Evaluation of the Early Action Neighbourhood Fund: *Learning Summary*

Evaluating Complex Systems Change Projects

Chris Dayson, Sarah Pearson and Ellen Bennett
CRESR, Sheffield Hallam University

Summary

The Early Action Neighbourhood Fund (EANF) was a joint funding programme developed by the Early Action Funders Alliance which aimed to bring about 'systems change'. It invested £5.3m of funding in three early action projects in Coventry, Norwich and Hartlepool. This short report outlines what we have learnt from the Evaluation of the Early Action Neighbourhood Fund about evaluating systems change projects. It is intended to aid other evaluators, funders and projects wishing to embark on similar initiatives in the future.

Defining 'systems change'

Each EANF project sought to bring about greater recognition by local public services of the benefits of early action and prevention by piloting new ways of working collaboratively and providing support to vulnerable groups.

The key learning points are as follows:

1. **Theories of change** – at the programme and project level – **should be revised regularly and used iteratively** to test and revise assumptions about how, why and in what contexts systems change objectives may be achieved.

2. **Evaluators should work closely with projects and their key stakeholders to 'map' the system(s) and agree where the boundaries lie**. This will enable evaluations to focus on identifying the key processes, values and behaviours that exist within a system, and the type(s) of inputs and activities may be necessary to facilitate change.

3. **Evaluators should employ flexible methods and an adaptive methodology** to capture a range of evidence linked to the theory of change. Projects should consider whether to adopt or adapt an existing systems change methodology to guide their efforts which may also provide a framework for evaluating their work.

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4. **Evaluation methodologies should recognise that systems of public service delivery are highly complex and emergent** – characterised by unexpected outcomes and events – which makes attributing change to individual initiatives very challenging. Evaluation should be utilised as a tool for understanding this complexity and identifying the mechanisms that may facilitate systems change.

5. **Locally embedded evaluators** can be **a key component of systems change evaluation at a project and programme level**. This involves evaluation specialists working within project teams and contributing to systems change objectives. Funders interested in supporting systems change projects should ensure sufficient time and dedicated resource is committed to embedded local evaluation roles.

6. **Evaluations should be co-produced** between external evaluators, funders and funded projects. The EANF Evaluation involved a process of co-governance, co-design and co-delivery which enabled us to combine shared learning and insights and project-level evidence with more formal evaluation activity. This approach produced a more rounded understanding of the programme than would have been possible through a more traditional 'arms-length' approach.

Introduction

During the Evaluation of the Early Action Neighbourhood Fund (EANF) the Evaluation Team, the funded projects and the EANF funders have work closely to develop a better understanding about what works well – as well as what works less well – when evaluating projects that have an explicit focus on 'systems change' in complex settings. This short learning report aims to draw on evidence and wider reflections from across the five-year evaluation to identify the key learning that has emerged about evaluation approaches and methodologies. It will be of interest to evaluators, funders and projects exploring the characteristics and effectiveness of work focussed on achieving systems change within different public service fields.

The Early Action Neighbourhood Fund (EANF)

The Early Action Neighbourhood Fund (EANF) provided over £5m across five years to support three projects to develop innovative models of preventative support. EANF grew out of the Early Action Funders Alliance, a coalition of charities, business and public sector organisations committed to making the case for early action, helping funders to embed it in their work, and support a shift toward a greater emphasis on early action in policy, funding and practice.

Five members of the Alliance committed resources to EANF. Grant funding was provided by The National Lottery Community Fund, Comic Relief and Esmée Fairbairn Foundation. The Barrow Cadbury Trust and Legal Education Foundation provided additional support and guidance.

Background

The original specification for the Evaluation of EANF was set out along 'traditional' lines, with a number of summative objectives, including several associated with the contribution of each project to 'systems change'. Systems change was defined in very loose terms as a *shift toward early action* within each of the service areas in which projects were operating, alongside recognition that this required *transformation in service delivery*. In the programme level theory of change, developed before any funding had been allocated, systems change was framed *as increased spending on early action and prevention* within and beyond of the EANF pilot areas.

As the programme developed and learning from project level implementation was shared it became clear that wholesale changes to how public services allocated their resources were unlikely within the lifetime of the EANF programme. Government austerity measures meant that each of the three projects were operating in heavily resource constrained public service systems where the focus was on which budgets to cut rather than identifying areas where there could be increased levels of investment. In this context, viewing systems change in purely summative terms was likely to obscure the formative and developmental aspects of systems change on which the projects had focussed.

Recognising this change of emphasis in each EANF project's approach to systems change, at the midpoint of the evaluation the Evaluation Team, in collaboration with the funders and funded projects, undertook a process of revising the EANF theory of change.[1] The revised theory of change placed greater emphasis on the formative elements of the EANF projects' work towards systems change and how this was integrated alongside their delivery of early action interventions. By changing the theory of change in this way the evaluation was able to focus on identifying some of the key mechanisms – things such as practices, behaviours, values and norms – and strategies through which EANF projects have worked towards systems change, whilst recognising that lasting system-wide change may only be achieved in the much longer term.

Evaluation, systems change and complex systems

It is increasingly recognised that policy evaluation occurs within 'complex systems', or in the context of 'whole system approaches', and evaluators are increasingly being asked to consider the implications of interventions or initiatives for 'systems change'. In early 2020 HM Treasury published an update of its Magenta Book – the government guidance on policy evaluation – with a supplementary guide on 'Handling Complexity in Policy Evaluation'. The guide highlights how complex systems have characteristics that make their behaviour hard to predict and which present challenges to policy making and evaluation. These include a state of continual change, but also resistance to change; the influence of context and history, meaning the same intervention will often have different outcomes in different contexts, or when delivered in a slightly different way; and that policy interventions often need to evolve over time in response to the way in which the system is adapting or changing.

The Magenta Book guidance highlights the importance of a continuous process of evaluation and learning, to enable flexible or adaptive management in complex, evolving environments. It suggests that an appreciation of how complexity can affect the policy process provides the opportunity to enhance effectiveness both in the design and delivery of the policy, and in its evaluation. Factors which mean complex systems intensify the challenges for evaluation include:

» Sensitivity to context and to how the boundary and scope of the evaluation are defined.

» Causality - whether the policy led to a particular outcome - can be hard to prove because of the difficulties it creates for standardising an intervention or isolating a control group.

» Complex systems are constantly changing which means the design of the evaluation may also need to be changed over its course.

» Change - including outcomes and lasting impacts - may continue in difficult to predict ways after the evaluation has finished.

» Some components of a complex system can have a disproportionate influence over the whole - they may help to mobilise or slow down change and make a system vulnerable to disruption.

Given the nature of complex systems, and the challenges associated with understanding systems change, an appropriate evaluation strategy should support learning and an adaptive management approach by focussing on identifying and tracking changes associated with a policy intervention over time. This means it should aim to increase understanding of both intended and unexpected effects and enable plans to be adapted if things take an unexpected course.

Learning about evaluating systems change projects

The journey taken by the Evaluation Team – alongside the funders and funded projects – during the EANF Evaluation has enabled us to identify a series of learning points that may be interest to other evaluators, funders and projects embarking on similar initiatives in the future.

Learning point 1: theories of change should be revised regularly and used iteratively to test assumptions about how, why and in what contexts systems change objectives may be achieved

Many projects and policy interventions begin with a theory of change which sets out a logical linear process through which it is anticipated that change will occur. This theory of change then becomes a central component of any subsequent evaluation: it

1 For a summary of the learning from this process see: EANF Evaluation Learning Update: Revisiting the Programme Theory of Change (September 2018).

provides a reference point for the types of resource inputs, outputs, activities and other mechanisms associated with different types of outcome change; and it provides a set of assumptions and inferential relationships that can be tested with different types of evaluation data and evidence.

Within EANF the theory of change operated at a number of levels. First, there was a programme level theory of change which was intended as 'straw man' to be interrogated, tested and revised as the programme developed. Second, there were a series of project level theories of change through which each of the funded projects set out how they anticipated that change would occur. This use of theories of change has provided a number of lessons for how to use a theory of change in systems change evaluation:

» Theories of change should be seen as live instruments that explain a programme or project's current systems change hypotheses: the role of evaluators should be to test, revisit and revise the theories of change at regular points during an evaluation.

» A theory of change should be explicit about the assumptions and evidence behind why certain inputs or activities will result in certain outcomes associated with systems change: these assumptions should be treated as hypotheses to be tested through evaluation, not certainties.

» Evaluators should develop strategies to capture evidence from formative and summative components of the theory of change.

» The theory of change should differentiate between outcomes for service users or communities and systems change outcomes, but be clear about how the two may be related.

Learning point 2: evaluators should work closely with projects and their key stakeholders to 'map' and bound the system(s) and agree where the boundaries lie

What constitutes a 'system' is contested and can vary a great deal according to policy context and service field. Evaluations of systems change initiatives should seek to map and identify the boundaries of the system of interest at the earliest possible stage. This should involve consulting with key stakeholders about how they understand the

Building on a 'straw man' theory of change

The original EANF theory of change described 'successful' systems change as evidence of increased spending on early action and prevention within and beyond of the EANF pilot areas. During the programme it became clear that changes to how public services allocated their resources were unlikely due to government austerity budgets cuts. This led to the theory of change being revised to focus on the mechanisms and strategies through which EANF projects worked towards systems change. In this context 'success' may be in the form of the preservation of existing early action funding or protection from future budget cuts, rather than increased spending.

'system' and where its boundaries lie. This will enable an evaluation to focus on identifying the key processes, values and behaviours that exist within a system, the type(s) of change that are intended, and what inputs and activities may be necessary to bring change about.

Within the EANF a number of different types of system were identified. For example, the Norwich project was seeking to bring about change within two types of systems:

a. Schools: relatively small and tightly bounded systems with a narrow locus of control.

b. Child and Adolescent Mental Health Services (CAMHS): a much larger system nested within an even larger health and social care system, which is subject to multiple pressures and accountability mechanisms.

For each system the intended systems change outcome – greater focus on wellbeing of young people – was broadly the same, but the strategies and activities undertaken by the project were very different. Understanding the boundaries and nature of these different systems was a vital component of project-level evaluation as it enabled the projects to better understand the scope and scale of change that could be achieved and how this might be measured.

Learning point 3: evaluators should employ flexible and adaptive methodologies to capture a range of evidence linked to the theory of change

Evaluation of complex systems change programmes requires a flexible and adaptive strategy for identifying which types of data to collect and which methods to be used: quantitative data may be required to measure change for specific outcome measures or to capture evidence about resource inputs, outputs and flows; qualitative data may be used to capture insights and learning from projects, funders and other key stakeholders about practices, behaviours, values within systems and how these enable or inhibit its capacity to change. Through the EANF evaluation we found that good quality data and evidence, from a range of sources, provided the projects with credibility when advocating on behalf of communities with public sector services.

Recently, there has been a proliferation of 'systems change methodologies' which are used to underpin systems change strategies. Examples include the Waters of Systems Change and Collective Impact, by FSG and the System Behaviours Framework, by Lankelly Chase. Neither the EANF programme nor the funded projects were underpinned by an explicit systems change approach or methodology but adopting one could have advantages for evaluation. Used in combination with a theory of change they may provide a framework for exploring the effectiveness of the work and associated processes that are undertaken. The Developmental Evaluation approach also provides a set of tools and principles that can be drawn on to aid the evaluation of complex systems change projects, particularly where it may be helpful to receive real-time, or close to real-time, feedback that facilitates a continuous development loop.

Learning point 4: evaluation methodologies should recognise that public service systems are highly complex and emergent which makes attributing change to individual initiatives very challenging

The EANF evaluation has demonstrated how systems of public service delivery are highly complex and characterised by emergence (i.e. unexpected outcomes and events). In this context the role for evaluation becomes understanding this complexity and its implications for outcomes, rather than trying to reduce a project's achievements and learning to what can be measured. Each EANF

project was focussed on multiple outcomes that were in turn influenced by multiple actors and contextual factors, most of which were beyond the control of single initiatives or agencies; meaning there was no single point of control.

For example, the Hartlepool and Coventry EANF projects both focussed on supporting families or households where children were identified as being 'in need' and at risk of being taken into care. Both projects were operating within a social care system in which a wide range of interventions – public and voluntary – already existed to promote positive and healthy family environments and to meet the day-to-day needs of parents and their children. Each family context was also subject to a variety of contextual and situational factors – such as financial resources, housing status and access to childcare – that also impacted on the lives of their children.

This complexity means that causal evaluation approaches that focus on the attribution of change to specific activities or interventions are unlikely to succeed. Instead, evaluators should focus on theory building and theory testing through rigorous data collection and analysis to ensure that an understanding of complexity and emergence is embedded and captured throughout the evaluation. They should also focus on understanding the 'contribution' projects and programmes make to systems change and identifying the mechanisms most closely associated with change.

Learning point 5: locally embedded evaluators can be a key component of systems change evaluation at a project and programme level

Two of the three EANF projects (Norwich and Hartlepool) had a dedicated evaluation lead from beginning of the programme whilst the third project (Coventry) sought additional funding to recruit one mid-way through. These roles had a dual purpose: to generate data and evidence to demonstrate the outcomes and impact of the work; and to support learning and development associated with systems change. They enabled the projects to access and use evidence in real-time in support of project delivery but also contributed evidence and learning to the programme level evaluation.

Both the Norwich and Hartlepool projects have reflected on the importance of having a dedicated post funded through the programme in enabling them to maintain a focus on data and evidence alongside project delivery. These posts also

enabled the projects to engage in discussions with local public sector partners about accessing data from 'within the system' (for example on school attendance and attainment and social care status). Building the relationships necessary to access this data took time and was made feasible by having a dedicated person within the project to drive the discussions forward.

Learning point 6: evaluations should be co-produced between the external evaluators, the funders and the funded projects

The EANF Evaluation was a co-produced and collaborative effort between the Evaluation Team, the funders and the projects themselves. This involved everyone playing a part in the generation of evidence through a combination of workshops, interpretation of project and programme level data, and sharing insights and experiences as the programme developed. This co-production model was relatively loose and informal, but did involve three key components:

» **Co-governance**: regular meetings and workshops involving the Evaluation Team, funders and funded projects provide opportunities to share learning, discuss progress and shape priorities.

» **Co-design**: meetings and workshops also provided an opportunity for funders and funded projects to inform the overall evaluation approach, including the development of the theory of change.

» **Co-delivery**: embedded local evaluators have had regular opportunities to feed in their project-level evidence, learning and insights to programme level reports. This has ensured that the programme level evaluation has been able to combine evidence generated from the 'bottom-up' alongside evidence collected by the Evaluation Team.

This co-produced approach enabled a more rounded understanding of the programme and its contributions to systems change than would have been possible through a more traditional 'arms-length' approach. The length of the programme (5 years) enabled a series of long term relationships to be developed between key stakeholders and helped foster a commitment to continuous learning that future systems change evaluations should seek to replicate wherever possible.

Conclusion

This short learning summary from the EANF Evaluation has presented lessons about evaluation approaches and methodologies for projects focussed on achieving systems change within different public service fields. These lessons centre on the importance of using theories of change developmentally and iteratively; understanding the boundaries of systems change projects; employing flexible and adaptive evaluation methodologies that take account of the complex and emergent nature of systems; and embedding evaluation in project and programme governance and implementation through a model of co-production.

The challenges presented for evaluators by systems change projects should not be underestimated, nor should the resources and commitment required from funders and project teams to undertake robust systems change evaluations. The evaluation community is still learning how best to evaluate systems change projects, so we hope that the lessons presented here will be used and built upon by people planning to embark on similar work in the future.

Other outputs from the EANF Evaluation, including the Final Evaluation Report, can be download from the EANF website.