved. • 47% of jobseekers were continuously involved in work-like activities for at least 13 weeks; 34% of them remained active for at least 26 week. However, it was not clear how the employment rate would change after the programme finishes.	1.6 billion Australian dollars over five years **The Australian NAO stated that it needed longer-term data to assess the effectiveness of the programme and therefore did not provide a VfM assessment.**

Some of the early British Enterprise Zones described in Section B also included large HPE components

Summary

(1) Evaluation outcomes

The evaluations that have been conducted suggest that the housing and physical environment interventions were generally successful in regenerating the physical infrastructure and in making the areas more attractive places to live (and by implication improving quality of life). However, the success of these interventions was much more apparent for place-related outcomes (such as crime and dereliction) than for person-related outcomes such as worklessness.

The HPE interventions were often accompanied by additional support and engagement programmes geared towards people-related outcomes. There were a wide variety of different people-related interventions, and it is therefore difficult to disentangle the causal processes involved. However, the evidence on this front is not quite so encouraging, with no clear-cut success stories with respect to increasing opportunities in education, employment or community participation. (See also Section C for other evidence on person-related outcomes) Moreover, it does appear that the neighbourhoods targeted by the interventions generally remained relatively deprived after the intervention. Moving deprived neighbourhoods out of deprivation seems to be very challenging (as has also been found in other countries (cf the Dutch and Australian programmes). It may also be the case that the success of previous programmes, such as the National Coalfields Programmes, means that there are now fewer remaining opportunities for successful HPE interventions in brownfield sites.

(2) Value for money

Formal Cost Benefit Analysis has only been carried out for the New Deal for Communities. The analysis was encouraging, concluding that monetary benefits of the programme were substantially greater than costs. The more informal Value for Money assessment of the National Coalfields Regeneration Programme argued that VfM had been limited by lack of oversight from the department, but did not go so far as to say that VfM had not been achieved. In the case of the other interventions, given the lack of major measurable positive effects of the programmes, it seems plausible that VfM was not achieved.

(3) *Methodology*

Most interventions were evaluated in a relatively rigorous way. However, the evaluations of the success of associated commercial activities (e.g. the Coalfields Enterprise Fund and the Growing Community Assets programme in Scotland) geared towards generating future income streams were not as rigorous as might have been hoped. It seems possible that these programmes have potential, and it should be relatively straightforward to measure the income returns on the investments. This approach should not be ruled out, but rigorous evaluations are a priority.

(4) Sustainability

Sustainability is one of the common concerns about these projects. For example, some NDC projects, especially those neighbourhood-level physical developments can provide rental income after regeneration funding ceases, but the management costs of such projects can be underestimated. When it is difficult to maintain full occupancy rates, the rental income will not be sufficient to maintain the same scale of activity. Doubt over sustainability is more prominent in smaller projects such as Growing Community Assets, with concerns including volunteer fatigue/turnover and uncertainties regarding future income streams.

B. USE OF TAX AND OTHER INCENTIVES TO PROMOTE ECONOMIC DEVELOPMENT AND EMPLOYMENT: ENTERPRISE ZONES

Unlike the multi-dimensional programmes described in Section A that involved a range of interventions, the interventions in Section B are more narrowly focussed on using tax and other incentives to promote economic development in deprived areas. The targeted areas are typically badged as Enterprise Zones. Enterprise Zones were first set up in Britain in the 1980s. Many other countries, particularly the USA and France, have since developed, and evaluated, similar programmes. The detailed specifications of Enterprise Zones vary between countries (and between programmes within a country), but typically include some or all of tax breaks, wage subsidies, reduced regulation and improved physical infrastructure. In 2012, the UK government announced a new programme with the creation of 21 Enterprise Zones in England. Firms in these zones were offered five-year rebates on business property tax, simplified planning regulations, access to superfast broadband and in some cases tax relief on new plant and machinery investments. This new programme was not targeted on the most deprived areas in the way that most previous programmes had been, so the evaluations of the earlier programmes may not be quite so relevant to the new programme.

A wide variety of differing schemes have been implemented. We focus here on the French Zones Franches Urbaines (ZFU) and the US Empowerment Zones (EmpZ), along with the recent English Local Enterprise Growth Initiative (LEGI). The ZFU and EmpZ programmes have been rigorously evaluated and are among the most promising. Overman (2016) provides a valuable description and overview of these and other similar programmes. He restricts his review to studies using rigorous 'before and after' designs with appropriate comparators (level 4 in our classification). In his judgement, none of the British evaluations met these criteria and he therefore excluded the UK from his overall assessment (with the one exception of the LEGI). There have also been important differences in the operation of the British initiatives from those in the other countries, making generalizability of the French or American results to Britain somewhat questionable. In particular, the British schemes have not tied the tax incentives to the employment of local residents in the way that the ZFUs and EmpZs have done. A priori, therefore, one might expect British schemes to have weaker observed effects on unemployment rates of residents.

Table 2: Place-based interventions aimed at promoting local economies

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
Enterprise Zones in the UK 1981-1996	The key component was tax subsidies, with 100 percent capital allowances on investment in property and exemption from local business rates. Each Enterprise Zone received the benefits for 10 years. Other incentives included simplified planning procedures, exemption from industrial training levies, faster processing of applications and a reduction in government requests for statistical information.	38 EZs were designated, mainly in ex-industrial cities that had been devastated by the process of industrial decline and restructuring.	Level 3 review (Larkin and Wilcox 2011)	The Enterprise Zones initiated in the 1980s had mixed results. The positive effects include: • Physical regeneration of areas of dereliction • Modest employment growth with an estimated 58,000 jobs created, including direct employment creation and indirect jobs in supply chains However, there is some evidence that benefits of enterprise zones disproportionately went to landlords, with higher rents during the period of designation while some of the benefits may have been due to relocation of firms from other areas. One of the challenges facing the EZs was that once the incentives ran out, businesses had fewer reasons to stay, which made it difficult to maintain economic growth in the long run.	From 1981-2003, the total estimates of the forgone revenues range from £880 million to over £1 billion in 1994-95 prices. The public sector cost per additional job created in the zone is estimated at £17,000 over 10 years of the programme in 1994-95 prices. **No formal VfM has been conducted, but it is likely that VfM varied considerably from one Enterprise Zone to another.**
Zones Franches Urbaines (ZFUs) in France 1996 -	ZFUs were created by the French government to boost economic development and employment in deprive areas. Exemption from payroll tax for an initial period of five years, targeted at new and existing firms with fewer than 50 employees in the specified ZFU areas.	44 ZFUs (minimum size 10,000 residents) created in first wave with a further 41 in the 2004 second wave. ZFUs include the most deprived urban areas of France	Level 4: Six different rigorous, independent evaluations	Evaluations of the ZFU suggest generally robust effectiveness: • Five of the six evaluations found positive effects on relocation/establishment of new businesses • Four out of five evaluations that looked at the employment rate reported positive effects • The two evaluations that looked at effects on unemployment both find	Total annual cost of around €472 million, €5.6 million per ZFU, equivalent to around €1800 per resident worker (Briant et al. 2013) **While no formal Cost Benefit or VfM analysis has been carried out, Givord and colleagues (2018) conducted an analysis using regression and propensity score methods to estimate the effect of the programme. They**

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
	Additional requirement (from 2004) that businesses must employ one third of their employees from within the zone.	(there is also a slightly different scheme for rural areas)		positive effects in reducing the unemployment rate • The one evaluation that looked at wages found no effect overall, but a modest increase among higher-paid workers However, most studies that report positive effects also report evidence of displacement, in some cases with negative spillovers cancelling out the positive effects. One study suggested that a possible explanation for the positive results was gentrification – the composition of the area changing after the intervention with higher-paid workers being drawn in.	**calculated that the cost of each local job created was between €18,000 and €26,300 (when considering low-skilled employment, the cost per job was between €19,400 and €31,400), considerably more expensive than alternative job creation schemes, calling into question the VfM of the programme. They concluded, "Despite a highly positive short-term impact on economic activity, the cost efficiency of the French EZ program is thus questionable over the long term"**
Empowerment Zones in the USA 1994 -	Implemented with the purpose of creating jobs in the most economically distressed areas of both urban and rural areas across America. National policy that ties business tax credits to the employment of local residents (wage credit of up to 20% of the first $1,500 per employee living and working in the area), and includes a series of large block grants and other kinds of support.	Targeted at disadvantaged areas in the US. The average size of an EmpZ was 10.6 square miles, with a population of approximately 120,000 people and a poverty rate of 45%	Level 4: Thirteen different evaluations	• Positive impacts on employment in five of ten evaluations measuring employment • Three of the four evaluations assessing the unemployment rate showed beneficial impacts on reducing unemployment • Three out of seven evaluations assessing poverty showed that this initiative had positive impacts on reducing poverty One study found that pre-existing high-income households often relocate to EmpZs, whilst there were no benefits to existing poorer residents. However, another study finds no evidence of gentrification.	No formal account of costs or VfM in the published literature but it appears that costs were less than those of the French ZFUs.

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
Enterprise Zones (EZs) in the USA Since the 1980s EZs have been implemented at various times in different states	EZs in the US have similar aims as EmpZs, but EZs are administered at the state level. Different states have their specific policies and programmes. The common components include tax credits for hiring disadvantaged employees (50% of qualified wages in the first year, falling by 10% each year until reaching zero), credits for new jobs and credits for property taxes.	Targeted at disadvantaged neighbourhoods in each state. Conditions and priorities vary across different states	Level 4: Ten different evaluations	• Only three out of eight evaluations with an assessment of employment report positive effects on employment – generally less effective than the US Empowerment Zones, which offer more intensive support. • The one evaluation that looks at unemployment reports a positive effect One study (Neumark and Kolko 2010) looked at the number of new firms and found a negative effect, which might be because larger firms are more attracted to EZ locations. Another study (Bostic and Prohofsky 2006) looked at people's wages and found that those with a very low initial income felt stronger positive effects for wages than those who had a higher initial income.	**No formal account of costs or VfM in the published literature, but costs are likely to vary considerably from one area to another, given differences between states specific programmes.**
UK Local Enterprise Growth Initiative (LEGI) 2006-2011	LEGI involved funding for local authorities, designed to increase productivity and enterprise in 30 deprived areas (LAs decided how best to allocate the funds). The three key objectives of the programme were to i) increase entrepreneurial activity in deprived areas ii) support growth and reduce exit rates among local businesses in deprived areas, and iii) attract investment into deprived areas.	30 deprived areas	Level 4 evaluation (Einio and Overman 2016) Also note that DCLG (2010) evaluations seemed to find much larger positive effects	The evaluation found temporary effects on employment, but not on number of businesses or unemployment of local residents. The study reports strong displacement effects at the treatment area boundary, with all positive effects within the zone the result of displacement from near the zone, resulting in zero effect at the aggregate level.	£418 million in total. 30% of expenditure went to supporting existing local businesses, with projects supporting new business start-ups receiving a similar share. Equivalent to £60 per each working-age resident. **No formal Cost Benefit analysis was undertaken but, given the evidence that the benefits were the result of displacement, it is unlikely that VfM would have been achieved. The evaluation concluded: "If the ultimate objective was to improve economic outcomes for residents**

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
					then this represents a costly policy failure".
UK Enterprise Zones 2012-	Enterprise Zones were reintroduced with different aims. Unlike the 1980s EZs, the new programme focused on areas of genuine economic opportunities. It was aimed at increasing firm productivity, reducing skills gaps and minimising displacement. The new EZs offered firms five-year rebates on business rates, simplified planning regulations and access to superfast broadband.	24 Enterprise Zones were announced by the UK government in 2012. The total number was subsequently expanded to 44.	No comprehensive evaluation has yet been published	The performance of Enterprise Zones fell short of initial expectations, in terms of job creation: a House of Commons Public Accounts Committee report published in 2014 concluded that the 4,649 jobs created by Enterprise Zones was "underwhelming", given that the Treasury's initial projection was of 54,000 jobs by 2015. As the programme is still ongoing, however, it is too early to draw any firm conclusion.	The Government estimated in 2012 that the 100% first year capital allowances available in selected EZs would cost around £95 million over the period 2012-13 to 2016-17. **No formal VfM analysis has yet been carried out.**

Summary

(1) Evaluation outcome

Similarly to the HPE initiatives described in the previous section, the 1981 British enterprise zones did appear to have some success in regenerating areas of dereliction although with more limited effects on employment. As brownfield sites have reduced in number, the focus of enterprise zones has changed considerably with an emphasis in more recent programs on job creation.

(2) Value for money

French ZUFs appear to be the most effective scheme (in terms of securing employment growth and unemployment reduction), but, on the other hand, they are the most expensive. The cost of job creation appears to be high, and doubts have been raised about value for money.

The evidence for the effectiveness of the (somewhat cheaper) US Empowerment Zones is not quite as strong, and that for the US Enterprise Zones (state-level initiatives that are both cheaper and more diverse) is somewhat weaker still. In general, and unsurprisingly, the greater the incentives to firms, the larger the effects on the desired outcomes such as employment. However, the greater cost of the more ambitious schemes may not necessarily mean that they offer greater value for money.

(3) Methodology

One crucial methodological issue (which is difficult to solve technically) is whether the intervention has generated new economic activity, or whether the observed increased activity within the enterprise zone is the result of displacement from areas outside the designated zone, leading to no, or reduced, net effect on the broader economy. This problem may well be inherent in the design of such place-based schemes.

(4) Sustainability

A further important issue, which has been raised in some of the evaluations, is whether the observed effects are temporary and will cease once the tax incentives are withdrawn. Once the incentives run out, businesses may have fewer reasons to stay, which may make it difficult to maintain economic growth in the long run. Therefore, sustainability may be one of the main challenges facing the EZs. For example, Givord et al. (2018) showed that the French EZ program had a highly positive short-term impact on economic activity, but the cost efficiency was questionable over the long term.

C. INVESTMENT IN PEOPLE TO PROMOTE COMMUNITY ENGAGEMENT AND EMPOWERMENT

A very different approach to empowerment is to facilitate volunteering and community action by local people in order to promote engagement in local decision-making and thus to ensure that decisions more closely reflect local priorities. This approach can be thought of as attempting to develop the social capital of the community. Initiatives broadly of this sort have a long history in Britain, going back to the Community Development Programme of the late 1960s and early 1970s (and have many parallels in other countries). However, there have been relatively few evaluations of these types of initiatives.

Table 3: Interventions designed to increase the role of local residents in decision-making

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
Community Organisers Programme 2011–2015	The programme funded and trained 500 trainee community organisers (TCOs), who in turn were to recruit and train 4500 volunteer community organizers (VCOs) in deprived communities in order to stimulate social and political change through collective action (in practice fledgling projects)	The community organizers worked in local 'patches' in deprived areas.	Level 2: The final evaluation (Cameron et al (2015) was based mainly on participants' self-reports. However, an interim evaluation based on surveys of intervention and non-intervention areas suggested some positive benefits (Fitzpatrick and Williams 2015).	The final evaluation showed that the programme was successful in recruiting volunteers and appeared to have positive personal effects for the TCOs and VCOs themselves (e.g. in their self-assessed skills and knowledge). However, there were question marks about whether the VCOs had the skills to sustain community activity without further support. The programme seemed to be least effective in generating sustainable networks and movements for change, although there was considerable variability across communities. The interim report found that the intervention communities showed significantly higher levels of a sense of belonging to the community and in some forms of community engagement than the non-intervention comparison communities.	Costs of the TCOs for the first year were not specified. Newly qualified community organisers were eligible for grants up to £15,000 for a second year **Formal VfM analysis has not been conducted.**
Community Organisers Mobilisation Fund, 2015–2016	Develop the knowledge of community rights and neighbourhood planning among community organisers; support communities who were considering community rights/neighbourhood planning to solve local issues; explore the potential role of community organizers in mobilizing communities.	COLtd supported community organizers in 27 areas to explore the potential for community rights and neighbourhood planning over an eight-month period	Level 2: The evaluation was mainly based on reports from the community organisers themselves (Taylor and Wilson 2016)	Over an eight-month period, the 38 Community Organizers: • Supported 7,341 'listenings' • Recruited 1,229 volunteers • Organized 270 events • Involved over 3,000 people in the core group, as volunteers or attending events The project has facilitated resident involvement in decision-making. For example, the COM Fund offered an opportunity to support residents of Bordesley Green, Birmingham in transforming a local park. During this process, different voices were	The fund announced in 2015 amounted to £500,000. **No VfM analysis has been conducted. It would however be difficult to conduct one given that the desired outcomes have not been specified in a way that lends itself to formal measurement.**

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
	Programme delivered by The Company of Community Organisers (COLtd)			heard. Local Asian women who traditionally have not had a voice were able to put forward alternative views. But many challenges were also noted, with some communities not being ready to use community rights (lacking able residents with the necessary skills) and the short time-scale limiting what could be achieved	

Summary

(1) Evaluation outcomes

These interventions aim to involve citizens in local decision-making, which might in turn be expected to improve satisfaction with local democracy and community life as well as improving the quality of decision-making. The independent evaluations conducted on the Community Organizers Programme suggest that the more ambitious goals for redesigning budgeting and decision-making were not realised, although other outcomes (promoting engagement and sense of belonging to the community) were sufficiently encouraging to suggest that the programmes could be worth following-up with a more rigorous evaluation.

(2) Value for money

These interventions involve much more modest costs than the ones in sections A and B. To our knowledge there have been no rigorous cost-benefit analyses assessing the value for money of these programmes. However, given the relatively modest expenditures involved, VFM might be realistic even if the most ambitious goals have not been achieved.

(3) Methodology

In line with the modest expenditures on the interventions, the budgets for evaluation have been modest too and the quality of the evaluations have been much weaker (only reaching level 2 in our classification). A more systematic design of the intervention, such as a randomized field experiment, would be more informative and helpful. There are also major challenges in developing convincing metrics for evaluating the quality of decision-making.

(4) Sustainability

One important issue is the sustainability of the benefits once the programme, and associated expenditures, have been concluded. It may not be realistic to expect that interventions will have enduring legacies in the most deprived communities after funding has stopped. Rigorous evaluation together with cost-benefit analysis might show that continued long-term expenditure would provide value for money in the most deprived communities.

D. INVESTMENT IN ORGANIZATIONS IN ORDER TO STRENGTHEN THE CAPACITY OF THE THIRD SECTOR

Whereas the interventions described in Section C were primarily focussed on improving citizen engagement and decision-making, those in section D are focussed on strengthening third-sector organizations, although with the objective of improving the ultimate benefits for citizens themselves in the longer term. While these interventions do include organizations tackling the needs of deprived communities, they are not specifically targeted at deprived communities per se, but provide more general resources.

Table 4: Interventions designed to strengthen the capacity of third-sector organizations

Name and dates	**Nature and aims of intervention**	**Type of area covered**	**Evaluation**	**Conclusions of the evaluation**	**Cost and value for money assessment**
ChangeUp 2004-2011	Experimental programme designed to increase the capacity of the third sector by investing in	Funding provided for national support providers plus a network of regional and sub-	Level 3: No formal evaluation appears to have been undertaken but there was an	• Improved services available to frontline organizations (e.g. for payroll and HR functions) although doubts about sustainability after funding ends	£239 million over the whole programme **National Audit Office VfM assessment indicated limited evidence overall on the ultimate benefits to front-**

Name and dates	**Nature and aims of intervention**	**Type of area covered**	**Evaluation**	**Conclusions of the evaluation**	**Cost and value for money assessment**
	support services for third-sector organizations	regional consortia	independent level 3 evaluation by the NAO (2009b)	• Improved partnership working in the consortia, leading to improved assessments of the needs of frontline organizations and the gaps • Some improvement in facilities of the support providers (e.g. physical space)	**line organizations and hence implied doubts about ultimate value for money.**
Futurebuilders 2003–2011	Experimental programme to help third-sector organizations increase their capacity to deliver public services. Programme included a mix of loans and grants (overall 83% loans with durations up to 25 years)	Investments in 375 third-sector organizations, predominantly in the health and social care, children and young people, and education and learning sectors	Level 4/5: The evaluation included case studies and matched-pairs analysis of financial performance (Wells et al. 2010)	• Capacity appears to have been improved. The programme was effective at selecting strong organisations and organisations performed well (in terms of their income growth) compared to comparator organisations from the wider sector • Of six case studies presented, investment related activity for five organisations was found to result in net savings to the public purse of between £600 thousand and £5 million after ten years • Data limitations mean that it was not possible to assess the final gains in terms of social outcomes and benefits • At the time of the evaluation, the rate of loan default was low (3.3%) but there are concerns that this might worsen in an era of reduced public spending	The government committed up to £215 million to the fund (of which £155 million was in the form of loans). At the end of January 2010, a total of 375 organisations had agreed investments worth a total of £154.7 million, of which the total value of loan investment was £126.5 million. **VfM assessment suggested that Futurebuilders investments were competitive in terms of cost efficiency. Case studies showed high additionality, low displacement and net savings to the public purse. This offers the prospect of achieving VfM, although there is considerable uncertainty about this**

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
					because of the lengthy duration of the loans
Our Place 2014–2016	Help communities, through local lead organizations in partnership with statutory local service providers and supported by Locality, to design and deliver local services that focus on local priorities and reduce costs. The intention was that resources made available in this way would enable the implementation of individual Our Place operational plans and that the 'rewiring' of services and associated budgets would gain a degree of permanence.	141 communities (neighbourhoods) in 2014–2015; 60 communities in 2015–2016	Level 2: The evaluation was mainly based on perceptions and opinions from lead organisations together with case studies (Hayden et al 2016)	Evaluation found that almost all lead organizations did formulate local plans, and in the majority of cases these were approved, thus achieving new forms of delivery of public services at the neighbourhood level, particularly focussed on health and well-being and employment and skills. Other reported successes included: • Improved partnerships • Improved community engagement • Reduced social isolation and mental-health call-outs • Improved skills and employment services (e.g. placements with employers) Some Our Place programmes facilitate citizen engagement. For example, using a 'bottom-up' approach, the Neighbourhood Policing team at Seaham, County Durham knocked on every door in the area and asked about people's issues. With the list of residents' main concerns, the team arranged a series of community events to address these issues. These include engaging people in community safety activities, encouraging youths to participate in sports and volunteer work,	£13,000– £33,000 for each community (£4.3 million overall support contract) **No VfM analysis has been conducted, but given the relatively modest budgets and evidence of some successes (even if the ultimate goal of re-wiring was not achieved), the programme may well represent value for money.**

Name and dates	Nature and aims of intervention	Type of area covered	Evaluation	Conclusions of the evaluation	Cost and value for money assessment
				and cultivating trust between police and local residents. While not experimentally evaluated, these efforts coincided with a decline in the overall crime rate of 28%, and an 11% decline in anti-social behaviour. However, the evaluation reported that very few Our Place projects were able to secure devolved budgets or contracts for commissioned services. For the most part, re-wiring of services and budget pooling with mainstream providers did not happen.	

Summary

(1) Evaluation outcomes

These are schemes that provide a contrasting approach to the alternatives dealt with in previous sections. The various reports do suggest that third-sector organizations were receptive to, and did benefit from, the interventions. In some respects, however, they represent a missed opportunity, as they have not received convincing evaluations, the effect on frontline users being a notable uncertainty. They are premised on the assumption of market failure in the provision of funding, services or coordination between third sector organizations. If this assumption is correct, then there is a good case for government intervention.

(2) Value for money

The NAO (2009b) concluded that it would be some time before value for money of ChangeUp or Futurebuilders could be clearly established, but there does not appear to have been any subsequent follow-up by the NAO.

(3) Methodology

Third-sector organisations that were involved in these projects tend to be those with stronger capacity, and therefore, selection bias may need to be addressed when assessing the effect of the interventions. For this reason, before-and-after comparisons are particularly needed in future evaluations.

(4) Sustainability

Sustainability after the end of funding is once again an important concern raised by the evaluations. Financial viability may also be a greater concern in the changed funding climates since 2007-8. Very few projects were able to secure new budgets or contracts for commissioned services.

CONCLUSIONS

Based on the reviewed evaluations, we attempt to draw out preliminary answers to four questions: Which types of intervention are effective? What are the factors facilitating success? Which interventions offer value for money? What are the main gaps in evidence? It is worth noting again that this review is based on a select set of evaluations rather than a representative sample of policy interventions in this field, and therefore the conclusions should be put in perspective.

Which types of intervention are effective?

- Several different types of intervention have some evidence of being effective, although one should note that the quality of the evidence available varies considerably between the different types of intervention: thus the most rigorous assessments have been of Enterprise Zones, while the least rigorous have been for the programmes designed to promote citizen involvement in decision-making. It is quite likely that, the more rigorous the assessment, the less likely it is that the intervention will be found to be effective. Several interventions (such as the New Deal for Communities) investing in housing and the physical environment have strong evidence that they achieved their immediate goals, with some evidence that they may have achieved wider goals such as reducing crime and increasing community cohesion and well-being. The evidence that they promoted employment and economic regeneration, however, is weak. Investment in community assets also appears to be quite a promising approach, though rigorous evaluation is still lacking.

- Enterprise Zones do have some evidence of effectiveness, increasing employment and reducing unemployment in the targeted areas. The strongest effects appear to be for the French Zones Franches Urbaines. However, there are major concerns as to whether the gains are in part or whole a result of displacement from neighbouring areas with reduced (or zero) net effect overall. Rigorous econometric evaluation of the recent British Local Enterprise Growth Initiative for example showed that all the positive effects were due to displacement from neighbouring areas.

- Evidence is mixed on programmes designed to increase citizen involvement in decision-making and the quality of decisions. The interventions appear to meet their immediate objectives (for example, the Community Organizers programme succeeded in achieving their goals of recruiting volunteers and increasing citizen engagement). However, they do not seem to achieve their more ambitious goals such as 're-wiring' decision-making.

- Programmes aimed at strengthening the capacity of the third sector (such as Futurebuilders) appear to be quite promising, at least in achieving their immediate goals and targets.

- Overall, among the four types of interventions reviewed in this report, positive outcomes are most frequently reported in housing and the physical environment related projects (Type A). Enterprise Zones (Type B) in various areas have also shown a positive relationship with local economic growth, although there is no definite evidence of causal relationships. Programmes aiming at the third sector (Type

D) have been shown to be effective in the immediate goals of strengthening the capacity of the third sector, but the impact on the local community is not clear. Projects aiming at increasing citizen involvement in decision-making (Type C) seemed to be the least promising. Very little evidence has shown that these projects have promoted community empowerment or improved the quality of decision-making.

One needs to remember, however, that most assessments have taken place at a relatively early stage of the programmes and there is inevitably little evidence about the longer-term effectiveness of the interventions, especially in the case of the most recent interventions. For example, there are concerns, particularly in the case of Enterprise Zones, that the positive outcomes may vanish once the tax incentives are withdrawn. There are also concerns about the sustainability of citizen involvement (for example with Community Organizers) once funding is withdrawn, while the longer-term performance of loans provided through the Futurebuilders programme cannot yet be known.

What are the factors facilitating success?

The main enabling factors include:

- Programmes with clear and measurable intermediate goals tend to have greater chances of success
- Enduring infrastructural assets (as in the case of the HPE interventions) appear to be associated with successful achievements
- Rigorous selection of projects to fund or invest in (as with Futurebuilders) improves chances of success
- Investments in local voluntary organisations may be more successful than investments in people (who may well leave the neighbourhood)

However, we should note that many of the more ambitious programmes (such as New Deal for Communities) included many different components, and the mix of components may vary between areas. It can therefore be particularly difficult to attribute success to any single specific component.

It would also be helpful to pay attention to the factors that hinder success. For example:

- National Audit Office reports on programmes often draw attention to delays in planning and setting up the programmes as reducing chances of success. Particularly with experimental programmes, there can be substantial unanticipated problems in implementing the programme and a slow process of learning on the job, with programmes needing to be redesigned in the light of experience.
- Programmes may be unduly ambitious in their expectations of what can be achieved within a relatively short period of time (as for example with the Community Organisers Mobilization Fund (where the duration of the projects was only eight months).
- Rates of success appear to vary across the neighbourhoods included in the programme. In effect, the most deprived neighbourhoods may be the most challenging in which to achieve change (e.g. to recruit volunteers and increase engagement as in the case of Community Organisers) and may need disproportionate resources or timescales in order to be successful.

- Some outcomes, particularly economic ones like employment, may be largely driven by factors that operate at a larger scale than the neighbourhood and may be less promising therefore for local-level interventions (as is shown by the evidence of displacement from neighbouring areas in the case of Enterprise Zones).

Which interventions offer value for money?

An insufficient number of assessments of value for money using formal methods such as Cost Benefit analysis or the more informal assessments of VfM employed by the National Audit Office have been undertaken to enable one to give a definite answer. Moreover, the few assessments that have been undertaken are typically based on short-term (intermediate) outcomes, whereas some benefits may take longer to emerge. Some outcomes are also quite hard to measure accurately or to 'monetize', leading to considerable uncertainty about any VFM calculations.

Subject to these caveats, we propose the following summary of value for money:

- Formal Cost Benefit Analysis of the New Deal for Communities indicated that the monetizable benefits of the programme were substantially greater than costs, and other investments in housing and the physical environment (such as Growing Community Assets) also appeared to have some potential for providing VfM.
- Value for Money assessment of the Futurebuilders programme suggested that the programme was cost effective, although the final VfM will not be known for many years because of the long duration of the loans involved.
- While VfM or Cost Benefit analyses have not yet been conducted on some interventions, it is quite possible that the Growing Community Assets, Community Organizers, ChangeUp and Our Place interventions provide value for money. However, rigorous VfM analysis of these projects will be challenging as the desired outcomes were often not specified in a straightforwardly measurable way.
- While VfM or Cost Benefit analyses have not been conducted of Enterprise Zones, the overall cost and the doubts about the magnitude of the net effects (after taking account of displacement effects) suggest that VfM is unlikely.

What are the main gaps in evidence?

The most important gap is the shortage of rigorous evaluations. There have been no randomized trials and relatively few rigorous quasi-experimental evaluations involving 'before and after' studies of communities where the intervention was implemented and comparisons with equivalent communities where the intervention was not carried out (level 4 in our classification). Several evaluations, especially of the smaller-scale interventions, appear to be something of an after-thought and rely on the impressions of participants after the intervention and without baseline measures. This kind of evaluation can provide some clues as to likely effectiveness, but will never be entirely convincing.

There is also a tension between allowing interventions to differ across localities in response to local conditions and standardizing interventions so that one can draw firmer conclusions about the features of the intervention that work. As a result, many evaluations have been inconclusive about the specific facilitators of the outcomes achieved.

Even fewer rigorous Cost Benefit analyses or less formal Value for Money Assessments have been conducted. One problem is that VfM analyses cannot be carried out if there is a lack of convincing evidence about the effectiveness of a programme. A second problem is that Cost Benefit analysis requires one to be able to 'monetize' the benefits, and this is often difficult with somewhat intangible outcomes such as 'better quality decision making'.

The implications of these gaps are:

- As very few small-scale interventions have received rigorous evaluations, existing evidence has a bias toward big projects. Future investment should allow extra budget to ensure robust evaluations of small-scale and low-cost projects.
- Evaluations need to be designed in conjunction with the initial design of the intervention, with a clear specification of measurable outcomes to be achieved (something that can be helpful for project management as well as for evaluation).
- This can have major cost implications, however, as rigorous quasi-experimental evaluations will be expensive (and take up a relatively large share of the budget for the more modest interventions).
- Ideally, future evaluations may include more rigorous Cost Benefit analyses for interventions of various scales to provide further information about their cost efficiency.
- It might be helpful for the Department to prepare short user-friendly 'how to do it' guides both on project evaluation and on Value for Money Assessment. These should be aimed at busy government officials rather than at specialist social scientists, should use non-technical language and should provide examples of good practice (plus advice on how to obtain specialist technical advice when needed). The aim should be for evaluation to be built into any new intervention from the beginning. Without good baseline data, a rigorous (level 4 or above) evaluation will simply not be possible.
- It might from time to time be useful to commission specific academic projects in order to understand the facilitators and mechanisms involved in successful projects. Given the almost inevitable local variability in the implementation of programmes in different neighbourhoods, reflecting the specific neighbourhood context, it is unlikely that routine evaluations will be ever able to determine the precise mechanisms involved. (Technically, there will be a 'small N' problem: if there are only, say, 50 communities involved in a programme, but perhaps over 50 different adaptations across these communities, statistical analysis cannot plausibly identify the specific factors driving success.)

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Appendix I: Evaluation Criteria

This report reviews existing evaluations of various community-level interventions. Before we look into details of these evaluations, we need to assess their methodological quality. According to the Maryland Scientific Methods Scale (see Sherman et al., 1998; Farrington et al., 2002), evaluations can be ranked on five levels to measure the robustness of the methods and the quality of their implementation:

- Level 1: Conduct a comparison between treated and untreated groups at one point in time. This design can reveal the difference between the two groups, but it cannot rule out any confounding factors to claim the difference is due to the intervention.
- Level 2: Conduct a before-and-after comparison of treated groups, with no comparable untreated groups. This design can reveal time-related differences, but similar to Level-1 designs, it cannot rule out any confounding factors to ascribe the difference to the intervention.
- Level 3: Conduct a before-and-after comparison for both treated and untreated groups. Through a before-and-after comparison for both groups, this design rules out the fixed confounding factors between the treated and untreated groups. However, it cannot eliminate confounding effects of time-varying factors.
- Level 4: Conduct a before-and-after comparison for both treated and untreated group, controlling for other factors that may influence the outcome. This design can reduce extraneous influences of both fixed and time-varying factors and thus rule out many threats to internal validity. However, it cannot rule out selection effects; in other words, the treated and untreated groups may have unobserved differences, which affect their probability of being selected into the intervention in the first place.
- Level 5: Conduct a randomised control trial so that the cases are randomly assigned to the treated and untreated groups. This design minimises selection bias and therefore has the highest possible internal validity.

The Maryland scale provides a useful guideline for assessing methodological quality of a study, but it is more practical for laboratory sciences than for evaluations of policy interventions. Ideally, in order to draw a reliable conclusion, the research design should reach at least Level 3 on the Maryland Scientific Methods Scale, yet in reality, very few evaluations of policy interventions meet such criteria. In this report, we augment the Maryland scale to measure methodological quality of reviewed evaluations.

- Level 0: No evaluation at all. Not all policy interventions are evaluated after implementation. In this review, we only included interventions for which an evaluation report could be found. This may introduce bias to our conclusions if there are systematic differences between the evaluated and non-evaluated interventions.
- Level 1: Evaluation is available, but the evaluation was conducted by non-independent bodies, or the information was mainly collected from stakeholders who might have an interest in the project being rated well. For example, some evaluations were managed by the organising or funding bodies, and some were conducted by an independent agency but the respondents were mainly direct recipients of the funding who might have an interest in claiming success in order to secure further funding. In this report, evaluations conducted by interest-related groups or mainly based on interviews with interest-related individuals are deemed less reliable.
- Level 2: The evaluation was conducted by an independent agency, but the evaluation used unsystematic research methods. For instance, some evaluations were completely

based on case studies, without including any before-and-after comparisons or comparisons between areas with and without intervention.

- Level 3: The evaluation was conducted by an independent agency using systematic research methods, but details of the research process and results were not available.
- Level 4: The evaluation was conducted by an independent agency using systematic research methods with control groups and before-and-after comparisons with detailed results available for scrutiny.
- Level 5: In addition to the criteria of Level 4, a cost-benefit analysis was conducted to show the extent to which the intervention is financially worthwhile.

The table below shows the scale of methodological quality of policy evaluations.

Table A1: The methodological quality of the different policy evaluations

	Evaluation is available	Evaluation was conducted by independent bodies	Systematic methods were used	Before and after measures with untreated comparison groups	Cost-benefit analysis was conducted	Interventions
Level 0	x	-	-	-	-	-
Level 1	√	x	-	-	-	Growing Community Assets
Level 2	√	√	x	-	-	Community Organisers Programme; Community Organisers Mobilization Fund; Our Place
Level 3	√	√	√	x	-	Neighbourhood Renewal Programme in Northern Ireland; The National Coalfields Programme Coalfields Regeneration Trust, and Coalfields Enterprise Fund; The Community Development Programme in Australia; Enterprise Zones UK (1981-1996); ChangeUp
Level 4	√	√	√	√	x	Zones Franches Urbaines, France; Enterprise Zones, USA; LEGI, UK; Action Plan Empowered Neighbourhoods in the Netherlands; Empowerment Zones, USA
Level 5	√	√	√	√	√	New Deal for Communities; Futurebuilders