



Community Evaluation Northern Ireland

Unit 5, 127-131 Ormeau Road,
Belfast, BT7 1SH
T: 028 9024 8005.
E: info@ceni.org

Measuring UP

A REVIEW OF EVALUATION
PRACTICE IN THE VOLUNTARY
AND COMMUNITY SECTOR



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This review was carried out by members of the CENI staff team:

Brendan McDonnell Director
Nicola McIlldoon Deputy Director
Gladys Swanton Training Manager
Norman Gillespie Evaluation Manager

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Executive Summary

This research was undertaken by Community Evaluation Northern Ireland, as part of its core work funded by the Voluntary and Community Unit, coupled with a grant from the Building Change Trust funded under the Big Lottery Fund. It set out to review current monitoring and evaluation practice in the voluntary and community sector in Northern Ireland.

Context

The research has been conducted at a time when the voluntary and community sector in Northern Ireland is experiencing unprecedented change in resourcing and the nature of its relationships with funders. These developments pose real challenges in terms of the capacity of the sector and its funders to be able to understand and use monitoring and evaluation effectively.

Changing demands

Over two thirds of voluntary and community sector survey respondents indicated that funders' monitoring and evaluation requirements had become more demanding over the past three years.

Demands, particularly from government funders, have increased primarily in response to the external needs of audit and accountability, which is reflected in a growing emphasis on regulation, good governance, risk assessment and value for money.

These demands are often uncoordinated and duplicated, with many organisations facing multiple information requirements from different funders.

A shift to an outcomes-focussed approach to funding has placed further demands on both funders and organisations. While there are some examples of good practice, the methods and skills to understand, develop and implement

outcomes approaches remain largely underdeveloped. The focus continues to be on outputs, generating quantitative monitoring data, as opposed to outcome measurement.

Quality of monitoring and evaluation data

While the quality of information being provided by organisations has improved, it is still quite variable. Self-evaluation and reporting by organisations is viewed with scepticism by some funders as being insufficiently objective or critically robust.

Both funders and voluntary and community sector respondents were broadly satisfied with the quality of external evaluation being conducted. However, there was also some criticism, particularly in relation to methodology, the quality of critical analysis and understanding of the policy context and the work of the sector.

Use of monitoring and evaluation data

Virtually all funders consulted indicated that the most important priority for monitoring and evaluation was to hold individual organisations to account for their use of public resources provided. Independent funders do however point to the importance of using monitoring and evaluation data more widely to inform programme development and strategic thinking as well as to help organisations learn and develop.

While large amounts of monitoring data are collected from individual organisations for regulation purposes, its usefulness is limited; it is often not possible to aggregate this data to inform programmatic evaluations, nor is it being used to provide formal feedback to funded organisations.

Much of the focus within voluntary and community organisations is on meeting funders' requirements. This, coupled with the pressure of a very uncertain funding climate, hampers the capacity of organisations to invest more time and resources in evaluation for learning and development.

Support for monitoring and evaluation

Provision of support in monitoring and evaluation varies. Although it is largely the independent funders which provide resources for, or access to specialist advice and training for funded organisations, government funders have also made investment in this area, including into relevant research and development.

There was limited evidence of funders promoting the use of ICT to support monitoring and evaluation, and the promotion and use of quality standards by funders was variable. Within the sector, small but significant numbers are utilising formal standards, or are drawing on components of these, to strengthen and improve their organisations.

There was a perception amongst both funders and organisations that, because evaluation itself is often not prioritised, resources for evaluation support are also given limited precedence.

Funders acknowledge that the provision of support is an area which requires attention, but one which needs to be considered as part of a wider, more integrated approach to monitoring and evaluation.

Challenges

Funders and organisations provided their views as to the priorities and challenges for monitoring and evaluation. For funders these can be summarised as follows:

- Having greater clarity in relation to the purpose and uses of evaluation in a changing funding environment;
- Employing appropriate methods to capture the kinds of information required, especially outcomes;
- The potential of using evaluation for learning and development as well as accountability;
- Engaging with funded organisations to clarify needs and generate better information;
- Developing the skills and capacity of their own staff; and
- Providing adequate resources.

Voluntary and community organisations expressed similar views. For them, the key challenge relates to the need to respond to the new environment and to demonstrate that what they do is relevant, competitive and has outcomes/benefits. Their capacity to do this - in terms of time, personnel, money and skills - is a key issue, particularly for smaller organisations.

In addressing these challenges, the relationships between funders and the sector are important. Voluntary and community organisations should not be viewed simply as sub-contracted service deliverers, but as partners in social improvement. Ownership and sharing of information is crucial to the building of relationships and developing a more mature and strategic use of evaluation.

Learning

While the research indicates that there are differing views on the purpose and usefulness of evaluation as currently practised, it is worth noting that there have been many positive developments, and practice has advanced considerably over the last decade.

However, in the tighter fiscal environment now looming, public investors in particular, are faced with a stark choice. They can either continue to 'sweat' the existing assets in order to enhance efficiency and maximise outputs, or they can try to discover more effective ways of investing public resources to address need and deliver better services.

Possible evaluation framework

Intelligence

- Strategic Investment
- Holistic Evaluation

Systems

- Measurement
- Data collection
- Analysis

Support

- Skills/capacity
- Resources

Relationships

Partnership arrangements
Support

The research shows that both funders and voluntary and community organisations see the need and recognise the potential for the latter approach, but this will require a shift in priorities to widen the scope for monitoring and evaluation and a corresponding commitment of time and resources.

The conclusions outline a possible framework which attempts to draw together all of the key issues identified through the research and provides a means of systematically considering these through a more unified and integrated approach.

It is intended that this should provide a basis for further discussion and development in order to move monitoring and evaluation forward in the new environment.

Background to the review

Community Evaluation Northern Ireland was established in 1995 to provide evaluation support to the voluntary and community sector in Northern Ireland. As the region's only dedicated support body on evaluation, CENI has a particular role to play in identifying and assessing the sector's evaluation needs, influencing policy-making and decision-making, and informing future strategy and practice in this area.

CENI had previously carried out a review of evaluation practice in the voluntary and community sector in 1996. However, the landscape has changed radically since then, and it was felt that it was timely to undertake research to build an evidence base of current practice and review its efficacy to inform future development and support needs. A recent research report from Charities Evaluation Services reviewing evaluation practice in the UK¹ has provided a useful template for the CENI study.

Objectives of the review

The objectives of the review were to:

- Review the current context for evaluation within the voluntary and community sector in Northern Ireland;
- Review current evaluation practice at funding programme and organisational/project level;
- Review perceptions of evaluation support to the sector;
- Assess the benefits of, and challenges in, current practice and support provision;
- Identify learning to inform evaluation policy and practice.

Methodology

The research was carried out between June and September 2009 and included:

- A review of relevant policy documents, and of other research on monitoring and evaluation issues in the sector;
- A postal survey followed up with face-to-face interviews with representatives from a range of funders including government departments, statutory agencies and non-governmental/independent funding bodies;
- A postal survey to a sample of 400 voluntary and community sector organisations throughout Northern Ireland. A total of 158 responses were received, representing a return rate of almost 40%. The sample frame was constructed from the Northern Ireland Council for Voluntary Action database of community and voluntary organisations, and was based on size, location and level of income;
- Interviews with representatives of mainly regional umbrella/support bodies in the sector representing a range of themes and issues including women, children and young people, older people, disability, mental health, disability and volunteering as well as other regional support organisations;

- Consultation with representatives of evaluation practitioners and economists within government.

The breadth of consultation with a range of stakeholders, and the consistency which emerged across their different perspectives, provides a valuable insight into the main evaluation issues and challenges facing both funders and the sector at this time. It is intended that, as well as contributing to wider debate about monitoring and evaluation, the review will provide a backdrop for the future development of support services in this field.

The voluntary and community sector has changed radically from the last review of evaluation carried out by CENI in 1996. This section provides a brief overview of the main developments which have taken place over recent years in relation to the funding and policy environment, and outlines some of the implications of these on approaches to monitoring and evaluation.

Growth and investment

The last decade has seen considerable developments in the scale and complexity of the voluntary and community sector in Northern Ireland. The latest 'State of the Sector V' from NICVA² shows that the sector had a total income of £570 million in 2006/7. This in fact represents a fall of 7.2% from 2003/4.

Government funding made up 45.4% of the total income - some £259.1 million - in 2006/07, and represents the largest single source of funding for the sector. Collectively government funding continues to be the largest single source of funding for the sector. Proportionately the level of government funding has actually increased, which can be attributed to the reduction in size of other sources, mainly EU Peace funds.

Central government departments provide £53.9 million or 20.8%, with the Department for Social Development being the largest, with £21 million. Non-departmental bodies and other statutory agencies are the biggest of the government funders, providing £188.2 million or 72.6% of government funding. The majority of this - some £114.8 million - is distributed by Health and Social Service Trusts and Education and Library Boards. Of the remainder, the Northern Ireland Housing Executive distributes a further £56 million through the Supporting People Programme.

Local government expenditure is estimated at £17 million or 6.6% of the total.

Income from other voluntary organisations and charitable trusts represents 9.5 % of total income at £53 million. Lottery funding provides a further £29 million or 5.1% of the total.

State of the Sector V also reports that there are around 4700 active organisations within the sector, employing 26737 individuals, which represents about 3.7% of the total workforce in Northern Ireland. In addition there are another 87000 individuals who volunteer with a voluntary or community organisation.

Increased scrutiny and accountability

The major expansion of the sector coincided with a drive towards greater transparency and accountability. 1990 saw the publication of the 'Efficiency Scrutiny of Government Funding of the Voluntary Sector'³ by the Home Office. This laid down the principles that funding should be consistent with departmental objectives and be subject to monitoring and review. With the advent of New Labour in the late nineties, the focus shifted to the notion of a partnership relationship between the public, private and voluntary sectors in the delivery of public services.

There was also a structural change in funding. The government cross-cutting and spending reviews in 2002 focussed on the role of the sector in public service delivery and reform. What was once a grant-dominated model of funding has shifted to a contract model, with service delivery at its core.

New Labour also placed emphasis on evidence-based policy and practice, and a move from output-based to outcomes-focussed funding. In this context the voluntary and community sector was, more than ever, to become subject to public scrutiny and accountability for results and value-for-money.

In Northern Ireland, the establishment of the new Assembly and the first Programme for Government highlighted the role of the voluntary and community sector as partners in the delivery of modern integrated public services in the region. The Positive Steps report (2005)⁴ set out a series of recommendations for government funding priorities and relationships with the sector. It emphasised the need for 'longer-term outcomes focussed funding...and the need to be able to measure the contribution made by community and voluntary organisations to improving public services'. A number of attempts have been made to develop frameworks for measuring the outcomes of voluntary and community activity (including work by the Scottish Community Development Centre, the London School of Economics and CENI).

In the lean economic times that lie ahead, the stark reality is that public funding will be cut and there will be greater competition for those resources which remain. In short, the sector will be expected to deliver more with less.

2: Funders' perspectives

As well as emphasising the importance of evidencing service delivery outcomes, Positive Steps stressed the need for funded organisations to perform to the highest possible standards. Evidence of quality standards has increasingly become a pre-requisite for funding support among government funders.

On the back of Positive Steps, DSD launched a number of initiatives to support the voluntary and community sector to meet these challenges, including the 'Modernisation Revenue and Capital Funds'. Other funders have also provided investment to develop capacity. The Big Lottery Fund's 'Reaching Communities Programme' and more recently, their establishment of the 'Building Change Trust', represent a commitment to supporting the sector to manage change.

A changing policy and funding environment

Informed by a series of policy shifts and the effects of external economic factors, the funding environment for the voluntary and community sector is changing dramatically.

More strategic funding

There is evidence that funders are seeking to become more 'proactive' in targeting their programmes to specific areas or themes. Government funders consulted for

this research reported how they are reviewing their funding relationships with the voluntary and community sector and attempting to take a more strategic approach, only funding where there is a clear link with policy/programme objectives.

Changing relationships

This is impacting on the relationship with the sector, in particular the continuing shift from grant making to contracting of services. The post-RPA purchaser/provider split will emphasise this even more. As the institutional arrangements settle, the separation of policy/purchasers and programme/provider functions in central and local government will become clearer.

Contraction of EU funds

The roll-out of the Peace III programme has also seen a shift in strategy, with a greater focus on larger grants to a smaller number of applicants, and on collaborative or partnership bids between organisations and other agencies or District Councils.

More demands on independent funders

The general contraction in the availability of EU and public funding sources, now exacerbated by the recession, has had an impact on independent funders. At the same time as demands increase, private and corporate funders have seen significant reductions in the amount of funding available for them to distribute.

Another major development over the coming years will be the upcoming 2011 Comprehensive Public Spending Review. In the lean economic times that lie ahead, the stark reality is that public funding will be cut and there will be greater competition for those resources which remain. In short, the sector will be expected to deliver more with less.

The introduction of charities legislation to Northern Ireland will also bring with it a new layer of accountability as organisations are scrutinised to ensure compliance with the defined criteria.

In addition, a new framework or Concordat for relationships between government and the voluntary and community sector is currently being drawn up. This is in response to lobbying to update the existing Compact between government and the sector, and establish a more formal basis for these relationships. It is anticipated that the Concordat will clarify relationships, define responsibilities, provide formal mechanisms for communication and reporting, and also present the opportunity to modernise existing practices and structures.

This section presents the views of the funders who were consulted for the research, drawing on the results of a postal survey and face-to-face consultations. It outlines changes in funders' monitoring and evaluation requirements, and describes respondents' views on the quality of information generated through these processes. It also reflects on the uses to which monitoring and evaluation is put amongst funders, the challenges currently faced, and their perspectives on future skills support needs in this area.

Profile of respondents

The consultation process included representatives from government departments administering major programmes including core funding grants and EU programmes, and from statutory agencies administering funding programmes or working in specialist areas. A number of independent funders were also consulted (see Appendix 1 for details). This is by definition not an exhaustive or fully representative list; therefore we do not claim to represent all funders here, but the views of a select list that was chosen to be representative of each of these categories. Their perspectives provide an insight into some of the main themes and issues impacting upon evaluation in the current climate.

Changing requirements

The research explored the extent to which funders' monitoring and evaluation requirements had changed over the last five years.

Different demands

All of those consulted indicated that their requirements had changed, that they demand more information and, in particular, more information on the outcomes and impact of funding. This reflects the broader policy shift towards outcomes-focused funding.

What is also clear is that government funders have had to increasingly focus on scrutiny, as they come under pressure from auditors to account for their spending activities. Departmental funders such as DARD indicated that their requirements have 'increased a lot' as they respond to the demands from their own auditors.

This emphasis on scrutiny is in turn reflected in an increased focus on 'good governance', 'risk assessment' and 'value for money'. Risk analysis is a major concern amongst government funders - for instance, using the traffic light system to identify organisations considered to be at high, medium and low risk.

The NIHE-managed Supporting People Programme, for instance, has developed a rigorous approach in this respect. Each provider is required to undergo a 'provider accreditation process' to ensure they are sufficiently robust, effective and competent to deliver Supporting People Services. A Quality Assessment Framework (QAF) is used for this assessment. In addition, specific attention is given to the organisation's risk management strategy as part of providing evidence of good corporate governance arrangements.

Independent funders also referred to an increased demand for information, but emphasised the need for more proportionate and 'joined-up' systems of monitoring

and evaluation. In recent years, for example, BBC Children in Need has introduced more systematic collection and analysis of data across the UK; Lloyds TSB Foundation has also introduced more robust systems and attempted to enhance internal capacity to deal with information.

Outcomes

From the funders' perspective, perhaps the most significant development over recent times has been the shift to an outcomes-focused approach to funding. The publication of Positive Steps in 2005 heralded this change. However, while there has been much rhetoric about the concept of outcomes-focused funding, it is apparent that most funders are struggling with this operationally.

Health agencies, for example, noted the emergence of the culture of evidence-based policy and the focus on outcomes measurement 'emanating from the top'. It was reported that both programme managers and funded organisations are facing increasing pressure to demonstrate outcomes, but in practice, this has not been matched by a corresponding investment in knowledge and systems development. The methods and skills to understand, develop and implement outcomes approaches remain largely underdeveloped at both programme and project levels, with the focus continuing to be on outputs, involving quantitative monitoring data, as opposed to outcome measurement:

There is plenty of analysis of levels of activity and numbers of beneficiaries, but to make definitive statements about outcomes or impact on clients would be much more difficult. This is because the systems and formal mechanisms for doing this sort of measurement are not yet in place i.e. to properly baseline and measure outcomes. At the moment, there exists a wide variety of diverse pieces of information on activities, but there is poverty of evidence regarding health impacts.

Similar concerns were expressed by respondents in DSD and DFP. The absence of an underpinning rationale for some programmes, coupled with a lack of defined programme-level outcomes, has meant that evaluation is:

...reduced to a series of individual inspections of funded projects as opposed to an aggregate overview. The historical development of relations and the near exclusive focus on scrutiny and control means that in reality only activities and outputs are measured/evaluated. There is no clear linkage established between programme objectives and organisational activities.

Furthermore, the prevailing 'audit' culture is seen as inhibiting interest or motivation to focus on outcome measurement, simply resulting in more monitoring of activities:

Funders and projects do not have the understanding or the skills to actually define and measure outcomes. They need support to get these skills. More importantly perhaps they also need motivation to engage in these activities. Currently the process is confused, unclear and often counterproductive – what is the benefit to projects of engaging in evaluation activity?

The Big Lottery Fund in many respects has led the way in addressing some of these issues through their promotion of the 'intelligent funder approach'. In striving to be an intelligent funder, the Big Lottery Fund sees itself as 'being closely involved in the whole lifecycle of the funding process and collaborating with its funded projects to identify and achieve lasting outcomes'. It encourages projects to become more outcomes-focused and has provided support directly through its programme staff working with projects to identify SMART outcomes, or through the provision of additional support.

The NIHE Supporting People (SP) Programme illustrates one particular approach to developing an outcomes framework for the programme, as shown in the case example.

Case Example: NIHE Supporting People Programme

Having established quality and risk assessment processes, SP is also seeking to move from outputs to an outcomes focus for its providers. To this end SP is in the process of developing a draft outcomes framework based on the Communities and Local Government (CLG) national framework. The framework developed for operation in Northern Ireland is based on the assumption that there are 3 levels of outcomes, at strategic, service and service user levels. It is being piloted with a selection of SP providers across Northern Ireland, incorporating a variety of client groups and service models.

The outcome pilots' operational phase commenced in January 2009. The steps involved in implementing the outcomes framework with each of the providers were as follows:

- Selection of relevant service level indicators under each of the 5 strategic level outcome indicators.
- Selection of suitable service user distance travelled model to record progress of each service user towards service level outcomes selected.
- Implementation of systems/procedures for recording and reporting on progress towards service level outcomes internally and to Supporting People.
- Verification that needs assessment, support planning documentation and review processes are consistent with the requirements of the outcomes framework.

At the end of the one-year operational phase, an evaluation of the pilots will be undertaken to inform the potential roll out of the outcomes framework across all SP funded services and help determine the mechanisms for measuring, recording and reporting outcomes.

Project monitoring and reporting

The research explored funders' perspectives on the quality of information provided by funded organisations, at both the application stage, and then once funding had been awarded.

Almost universally, funders indicated that in applications, organisations were 'good' or 'very good' at providing information about budgetary projections and proposed activities/outputs. However, information about anticipated outcomes and impact was generally viewed as 'poor' or 'very poor', possibly as a result of limited capacity within organisations to predict and measure these aspects of their work.

Plans for sustainability were another area where information supplied by organisations was seen as weak, with a suggestion that sometimes applicants do not understand or appreciate the relevance of value-for-money and sustainability assessments that have to be made, particularly by public sector funders. It was acknowledged that sustainability will become an increasingly important issue as funding sources contract and organisations are challenged to demonstrate how they intend to survive.

A similar situation was reported on information supplied by organisations once they had received funding. Again, the best quality data was on finance and activities, with poorer levels of reporting on other aspects, particularly outcomes and impacts, and sustainability.

Some funders did note an improvement in the quality of

information provided, and there was a suggestion that 'the sector is getting more professional and is light years beyond where it was ten years ago'. A number of independent funders indicated that they provided support for organisations, including at application stage, to try to address some of the potential difficulties. It was suggested too that expectations in relation to the supply of data have to be proportionate in relation to the level of grant provided, and realistic, particularly where a funding programme is deliberately targeted at smaller, low capacity groups.

External evaluation

It was evident that funders often have quite different rationales for, and approaches to, external evaluation of funded organisations and projects. Government funders carry out or commission evaluations depending on the scale of funding, or if they consider a project is subject to some form of risk. Larger voluntary organisations or those in receipt of 'core funding' are subject to regular external evaluations. These are usually carried out by the department/agency themselves, or external consultants are commissioned and managed by the funder. Independent funders, on the other hand, are more likely to provide organisations with the resource to commission their own evaluations. Some of these funders do not require external evaluations of individual projects, but use project monitoring data to evaluate an overall programme.

Views on the quality of external evaluations were variable. In general it was evident that those provided or commissioned by funders were perceived as the most satisfactory. These exercises are

conducted through government departments' respective economists to ensure that they meet Green Book⁵ standards, and were seen as the most objective approach to project evaluation.

Evaluation practitioners and economists within government who were consulted for the research also viewed this as the most objective approach. However, they did express some concern about these evaluations, seeing them as relatively narrow in focus (i.e. scrutiny and inspection), and often lacking in strategic context. From their perspective, the purpose of external evaluation should be to feed into appraisal of programmes and policies, providing the evidence base to inform decision-making and the cyclical process of investment. It was suggested that much major public investment has focussed on how to spend, rather than on the return on that investment. The requirement to spend by a deadline - 'spend it or lose it' - was seen as having detracted from the development of a more strategic approach. It was suggested that, too often, external evaluation stops at project inspection with no feedback loop into programme or policy level.

Most government agencies and independent funders tended to commission consultants by tender to carry out external evaluations. Most of those using this approach indicated that they were generally satisfied with the quality of evaluations which they had commissioned. The consultancy market was seen as very competitive, with a good range of providers from which to select, depending on the particular requirements of an assignment. However, there was some criticism, particularly in relation to

methodology, the quality of critical analysis and understanding of the policy context and the work of the sector:

We had to do a lot of the work ourselves... there was an issue with the quality/objectivity of the evidence produced – we felt it could have been more challenging rather than just giving you back your own opinion... sometimes evidence wasn't verified but taken on face value.

There are some issues with the 'appropriateness of the recommendations' – we felt that there was insufficient analysis and there could have been more reflection on good practice elsewhere ...often more descriptive reporting than critical analysis.

It was also evident that one of the main issues for funders who commission external consultants relates to management – having staff capable of managing and directing consultants to ensure they comply with guidance and provide a high-quality service. The importance of this was highlighted by the Big Lottery Fund, for instance, which follows a strict procurement procedure when tendering for evaluations:

We assess tenders against specific published criteria. We hold an inception meeting before the contract starts. We hold regular management meetings and require contractors to submit monthly/quarterly progress reports, as applicable. This level of management helps to foster conducive working relationships and allows for issues to be raised before they become a concern.

Resources are another issue. Some funders in the past have adopted a

'one size fits all' approach to external evaluation, providing a standard budget for all contracts, regardless of size and complexity. One respondent noted:

We weren't happy with previous core funding evaluations. In fairness this was partly because the external evaluators were never really given the resources (time/days) for follow-up and they were heavily dependent on the information given to them by us (the funder) which was maybe not that helpful. The external evaluators were not given the time to get to know the sector better and had limited resources.

There was recognition by some that there is a need to adopt a more appropriate approach to commissioning external evaluation. It was suggested that, given the diversity across funded projects, terms of reference for evaluation should be developed, based around a core set of issues, but tailored to particular needs and circumstances, with project involvement in determining these. The timing of external evaluation also needs to be appropriate to the type of funding (eg revenue or capital), and knowing when outcomes are expected.

Despite some of the difficulties and issues with internal and funder-commissioned evaluations, funders were most critical of evaluations commissioned by organisations themselves. The level of satisfaction reflects a perception that such exercises are often carried out for a particular reason – to promote the organisation or project and to secure future funding – and, so, in this sense, they are not independent or objective. Government respondents in particular indicated their concerns with this approach:

There is a big cultural difference in the use of evaluation at project level...it tends to be very positive...not so much useful for learning or to inform future changes to the grant.

In response to this, government economists and practitioners consulted advocated changing the contractual relationship, with consultants being commissioned directly by government, with the view that this would promote greater objectivity.

Supporting monitoring and evaluation in the sector

The research explored the extent to which funders promoted any particular approaches to monitoring and evaluation amongst funded projects/organisations, including the use of ICT and quality standards. It also examined the practical support which they provided, whether directly or indirectly, to facilitate monitoring and evaluation.

Promoting different approaches

The majority of those consulted indicated a focus on a generic 'aims and objectives' approach, with some emphasising the importance of self-evaluation. However, few went beyond this in terms of promoting more sophisticated or technical approaches. Some reported using models such as the Logic Framework, Theory of Change and Balanced Scorecard within their own organisations in the design and management of programmes, but did not actively promote these to those they funded.

Some government funders reported that, beyond providing basic guidance on monitoring requirements, they do not generally engage with funded projects to encourage or promote evaluation.

Many indicated that they would not see this as their role; rather, their focus is on risk assessment at the outset of funding, and then periodic checking throughout the period of grant.

Others – primarily independent funders – did take a more proactive approach. This included the promotion of outcomes-focused self-evaluation by, for example, the Big Lottery Fund and BBC Children in Need. Another funder – Lloyds TSB Foundation – provides support to projects to implement a self-evaluation approach to measuring aims and objectives. Atlantic Philanthropies is currently exploring the use of participative evaluation models, providing external facilitation to encourage organisations to use evaluation to reflect and learn.

Using ICT

None of those consulted currently promote the use of ICT systems specifically to support monitoring and evaluation amongst funded projects, although VCU, for example, did previously promote the use of the SPEAK system.

However, many do use, or are planning to use, ICT to support the collection and collation of monitoring data within their own organisations. There were some examples of collecting and collating activity data from projects through ICT, and while there was a degree of scepticism about the potential of such systems to evidence outcomes and impact, some of those consulted are actively exploring development in this field, using for example, Social Impact Tracker.

Quality standards to improve performance

While government policy strongly promotes quality standards across the sector, in practice, the

promotion and use of these by funders was variable.

Some mainstream funders actively require service providers to meet particular standards; for example, the NIHE Supporting People Programme requires all providers to be assessed against formal standards and DHSSPS requires organisations providing counselling services to meet BACP standards. Similarly, VCU has produced its own standards for best practice in finance and governance⁶.

Independent funders also acknowledged the importance of quality, and some actively support organisations to implement formal standards; others placed greater emphasis on evidence of good governance and management practices. It was noted that a focus on acquiring standards could potentially distract from frontline delivery to service users. There was recognition that quality systems may not necessarily be appropriate to the stage of development of some organisations, and that there are also resource implications in pursuing the acquisition of standards.

Providing support

All of those consulted provide written guidelines, and most give some basic support through site visits. However, while few mainstream funders provide systematic training and support on monitoring and evaluation to funded organisations, a number of agencies such as NIHE Supporting People and Community Relations Council do commission specialist support. Others refer organisations to voluntary sector support agencies such as NICVA, RCN or CENI.

Other investments have also been made in providing support in this field. VCU, via the Regional

Infrastructure Programme, provides CENI with some core funding to develop and promote monitoring and evaluation support within the sector. Resources have also been provided by DSD, and others, to take forward research on innovative approaches to evaluation (for example, in relation to CENI's recent research on measuring social capital, and baselining social assets).

A number of independent funders also provide resources for, or access to, specialist advice and training, usually as part of a wider package of support in issues such as finance and governance. For example, the Big Lottery Fund provides a comprehensive package of support from application stage through to resources for self-evaluation and for external evaluation. This funder also commissions support programmes for funded projects, such as that delivered to projects funded under Reaching Communities; this includes some evaluation training provided by CENI. BBC Children in Need commissions bespoke training in self-evaluation, and it is a condition of funding that staff from funded projects attend this. All of the independents also indicated that they signpost or refer to other sources of advice, information and support.

Other funders operating EU or Peace Programmes provide discreet packages of support within specific programmes. This is generally around a whole range of issues, of which monitoring and evaluation is one part.

Many government funders acknowledged that this is an area which requires further attention, but one which needs to be considered as part of a wider, more integrated approach to monitoring and evaluation. There was a perception that evaluation costs are often not

given priority, and that, in turn, resources for evaluation support are even less prioritised. There was also a view that, at a practical level, funding programme staff need to be better briefed on the purpose and use of monitoring information so they can, in turn, communicate and translate the requirements for funded projects and provide a more uniform and supportive approach:

Project officers are variable in their approach to monitoring and evaluation with projects – some are interested and supportive, others are overly bureaucratic. Departments/agencies need to look at this - there needs to be clearer communication to officers to ensure more systematic application.

Project officers need to be properly briefed and trained on this issue – train them on why monitoring/evaluation is done as well as how. This would better equip them to work with the groups they are dealing with. They need to build up a relationship with the groups - explaining the purpose and the need for the information and feed back to them.

Priority uses for monitoring and evaluation

Funders were asked to prioritise the importance of different uses of monitoring and evaluation data within their own organisations. The list of possible uses was structured to start with the use of data at project level, then at programme and/or strategic level and, finally in terms of informing practice development. It was stressed to respondents that this should reflect the current priorities for the organisation as opposed to their personal opinion or position.

On a scale of 1 to 5, with 1 being 'very important' and 5 being 'not important', respondents rated the priority for each of these uses. The graph below shows the percentage of respondents who gave a rating of 'very important' to each of the uses listed. This illustrates the distribution of what funders perceive as the priority uses for monitoring and evaluation.

Virtually all of those consulted indicated that the most important priority for monitoring and evaluation was to hold individual projects to account for their use of resources provided. Providing

project accountability and ensuring performance against objectives were rated as 'very important' uses by a majority of funders.

Interestingly, using evaluation to aid decision-making on future project funding was not considered as a top priority for any funder. The use of evaluation to inform organisational development and sustainability were also considered of less importance. This may be particularly so for government funders whose first priority is to meet the external demands of audit.

Moving beyond scrutinising individual projects to looking at the use of evaluation to inform wider programme or strategy development, respondents' views depended on the status or type of funder. The managers of some government programmes indicated that they are less likely to be involved in the evaluation or development of funding programmes as this responsibility is passed to a policy or research department. Other government agencies, and most independent funders, have less compartmentalisation of operational and policy functions and so can take a broader or more integrated view.

Just over a third of funders interviewed considered using evaluation to ensure programme objectives were achieved as 'very important', and fewer thought that informing the ongoing development of programmes and future strategy was 'very important'.

Finally, using evaluation to contribute to knowledge development in the relevant field or to develop evaluation practice were not considered as very important uses.

There is some variation between funders. Independent funders, while emphasising the primacy of accountability, also point to the importance of using monitoring and evaluation more widely to inform programme development and strategic thinking, as well as to help organisations learn and develop. In addition, these funders tend to have a more involved relationship with their funded projects and so are open to capturing learning and practice development. For instance, the Grants and Policy Unit of BBC Children in Need centrally coordinates the monitoring of the impact of funding, and has, over recent years focused on more systematic collection and analysis of data across the UK with a view to extracting learning from funded projects. A working group has been set up within Children in Need to examine reporting and the use of information provided by projects and to identify gaps whilst also maintaining proportionality.

An exclusive focus on using monitoring and evaluation for project accountability has implications for generating the kinds of information funders require to look at more strategic issues. One government funder, for example, reported that, while a large amount

of data is collected from individual projects, this is not systematically collated and analysed within the unit responsible for collection, but is passed on to a central office for analysis and reporting. The separation of responsibility for collection and analysis is seen as creating a 'disconnect' between different levels in the department. This respondent referred to the pre-eminence of an audit and compliance culture - 'the focus of monitoring is structured to record activities rather than capture outcomes' – and noted the absence of baseline data on local needs, coupled with a lack of agreed programme level outcome indicators against which to chart progress and measure change. There is also no formal feedback to supported organisations on their performance or advice on how they might develop and improve.

An alternative view on the use of monitoring and evaluation was offered by Atlantic Philanthropies. This funder views strategic learning as key to its perceived advocacy role. To promote new ways of working, they need evidence of what has been learned and how this can be applied. Atlantic Philanthropies wishes to move to a position whereby funded organisations are subject to a process of 'due diligence' up-front to establish their credentials as being capable or 'fit-for-purpose'. Thereafter, the focus would be on capturing the learning arising from their activities rather than on accounting for spend against these activities. This is clearly a major departure from the traditional top-down accountability focus for evaluation of public funders. However, as an independent funder, Atlantic Philanthropies is able to pursue a more flexible approach than government funders.

Challenges for funders

Respondents were asked to indicate what they saw as the main monitoring and evaluation challenges for themselves as funders. Here, comments ranged around a series of issues which are summarised under the following headings:

Clarity about the purpose and use of evaluation

For many funders, the primary challenge is around clarifying the purpose and use of evaluation in a changing funding climate. Traditionally, scrutiny and accountability have been the main priorities (especially for government funders), and while this will continue, there is a growing awareness that the scope of evaluation needs to be widened to encompass improved programme outcome/impact measurement and the capture of learning.

With fewer resources available, funders also recognise the need to become more strategic in their funding allocation and to be better able to evidence measurable changes arising from their investment. This demands a new approach to produce different kinds of information which existing scrutiny and compliance systems are not designed to provide. Comments included the following:

Current focus on accountability and compliance as a priority reduces focus on achievements and outcomes...this needs to be addressed.

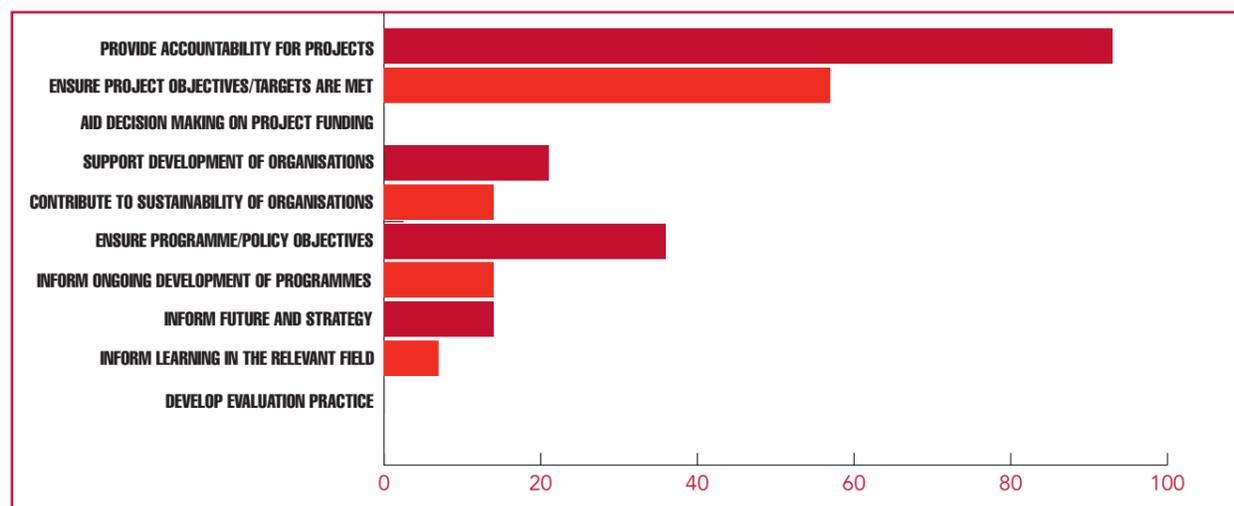


Diagram 1: Percentage of funders who considered different types of use as 'very important'

“The absence of an underpinning rationale coupled with defined programme level outcomes has meant that evaluation is reduced to a series of individual inspections of funded projects as opposed to an aggregate overview.”

The ‘processing culture’ needs to change - we need to focus on acquiring better information to provide an evidence base for learning and change.

Appropriate methods for data collection

Linked to this, funders see a challenge in developing and implementing appropriate systems to capture the kinds of information needed. In particular, they acknowledge the need for better methods to identify and measure outcomes at all levels. This includes the development of higher strategic or programme level outcome indicators which can then inform the negotiation of project level outcome indicators with funded organisations. It is acknowledged that the absence of defined programme level outcomes makes it difficult to connect project activities and outcomes to overall programme objectives. It also makes it difficult to aggregate monitoring and evaluation data generated from individual projects in order to provide an overview of programme achievements:

The absence of an underpinning rationale coupled with defined programme level outcomes has meant that evaluation is reduced to a series of individual inspections of funded projects as opposed to an aggregate overview.

The challenge is aggregation of data from all of the different types of funds - how to aggregate diffuse grants and make links with higher level strategic objectives.

Monitoring systems need to be designed to ensure standardised data is collected across all projects which can be used to inform progress against project and programme objectives.

Ensuring consistency in our monitoring processes so that meaningful learning can be extracted and disseminated.

Funders are also aware of the duplication of monitoring systems between funders, and the need for standardisation:

Ensuring a joined up approach from other funders / stakeholders – better standardisation in compliance and monitoring between funders.

As well as improved monitoring systems, it is recognised that there is a need to improve the quality of data produced from project and programme evaluations. A common issue was that, in the absence of agreed indicators against which to measure outcomes, most evaluations rely on an analysis of very descriptive qualitative data as evidence of change:

Currently evidence produced from evaluation is primarily descriptive and this is used as a proxy to say that this work is leading to impacts.

The question is how do you link all of this with wider based research e.g. on social capital... how do you aggregate up and say that the actions on the ground are feeding into this (policy)?

Using evaluation for learning and development

Another issue is the need to understand the potential of evaluation as a tool for learning and development as well as for accountability. In the prevailing climate of audit and scrutiny, which tends to foster a more risk-averse approach to funding, this is a major challenge for many government funders in particular. The demands of compliance and performance

reporting can act as a disincentive to learning and performance improvement. Where the priority is to service external demands for information, funders often have no time for internal reflection and analysis of the information being collected. The primacy of accountability militates against the development of a learning agenda for evaluation.

Learning requires an environment of mutual trust and understanding between funders and funded organisations, to facilitate openness and honesty about failures and how things can be improved. However, funders acknowledge that the existing power balance and mutual need to produce ‘good news stories’ severely constrains this:

Policy makers have a vested interest in producing ‘good evaluation’ i.e. PR exercise - if it’s a bad evaluation then this reflects badly on them in that they are responsible for the dispersal of public funds.

There needs to be dissemination of learning at government level. There is a Northern Ireland Trusts’ Group and Northern Ireland Funders’ Forum – these should provide opportunities to share information and ideas on monitoring and evaluation practices.

This also impacts on the quality of information provided by organisations and the perceived difficulty of ‘obtaining robust/critical honest evaluation from funded organisations to inform decision-making’. The quality of self-evaluation or reporting by projects was viewed with some scepticism. In the context of a tightening funding environment, government funders expressed ‘the dilemma of supporting the development of self-

evaluation within funded projects versus the commissioning of independent external evaluations’. The priority it seems for some government funders is to focus on independent external evaluation, as they cannot prioritise the staff time and resources required to engage with and verify data produced by funded projects.

Engaging with funded projects

At the same time it is recognised that there is a need to engage more effectively with funded projects to promote evaluation and generate better quality information. Economists and evaluation practitioners within government stressed that, if funders are to get the kinds of information they require, then they have to:

...provide clarity for projects on funding objectives, guidance on what data is required and support for projects to produce correct data.

This requires more engagement with organisations in advance of funding allocation on identifying and agreeing outcomes and building this into the contract arrangements. The lead-in time for programmes is important here to allow time for outcomes to be negotiated with projects. The Big Lottery Fund, for example, has initiated a two-stage application process to deal with this. Comments included the following:

Challenge is for funders to be more proactive in engaging with projects and provide more clarity about information needs – create a climate of more trust and honest exchange of information.

A more formative approach to evaluation would be valuable - enhancing learning first and foremost rather than blame - tracking progress and identifying difficulties.

Developing skills and capacity

The resource implications of meeting these challenges are recognised by funders - in particular, the need to provide their staff with understanding and skills to develop and implement the systems required:

We are increasingly asking more and more information from our funded groups; however, we are not ourselves fully equipped to evaluate this information.

There seems to be a gap in training provision in giving grant makers the skills to evaluate information received from funded groups. Quantitative data can easily be analysed by funders, however, there is a lack of knowledge around qualitative evaluation material and soft outcomes.

Challenges for the sector

Funders were asked to comment on the challenges currently facing the voluntary and community sector, and the implications for these in terms of monitoring and evaluation.

It was noted that, in a climate of changing relationships and contracting resources, the sector will experience increasing scrutiny and growing demands for information. Since these are not currently co-ordinated, and are often duplicated, organisations will also continue to face multiple information demands from different funders:

The greatest challenge for funded organisations in the sector are the range of monitoring and evaluation requirements placed upon them by their various funders. Each funder requires specific detailed information which is time consuming and labour intensive for the groups.

Some concerns were expressed that funders are perhaps unrealistic in their expectations about what can be measured, and the capacity of community-based groups to gather and analyse data. It is understood that there is the potential for this demand overload to lead to ‘evaluation weariness’:

The sector also wants to see how monitoring and evaluation is used, where does it go within government? ...does it contribute to policy decisions or learning on good practice or simply sit on the shelf? There is weariness within the sector with the amount of requests for information.

However, it is acknowledged that while funders have a responsibility to make monitoring and evaluation more relevant and connected, there is also a challenge for the sector in terms of responding to the new environment, including the changing nature of relationships and increased competition for funding. Within this context, organisations will be challenged to demonstrate their role and value to service commissioners i.e. that what they do is relevant, competitive and has outcomes/benefits in relation to identified needs. With the shift from a grant to a contract culture, it was pointed out that future funding cannot be simply about the continuation of posts, but will be contingent on the organisation fitting with funders’ objectives, delivering competitive services and evidencing outcomes. In securing future funding, organisations will also increasingly have to show they are ‘fit for purpose’ in relation to risk assessment, quality standards and financial probity.

Voluntary and community organisations are now in a more competitive world. It used to be that only Group A provided X. Now it's the case that Groups A to G are doing the same thing. There's more competition so they need to demonstrate that they meet the criteria much more closely.

It was noted that evidence-based practice will increasingly be required at departmental level, requiring the production of both quantitative and qualitative evidence. There is a perception that the sector could improve in terms of articulating and demonstrating benefits gained from their activities. Funders also maintain that organisations need to reflect more critically on their own performance and demonstrate improved practice and delivery.

It was acknowledged that organisations will need support to deal with these challenges. The costs of monitoring and evaluation are not always factored in by organisations; it was suggested that these need to be considered as part of full-cost recovery. The perceived complexity and demands of monitoring and evaluation were also seen as daunting for many; the jargon is often impenetrable and the

language confusing. In this context, it was suggested that more guidance may be required to prevent them 'getting lost in the process'. It was noted that they need to acquire monitoring and evaluation skills to collect, analyse and report to the necessary standards and they need resources to put systems in place.

Skills support needs

Funders were asked to indicate what they considered as possible areas of skills support needs, both amongst their funded projects and also internally, within their own organisations.

Needs of funded projects

Diagram 2 below shows what funders consider to be the main areas of skills support needs amongst their funded projects.

Measuring and reporting on outcomes is identified as a primary area of need, as is identifying outcomes. Reporting performance is also a key issue, with some funders commenting that this could be improved. Most agree that funded projects would benefit from training across the whole menu.

Funders also commented on the wide variation in capacity amongst organisations. There was a view that this is in spite of resources having been invested in capacity building through various programmes, and the question was raised, 'why do we need to invest in more capacity building – should they not be able to do this by now?' However, there was also recognition that, while there has been some investment in this area, in general the provision of support has been piecemeal and not consistent across programmes:

Implementing a new system for a more consistent approach takes time, commitment and resources. Training inputs are only part of this. Need one to one support to integrate systems into working practice – programme delivered over time a cycle of design, implementation, data collection and reporting.

The capacity issue is seen as being compounded by the multiplicity of data collection systems used by different funders. Those consulted acknowledge that the development of more common or standard systems – possibly supported through ICT - would assist with this.

As well as skills development, some highlighted the need for organisations within the sector to view evaluation in a wider context. One respondent commented on the need for organisations to be able to identify the linkages between monitoring and evaluation, and wider organisational planning and learning. A focus on generating information to meet funders' monitoring needs or commissioning external evaluation for promotional purposes was seen as not helping organisations to review, learn and develop.

However, whilst recognising these needs, the issue of providing resources to invest in support was seen as problematic; it was noted that as demand increases, but resources contract, the emphasis will be on 'how to do better with less'.

Needs of funders

Diagram 3 below shows what funders consider to be the main areas of skills support needs in monitoring and evaluation within their own organisations.

Overall, understanding an outcomes approach to funding was identified as the most common support need, coupled with using monitoring and evaluation data to inform programme development.

Funders point out that 'we are increasingly asking more and more information from our funded groups; however, we are not ourselves fully equipped to evaluate this information'. The current focus on inspection means that staff are not necessarily equipped to aggregate, analyse and assess outcomes. This issue will become increasingly significant, as the nature of funding becomes more evidence-based and outcome focused; in this context, programme staff will need to have the capacity to use monitoring and evaluation more strategically:

The role of the Department will become far more of a policy development one...this is a learning opportunity for us as we need to be able to allocate resources according to need rather than according to who is best at applying for them.

It was suggested that one solution is to 'buy in' the expertise needed, but in the longer term, what is required is a more holistic approach to evaluation planning and management amongst government funders in particular. Evaluation practitioners within government pointed to the absence of generic evaluation skills sets across the Northern Ireland Civil Service. They

see the need for training and support, from basic understanding in and conduct of evaluation, through to guidance on wider aspects of evaluation strategy.

One independent funder also pointed to the need for 'better sharing of knowledge, approaches and models of evaluation between funders'.

If we consider the views of government and independent funders separately, then a somewhat different pattern emerges in relation to skills support needs. For government funders, the most common support needs were in 'understanding outcomes approaches to funding' followed by 'understanding the role and use of evaluation in the sector'. For independent funders, 'using data to inform programme development' was the most common need, followed by 'implementing monitoring systems'.

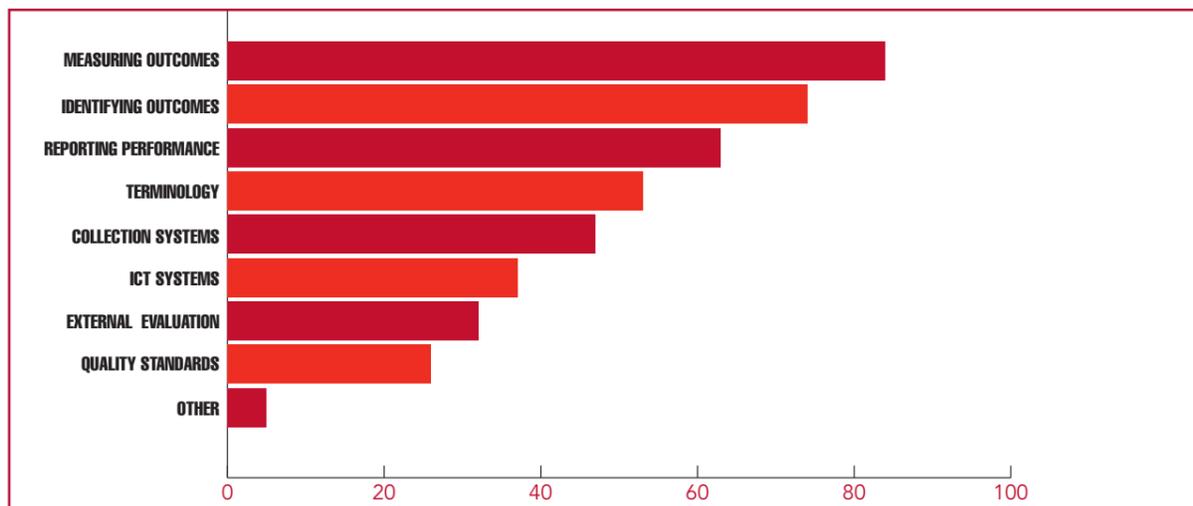


Diagram 2: Skills support needs of funded projects

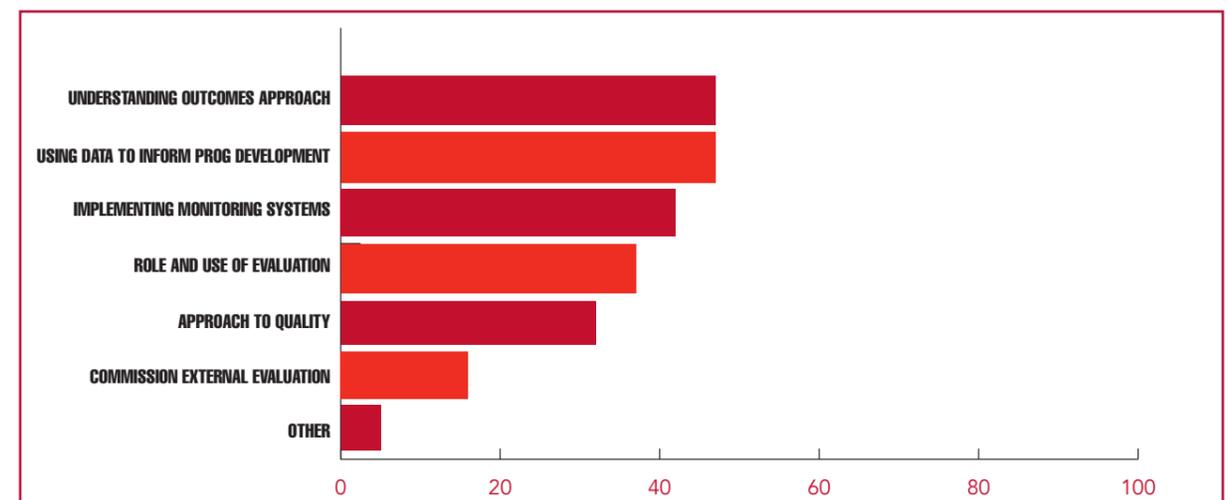


Diagram 3: Skills support needs: all funders

3: Perspectives from the voluntary and community sector

“There seems to be duplication of effort and bureaucratic checking and a lack of trust in organisations, even those that have a sound track record.”

This section presents perspectives from the voluntary and community sector on monitoring and evaluation. It reflects on the changing requirements placed upon funded projects and organisations and outlines experiences in relation to external evaluation. It also explores the approaches to monitoring and evaluation adopted within the sector and the support available to implement these processes. Finally, it mirrors the previous section of the report on funders’ perspectives, examining the challenges faced and future support needs.

Profile of respondents

A postal questionnaire was distributed to 400 voluntary and community organisations throughout Northern Ireland. A total of 158 responses were received, representing a return rate of almost 40%.

The sample for the survey was drawn from the NICVA database of community and voluntary organisations. The sample frame of 400 organisations was selected to reflect size and level of income.

Based on the NICVA profile of organisations, survey respondents classified as ‘voluntary’ accounted for 69% of all responses, while 29% were from the community sector (the remaining 2% were categorised as ‘charity’ or ‘social enterprise’). Almost half (49%) were located in Belfast. Community development

was the primary purpose amongst almost one-quarter (23%), followed by work with young people and children (17%), disability (13%) and advice and information (12%). These figures are broadly in line with the NICVA profile of the sector.

The majority of organisations employed a relatively small number of people; almost two thirds (65%) had less than 15 employees; 42% had 6 or less. One quarter had between 16 and 49 employees, while 10% had 50 or more.

Almost half of the organisations surveyed had an income of less than £250,000 and only 21% had an income of over £1 million per annum. This differs from the NICVA profile which showed that just over half of organisations in the sector had an income of more than £1 million.

The main source of funding for organisations which responded to the survey was government, with 63% receiving over 40% from this source.

While the characteristics of survey respondents were broadly in line with the NICVA profile, respondents were over-representative of lower income organisations. However, the survey was supplemented by a series of one-to-one interviews with a range of mainly regional umbrella/support organisations (see Appendix 1 for details).

Monitoring and evaluation requirements

The research identified the current monitoring and evaluation requirements placed upon organisations within the sector and examined their views on changes in the level and focus of demand.

In terms of information required by funders, virtually all respondents have to provide financial reports and activity monitoring reports. About 45% had been subject to an external evaluation commissioned or carried out by their funder, while one quarter were provided with funding to commission their own external evaluation. Just over half indicated that they were subject to three or four of the requirements.

Diagram 4 shows that, apart from basic financial and activity reporting, respondents reported a significant increase in the demand for other kinds of information. Information on outputs and outcomes were unsurprisingly at the top of the list. Evidence of value for money and sustainability were also increasing. However, information relating to innovation and learning was least requested. A considerable proportion (18%) reported that they produced information relating to all 10 of the categories listed.

Over two thirds of survey respondents stated that funders had become more demanding in terms of monitoring and evaluation, and none felt that requirements had lessened; this view was also supported by umbrella/support bodies who confirmed that requirements had become increasingly stringent.

Umbrella/support bodies also noted that, despite the rhetoric on outcomes, there is still a focus on primarily quantitative measurement. This was seen as being particularly true for contracts and Service Level Agreements, where success is often measured in terms of numbers and ‘value for money’. Some felt that this emphasis means that the processes which organisations engage in to effectively deliver services to disadvantaged and

vulnerable groups are often missed or undervalued by funders.

It was also noted that the increasing focus on outcomes presents a number of challenges, including intensive work to implement outcomes planning, and the difficulties of demonstrating outcomes within relatively short-term funding contracts:

Interpreting these outcomes and identifying priorities for delivery of services presents challenges in terms of skills and resources required, and the processes needed to track changes are difficult and expensive to introduce in a systematic way.

More broadly, concern was expressed about the variety of different requirements placed upon organisations by funders, the proportionality of monitoring and evaluation in relation to the level of funding provided, and the resource implications, which were seen as particularly difficult for smaller organisations.

We have 17 funders across six projects, and none require the same monitoring.

The amount of information required has got more demanding and I’m not sure how purposeful the requirements are – there seems to be duplication of effort and bureaucratic checking and a lack of trust in organisations, even those that have a sound track record.

Experiences of external evaluation

Almost three quarters of the survey respondents had experienced an external evaluation over the last three years. 44% had had an external evaluation commissioned or

carried out by their funder. A slightly smaller proportion (42%) had commissioned their own evaluation.

Around one-third (36%) of respondents indicated that their most recent evaluation had been conducted by a small local independent consultancy, while slightly less (31%) had been carried out by an agency within government. A much smaller proportion (14%) had been conducted by a large private sector consultancy.

It was noted amongst the umbrella/support bodies consulted that the extent to which their member groups commissioned a consultant to conduct an external evaluation largely depended on the size and scale of funding, and the funder’s requirements. There was general consensus that external evaluation could add value for groups, in that it has potential ‘as a support for future funding opportunities’ and ‘can help with on-going development of the work, supporting policy and strategic planning’. However, it was also reported that, generally, fewer resources are now available for independent evaluation.

Satisfaction with external evaluation

Respondents were asked to indicate how satisfied they were with specific aspects of the most recent external evaluation they had experienced, and then how satisfied they were with the overall quality of external evaluations they have experienced. Table 1 overleaf shows that most of the survey respondents were satisfied with the standard of their most recent external evaluation, with over two thirds satisfied with all aspects of the process. The involvement of stakeholders and usefulness of recommendations

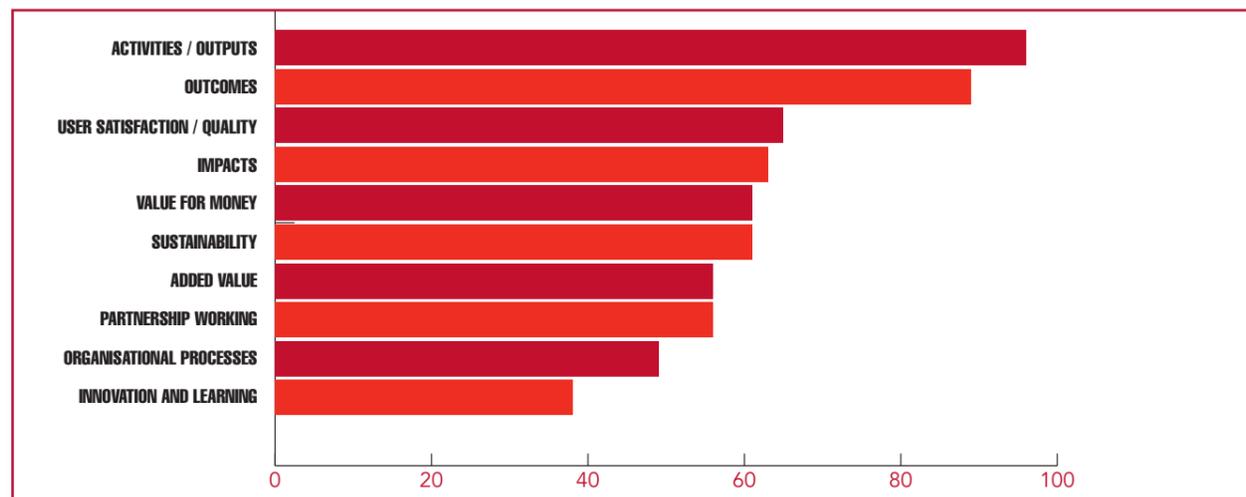


Diagram 4: Information required by funders (n=158)

scored lowest in terms of satisfaction. About one third indicated they were less than satisfied with the involvement of stakeholders in the process.

Similar levels of satisfaction were reported with the overall quality of evaluations experienced. However, there was some difference in the satisfaction rates between those commissioned by organisations themselves (86%), compared to those commissioned/carried out by the funder (70%).

Factors impacting on satisfaction

It was evident that a number of factors can impact upon levels of satisfaction with external evaluation. These included the following:

- **Evaluator's understanding of the sector**

Consultant made the evaluation a very interesting exercise for us – both consultants (two separate projects) had great insight into sector – this helped greatly! Very participative evaluation – high level of project participant involvement.

The experience was extremely painful to go through as an organisation. They did not understand at all the nature of the voluntary sector.

- **Nature of relationship with evaluator**

We were fortunate in that we had

the choice of consultants and the funders could not tie us to the lowest (or any) tender. This was key, as it meant that we were able to choose people with experience and insight, as well as commitment to engaging with a range of people (staff, management committee, participants, etc) to ensure a fair and accurate evaluation in both cases.

- **Approach adopted by consultant**

We experienced a rare form of consultant – one who cares and doesn't see pound signs first. A qualitative piece of work that gave clear direction.

- **Usefulness of evaluation in terms of providing objective review and giving direction**

Often evaluators are dealing with such a wide range of organisations, their general evaluation is too general and not a good 'fit' for a very specific project.

Evaluations tend to be very positive and consultants wary of true critical analysis.

- **Relevance of recommendations**

The evaluator ... insisted in including funding recommendations despite the fact that neither ourselves nor (the commissioner/funder) regarded them as relevant.

Auditors going through the motions and raising minor, minor issues.

- **Scale of budget**

The limited budget available for the evaluation often meant that the exercise was narrow in scope, with an emphasis on demonstrating achievements and meeting funder requirements rather than useful for learning within the project or group itself.

It was also noted that 'who commissioned the evaluation' made a difference in terms of the intent and purpose, the sense of ownership of the process, and the usefulness of the completed report. Some examples of participatory evaluation were cited as positive experiences in terms of 'good opportunities for learning'. It was also suggested that organisations need to have appropriate skills and knowledge to actively engage in the process of recruiting and working with external consultants, to ensure that they get the maximum value from the exercise:

Tendering and interviewing evaluators is part of the capacity building within forward-moving groups. It allows ownership through maximum participation rather than a commissioned piece of work with little or no contact between the group or consultants.

	Very satisfactory or satisfactory	Adequate	Unsatisfactory or very unsatisfactory
Clarity of terms of reference	84%	11%	5%
Extent to which terms of reference are addressed	81%	13%	6%
Involvement of stakeholders	67%	22%	10%
Quality of research methods / approach	72%	20%	8%
Quality of evidence	75%	17%	8%
Presentation / reporting	78%	16%	6%
Usefulness of recommendations	72%	19%	9%

Table 1: Satisfaction with aspects of most recent external evaluation

An important general point raised by several umbrella/support bodies concerned the lack of quality standards in the field of evaluation practice:

There is a quality control issue with external evaluation – I would question the competence of some evaluators - examples of cut and paste, and some woefully missing the point with a clear lack of understanding of the voluntary and community sector's business and context.

Monitoring and evaluation practice in organisations

Respondents were asked to indicate what they saw as the most important uses for monitoring and evaluation in their organisations.

Diagram 5 shows that organisations prioritise using evaluation information for learning, evidencing benefits/outcomes, and to inform planning and improvement. Using monitoring and evaluation to assist funding applications and for promotional purposes are of lesser importance. This is in direct contrast to the perception of most funders, who considered organisations' motivation in this regard to be more cynical and directed toward self-

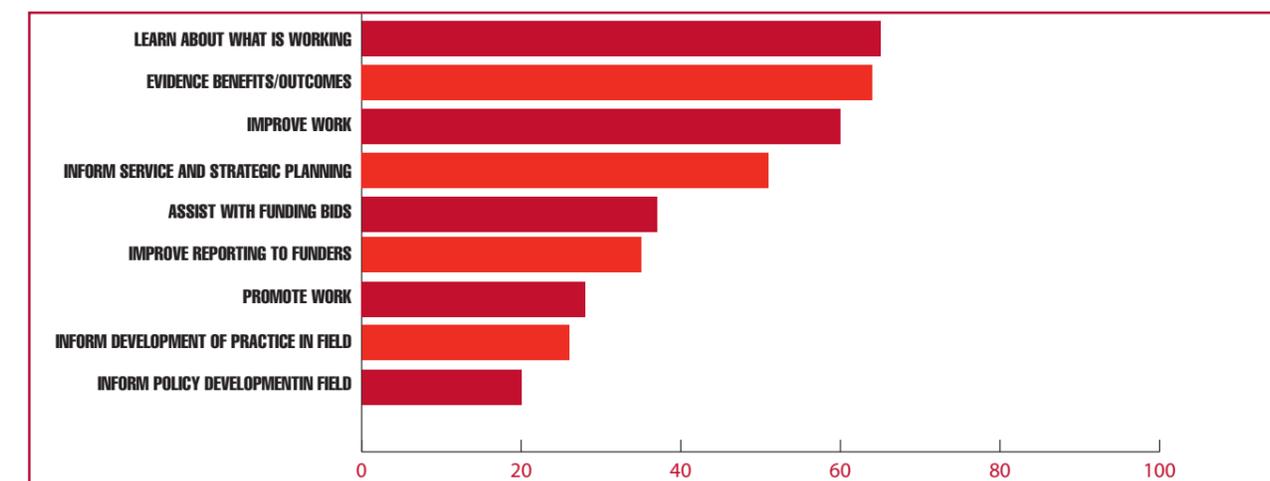


Diagram 5: Main uses of monitoring and evaluation information (n=156)

promotion and obtaining resources. **Methods and approaches** Respondents were asked to indicate how they went about collecting information and if this was informed by any particular approach to, or model of, evaluation. The results suggest that while organisations are currently employing a variety of data collection tools, they predominantly use 'traditional' methods such as participant feedback/user satisfaction forms (96%), recording numbers (93%), and consultation with participants/stakeholders (90%). Just over 40% reported that they used a combination of four of the methods outlined. Respondents also reported the use of tools such as community surveys and creative methods (DVDs and video feedback, for instance).

Diagram 6 overleaf shows that when further asked to specify which particular evaluation models or approaches they use, over 80% of respondents reported that they adopt a generic 'aims and objectives' approach as opposed to any of the more specialist models listed. Some 17% used social accounting/audit and another 15% employed the Balanced Scorecard. The Social Return on Investment model was also referred to and some had used models customised for their organisation or the sector in

which they worked. It was noted that the models, approaches and tools used need to be relevant to the particular circumstances of the organisation and its stakeholder groups.

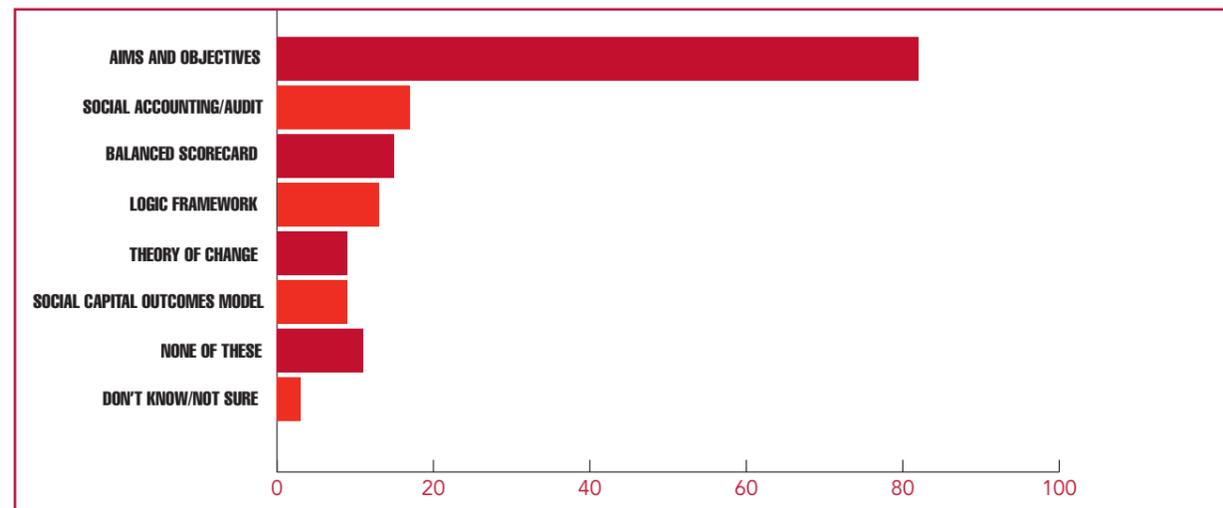
Consultation with umbrella/support bodies confirmed the survey finding that, in general, 'quite traditional methods' for data collection were being utilised amongst member groups, with a focus on primarily quantitative approaches. However, the use of other tools was noted, including, for example, case studies, visual tools, 360° reviews, peer reviews and the Rickter tool.

Concern was expressed by one respondent that 'funders do not value self-evaluation', and several indicated that the emphasis is often on monitoring and reporting to meet funders' requirements, rather than a process to enhance learning and development within organisations:

There is a lack of creativity sometimes and it is funder-driven, also other priorities take over and monitoring and evaluation goes out the window. The cycle of review needs to be built in and focused on usefulness for the group rather than compliance.

A number of the umbrella/support bodies recognised the value of using quality tools to strengthen organisations (particularly in an environment of competitive tendering) and to improve practice.

Diagram 6: Use of evaluation models and approaches (n= 158)



Use of ICT-based systems

Diagram 7 shows that the majority of respondents were using some form of standard ICT-based system to process information within their organisations; relatively few were using any kind of specialist data analysis software, such as SPSS (11%). Just over one-fifth were using a customised/adapted off-the-shelf system designed for the organisation, and 18% had a specialist software package such as Sage or SPEAK.

Umbrella/support bodies noted that ICT is becoming increasingly important, both for support bodies themselves and for their members, and that funding to support

modernisation has assisted ICT development within the sector. It was noted, however, that there are challenges, in terms of designing systems to fit a variety of stakeholders' needs/priorities, and with securing buy-in from organisations to effectively implement them. The need for systems which are 'easy to use and time-efficient' was highlighted.

One organisation currently providing ICT solutions to voluntary and community sector organisations to support contact management, as well as monitoring and reporting requirements, commented:

This work needs further investment from funders and also organisations need to take on board the value of a systems-based approach to monitoring their work. It also requires clarity from funders on outcomes and how you measure them to inform the development of the system.

Use of quality standards

The research found a mixed picture in the use of quality standards within the sector. Diagram 8 shows that nearly half of the organisations surveyed have not yet implemented any form of quality system. The most commonly used standard amongst respondents was Investors in People (29%), followed by

Investing in Volunteers (15%). PQASSO, the Practical Quality Assurance System for Small Organisations, which has been specifically designed for the sector, was utilised by 9%, with the same proportion making use of ISO. 15% of respondents indicated that their organisation had two of the listed systems in place.

A number of respondents referred to drawing on components of existing standards such as ISO and PQASSO as appropriate to their needs, as well as the use of approaches designed specifically for their organisations or within specific fields of work, such as advice or children.

A number of the umbrella/support bodies recognised the value of using quality tools to strengthen organisations (particularly in an environment of competitive tendering) and to improve practice. However, there was concern about the relevance and appropriateness of some quality standards for the voluntary and community sector. This especially related to models which were perceived to be drawn from private sector practice, and which did not easily marry with the values and ethos of community development. Some of these were described as 'bureaucratic' and

'paper-chasing audit processes', and at an operational level, it was noted that there were challenges in pursuing standards, particularly in terms of prioritising time and resources.

It was suggested that the development of National Occupational Standards in Community Development Practice, as well as other professional standards and the use of Social Audit or Social Return on Investment tools might be more useful processes. The Code of Good Governance⁷ was also identified as a useful resource.

Support for monitoring and evaluation

Given the potential challenges in implementing monitoring and evaluation within the sector, the research explored the types and sources of support for these activities.

Allocation of resources

Diagram 9 overleaf suggests that over half of respondents spend resources on monitoring and evaluation training for staff, although less than one quarter do so on management committee training. Resources are also used to secure

external inputs, with around one-third indicating the use of resources for commissioning evaluation and commissioning consultancy support respectively. However, almost one-fifth indicated that they do not allocate resources to any of these areas.

In terms of the annual budgets allocated, just over one-fifth (22%) reported that they did not expend any resources on evaluation activity. A similar proportion (20%) expended £1000 or less. However, although only just over one-tenth expended more than £5000, slightly more than that (14%) expended between £3000 and £5000.

It was evident that annual expenditure on monitoring and evaluation varied from year to year, dependent on organisational and funders' requirements, and the budget available. It was also clear that expenditure did not reflect the cost of staff time dedicated to this area of activity.

Some of the umbrella/support bodies suggested that the low level of investment is a consequence of a funding climate in which organisations are increasingly required to reduce core expenses, and are therefore loathe to include

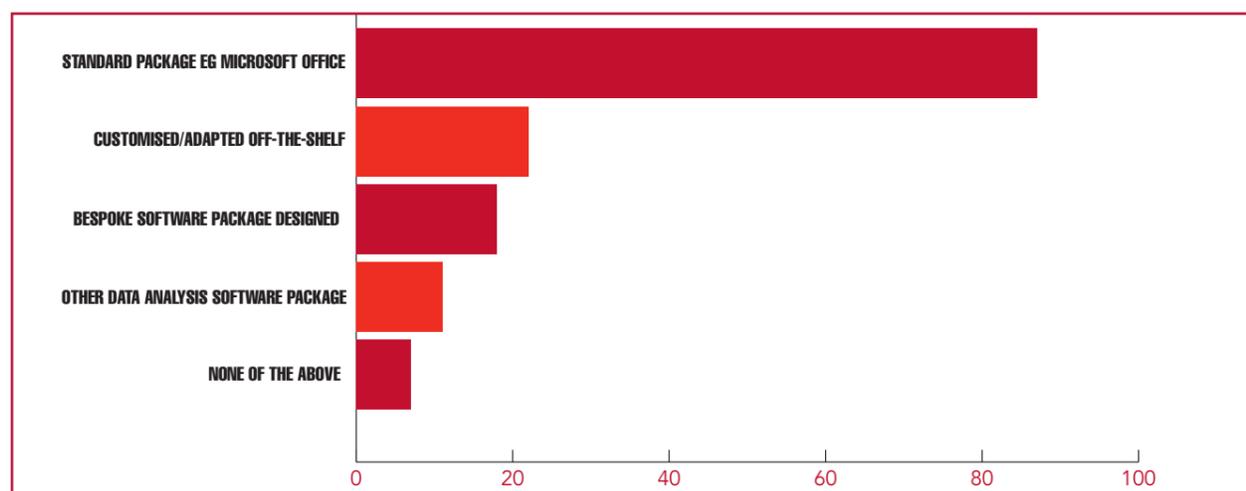


Diagram 7: Use of IT-based systems to process information (n=157)

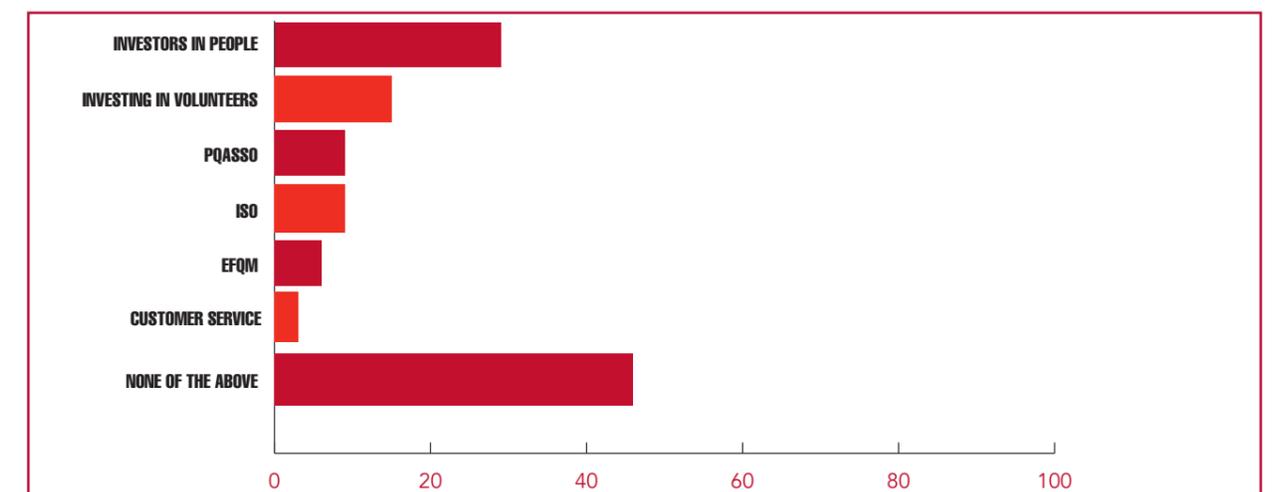
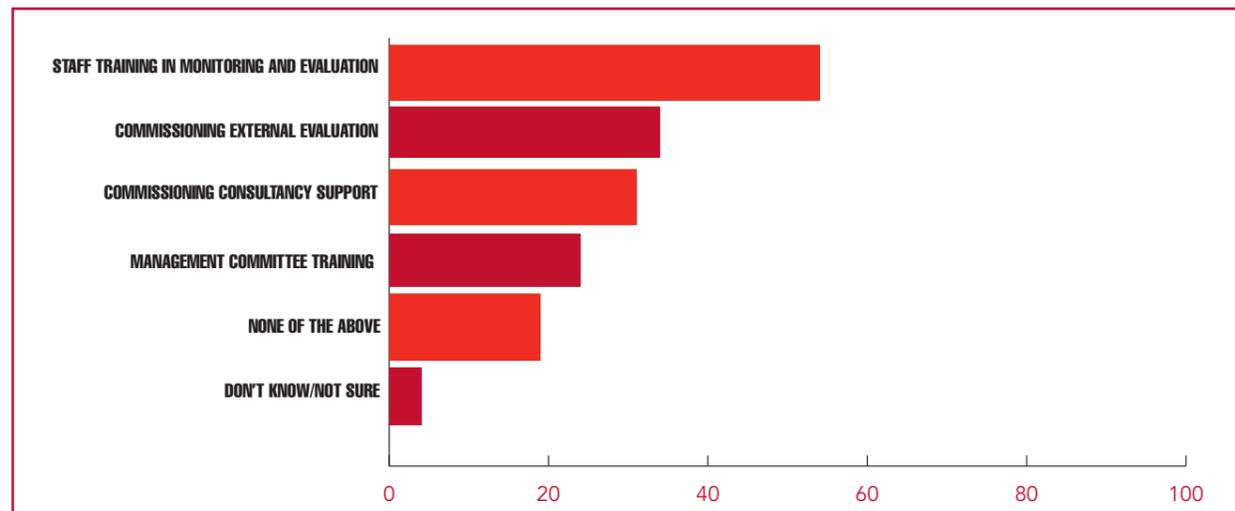


Diagram 8: Use of quality systems/standards to enhance organisational performance (n=156)

While it was recognised that there is a need for accountability, there were concerns about growing bureaucracy, and the challenges of meeting these demands whilst also continuing to deliver high quality services.

Diagram 9: Spending resources on monitoring and evaluation (n=156)



evaluation costs.

Support from funders

The survey confirmed that the primary form of support on monitoring and evaluation provided by funders was written guidelines (60%), with a significant percentage (41%) indicating that they also received support through site visits. Only a quarter reported that their funders directly provided training in monitoring and evaluation, although a similar proportion had received funding to invest in relevant training and/or consultancy support. Almost one quarter reported that their funders did not provide any specific support.

The considerable variation across funders in respect of this support

was noted. There was a perception that written guidelines and site visits could be limited, particularly where these were seen as being focused on the requirements of the funder, rather than the development of the group. Some independent funders in particular were cited as having made a significant investment in providing support. It was agreed that monitoring and evaluation activity needs to be adequately supported by funders, with clear guidance provided to groups on what is required, and the application of a consistent approach. It was also noted by one respondent that funders need to engage with their funded projects and to have more realistic expectations: *'they need to understand the implications of their*

requirements'.

Other sources of information and support

A range of additional sources of information and support are utilised across the sector. Diagram 10 shows that almost 60% accessed training courses on monitoring and evaluation, including those provided by CENI. Nearly half of respondents obtained information from the internet or referred to publications. A similar proportion reported that they secured assistance from other voluntary support organisations, particularly those relevant to the field in which the organisation operated. The support organisations would also refer members/users to CENI for more detailed advice. Just over a fifth indicated that they

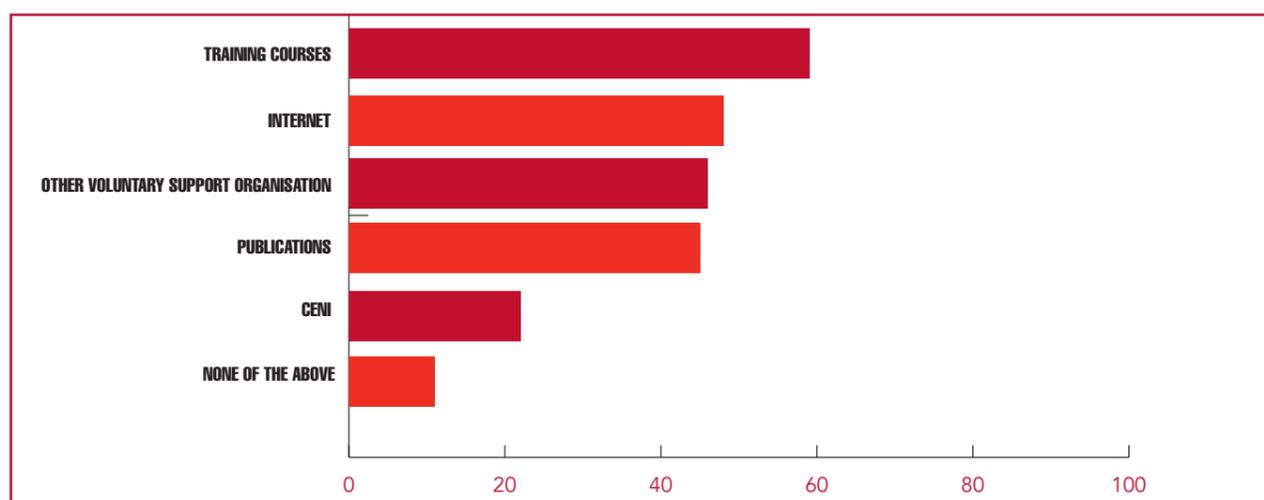


Diagram 10: Other sources of information and support (n=157)

approached CENI directly for specialist information and support in monitoring and evaluation.

Issues in implementing monitoring and evaluation

In terms of future challenges, and the implications of these for monitoring and evaluation, the issues identified by voluntary and community sector organisations were largely similar to those identified by funders.

Future challenges

It was evident at a general level that there are concerns that the environment in which organisations are operating will become increasingly complex. Survey respondents noted the difficulties involved in *'trying to keep abreast'* of developments, and reflected on the challenges of sustaining their organisations, particularly in terms of maintaining staff numbers, skills, motivation and morale, during difficult times.

It was anticipated that funders' demands for monitoring and evaluation would become increasingly complex and difficult to meet, particularly for smaller organisations, or where organisations were in receipt of

funding from multiple sources:

Unless funding organisations streamline their requirements and provide funding for quality monitoring and evaluation, it will be extremely difficult for multi-funded organisations like ourselves.

We are reliant on a cocktail of funders, each funding a specific project with their own requirements for monitoring and evaluation. A unified approach would be helpful, though unlikely.

While it was recognised that there is a need for accountability, there were concerns about growing bureaucracy, and the challenges of meeting these demands whilst also continuing to deliver high quality services.

Survey respondents also perceived that, within the increasingly competitive funding environment, there would be a greater emphasis on value for money, and demonstrating the relevance of activities to government and funders' priorities, leaving little space for *'reflective practice'* or using evaluation to inform learning and development:

The sector needs to become more aware of how to report their

impact and value for money. We need to learn how to measure and communicate the true value of our work whilst also ensuring that what we are doing really makes a difference to people's lives. We must also lobby funders so that they ask the right questions.

A further challenge concerned the need to evidence outcomes and impacts, both for individuals and for communities, and the importance of having in place appropriate methodologies for collecting the necessary data. It was also suggested that there was a need to ensure an appropriate balance between quantitative and qualitative data collection, with a view that there is *'still too much emphasis from funders on that which can be counted, yet may not be meaningful'*.

Implications for voluntary and community organisations

Within the context of these developments, voluntary and community organisations were able to identify a range of difficulties relating to the implementation of monitoring and evaluation. Diagram 11 shows that the key issues for most organisations were simply having the time and resources to be able to prioritise evaluation activities, given the

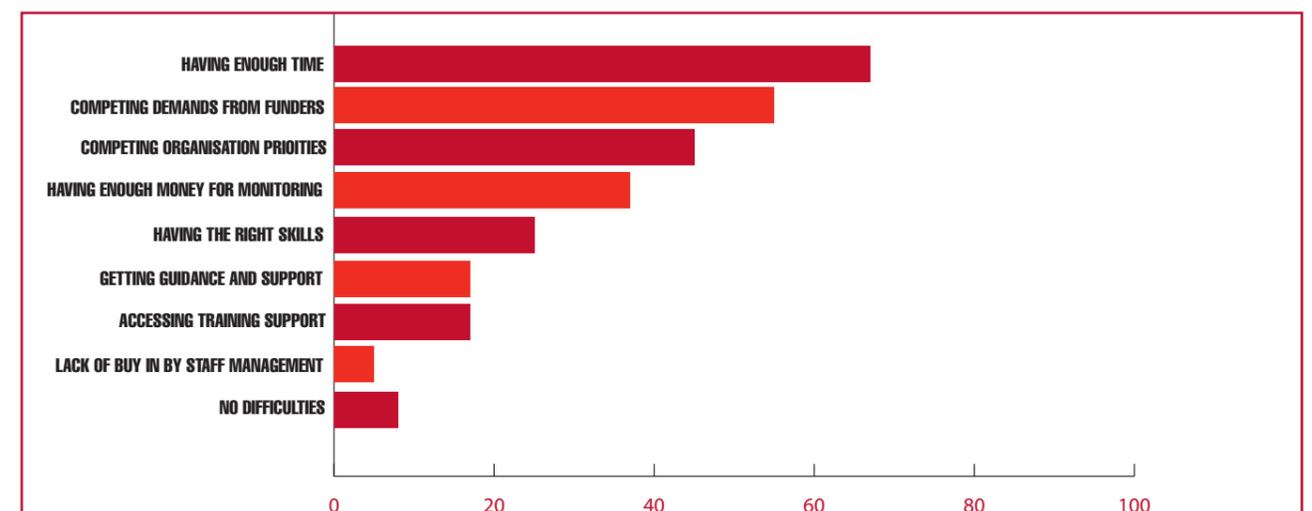


Diagram 11: Main issues in implementing monitoring and evaluation (n=155)

pressure of other demands, particularly the external demands of funders. Having the right skills and accessing proper support matters little if the time is not available to actually apply them. Only a very small proportion of respondents (several of which were large, well-established voluntary organisations) indicated that they had no difficulties in this area.

Umbrella/support bodies reiterated this view and commented that securing and maintaining stakeholder buy-in to monitoring and evaluation was a key issue. For organisations which are in 'survival mode' and 'struggling to meet demands', securing the commitment of stakeholders was viewed as requiring concerted efforts to raise awareness of the value and benefits of evaluation as a process which should be 'integral and not just funder-driven'. It was suggested that this would require 'changing the culture within organisations from monitoring towards becoming learning organisations'.

The capacity of organisations to meet increasingly sophisticated requirements is also clearly important. There was a recognition of the importance of skills

development, and the need for voluntary and community organisations to access high-quality training and guidance in this area. However, securing the necessary knowledge and skills, 'knowing where to access support', and having the 'budget and time' to attend training, were seen as presenting difficulties. While some support is available to groups through various networks and umbrella/support organisations, it was suggested that 'demand outstretches the resources available'. The challenges were summed up by one survey respondent, who noted: 'everyone wants it, but no-one wants to pay for it'.

Skills support needs

It is evident that, in light of the perceived challenges, there are a range of skills support needs in relation to monitoring and evaluation across the sector.

Emerging needs

Diagram 12 shows that the most frequently reported need was in the area of measuring and reporting on outcomes, with well over half reporting this as an issue. This was closely followed by establishing and

using ICT systems for monitoring and evaluation. Just over a third of respondents also reported needs in relation to both establishing and using data collection systems and measuring and reporting on performance. Other suggestions included the development of more standardised approaches across funders, and advice about the different monitoring and evaluation requirements currently in place.

These findings were reiterated through consultation with umbrella/support bodies, when reflecting on the support needs of their member groups. Understanding and measuring outcomes, including the use of baseline tools was highlighted as particularly important. Respondents also referred to difficulties with understanding the jargon used, which makes the monitoring and evaluation process more onerous for organisations, and pointed to the need for clarity on the use of terminology. There was also reference to the need for support at the stage of project planning, and with funding applications, to ensure that aims, objectives, outcomes and targets are specific, measurable, achievable, realistic and with clear timescales. The development of general research skills is also

required, to strengthen the evidence of need, contribute to evidence-based practice and support their case, as well as enhancing the ability to effectively analyse data and report, in order to draw out learning and identify recommendations for future action. The use of creative approaches, including learning from international developmental models, was also seen by some as important.

There was a perception that there is a need to focus not just on the support needs of the voluntary and community sector, but also those of its funders:

Rather than training the voluntary and community sector, training should be provided to funding bodies and government on what monitoring and evaluation would be effective, proportional and beneficial to both them and the voluntary and community organisations. The problem mainly lies with them and not with the voluntary and community sector.

Meeting the needs

There are potentially a range of different approaches to meeting these needs, and umbrella/support bodies made a number of suggestions, based on their own experiences of delivering support to member groups.

Packages which are tailored to organisational needs were generally considered to be more effective than generic training, particularly for smaller groups. It was noted that this could be delivered through one-to-one mentoring or in small groups, but would need to be practically, rather than theoretically, focused, and accessible to the 'hardest to reach' in terms of language used, timing and place of delivery. It was also suggested that development staff within support organisations would benefit from specialist evaluation support, possibly through a cascade training programme, to develop confidence in effectively dealing with support needs on the ground.

It was acknowledged that the provision of in-depth training and support is resource intensive, but that, if the quality of monitoring and evaluation practice is to improve, investment in skills development is essential. There was also recognition of existing skills within the sector, and it was suggested that there should be mechanisms by which these could be shared, 'matching skills needs to providers'. The move towards mergers and collaborative working was seen as potentially contributing to enhanced skills-sharing.

Respondents noted that, while the use of external specialist support in evaluation can add value, it needs to be quality assured, and is also costly and therefore difficult to budget for in the current funding environment. It was suggested that information in the form of 'briefing papers' or 'evaluation guides tailored to the needs of specific groups' could be a useful approach to enhancing knowledge and introducing different ways of working. Signposting to support organisations and sources could also be improved.

The need for a more joined up approach was identified by one respondent who suggested that it was, at times, difficult to see the links between monitoring requirements and measuring the contribution to achievement of policy objectives:

There is a need for greater clarity amongst stakeholders on what outcomes are important to achieve and, linked to this, the development of an agreed indicator framework which will guide the monitoring processes.

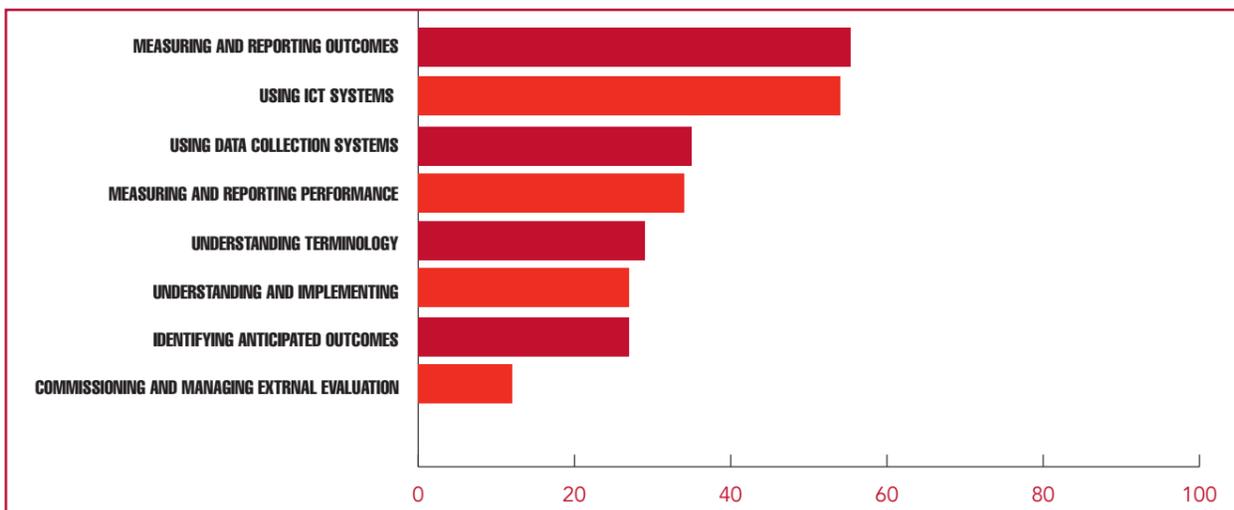


Diagram 12: Skills support needs (n = 143)

4: Conclusions and learning

In this section, we draw out and summarise the key conclusions from the research. Based on the learning emerging we propose a possible framework for addressing the issues identified. The intention is that the framework outlined will provide a basis for further discussion, debate and development across the sector and amongst funders.

The current picture

This research has been conducted at a time when the voluntary and community sector in Northern Ireland is experiencing unprecedented change in terms of resourcing and the nature of its relationships with funders. These developments pose real challenges in terms of the capacity of the sector and its funders to be able to understand and use monitoring and evaluation effectively.

The research shows that, while there are variations, monitoring and evaluation focuses primarily on scrutiny and accountability, as funders respond to the external demands of audit. In turn, the approaches adopted by funders, particularly government funders, have been focused on meeting this demand. Accordingly, data collection systems and processes have been designed around measuring project performance against targets, and testing for compliance with financial or other governance controls. This has resulted in:

- Increased demands – often multiple, from different funders - for information from funded organisations;
- Collection of data about activities and outputs, with less emphasis on innovation or practice development, for example;
- Increased focus on good governance and quality standards, and on risk assessment;

- Value for money and sustainability issues coming to the fore;
- The conduct of external evaluations for accountability purposes, rather than learning;
- A focus on individual project evaluation/inspection, and less concern with aggregating project level data, or programmatic/strategic evaluation.

At the same time, a shift to an outcomes focussed approach to funding has placed further demands on both funders and organisations within the sector. While there are some examples of good practice, the methods and skills to understand, develop and implement outcomes approaches remain largely underdeveloped. The focus continues to be on outputs, generating quantitative monitoring data, as opposed to outcome measurement.

However, the research suggests that there is a growing awareness that the scope of evaluation needs to be widened beyond a focus on scrutiny and accountability to encompass improved programme outcome/impact measurement and the capture of learning.

It is clear however, that scrutiny and accountability will remain key priorities for monitoring and evaluation, especially for government funders. As resources become tighter, every pound of public money invested in the community and voluntary sector has to be accounted for. In this sense, a focus on individual projects is

important; they need to demonstrate they are efficient, well-run organisations, delivering on funding objectives and meeting agreed targets. The current government 'Green Book' standards provide a framework for examining these issues.

However, beyond this there are wider questions that evaluation needs to address – primarily, is the investment of scarce public resources achieving the maximum return it can? This needs to be considered against the following:

- Is investment being directed to where it is most needed and can add most value?
- Is there a clear understanding of what change that investment is expected to achieve?
- Is the investment producing identifiable and measurable outcomes that make a real difference?
- Is learning being captured to inform improvements in service delivery or programme development?

As the research has shown, addressing these wider evaluation questions is hugely challenging for both funders and funded projects.

The challenge is particularly focussed on funders. The need to maximise return from a contracting funding base means that they will continue to take a more strategic approach to funding the community and voluntary sector.

This will have implications for relationships, particularly between government funders and the sector. The shift from grant making to contracting of services will continue post-RPA, with a greater focus on a purchaser/provider split. However, it is important that voluntary and community organisations are not viewed simply as sub-contracted service deliverers, but rather as partners in social improvement. In this context the onus is on the funder to define their priorities for funding and negotiate the delivery of agreed outcomes with voluntary and community organisations. The VCU commissioned report on 'Evaluating Community and Voluntary Activity'⁸ produced by CENI in 2003 emphasised this point:

'If the partnership ethos of government is more than mere rhetoric, what is required is a strategic engagement between funder and project about how programmes can be developed, about what the targets and outcomes should be and about what forms of monitoring are appropriate. Funding still has to be about delivering measurable programme imperatives, but funded projects should be within the umbrella/support of partnership rather than the status of sub-contractor.'

The current review of the Compact and the proposed development of a new Concordat document will potentially update and clarify the mechanisms by which the partnership relationship between government and the sector will be operated in future.

Funders' approach to evaluation in the community and voluntary sector needs to be considered and developed within this wider context.

A possible framework

The research shows that the demands for, and expectations of, monitoring and evaluation are growing. Evaluation now has to address multiple needs and has become an increasingly complex and multifaceted process. In an effort to distil some of this complexity and produce a more unified and integrated approach to evaluation, CENI proposes a possible framework. This is informed by current literature on a 'systems thinking' approach.

'Systems Thinking' as described by Seddon (2008)⁹, refers to a systematic relationship between purpose, measure and method. Measures need to be derived from purpose, which then informs the methods used to collect information required.

Translating this into a proposed framework, we start with an emphasis on the broader questions for evaluation i.e. what is the need that the investment/programme is addressing, what change is the investment expected to achieve and how is this to be measured? As shown in Diagram 13, in considering these questions we refer to the headings of Intelligence, Systems, Support and Relationships. Each

element is interdependent and an essential part of the whole picture.

The framework provides an integrated approach, beginning with a clear rationale for investment and the adoption of a holistic approach to evaluation to capture change. This then informs the design of systems required to measure, collect and analyse monitoring and evaluation data. The implementation of the systems in turn need to be underpinned by appropriate resources and support, to develop capacity among both funders and organisations. Finally, the whole process is predicated by the notion of a partnership approach between funder and funded which seeks to ensure mutual benefits from the process.

Table 2 overleaf details the key components of the framework.

Intelligence

Developing a **strategic investment** approach to funding in the voluntary and community sector should be informed by evidence of need, clarity of purpose and negotiated agreement.

Evidence-based policy has long been the mantra of government investors. There is an increasingly rich supply of datasets being

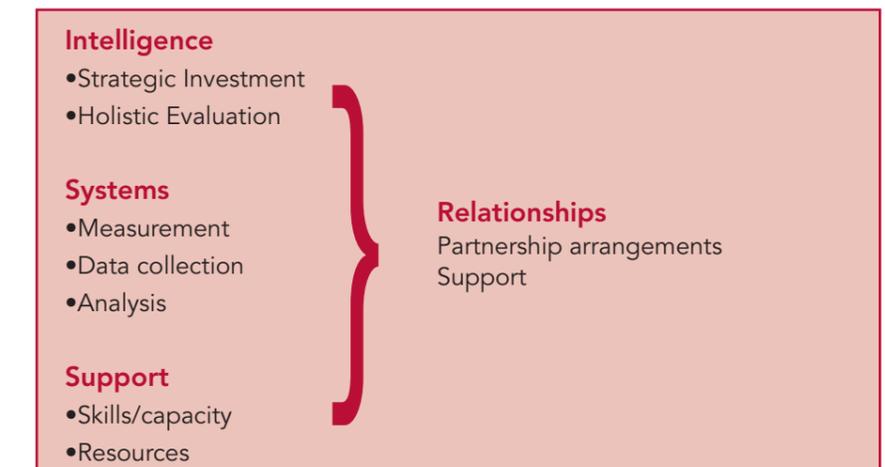


Diagram 13: Possible evaluation framework

developed and made available on the needs and assets of communities. These include local area data from sources such as the NI Neighbourhood Information Service, NINIS¹⁰, (which now includes a 'Social Assets' database recently developed by CENI and the Community Foundation for Northern Ireland¹¹), as well as previous evaluations and research studies. Using these sources to update understanding of need and to channel resources effectively is important, especially in spatial development programmes such as Neighbourhood Renewal, in order to better baseline community needs and measure change.

The **rationale for funding** needs to be clear and, where possible, informed by a theory of change i.e. what is the change the investment is trying to bring about.

*'Where policy does not have a stated theory of change it will become difficult to link activities to outputs and outcomes during delivery. How can change be targeted and measured if how it happens is not understood?'*¹²

Engagement with the voluntary and community sector as delivery agents for change is also an important part of the process. As pointed out previously the nature of the funding

interaction, particularly between government funders and the voluntary and community sector, needs to be clarified. In previous research, CENI referred to this as a negotiated transaction:

*'Transactions involve a specification of mutual responsibilities, of what should be done at what costs and, as far as possible, of the benefits to both parties. This requires a sharing of the different kinds of knowledge held by each side, agreement about the outputs required and negotiation about their anticipated outcomes'*¹³.

The role and purpose of monitoring and evaluation in this context is widened beyond accountability to include the specification and measurement of programme and project level outcomes and the capturing of learning. Scrutiny still remains a core function, but this is within a more **holistic evaluation** approach, which places more responsibility on both funders and funded organisations to embrace and operate. Evaluation becomes a strategic part of the feedback loop, providing the evidence base to inform decision-making. As the research has indicated, too often evaluation stops at project inspection with no feedback into programme or policy level.

Systems

Clarity about the purpose of funding and the adoption of a more holistic approach to evaluation informs the development of appropriate systems to measure, collect and analyse information required.

Measurement systems should be primarily focused on outcomes.

The research shows that many funders and organisations have not sufficiently grappled with outcomes and evaluation is often still focused more on outputs than on the link between outputs and outcomes.

Outcomes need to be derived from the objectives of the funding programme and the changes it wants to achieve. Policy or programme level outcomes then need to be translated and negotiated into project level outcomes. Stakeholders at all levels should be involved in the development of outcomes to ensure they are meaningful, specific and useable. This can be achieved as part of the negotiated transaction:

'The indication of anticipated outcomes requires a synthesis of

*the different kinds of knowledge held by funder and funded organisation. Accordingly they cannot be dictated by either side, but should be the result of negotiation'*¹⁴.

A number of useful outcome frameworks have been developed including those used by the Supporting People Programme; there are also models such as the Social Return on Investment and the CENI Social Assets model which provide potential reference points to take forward an outcomes approach.

Data collection systems are then developed and informed by the specific measurement requirements of the funding programme. As shown through the research, too often systems are imposed externally with a one-size-fits-all approach. Ideally they should be appropriate to the specific needs and circumstances of both the programme and project, proportionate to the level of investment and coordinated across programmes.

Similarly the external evaluation of funded projects should be informed by the specific measurement needs. Terms of reference should reflect this; they should be negotiated up front and incorporated as part of the contract for funding arrangement. Furthermore, funded organisations could then be briefed as to what information is required for evaluation purposes and prepare for when this is needed. This would facilitate the development of internal or self-evaluation systems which are better connected to the needs of both funders and organisations themselves.

This also re-focuses the role of the external evaluator and would make possible a more participative approach to the external evaluation

process, whereby organisations would be better able to interact with the evaluator as a 'critical friend'. This in turn would inform the experience and skills sets required of evaluators. In light of this a set of principles and guiding standards for the conduct of external evaluations would be useful. This could involve an update of the guidelines produced by the VCU's predecessor the Voluntary Activity Unit in 1996, 'Guidance on the Commissioning and Conduct of Evaluations'¹⁵.

Analysis and use of monitoring and evaluation data collected should be made explicit at the outset. Again, if the information required is correctly specified at project and programme level, the analysis of that data will make it possible to:

- Scrutinise performance i.e. project inspection and programme management;
- Link outputs to outcomes for projects and then aggregate from project to programme level;
- Consider the implications for learning and improvement for individual projects and future programmes/policy.

Support

The development and implementation of such an integrated approach will take considerable investment, not least in the training and support of programme managers and administrators as well as funded organisations.

The research found that the primary **skills support** need identified amongst both funders and organisations within the sector relates to measuring and reporting on outcomes, and, that, for the former, this is matched by the need to be able to use monitoring and evaluation data to inform programme development.

INTELLIGENCE	
Strategic Investment	Evidence of need – Targeted investment Rationale for funding - Theory of change Engagement with projects – Negotiated transaction
Holistic Evaluation	Scrutiny - accountability, inspection Outcomes - project and programme achievements Learning - practice improvement, policy development
SYSTEMS	
Measurement	Define develop Programme level outcome indicators Inform negotiate Project level outcome indicators
Data collection	Monitoring – appropriate, proportionate, and coordinated External evaluation – Terms of reference, timing, involvement Self evaluation - connected to needs of project and funder
Analysis & Use	Project Level Scrutiny - project inspection, Outcomes - project achievements Learning - practice/service improvements Programme Level Scrutiny - programme management, Outcomes - aggregate project achievements Learning - review practice, feedback learning, inform policy
SUPPORT	
Skills/capacity	Understanding role & purpose of evaluation Outcomes – define, develop
Resources	Data collection – design, management Data analysis – understand, inform
RELATIONSHIPS	
Partnership	Partnership approach between funder and funded which ensures mutual benefits from the process
Co-ordination	Co-ordination between funders to share learning

Table 2: Key components of the framework

While these are clearly essential areas for development, the framework would suggest that there is a need to consider capacity-building across a much broader range of inter-related areas including:

- Understanding the role and purpose of evaluation in the context of the community and voluntary sector;
- Defining outcomes;
- Design and management of data collection systems;
- Analysing and using data to inform decision making;
- Sharing of information to inform learning.

In terms of meeting these needs, while the research indicates that there has been some investment in supporting monitoring and evaluation practice in the sector, there is a need to build on this, and consider a more strategic approach to developing capacity, with the type and format of support tailored to the particular needs of both funders and funded organisations.

Both generic and specialist training provision is required. Generic training, particularly in understanding the role and purpose of evaluation in a changing funding environment is needed at all levels. More specialist training in outcomes measurement, data collection and analysis is required for funding programme managers and project staff. It may also be useful to consider developing the capacity of staff from support organisations to develop skills in effectively dealing with support needs on the ground.

Moreover as well as providing technical skills training for both parties, developing a culture of learning is essential to fostering a better understanding and use of evaluation. The research found that

there was a recognition of existing skills within the sector, and there may be mechanisms by which these could be shared, both across the sector and between funders and funded organisations.

There may also be a need to consider developments around other areas related to monitoring and evaluation. Better use of ICT could be one potential area that would assist the streamlining of data collection, and while there are issues associated with this, there may be a need to think about ways of effectively using ICT to support monitoring and evaluation processes. Similarly, there may be a need to develop greater understanding of the complementarity of quality approaches and standards with other approaches to measurement, monitoring and evaluation.

There are clearly **resource** implications for all of these aspects, both for the sector and its funders. However, if monitoring and evaluation is to become an integral part of the strategic planning and funding cycle, then these sorts of investments are essential.

Relationships

Finally and importantly the operation of this framework is contingent upon the development of relationships at a number of levels. The engagement and participation of the community and voluntary sector at all stages is essential. While evaluation is seen as serving only funders' needs, then organisations will not be motivated or encouraged to understand and use information for their own development. Ownership and sharing of information is crucial to the building of **partnership** relationships and developing a more mature and strategic use of evaluation. The current

development of the Concordat will be an important step to help to ensure that this is realisable.

At the same time, there is also a need for the development of relationships across different funders, to ensure better **co-ordination**, not just in relation to the development and implementation of approaches to monitoring and evaluation, but also to facilitate shared knowledge and learning.

Here, it is worth pointing to developments elsewhere. In 2006, the Scotland Funders' Forum, in conjunction with Evaluation Support Scotland, produced an 'Evaluation Declaration'¹⁶. This sets out the principles for and approach to monitoring, evaluation and reporting within the voluntary and community sector in Scotland. While the declaration does not have an official status, it is important:

The declaration is evidence of shared thinking between funders and a shared agenda with the organisations they fund. For the first time in Scotland funders have set out their view and vision of monitoring and evaluation. And they have done it together.

The declaration should help the voluntary sector and others understand what is important to funders in monitoring and evaluation and so improve relationships between funders and funded organisations^{xi}.

Evaluation Support Scotland is currently reviewing the operation of the declaration, and will shortly be reporting on progress towards the development of a more coordinated approach to reporting amongst funders. It will be important to learn from this initiative and incorporate the ideas and approaches into any future framework for evaluation.

Going forward

This report has attempted to review the current state of monitoring and evaluation practice from the perspective of both funders and voluntary and community sector organisations. While the research indicates that there are differing views on the purpose and usefulness of evaluation as currently practised, it is worth noting that there have been many positive developments, and practice has advanced considerably over the last decade. This has included initiatives from independent funders such as the Big Lottery Fund and Children in Need for example, as well as the development of pioneering approaches to measurement and the provision of support as developed by CENI in conjunction with VCU and other funders.

However it is clear that in the tighter fiscal environment now looming, public investors in particular are faced with a stark choice. On the one hand they can continue to 'sweat' the existing assets in order to enhance efficiency and maximise the outputs delivered, which means an even greater focus on scrutiny and accountability and a corresponding top-down, command and control relationship with voluntary and community sector deliverers. On the other hand they can try to discover more effective ways of investing public resources to address need and deliver better services. This would widen the scope for evaluation to focus on evidencing need, measuring real changes and capturing learning to inform new ways of working. This would also involve a more proactive partnership engagement with the sector.

The research shows that both funders and voluntary and community organisations see the need and recognise the potential for the latter approach, but that it will require a shift in priorities to widen the scope for monitoring and evaluation and a corresponding commitment of time and resources to achieve this.

The framework outlined here attempts to draw together all of the key issues identified through the research and provide a means of systematically considering these through a more unified and integrated approach. It is intended that this should provide a basis for further discussion and development in order to move monitoring and evaluation forward in the new environment.

Acronyms and abbreviations used in the report

BACP	The British Association for Counselling and Psychotherapy
CENI	Community Evaluation Northern Ireland
CES	Charities Evaluation Services
CRC	Community Relations Council
DARD	Department of Agriculture and Rural Development
DFP	Department for Finance and Personnel
DHSSPS	Department of Health, Social Services and Public Safety
DSD	Department for Social Development
EU	European Union
ICT	Information and Communication Technology
ISO	International Organisation for Standardisation
NICVA	Northern Ireland Council for Voluntary Action
NIHE	Northern Ireland Housing Executive
NINIS	Northern Ireland Neighbourhood Information Service
NIO	Northern Ireland Office
PQASSO	Practical Quality Assurance System for Small Organisations
RCN	Rural Community Network
RPA	Review of Public Administration
SMART	Specific, Measurable, Achievable, Realistic, Time-bounded
SPEAK	Strategic Planning Evaluation and Knowledge
VCU	Voluntary and Community Unit (of the Department for Social Development)

Appendix 1: Organisations consulted for the review

Government departments and agencies

Belfast Health and Social Care Trust
Community Safety Unit, NIO
Community Relations Council
Health and Social Care Board
Health Development Policy Branch, DHSSPS
Investing for Health
Neighbourhood Renewal, DSD:
 Regional Development Office
 Belfast Regeneration Office
 North West Development Office
Northern Ireland Housing Executive
Probation Board Northern Ireland
Public Health Agency
Rural Development Programme, DARD
Voluntary and Community Unit, DSD

Independent funders

BBC Children in Need
Community Foundation Northern Ireland
Lloyds TSB Foundation NI
The Atlantic Philanthropies (NI) Ltd
The Big Lottery Fund
Youthnet

Evaluation commissioners/practitioners within Government

Delivery and Innovation Division, Department of Finance and Personnel
DSD Economics Branch

Umbrella/support bodies

Action Mental Health
Age Concern/Help the Aged
Border Action/An Phobal
Community Change
Cunamh ICT
Early Years Organisation
Northern Ireland Council for Voluntary Action (NICVA)
Northern Ireland Council on Ethnic Minorities (NICEM)
Rural Community Network
Volunteer Development Agency
Women's Support Network

Appendix 2: References

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Community Evaluation Northern Ireland (CENI) is a unique support organisation providing a range of specialist evaluation and training services to the voluntary and community sector, statutory sector and funders.

Mission

To enhance the effectiveness of the voluntary and community sector through a better understanding and use of evaluation

Aims

Promote a broader awareness and understanding of evaluation

Develop knowledge and skills in evaluation

Assess performance and contribute to organisational learning

Inform policy and practice in the conduct of evaluation

Services

Information and advice

Training and support

External evaluation

Research and development