



Defra

Monitoring and Evaluation: perspectives from the  
ERDP evaluators

Ex Post Evaluation of ERDP

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## Defra

# Monitoring and Evaluation: perspectives from the ERDP evaluators

## Ex Post Evaluation of ERDP

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# 1 Introduction

Hyder Consulting with ADAS and Countryside and Community Research Institute were appointed independent ex post evaluators of the England Rural Development Programme. The evaluators have submitted the report to Defra and the European Commission. Defra has commissioned this additional report from the evaluators, to ensure that the many 'lessons learned' about monitoring and evaluation are captured.

The report is structured in three parts. Firstly, the report considers the experience of evaluating the England Rural Development Programme (ERDP), looking back to examine what lessons may be learned. Secondly, it looks to the current situation with the Rural Development Programme for England (RDPE), and considers particular challenges for monitoring and evaluation. The forthcoming deadline for England's Annual Report makes this particularly relevant. Finally, recommendations are summarised in the light of this evidence, to assist Defra with future rural development programmes.

For the purposes of this report, monitoring and evaluation are defined in accordance with the EC guidelines, given that these were applied for the ex post evaluation. Firstly, evaluation is deemed 'an in-depth study which takes place at a discrete point in time, and in which recognised research procedures are used in a systematic and analytically defensible fashion to form a judgement on the value of an intervention.' In the context of rural development, evaluation is required at defined intervals (ex ante, mid term and ex post) following the systematic approach of the Common Monitoring and Evaluation Framework. Monitoring, conversely, is defined as 'the continuous process of examining the delivery of programme outputs to intended beneficiaries, which is carried out during the execution of a programme with the intention of immediately correcting any deviation from operational objectives,' (EC, 1997).

The evidence underpinning the report has been obtained from several sources. Firstly, the evaluators' own experience of undertaking the ex post evaluation of ERDP revealed numerous challenges, as well as examples of good practice. This evaluation generated quantitative data from the Defra 'family' databases, and qualitative evidence from workshops and stakeholder interviews. Secondly, the team has worked with the project Steering Group members to identify current challenges, and gain insights to the RDPE. Thirdly, other research, programme documentation, and literature publicly available and made available to the team has been referred to.

## 2 Lessons learned from the ERDP

### 2.1 Importance of monitoring data

The definitions in the report introduction highlight that monitoring data feeds into the evaluation cycle. Consultation completed for the ERDP ex post evaluation also revealed the multiple other uses of monitoring data, including progress reports, identification of issues, scheme publicity, and research. Any limitations with monitoring data can therefore influence the evaluation itself, as well as a number of other activities.

Data were sourced from Natural England, the Forestry Commission, Rural Payments Agency, Defra statistics and others to answer the common evaluation questions, specified by the EC. Given that monitoring data was not easily available to simply answer the EC indicators, detailed data requests were prepared. The database administrators then expended considerable effort to extract the relevant data. The perspectives on this process, and the potential implications, are discussed further below.

## Holding numbers

County-Parish-Holding (CPH) numbers are used to identify individual agricultural holdings, and are generated by the RPA. CPH numbers are therefore the identifier that enables bridges to be made between different databases. However, issues with CPH numbers presented considerable difficulties:

- i. CPH numbers were inconsistent across the databases,
- ii. Some CPH numbers were wrong,
- iii. Some needed manual manipulation,
- iv. Information held within the GENESIS database for agri-environment schemes did not have an agreement CPH, a detail required to identify the appropriate holding for the scheme,
- v. The Forestry Commission databases for WGS and EWGS did not contain CPH numbers.

An evaluation requires linkages or aggregations to be made across different scheme databases, in order to examine programme-wide data. Any errors within the databases will therefore create issues for data aggregation and analysis. The GENESIS database is also used for scheme-specific monitoring, and the quality of data will influence Natural England's ability to monitor progress such as the uptake of particular options in ELS.

It is understood that the Single Business Identifier, managed by the RPA, is now issued to every beneficiary. The SBI should enable assessment of payments made against targets and so forth, but lacks the spatial element of the CPH system.

## Forestry schemes

The Forestry schemes (EWGS, WGS, and FWPS) proved particularly challenging to evaluate for ERDP. The evaluators prepared a request for the Forestry Commission (FC) to extract the relevant data. Whilst some datasets were fairly straightforward to provide, others required the FC specialists to write detailed queries. This demonstrated the lack of functionality of these national databases to meet European-level requirements.

Other issues arose when the database did not contain an adequate level of detail for evaluation. One criterion asked for the anticipated increase in growing stock thanks to planting of new woodland and improvement of existing woodland. This required the area of individual species planted in England in years 2000 - 2006 under EWGS, WGS and WGS/FWPS. However, for WGS, a breakdown was not provided for individual species. Whilst the actual species included was recorded in the contract text, it was not recorded in the database. The average yield class of each species to use for the increment calculation was then requested, but the FC has used generalisations for other reporting e.g. figures of broadleaves, conifers and mixed woodlands. The indicator was answered, but based on generalised figures which may not accurately reflect the true situation. However, the evaluators recognise that the need to minimise running costs, and limited resourcing, has constrained the transfer of data from agreements to databases.

Other indicators required the FC to retrospectively update fields within the database. One example is the total in hectares (ha) of assisted plantings on 'brown-field' sites.

The evaluators have concerns about the level of resource available within the Forestry Commission to create and then manage monitoring data. Delayed supply of data increased the risk of late submission of the evaluation to the EC. The evaluators recognise that individual

database administrators made valuable contributions in an effort to minimise or overcome the constraints of the existing data. Nonetheless, this raises concerns about the ongoing monitoring for RDPE, which will require at least annual submissions of FC data for Defra's Annual Report, as well as for the mid term and ex post evaluations.

### **Ensure all partners understand the value of data**

The evaluators encountered situations where potentially valuable data had been removed from databases, restricting our ability to answer the common evaluation questions. Several factors may contribute to this:

- Over the seven year lifespan of a rural development programme, government institutions can change significantly, with a loss of 'corporate knowledge.'
- Personnel involved in programme design are not involved in delivery and monitoring.
- Constraints of IT systems and possible pressure to 'clean up' databases.
- Lack of awareness of the relevance or potential value of certain data.

One example of this which occurred during the ex post evaluation concerned the Vocational Training Scheme (VTS). Details of individual training recipients were no longer recorded in the PROBIS database at some point after the mid term evaluation, meaning that follow up surveys could not be sent directly to these beneficiaries. This issue has limited the potential insights offered by the evaluation into current policy debate about the value of socio-economic schemes.

The profile of monitoring and evaluation as an important exercise needs to be sustained throughout a programming period. This should aim to ensure an enhanced appreciation of data's value for these purposes. Personnel from the managing authority, as well as those involved in delivery and database administration, should be fully aware of the specific 'critical' monitoring data that will inform evaluations; thereby avoiding accidental deletion, as occurred with the VTS data. The risk of data loss is particularly significant when various aspects of the delivery framework are subject to change – for example, personnel turnover is high, changes are made to delivery, or broader institutional changes take place.

## **2.2 Responding to common evaluation questions**

### **Preparation for monitoring and evaluation**

Whilst the evaluators have been able to provide answers to many of the common evaluation questions, this has often been only through interpretation. The evaluators responded to EC level indicators using monitoring data that have been primarily designed for national use. The evaluators developed a 'data map' that provided a detailed analysis of how each indicator was to be answered. It is recommended that, in future, a similar approach is employed at the programme design phase. This would raise the profile of monitoring and evaluation, and ensure that necessary data are collated throughout the programme. Unless this type of analysis is carried out to make the link between existing databases and the requirements of the common monitoring and evaluation framework, there is no certainty that satisfactory evaluation can be carried out.

Guidelines issued for the mid-term evaluation (EC, no date) also emphasise the need for preparatory work. These highlight that 'at this early stage it may still be possible to review the format of certain application forms or improve the monitoring system so as to avoid the need for collecting more ad hoc information at the later stages than strictly necessary,' (p3).

The source of baseline data should also be considered at the programme design phase. The ERDP Baseline Study identified that 'the construction of a baseline might be something to be

carefully considered and executed before the instruments by which schemes are implemented are put into operation,' (p7). The same report highlights the difficulties of establishing a baseline for the year 2000, when many of the schemes were already in operation. The ex post evaluators reiterate this recommendation, but recognise the considerable challenges involved in establishing baselines.

### **Monitoring against environmental objectives**

Evaluations require assessment of whether objectives have been met through an intervention. One example is the conservation of biodiversity. Indicator VI.2.B-1.1 (c) within the common evaluation questions is *high nature-value farmland habitats "that have been" protected by supported actions located in Natura 2000 areas*. Given that the monitoring database does not contain a spatial reference, or a 'flag' that indicates whether an agreement is within a Natura 2000 boundary, the evaluators manually analysed the data. Fields were georeferenced to the nearest 100 metres using Geographical Information Systems, and then Natura 2000 boundaries (supplied by Natural England) were overlaid.

The use of this approach has two important implications for evaluation. Firstly, the positional accuracy of 100 metres may lead to some fields being erroneously located within or outside a Natura 2000 boundary. It has not been possible to quantify the error margin, but for a populous scheme such as CSS or ELS, the errors are likely to balance out. The evaluators also identified that errors in data entry of IACS field references may have led to the incorrect spatial location of a small number of fields.

The second implication is that manual analysis by contractors or delivery agencies is resource-intensive and can add to the cost of an evaluation. It also means that this kind of information is not readily available to scheme managers or to share with stakeholders, on an ongoing basis during the implementation period.

Indicators related to other environmental objectives, particularly in Chapter VI such as VI/2.B/3.1 *area of assisted farms reducing/preventing leaching, run-off or sedimentation in adjacent wetlands or aquatic habitats (due to run-off/erosion prevention)* also proved either too difficult or costly to answer.

It is recommended that future scheme databases enable the identification of those agreements that contribute to particular environmental objectives, by the population of additional fields at the application stage. This should considerably reduce the need for manual analysis during monitoring and evaluation. In addition, enhanced data assurance procedures to minimise data entry errors, and consistent spatial referencing (i.e. OS grid references for each agreement) should be applied.

Looking further ahead, geodatabases could be used. This would enable delivery agencies to overlay data such as catchments, character areas, soil type and socio-economic data in order to target RDP funds, but it could then also be used to locate potential and live agreements within the same system. The results from site visits should also then be incorporated into the geodatabase, enabling status updates to be easily obtained by many parties, if the system is web-based.

### **Scheme database compatibility**

It is accepted that databases will have been designed largely to meet national monitoring requirements, particularly where a long-running scheme such as CSS is incorporated within a new programme such as ERDP. Difficulties can then arise when information from existing scheme infrastructure, such as the application forms and databases, is required to enable analysis and provide answers for more recently created European-level indicators. The

incorporation of existing schemes into new programmes requires careful management, to ensure that an appropriate balance is struck between:

- a) gaining sufficient monitoring data to meet the additional requirements.
- b) avoiding too many changes to a database which are passed on to customers and agents through altered application procedures. The ex post evaluation has shown the impact that poorly managed change can have upon customer relationships.
- c) minimising duplication between the data sources and methodological efforts applied within the various local, national and EU level evaluations of policies (Dwyer et al., 2008).

Whilst the difficulties and risks associated with scheme design changes are recognised, monitoring and evaluation needs should be given a higher profile in the early stages of a new programme. The evaluators' experience with the forestry schemes, for example, demonstrates the difficulty in extracting EU-compatible data from the national-level database. Consideration of these issues at an early stage should ensure that procedures are in place for data extraction well before the mid term and ex post evaluations. Engagement of the managing authority with database design and administration should help improve its compatibility with wider monitoring requirements.

## 2.3 Reflections on the postal survey

Both the mid term and ex post evaluations of ERDP commissioned a postal survey. The survey was necessary to answer particular common evaluation questions. For both the mid term and the ex post, this included the 'cross-cutting' questions, such as:

- To what extent has the programme helped stabilising the rural population?
- To what extent has the programme been conducive to securing employment both on and off holdings?
- To what extent has the programme been conducive to maintaining or improving the income level of the rural community?

The postal survey for the ex post evaluation was carefully designed and obtained a return rate of 22.9%, exceeding the expected 15% response. Key 'lessons learned' from this process are as follows:

- Covering letters are important, and should clearly set out the reasons behind the survey and how data will be used.
- Telephone helplines should ensure that participants can seek clarification and address any concerns.
- The support of stakeholder organisations, such as NFU, is useful to help promote the survey and its purpose. Whilst formal endorsement was not sought for the ex post evaluation, stakeholders and delivery agencies were informed of the survey before it was distributed. In less time-constrained evaluations, it would be advantageous to engage with these stakeholders earlier on and to get endorsements, as was done at the mid-term evaluation.
- The need for potential surveys should be considered throughout a programme, and identified early on. In particular, advance planning would enable sufficient pilot surveys to be completed and the methodology refined as necessary.

- Ongoing examination of whether data can be gathered through other suitable means (e.g. through farm visits or digitisation of paper-based records) is a potentially valuable way to reduce survey effort and associated costs.

Surveys are strictly managed by Defra's Survey Control Liaison Unit, to minimise the burden upon industry and to ensure that high standards are maintained. Surveys of the farming population also require ministerial approval. This method of data collection, therefore, is only applied when strictly necessary. Each year, SCLU prepares a calendar of forthcoming surveys and seeks early approval. The evaluation of ERDP was not included within this calendar, meaning that stand-alone authorisation was required. Early and ongoing consideration of the common evaluation question requirements should ensure that the need for survey work is identified before contractors are appointed. In addition to reducing the burden upon SCLU, this should allow consideration of whether questions for the ERDP evaluation could be included within other surveys, thereby minimising the need for additional data collection.

## 2.4 Reporting against targets

The annual reports, mid term and ex post evaluations required publication of progress against targets in Annex VII of the programming document. The targets were updated when the ERDP was modified (e.g. ES introduction). The evaluators obtained data for each target from the scheme databases, and then provided commentary within the ex post evaluation report.

The data analysis team has provided the following insights into programme targets, which have not been verified in detail with database administrators.

- Agri-environment schemes: targets are generally based on output data, such as hectares, metres or numbers of capital items that beneficiaries have claimed on. Based on available information, it appears that the results of beneficiary inspections are not captured in the databases i.e. no linkages are made between actual performance (e.g. under-achievement on a particular measure, etc), and the original application data.
- Project-based schemes: ECS does not appear to be updated with monitoring data at all. RES and PMG are partially updated (e.g. 35% of finished PMG projects were updated). The claimed vs paid data for HFA were all updated, as was VTS.

It is important to note that many targets are reported using the original data within application forms, i.e. ex ante predicted outputs, rather than ex post actual performance data. This clearly reduces the actual value of such indicators as measures of programme results or outcomes. Furthermore, there are considerable variations between schemes in respect of whether actual performance data is collected and fed back into the databases. Evidence gained from consultation, for example with the RPA, indicates that this 'feedback loop' is not commonplace. There is a risk that potential beneficiaries may submit an inflated prediction of likely results in order to secure funding for a project, which it may be difficult to identify at the point of acceptance for funding. As the managing authorities debate the future priorities for rural development programmes, the evidence of past performance needs to be as robust as possible, in order to properly inform policy direction. 'Actual' data is therefore essential.

## 2.5 Running costs

Running costs will vary widely according to the scheme design, and therefore it can be difficult to make meaningful comparison of schemes' relative efficiency, using this indicator. Highly targeted schemes such as HLS will inevitably cost more to run than simpler schemes such as HFA. Nonetheless, consideration of running costs is an integral part of monitoring and evaluation, helping government, taxpayers and stakeholders to understand the cost of

delivering each outcome and informing the value for money assessment. Running costs of rural development schemes should be carefully monitored because they are an important aspect of scheme design and management, and may be an early indicator of disproportionately bureaucratic or cumbersome delivery mechanisms.

The mid term evaluation of ERDP concluded that Defra should better monitor the cost of delivering the programme. The evaluators sought a detailed breakdown of costs for the ex post evaluation. However, in the table of costs provided for agri-environment schemes, many still cited figures provided in 2003 for the MTE, indicating that no further monitoring of such costs had been undertaken in the interim.

The standardisation of running cost definitions across a programme should improve the evaluation process. Running costs may include both scheme-specific and programme-wide costs. The different costs associated with each phase of the programme should also be considered, for example as shown in Table 1.

**Table 1 Administration costs and implementation stages of regulation**

Study	Phase	1 Preparation	2 Implementation	3 Administration /Operation
Dahlman (1979)		Search and information	Bargaining and decision	Monitoring and enforcement
Milgrom & Roberts (1992)		Co-ordination	Co-ordination	Motivation
Carpentier <i>et al</i> (1998)		Information	Contracting	Enforcement
Eklund (1999)		Contact	Contract	Control
Falconer & Whitby (1999)		Information, Scheme set-up, Promotion	Contracting	Policing (monitoring and enforcement).
McCann & Easter (1999)		Research, information, meeting and lobbying	Design, implementation	Administration, monitoring, prosecution
Thompson (1999)		Enactment (by legislature)	Implementation (by agency)	Detection and prosecution
Falconer & Saunders (2002)		Negotiation	Negotiation	Ongoing, operational

*Source: Huusom (no date), p7.*

Costs may also include:

- Ex ante costs of searching, drafting and negotiating the regulation
- Operational costs:
  - Costs of staff employment: specialists and administration assistants
  - Contractors and consultants
  - Training
  - Travel and subsistence
  - Offices, communications
  - Information technology
- Departmental overhead
- Promotional spend
- Monitoring and evaluation costs

- Industry costs e.g. input required from applicant and successful beneficiaries, form filling, etc
- Enforcement and prosecution
- Disallowance.

Only once agreed definitions have been obtained should effort be expended in designing a suitable system for monitoring these costs. Given the need to obtain a programme-wide overview and minimise expenditure, the feasibility of developing one system for all delivery agencies should be considered. However, given the challenges associated with inter-agency working, if this is not deemed possible then Defra should ensure that data from each agency's own system can be easily compiled to give programme-wide figures.

## 2.6 Timing of the evaluation process

In addition to the legal requirement for evaluation under the EC Rural Development regulations, the process of evaluation can provide considerable insight into the programme's achievements and challenges. It is perhaps inevitable that as one programme concludes, attention is focused upon negotiation, approval and implementation of the incoming programme. An ex post evaluation therefore provides a valuable opportunity to reflect upon previous experience, and identify key lessons learned. However, the evaluation timing cycle (set out in legislation) can compromise this process. Dwyer *et al.* (2008) identify that the evaluation cycle 'does not enable a good correspondence with the policy making cycle... so opportunities for learning from the formal evaluations are very limited' (p.67). When asked about the 'value' of evaluation, consultees expressed frustration that reports were completed long after the schemes had concluded. Furthermore, the evaluators often found it difficult to identify suitable candidates for interview, given that institutional restructuring and the new programme had led to many personnel changes. For example, in respect of the Processing and Marketing Grant, no scheme 'policy owner' could be identified for interview, by 2008.

The formal evaluation timing cycle is directed by regulation, therefore to some extent, these problems will persist. Nevertheless, greater emphasis within the managing and delivery bodies upon capturing 'lessons learned' immediately upon programme close can ensure that this knowledge is captured and made available later, for the ex post evaluators. Further consideration of how examples of best practice can be captured and communicated during a programme's lifetime should also represent a significant benefit, ensuring that incoming programme developers have access to such evidence from concluding programmes. For this evaluation, attendees at the regional workshops were asked whether any priority had been given to 'looking back' at the ERDP, as it drew to a close. In most cases, it was felt that the pressure of approving projects/successfully out-turning on budgets, as well as planning and launching the incoming programme, took priority. One exception was the South West Region, where the Project-Based Schemes Coordinator produced a short paper in September 2006, summarising the experience and lessons from ERDP. This document proved most useful to the evaluators in supporting and directing the consultation process. Such reporting should be encouraged much more widely across the programme territory, in future.

## 3 Considerations for the RDPE

This section draws upon the experience gained during the monitoring and evaluation of ERDP both through the quantitative data analysis and from the discussions held with regional focus groups and interviewees. Some key challenges associated with monitoring and evaluation of the Rural Development Programme for England (RDPE 2007 – 2013) are discussed below.

It is understood that the RDPE Annual Report for 2007 was based on the old ERDP guidelines. The preparation of the 2008 Annual Report, using the new Common Monitoring and Evaluation Framework, is now beginning.

The ERDP evaluation revealed that early identification of issues such as evaluation data gaps would enable better quality approaches to be developed (e.g. the ERDP survey). Looking ahead to the forthcoming evaluation cycle for the RDPE, it is recommended that Defra completes a gap analysis of all data sources for calculation of the output, result and impact indicators to be used in evaluation. The establishment of the baseline and existence of appropriate targets should be reviewed. Particular attention should be paid to the data collection and record-keeping of the many agencies involved, to ensure that programme-wide syntheses of indicators can be achieved. This process needs to take place before Mid-Term Evaluation. The Mid Term Evaluation will provide a substantial evidence base for the design of future programmes; additionally, it may represent the last opportunity to gather such evidence before negotiation and design of the successor programme begin in earnest.

In addition, the new EAFRD Regulation requires all programme authorities to instigate a process of 'ongoing evaluation' alongside programme implementation. In most cases this implies an important new role for the Programme Monitoring Committee (PMC), alongside its established role of tracking the implementation process. This ex post evaluation of ERDP should provide a useful means of furthering this process, by providing a wealth of ideas and examples of potentially important issues for evaluation, in respect of these kinds of programme. A full discussion of the ex post findings should therefore be a priority for the PMC, in advance of the Mid-Term Evaluation.

## 3.1 Axes 1 and 3

Devolution of responsibility for socio-economic programmes to the Regional Development Agencies (RDAs) and in some cases to sub-regional partnerships has introduced new challenges for monitoring and evaluation. The paragraphs below explain some of the main challenges that have been highlighted on the basis of the ERDP ex post evaluation experience.

Provision of programme monitoring data: some RDAs have struggled to get their programmes up and running (despite delay in the initial programme approval), as this has required them to establish new delivery mechanisms and manage new resources. The learning time for these agencies to get to grips with RDPE has meant that many have prioritised giving attention to setting programme priorities and finalising delivery arrangements, while issues of monitoring and evaluation have been neglected.

Annual Reports and evaluation will require common data to be sourced from each of the RDAs: this will need to be aggregated up to England level, but there is considerable scope for inconsistencies between RDAs in precisely what is recorded, and how. Output targets from the RDA programmes will need to relate to the current RDA targeting framework ('Tier 3' output targets) but these may not be consistent with CMEF indicators or requirements. For example, the CMEF list of common indicators requires that the numbers of business and jobs created/supported are qualified by sector (farm, forestry or other) as well as by beneficiary age and gender. Further investigation is recommended to establish whether this degree of detail is specified in the regional data monitoring arrangements for RDPE.

Some RDAs have shaped their programmes around themes, rather than RDP measures, and this may also influence how performance is tracked and recorded. This could present significant issues for evaluators when seeking to link outputs, results and impacts back to measures. A data mapping process may assist in formally documenting these linkages before any such evaluation commences.

Beneficiaries who live on the boundary between two RDAs pose the risk of either double-counting or gaps in data, in respect of cross-region effects. Allowing for displacement effects across regional boundaries will also be difficult as the Agencies' focus of interest is very much within their own region, and this is likely to affect their approach to monitoring.

The RDAs operate RDPE alongside other, 'Single-Pot' funded programmes. Where there is overlap in purpose or delivery agency between these different programmes, there may be difficulties in isolating inputs and outputs for each. In addition, there may be issues in achieving a correct attribution of impacts between different elements of the RDPE, notably in any cases where the LEADER approach of Axis 4 cuts across the sphere of activity of Axis 1 & 3 schemes within a sub-region; this effect may be complimentary / synergistic or overlapping / conflicting.

Lessons learned from ERDP (Section 2.5) highlight significant limitations in respect of obtaining robust running cost data for the programme, despite its potential importance as an indicator of efficiency. Looking ahead, the new RDPE delivery framework is likely to have significant implications for the public cost of delivering the socio-economic programmes, compared to the previous programme. Definitions of key indicators and monitoring systems to track running costs in a consistent way, across all the different delivery agencies for RDPE should be established quickly, so as to ensure that the efficiency of this more decentralised delivery can be fully evaluated in future years.

## 3.2 Introduction of LEADER

The scope of the rural development programme has expanded considerably from ERDP to RDPE. Notably, LEADER / Axis 4 is now within the programme, and therefore subject to common monitoring and evaluation alongside Axes 1 to 3. In the 2000 – 2006 programming period, LEADER + was a separate programme with its own contracts for ex ante mid-term evaluation.

Local Action Groups, as well as other sub-regional delivery partners used by the RDAs, will tend to include many small organisations with limited capacity to record, store and pass on data in a consistent way. These bodies may therefore require additional support to ensure that Axis 1, 3 and 4 can be fully monitored and consistently evaluated. There are over 60 Local Action Groups and at least as many other sub-regional partners involved in RDPE delivery, which adds a further level of complexity to the evaluation of RDPE compared to ERDP. Experience of evaluating ERDP highlighted that considerable time is required to: (a) identify data sources; (b) obtain consistent or comparable data from these disparate sources; and (c) process it into a common framework; before analysis can begin. It is therefore recommended that Defra and its partners should together establish a framework and procedures for liaising with each sub-regional delivery partner, including Local Action Groups, as soon as possible, in order to ensure that this aspect of RDPE monitoring and evaluation receives adequate attention.

## 3.3 Axis 2

About 80% of the budget of RDPE is allocated to these agri-environmental and forestry schemes, indicating that a considerable proportion of expenditure on monitoring and evaluation will be directed towards these schemes. However, delivery of the schemes is run nationally in England by Natural England and the Forestry Commission. It is understood that the database team in Natural England's Bristol offices will continue to provide centralised data services, for example. Whilst fewer data providers need to be engaged with for Axis 2 (therefore perhaps reducing data communication issues, when compared to other axes), there are many more agreements and beneficiaries from which to obtain adequate monitoring data. The potential complexity of monitoring and evaluating Axis 2 should therefore not be underestimated.

A special challenge here is the limited extent of scientific capacity to causally connect quantifiable inputs in respect of prescribed land management to quantifiable results and impacts, such as reversal in biodiversity decline, improved water quality or reduced greenhouse gas emissions from farming systems.

For example, the result indicators for measure 214, agri-environment payments, should be the areas under successful land management that are contributing to:

- improvement in biodiversity;
- improvement of water quality;
- mitigation of climate change;
- improvement of soil quality;
- avoidance of marginalization and land abandonment;

Whilst the impact indicators are:

- reversal of biodiversity decline;
- maintenance of High Value Nature farmland and forestry;
- improvement in water quality;
- contribution to combating climate change.

Given the multi-dimensional nature of biodiversity and the difficulty in defining concepts such as High Nature Value farmland and forestry, the collection of appropriate data with which to indicate such results and impacts is not straightforward. The evaluators understand that EU level work is ongoing on relevant definitions, and that the relevant England agencies have been involved. It is anticipated that suitable plans for collection of the data are in place. Nevertheless, establishing robust causal linkage between such indicators and the effects of programme expenditures, within the timeframe of the formal evaluation cycle, could still be a challenging task.

## 3.4 The evaluation cycle

The limitations of the evaluation cycle have been discussed in Section 2.6, particularly the difficulties of applying ex post evidence to the development of the future programme. Nonetheless, mid term evaluations present valuable opportunities to obtain evidence, before initial thoughts and design for a new RDP programming round must begin. Experience from mid term evaluation of ERDP showed that 12 months were required to deliver a thorough evaluation which included some scheme specific surveys, scheme case studies and regional and sub-regional case studies. Work, such as the evaluation strategy and baseline study, was also commissioned beforehand, to inform the mid term. Given the additional complexity of delivery systems and strengthened requirements of the CMEF, it seems that at least as long a period should be allowed by Defra for the mid-term evaluation of RDPE.

## 4 Evidence gaps

There are some clear evidence gaps that were not filled in the evaluation of ERDP. Some of these are in the process of being filled but others, as yet, are not.

Two major gaps were the valuation of the non-market outputs of agri-environment schemes, and estimation of the incidental socio-economic effects of agri-environment schemes. The former is being researched for Environmental Stewardship by a contract let by Defra in June 2008 and due to be completed in December 2009. The latter is to be researched for

Environmental Stewardship by a contract let by Defra in April 2009 and due to be completed in November 2009.

At around the time of the mid-term evaluation of ERDP there were plans to evaluate PMG and RES. The former went ahead but the latter did not. The extent of deadweight and displacement with the ERDP Project Based Schemes was a subject which the mid-term evaluation recommended should be thoroughly researched. That did not take place for RES and VTS, thus the effectiveness and efficiency of these schemes has not been studied in depth. It could be argued that it is now too late to evaluate these schemes (and practical obstacles to this in respect of VTS have been noted above), and yet 2009 is really too early to evaluate the new Axis 1 and 3 schemes run by the RDAs, since many of these have only commenced operation in the latter half of 2008. There is therefore a risk that planning for the post-2013 programming round will take place without any proper evaluation of the use of RDP resources to support vocational training, rural economic and farm diversification and support for tourism, heritage and small-scale rural services. Given the government's stated intention to move towards a future CAP in which these kinds of activity would no longer qualify for EU financial support, it would seem particularly important to understand the potential implications of such a change. Therefore, urgent work to address this evidence gap should be planned.

Typically, the emphasis of work at the programme planning stage is to do what is necessary to gain programme approval and it is understood that was the case for RDPE. Hence only some programme targets were set and others remain to be set. This suggests that associated baselines, or appropriate sources of baseline data, must also remain to be established. The extent to which proper gap analysis has yet been carried out, between what is available in scheme databases and what is required by CMEF, is not clear. It is understood that the RDAs have opted for an on-line system, to be developed by Southampton University, for reporting monitoring data. The specification of that system is critical to reporting programme results from RDAs. In respect of RDPE as a whole, if the required gap analysis and follow-up action has not been completed to ensure that the necessary monitoring data is captured, it is now urgent. The compilation of the 2008 Annual Report may serve as an instructive exercise in helping Defra to prepare for the mid-term evaluation.

## 5 Summary of recommendations

- 1 As programmes are designed and launched, the managing authority should review each scheme database to ensure compatibility with European-level monitoring and evaluation requirements.
- 2 The value of data collection and consistent collation and reporting should be communicated to all delivery agencies, particularly during institutional change or personnel turnover, to ensure that no records are lost.
- 3 Additional fields recorded on agreements should be routinely captured within databases, to facilitate monitoring against objectives and adequate geographical identification of projects e.g. within Natura 2000 sites.
- 4 Potential monitoring and evaluation data gaps requiring additional work should be identified early, and included within Defra's broader research programme, as far as possible
- 5 Running costs should be consistently defined among all scheme deliverers and a system developed for programme-wide monitoring, given the importance of assessing value for money.
- 6 Greater focus should be placed upon capturing 'lessons learned', each time a scheme or programme evolves, and suitable methods of communication of related recommendations to future policy makers should be considered and adopted. This could be an important

task for the RDPE Programme Monitoring Committee, in consultation with delivery agencies.

- 7 Potential methodological and data challenges associated with Axes 1 and 3 should be addressed, to ensure that: data can be agglomerated across the Programme; outputs, results and impacts can be linked back to measures; and beneficiaries located on RDA boundaries are correctly accounted.
- 8 A consistent framework for liaising with and obtaining data from each LAG or sub-regional delivery partnership must be established, before the evaluation cycle arrives at mid term.
- 9 Steps should be taken to strengthen methods for establishing robust causal linkages between Axis 2 land management prescriptions (by scheme) and results and impacts such as reversal in biodiversity decline. Also, new and emerging EU- and national-level research should be captured as soon as possible, within the monitoring and evaluation process for RDPE.
- 10 A gap analysis of data sources for calculation, and procedures for collation of the output, result and impact indicators for RDPE, is urgently required. This should pay particular attention to the new and more devolved delivery arrangements for axes 1, 3 and 4, by comparison with the previous programme.
- 11 It is recommended that the deliverables from the two contracts commissioned to address RDPE evidence gaps are reviewed and incorporated within the evaluation process for RDPE. In addition, work to consider the longer-term impact of socio-economic elements within Pillar 2 programmes in England is recommended, in order to address this particular evidence gap.

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