



Measuring integrated territorial and urban strategies:

Challenges, emerging approaches and options for the future

Martin Ferry, Irene McMaster Arno van der Zwet– European Policies Research Centre

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Directorate-General for Regional and Urban Policy
Unit 03 – Inclusive Growth, Urban and Territorial Development

E-mail: REGIO-URBAN-TERRITORIAL@ec.europa.eu

*European Commission
B-1049 Brussels*

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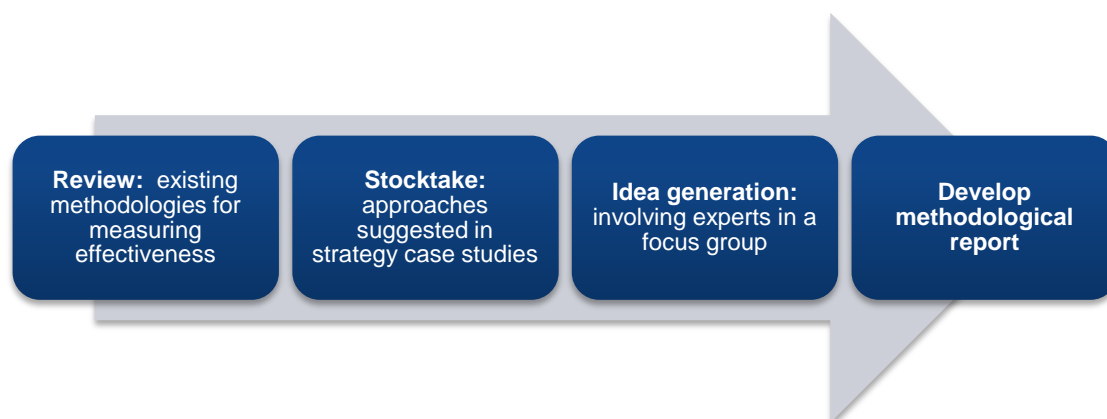
1. INTRODUCTION

This report encompasses the development of a methodology or methodologies to measure the effectiveness of provisions in Article 7 ERDF and Article 36 of the CPR (ITI). There is currently relatively little information in relation to measuring the effectiveness of the new territorial provisions. Guidance on Integrated Sustainable Urban Development¹ ITI scenarios published by the Commission makes limited reference to the development of indicators for territorial provisions and the evaluation of these approaches.²

The report is based on a range of information sources accessed at different stages in the research (see Figure 1) :

- a review of approaches developed for measuring the effectiveness of integrated place-based strategies (e.g. results from the ex-post evaluation of urban development in 2007-13, practices identified as part of the Urban Development Network and URBACT) ;
- a stocktake of approaches to measurement, based on those identified in Task 3 of the project (case studies) ; and
- a focus group held in Brussels in November 2016, with the participation of stakeholders from Commission services, programme authorities, organisations representing local and regional authorities and experts. It provided an opportunity to present and discuss key methodological challenges and develop insights to be integrated into the methodological report.

Figure 1 : Key steps in developing a methodology for evaluating the effectiveness of territorial provisions



Following this introduction, Section 2 highlights the key considerations involved in assessing the achievements of the integrated place-based strategies. Section 3 reviews existing methodological approaches to assessing territorial provisions under Cohesion policy and under urban development. Section 4 explores emerging approaches to the assessment of territorial and urban strategies launched under the

¹ European Commission (2014) *Guidance for Member States on Integrated Sustainable Urban Development* (Article 7 ERDF Regulation), http://ec.europa.eu/regional_policy/sources/docgener/informat/2014/guidance_sustainable_urban_development_en.pdf (downloaded 10/01/18).

² European Commission (2015) *Scenarios for Integrated Territorial Investments*, http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/pdf/iti_en.pdf (downloaded 10/01/18).

territorial provisions set out for 2014-2020. Looking forward, Section 5 outlines options for developing frameworks for future assessments. Section 6 presents conclusions and recommendations on a framework and approach for measuring effectiveness.

2. MEASURING THE EFFECTIVENESS OF URBAN AND TERRITORIAL STRATEGIES: KEY CONSIDERATIONS

2.1 Generic challenges

The importance of assessing the impact and results of public policy interventions is clear. It is expected that integrated place-based strategies and their interventions should be developed with results in mind. Policy-makers, stakeholders and beneficiaries require knowledge and understanding of the progress and effectiveness of the strategies; transparency and accountability have to be ensured. It is important to gather information with which to better understand the role of the interventions and an evidence base comparable to, and where possible compatible with, other interventions.

The most appropriate methodology for measuring the effectiveness of the new territorial provisions depends on a wide range of factors, including the scale and scope of the approach and the quality and quantity of the data available. Moreover, territorial approaches are by their very nature highly shaped by context. They are diverse in terms of their thematic content and geographic scales, e.g. covering selected parts of an urban area, major agglomerations, small-to-medium-sized towns, wider areas including urban areas and their surroundings. As such, important issues to consider in developing an assessment approach include:

- The impact of diversity on the availability and comparability of statistical data, e.g. it can be challenging to set common 'benchmarks' against which the achievements of strategies can be compared. In some contexts the development and adoption of an integrated place-based strategy is a valuable result in itself and represents added value; in others, the approach is simply building on established practices and should be viewed as a means to achieve additional results.
- Identifying the results of the strategies is recognised as complex in the context of multiple, more dominant and complexly interwoven determinants of economic growth.³ Integrated place-based strategies over potentially broad themes with comparatively small amounts of money.
- Approaches to strategy management and implementation vary: in some Member States, strategies are embedded in existing urban development arrangements or wider interventions, which may make it difficult to directly attribute achievements to the integrated place-based strategies alone.
- The information required to assess the effectiveness of a strategy in a given territory is likely to be different from the information required by policy-makers at the regional, national and/or European levels.
- How can the softer 'added value' objective of these initiatives be assessed? For instance, how can potential contributions to strengthening human and social capital among the actors and networks involved in integrated place-based strategies be incorporated in evaluating effectiveness?

2.2 Specific challenges

However, beyond this, there are specific challenges and complexities that are inevitable given the particular characteristics of these territorial and urban strategies.

- First, there are implications of measuring initiatives that can cover multiple ESI funds. The multi-fund approach affects the ability to measure the contribution of these provisions to a large extent. Strategies may be well integrated internally, but for the purpose of measuring the contribution to particular OPs, strategy activities

³ OECD (2007) *2007 Economic Review - European Union*. Paris: Organisation for Economic Cooperation and Development, p.129.

must also be put into the architecture of monitoring systems that are often designed around the requirements of separate funds (ERDF and ESF).

- Second, there is the challenge of combining measurement of impacts under a specific, limited number of policy themes with assessments of integrated territorial results. Consequently, the strategy's integrated effects might be virtually lost due to the obligation to display particular (thematic) contributions separately.
- Third, it should also be noted that these strategies have only been in operation for a short period of time. Operations are still being launched and in some Member States this approach to territorial development is being taken for the first time.

2.3 Strong variation in what has to be measured

Significant variation across territorial strategies must also be taken into account in developing methodologies to assess the achievements of territorial and urban strategies. The Final Report accompanying this paper has notes this variation and it has implications for approaches to measuring effectiveness.

- **Size of Funding.** The approach taken to strategy assessment obviously depends on the level of funding attached to the investment: the focus on assessment is strong where larger investments are involved and there is likely to be a larger budget for more sophisticated or rigorous methodologies. At Member State level, there is variation in the allocation of resources to these investments, but the case studies illustrate the wide range of individual strategy budgets that have been set. In a selection of 30 case studies from across the MS, the average ITI budget was €164 million. However, this includes a wide range of funding levels; less than €1 million (in Vejle, Denmark), up to €100 million in several cases (e.g. Tartu, Limburg, Zagreb, Lille), and very large investment budgets (e.g. €793 million in Katowice, €902 million for ITI Azul in Spain, €1.1 billion for the Danube Delta ITI in Romania).
- **Thematic Content.** The thematic content of strategies also has clear implications for evaluation, relating to the demands of evaluating particular policy fields and also to the number of fields included in integrated place-based strategies. For instance, thematic evaluation such as innovation or equal opportunities could be feasible where the strategy has a limited number of thematic objectives and investment priorities. Strategies are linked to the thematic objectives (TO) laid down in the CPR and the associated investment priorities (IP). The most commonly included themes in the strategies concern the low-carbon economy, environmental protection and resource efficiency, and promoting social inclusion. However, there is significant variation in the thematic scope of the strategies. Although there is strong variation within MS, strategies in Poland, Cyprus, Italy, Lithuania, Latvia, Poland and Hungary have a relatively high number of IPs. The Azul strategy in Spain has over 50 IPs. In countries such as Denmark, Estonia, Ireland, Slovenia and Sweden, the strategies include only two or three IPs.
- **Territorial Coverage.** Whatever approach to evaluation is taken, a key performance measurement concern is the spatial area within which impacts should be assessed. This is crucial for strategy operations which by definition have a territorial focus, and therefore the spatial dimension takes on a central

relevance in judging their performance.⁴ A key issue is reconciling different geographies and associated datasets for the measurement of effectiveness across district, municipality and city boundaries, the geographical coverage of domestic and EU interventions, etc. The selection of the most appropriate spatial area for analysis has implications for key components that are relevant in measuring impact, particularly the assessment of additionality, potential displacement effects (i.e. how much of the outcome displaced other outcomes outside of the target area), leakage of outputs or outcomes that benefit those outside the target spatial area, multiplier effects, etc. For instance, in Nicosia's strategy, results indicators have been specialised based on the need to measure wider results of the actions implemented beyond the direct results recorded in the intervention area of each municipality. The areas covered by the case studies also vary considerably, again with implications for the methodological approach to assessing achievements. As noted in the Second Interim Report, the case studies include various territorial configurations, based on statistical analysis or predefined criteria, administrative status, economic functions, societal challenges, etc. These include: networks of cities (e.g. examples in CZ and FI), functional urban areas mainly found in Eastern Europe (e.g. PL and CZ, SK), umbrella municipal organisations (e.g. PL and FR), crossing administrative boundaries, and specific areas in the cities (e.g. The Hague). In some cases, certain priority themes (often social inclusion) are targeted at specific areas whereas others cover the whole city.

- **Role in CP architecture.** Again, there is significant variation in the way in which the case study strategies fit into the broader Cohesion policy programme architecture (see Table 1).
 - There are strategies that are covered by a small number of projects in an Operational Programme (e.g. the Vejle strategy is seen as a framework strategy for the two projects it supports) or are contained in a single measure within a programme Priority (e.g. Tartu strategy is funded under the measure 'Sustainable development of urban areas' of Priority 9 of the OP). Here, it is relatively straightforward to monitor and assess achievements against project indicators, but what about effectiveness and impact?
 - Several integrated place-based strategies are covered in a single programme priority, often related to sustainable urban development (e.g. Plovdiv, Nicosia, Centre-France-Comte).
 - Other case study strategies cover several priorities within an OP (e.g. The Hague combines funding from three priority axes in the OP). Here, there is scope to incorporate strategy assessment as part of the thematic evaluation of OP priorities required by the Commission.
 - In one case, Brussels, the OP is seen as the strategy. Again, assessment of the strategy can be part of individual thematic evaluations and/or form a section of the interim and ex-post evaluations of the OP as a whole.
 - Finally, there are strategies that are supported by multiple OPs (e.g. Zagreb is funded by 2 OPs). In such cases, there is the possibility to address broader evaluation questions in geographic or thematic terms.

⁴ European Commission and European Investment Bank (2013) *Methodologies for Assessing Social and Economic Performance in JESSICA*. Final Report, December 2013, p8.

However, there are specific evaluation challenges related to timing and coordination across programmes that are complicated further when these involve different funds which each have their own regulations for monitoring and evaluation (e.g. 5 OPs contribute to the Brno strategy and three ESI funds are involved – ERDF, ESF, CF) or different CP categories of region (e.g. more-developed regions and less-developed regions in Prague).

Table 1 : Position of integrated place-based strategies in CP architecture

'Project'	'Programme'		'Multiple'
Projects	Programme Priority	Operational Programme	Multiple OPs
A small number of projects in an Operational Programme	Single programme priority, often related to sustainable urban development ; or several priorities within an OP.	OP is seen as the ITI	Strategies that are supported by multiple programmes
Vejle Tartu	Plovdiv, Nicosia, Centre-France-Comte	Brussels	Zagreb, Brno, Prague
Straightforward to monitor and assess achievements against project indicators but what about effectiveness, impact?	Scope to incorporate strategy assessment as part of the thematic evaluation of OP priorities required by the Commission.	Part of individual thematic evaluations or part of interim and ex-post evaluations of the OP as a whole.	Address broader evaluation questions in geographic or thematic terms.

- **Relationship with domestic interventions.** It is also important to note variation in the relationship between the ITI and domestic strategies and interventions.
 - In western and northern parts of Europe, the introduction of integrated urban approaches is not novel and represents a continuation of domestic practices albeit with some changes. Several case study strategies build on or are embedded in existing domestic initiatives (e.g. ITI Limburg, SUD Nordhausen, SUD Lille). From an evaluation perspective, the benefits of having a strategy embedded in a broader domestic strategy are apparent in the availability of a set of dedicated indicators and datasets. Moreover, there is often strong capacity and experience in the evaluation of territorially integrated initiatives. On the other hand, there are issues with reconciling the differing demands of domestic and EU dimensions in terms of the timing of reports, the type of data required, and in some cases geographical coverage. How do you disaggregate CP input into the achievements of domestic interventions?
 - Elsewhere, particularly in Central and Eastern Europe, integrated territorial initiatives represent a new approach to strategic planning and investment (e.g. Kaunas, Katowice, Brno, Prague). In these cases, a benefit from the point of view of evaluation is that the disaggregation of CP achievements from domestic interventions and assessments of added value should be comparatively clearer. On the other hand, ITIs involve new ways of working, with multiple goals relating to behaviour and outcomes, and there are issues concerning the limited capacity and

experience in evaluating these new approaches, the availability and quality of data, etc.

2.4 Capturing added value

Another challenge is how the 'added value' of these initiatives be assessed. This is a key question: what are the additional benefits that come from taking a territorially integrated approach to the implementation of ESI Funds. Figure 2 sets out some broad headings, based on analysis of the strategies.

Figure 2: Potential added value in territorial and urban strategies



- In terms of funding and resources there is potential for increased awareness of opportunities to pool different funds, to draw in new resources and create multiplier effects in the territory. For instance, the formation of links with the private sector that can facilitate private funding for specific, innovative types of actions. In Vejle SUD, the expected added value is that it will help to build a common basis for public-private partnership and in so doing strengthen cooperation on sustainable urban development.
- One of the main added values of SUD and non-SUD ITI is the improvement in the visibility and integrity of territories, creating stronger functional coherence and linkages that can be potentially durable beyond projects. Compared to 'simple' projects, SUD and non-SUD ITI gives territories the opportunity to exchange knowledge and promote learning. The development and implementation of integrated development strategies, allows stakeholders to identify and achieve common objectives through multiple actions in various sectors.
- Potential added value is recognised in developing policy governance approaches and building capacity. Territorial provisions can address inefficiencies caused by fragmentation. The involvement of local authorities in the design and

implementation of strategies is credited by implementing authorities with creating potential for building trust, minimising rivalry, competition and duplication of projects.

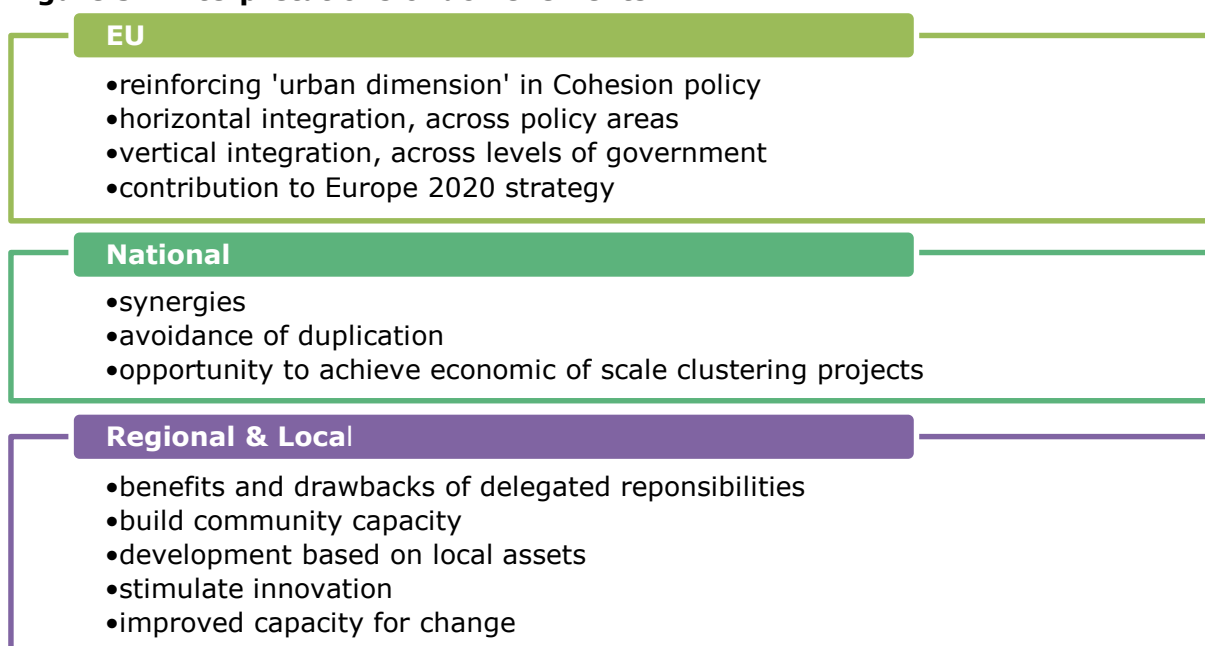
- SUD and non-SUD strategies can also increase administrative capacity. In several cases, the development of SUD and non-SUD ITI arrangements are associated with the establishment of bodies at the local level to fulfil implementation tasks. Increasing the role of local authorities, NGOs and other sub-national bodies involved in managing and implementing ESI Funds can, in the longer term, help to strengthen capacities for implementing territorial development.

It is important to note that the realisation of this added value is influenced by Member State and EU institutional and regulatory contexts and the scale of funding allocations. Some areas have long-established traditions of working with integrated urban strategies and have limited ESI funding allocations. In these cases, the 'distinct' added value may be limited and mainly confined to reinforcing existing trends. Conversely, in areas with large ESI allocations and weaker traditions of integrated urban development, levels of added value could be significant.

2.5 Addressing different audiences

Each strategy must consider the different arenas in which the knowledge will be disseminated. This includes audiences from EU to local levels, and within this there is varied interest in strategies depending on scale and content, etc. In establishing an assessment approach, it is important to consider whom the information is targeting. Different stakeholders will benefit from different types of information, with evaluative knowledge on, for example, policy synergies, of particular note for national and EU-level stakeholders, and more operational knowledge, which is of value to project and programme actors. In addition, perceptions of programme and project achievements can vary depending on who is asked, e.g. with views/interpretations varying between EU, national, regional and local levels (see Figure 3).

Figure 3 : Interpretations of achievements



Despite this broad variation under various headings, it is possible to identify common themes that the strategy assessments must cover:

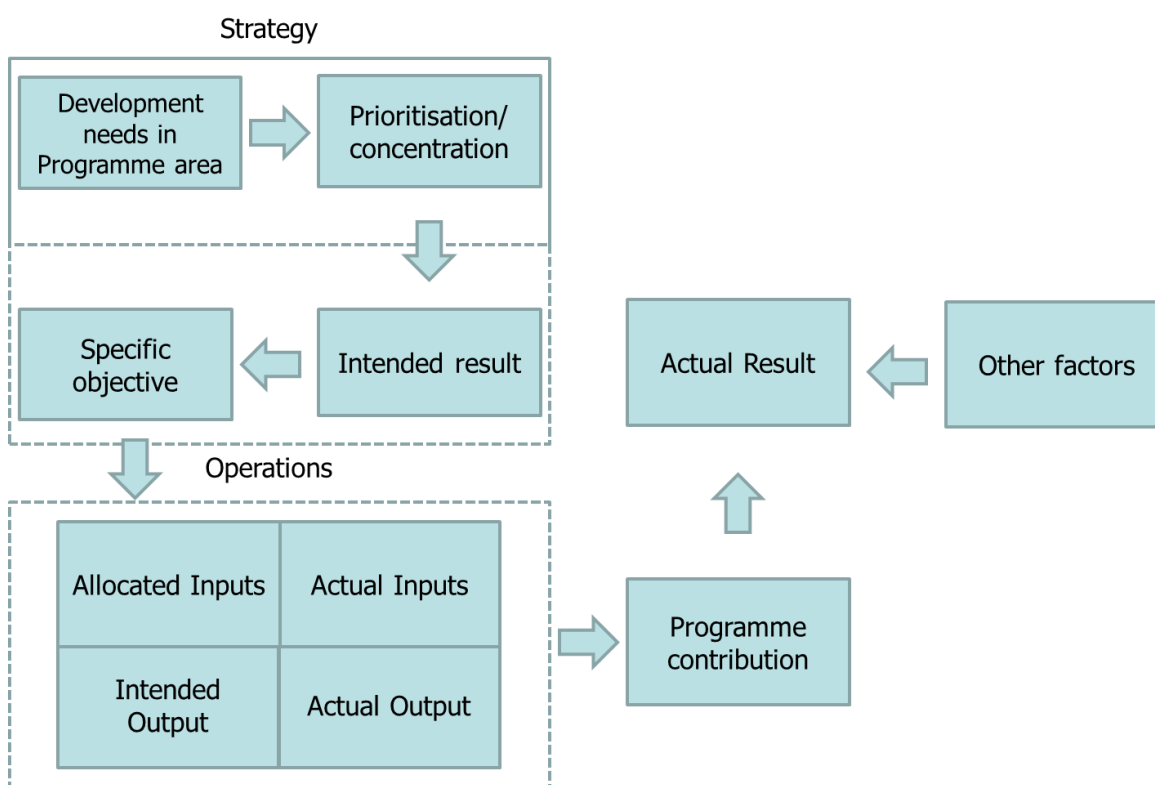
- **Assessments of integration**, concerning: the management and implementation responsibilities of institutions at different levels, and in different policy fields; different types of stakeholders that are integrated in the strategy; the extent to which resources / funding is pooled, for instance taking into account the contribution of different programmes, EU funds, domestic resources; the scope and combination of the instruments involved.
- **Assessments of territoriality**, concerning: the varied spatial scales at which the instruments are implemented and, potentially, effects outside the territory covered by the strategy. Also, relating to citizens / stakeholder involvement in design and implementation.
- **Assessment of achievements**, concerning: performance of the strategy at project, OP, national and European levels. Evaluation according to different dimensions: 'softer' and 'harder' results; long- and short-term results, efficiency (i.e. timely implementation of projects) and utility (completion of projects with high strategic quality).

3. EXISTING METHODOLOGIES

3.1 Evolution of Cohesion Policy evaluation

Measuring the effectiveness of integrated place-based strategies takes place within the context of Cohesion policy, which has a well-established evaluation and measuring framework. For the 2014-20 Cohesion policy programmes, results-oriented programming aims to ensure that programmes have clearly specified objectives, a strong intervention logic, appropriate conditionality provisions for effective implementation of the Funds, and clear and measurable milestones and targets to ensure progress is made. This approach sets the framework for evaluation of Cohesion policy interventions (see Figure 4).

Figure 4: Intervention logic

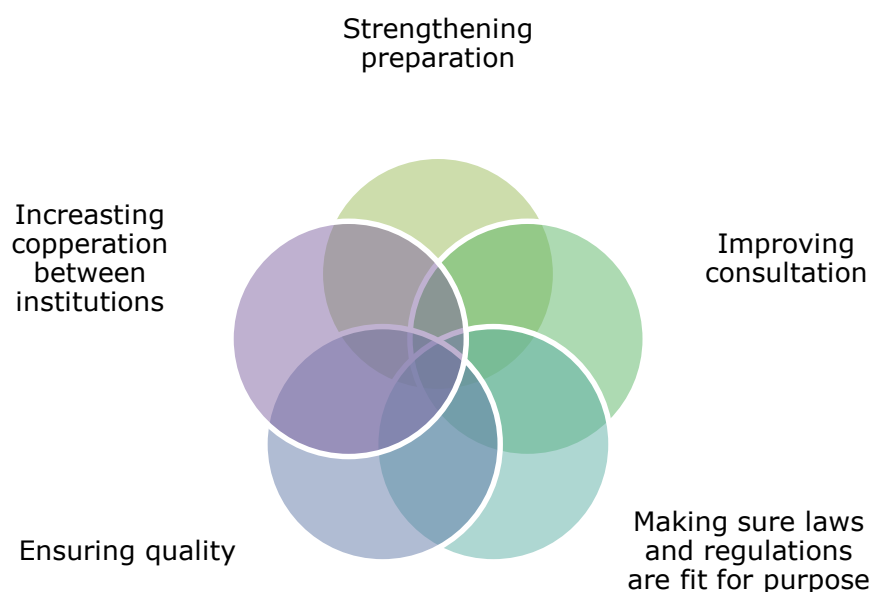


Source : European Commission (2014) *Guidance document on monitoring and evaluation, European Cohesion Fund and European Regional Development Fund, concepts and recommendations*, March 2014.
http://ec.europa.eu/regional_policy/sources/docoffic/2014/working/wd_2014_en.pdf
 (downloaded 10/01/18).

These efforts are in line with the EC 'Better Regulation' (see Figure 5), which sets out to ensure:

- Decision-making is open and transparent;
- citizens and stakeholders can contribute throughout the policy and law-making process;
- EU actions are based on evidence and understanding of the impacts; and
- regulatory burdens on businesses, citizens or public administrations are kept to a minimum.

Figure 5: Steps taken towards better regulation



Source: Based on European Commission web-site *Better regulation: why and how* (https://ec.europa.eu/info/law/law-making-process/better-regulation-why-and-how_en (downloaded 10/01/18)).

Thus, in a drive to better target and capture the role and impact of policy interventions, the 'results-orientation' has become an increasingly embedded aspect of European policy-making and interventions. In this context, the main tasks in relation to evaluation during the programme period (Art. 54 and Art. 56 CPR)⁵ include the following.⁶

- Drafting Evaluation Plans (for each programme or for more than one programme), to be submitted for approval to the Programme Monitoring Committee (PMC) within one year from the adoption of the programme (Arts. 114.1 and 110.2 CPR). Content and suggested structure of the Evaluation Plans is illustrated in detail in the European Commission's 'Guidance Document on Evaluation Plans'.⁷ The Plans can be reviewed and amended by the PMG during the entire lifecycle of programmes.
- Implementing the evaluations foreseen in the Evaluation Plans. These evaluations can be of at least two types:

⁵ Ex ante evaluation is left out of this present note, as it falls beyond the scope of the thematic paper.

⁶ Polverari L (2015) 'The monitoring and evaluation of the 2014-20 Cohesion policy programmes' *IQ-Net Thematic Paper* 36(2), European Policies Research Centre, University of Strathclyde, Glasgow.

⁷ European Commission (2015) *Guidance document on Evaluation Plans. Terms of Reference for Impact Evaluations. Guidance on Quality Management of External Evaluation*, February 2015 available online at: https://www.portugal2020.pt/Portal2020/Media/Default/Docs/AVALIACAO/Evaluation_plan_guidance_en%20Fev2015.pdf (downloaded 10/01/18).

- implementation evaluations, focused on how a programme is being managed and delivered;
- impact evaluations, assessing the effectiveness, efficiency and impact of programmes. These impact evaluations should be carried out so as to ensure that 'at least once during the programming period, an evaluation shall assess how support from the ESI Funds has contributed to the objectives of each priority' (Art. 56.3 CPR).

The intervention logic that applies to Cohesion policy programmes extends to integrated place-based strategies and the result orientation also is a key principle. Currently, arrangements for measuring the effectiveness of integrated place-based strategies are linked to common output indicators. Guidance on evaluation for integrated programmes is also relevant to integrated strategies.

There are a range of methodologies that can be applied to the assessment of these strategies. These vary in terms of the data sources drawn on, data-gathering techniques, and the role of stakeholders in the process. Each approach has its own benefits and challenges (see Table 2).

Table 2: Methodological approaches for evaluating the effectiveness of integrated place-based strategies

Design approaches	Basis for the causal inference	Description	Type of information produced	Challenges
Experimental	Counterfactuals; the co-presence of cause and effects.	Top down analysis using surveys, statistics.	Quantitative estimate of impact by identifying 'policy off' position.	Finding a robust control group requires comprehensive, good quality data
Theory-based	Identification/confirmation of causal chains	Process – tracing based on literature review, monitoring data, interviews, focus groups etc.	Explains why an instrument does (not) work.	Risks simplifying reality; may exclude issues that cannot be expressed in theories; challenge to keep pace with new theory models.
Case-based	Comparison across and within cases of combinations of causal factors.		Focuses on understanding of context-specific variables that explain causality.	Limited scope to test external validity and generalise findings.
Meta-evaluation	Accumulation and aggregation of results of multiple studies.		Tests or confirms results, can combine findings to estimate typical impacts, can capture impacts not picked up by smaller studies	Relies on the quality of studies included. No new data is produced, difficult to conduct (scope to incorporate a range of biases).

Source: based on M. Ferry and S. Davies (2015), 'Impact evaluation of regional policy business support: what is the evidence?' *EoRPA Paper 15/6*, European Policies Research Centre, University of Strathclyde, Glasgow.

The Commission guidance, for example, states that the evaluation of integrated approaches could benefit from:⁸

⁸ European Commission (2014) *Op. cit.*

- evaluating different components of integrated programmes separately to establish their effectiveness and subsequently evaluate a combination of two or more interventions;
- applying theory-based evaluation that assesses the intervention logic and how the different components in an integrated strategy fit with each other and whether synergies are likely to occur; and,
- in cases where interventions are large scale, methods such as macro-economic modelling or counterfactual approaches may be appropriate.

Alongside these evaluation methodologies, it is also important to note specific impact analysis tools and techniques that can be of practical value in assessments of the effectiveness of integrated territorial investments. These include:⁹

- **Territorial Impact Analysis**, which produces a logical framework for assessing the territorial consequences of policy, providing insights into complex development processes. Many analytical methods for impact analysis exist, including econometric modelling and input-output models. In many cases, they assume a level of precision, focusing on the use of metric data, but non-metric measurement of data can also be applied. Surveys of beneficiaries and stakeholders can gauge the impact of strategies under different thematic headings, such as the experience of business occupiers of redeveloped sites and the quality of life of inhabitants of specific territories covered by the strategy. For instance, it is possible to survey inhabitants of the territory covered by the strategy according to quality-of-life criteria in order to set baselines and subsequently measure impact. In Centre-France-Comte, a 3-month, survey-based study was produced on inhabitants' quality of life. Indicators and targets were then developed on the basis of inhabitants' expectations. Of course, there are still challenges in gauging contribution and attribution: even if perception surveys show that people feel that their quality of life has improved, how do we know that it was down to the strategy?
- **Cost-effectiveness Analysis**, which relies on the development of metrics (such as cost per job, cost per area or dwelling regenerated, etc.), and can then be compared to other policy scenarios. In some Member States, such techniques are important parts of domestic policy analyses and integrated place-based strategies may be able to draw on them for assessments.

It is important to note that for the results of these impact analyses to be aggregable, there must be EU-level guidance and work on establishing cost-effectiveness benchmarks for integrated territorial development and indicators such as quality of life that can be applied across different territories covered by the strategy.

3.2 Evaluation of other urban development initiatives

Moreover, the development of a methodology for measuring the effectiveness of territorial tools in Cohesion policy does not occur in a vacuum. The literature on urban development evaluation provides various examples of established practices and many urban areas in Europe have years of experience in terms of using these methodologies.

provides some examples of methodologies that have been developed in relation to integrated territorial approaches.

⁹ European Commission and European Investment Bank (2013) *Op. cit.*

Table 3: Review of methodologies for assessment of integrated urban approaches

Territorial Assessment	Key elements
Colantonio and Dixon (2009) ¹⁰	Develops methods for measuring social sustainability, including measures for softer aspects of social sustainability, such as well-being, happiness and neighbourhood satisfactions. Stresses importance of linking local projects to city-wide development plans.
European Commission (2015) ¹¹	Provides local government actors and stakeholders with a concise guide to the best currently available indicator tools for sustainable cities, focusing on the environmental dimension.
URBACT (2013) ¹²	Provides practical tools for engaging with local stakeholders, developing action plans and building capacity. Includes a self-assessment to measure progress with the Local Action Plan which specifically includes elements that measure the integrated approach (i.e. balance from an economic, social and environmental point of view).
URBACT (2015) ¹³	Emphasises a learning approach to evaluation, involving iterative and cyclical measurement and analysis of results as well as processes. Stresses the need for capacity building at the local level.
Dawson <i>et al.</i> (2013) ¹⁴	Explores the challenges and opportunities of urban integrated assessment through four perspectives: quantified integrated assessment modelling, climate change adaptation and mitigation; green and blue infrastructure; and urban policy and governance
Xing <i>et al.</i> (2009) ¹⁵	Reports on the Urban Development Sustainability Model (UD-SAM) which considers sustainability of

¹⁰ Colantonio, A. & Dixon, T. (2009) *Measuring Socially Sustainable Urban Regeneration in Europe*, Final Report. Oxford Institute for Sustainable Development (OISD), Oxford Brookes University, Oxford.

http://oisd.brookes.ac.uk/sustainable_communities/resources/Social_Sustainability_and_Urban_Regeneration_report.pdf (downloaded 10/01/18).

¹¹ European Commission (2015) *Science for Environment Policy, In-depth Report: Indicators for sustainable urban development* November 2015 Issue 12.

http://ec.europa.eu/environment/integration/research/newsalert/pdf/indicators_for_sustainable_cities_IR12_en.pdf (downloaded 10/01/18).

¹² URBACT (2013) *The URBACT II Local Support Group Toolkit*, June 2013.

http://urbact.eu/sites/default/files/urbact_toolkit_online_4.pdf (downloaded 10/01/18).

¹³ URBACT (2015) *New Concepts and Tools for Sustainable Urban Development in 2014 – 2020*, Synthesis Report September 2015.

http://urbact.eu/sites/default/files/synthesis_report_urbact_study.pdf (downloaded 10/01/18).

¹⁴ Dawson RJ, Wyckmans A, Heidrich O, Köhler J, Dobson S and Feliu E (2014) *Understanding Cities: Advances in integrated assessment of urban sustainability*, Final Report of COST Action TU0902, Centre for Earth Systems Engineering Research (CESER), Newcastle, UK. ISBN 978-0-9928437-0-0. <http://www.ncl.ac.uk/media/wwwnclacuk/ceser/files/Understanding%20Cities.pdf> (downloaded 10/01/18).

¹⁵ Xing *et al.*, Y., R. M. W. Horner, *et al.* (2009). "A framework model for assessing sustainability impacts of urban development." *Accounting Forum* 33(3): 209-224.

<http://isiarticles.com/bundles/Article/pre/pdf/15.pdf> (downloaded 10/01/18).

	cities within their broader geographical context.
EIB (2013) ¹⁶	Develops an overall performance measurement framework that allows measurement of Jessica-type financial instruments introduced in an urban context with the aim of achieving a coherent approach to assessing their non-financial performance and improving their effectiveness.

¹⁶ European Commission and European Investment Bank (2013) *Op. cit.*

4. EMERGING APPROACHES TO ASSESSMENT IN TERRITORIAL STRATEGIES

It is important to consider the specific approaches that are emerging to monitor and assess the integrated urban and territorial strategies based on the 2014-2020 territorial provisions. The following points are all raised in the main project report, but are worth reiterating in reference to the development of a methodology for measuring effectiveness.

4.1 Monitoring systems

A common approach is for strategy monitoring to take place as part of the broader OP system. Thus, implementing authorities apply programme systems to monitor project progress against selected programme indicators and targets.

Most strategies also have arrangements for monitoring the progress of the strategy as a whole. Examples include:

- Tartu SUD, projects selected by the local urban authorities include specific quantitative outcomes for each project. The results of these projects are fed into the monitoring system of the OP priority axis.
- In the Finish Six Cities SUD, the management group and the IB are together responsible for monitoring the strategy. Meetings are organised every six months to discuss the progress of funding and other indicator data.
- The Kaunas City Municipal Administration is responsible for strategy monitoring, and the overall process is overseen by the Ministry of the Interior.

Urban and local authorities are developing monitoring arrangements to ensure that the progress can be assessed not just in terms of the contribution to programme targets, but also in relation to the territory covered. In some instances, this has included the establishment of new monitoring structures or capacities:

- In Timisoara SUD, local authorities can choose to set up an autonomous monitoring system beyond those in place for Cohesion policy. The strategy sets out indicators, which are developed not just to be in line with the relevant OP, but also to measure results and impacts at the territorial level. This system is being completely managed at local level and is independent from the monitoring of the funding OP.
- In Vienna, considerable emphasis is placed on monitoring the strategy's implementation progress. The Article 7 element will be monitored in the context of the ERDF OP monitoring. However, in addition, a scoping project 'SMART.MONITOR' was carried out between September 2015 and October 2016. The project was funded by the Austrian Ministry for Transport, Innovation and Technology and involved external partners experienced in monitoring. The final report published in October 2016 provided recommendations for the development of the monitoring process in practice.

In some cases, the progress of the strategy is monitored through the systems in place for the overarching domestic strategies to which they contribute. Even where strategies are not nested in a wider domestic framework, in some cases, there are plans to draw on broader monitoring systems to assess progress within the specific territorial context:

- In Lille SUD strategy, results will be measured in terms of their contribution to the city contract, not as part of the OP. Monitoring and evaluation (through indicators) will be based on relevant ERDF IPs applied to the ITI. However,

impact evaluations are planned and are expected to focus on the impact of the ITI on the city contract, and its added value (in other words, the leverage effect of ERDF).

- For the Cornwall and Isles of Scilly regional ITI, an ITI Board has been established, comprising local partners and representatives from the voluntary, public and private sectors. The ITI Board is also responsible for project monitoring (as the Operational Programme Board does not oversee individual projects unless they are of significant size). Monitoring outputs and impact of the ITI will also be achieved through the use of Cornwall Council's broader economic and social indicator data, such as GVA data, which – it is anticipated – will help to better understand the effectiveness and added value of the ITI as its delivery progresses.

4.2 Indicator sets

Indicator sets of OPs provide a basic source for defining and clarifying indicators for measuring the effectiveness of strategies. Of course, all strategies with EU funding must report progress against indicators in the source OPs. However, within this the relationship between OP and integrated place-based strategy indicators varies, depending on their size, content and implementation arrangements.

As has been noted, **many strategies base their indicator sets entirely on OP indicators**. In effect, monitoring of the strategy is integral to the monitoring of the OP.

On the other hand, there are cases where additional, strategy-specific indicators are added to OP indicators:

- Nordhausen SUD, the output and result indicators of the ERDF OP will be the main indicators used to assess the effectiveness of interventions implemented under the strategy. The selection of the indicators included in the OP was a consultative process, also involving the municipalities, which aimed to identify a small number of workable and effective indicators. Experience from the previous programme period showed that the inclusion of a large number of indicators resulted in the process becoming unworkable and not necessarily accurate in assessing effectiveness.
- Katowice (Central Sub-region) SUD, monitoring and evaluation is based on broader arrangements for the regional OP. However, there are also specific ITI-related 'strategic' indicators, linked to each priority and measure and aiming to measure effectiveness in the specific territory covered by the ITI (e.g. percentage of the population covered by ITI). This has produced a large indicator set.

For some strategies, only quantitative indicators are used. In others, qualitative indicators were found to be a valuable complement to existing quantitative indicators. Examples of indicators that are commonly used are set out below (Box 1). Indicator numbers are commonly kept to a minimum, in order to reduce administrative burdens and complexity (e.g. the Hague). The scale of the strategy interventions also heavily determines the role and focus of indicators. However, in order to capture the specificities and targeted results of strategies in some cases a wider range of indicator-type is applied. Three broad categories can be identified :

- **OP quantitative indicators.** Here, the relevant quantitative OP indicators are applied to the strategies, (Centre-Franche-Comté Metropolitan pole, Elblag, Nicosia, Six Cities) some of which are urban-specific, e.g. 'businesses cooperating

with cities in an innovation environment' and 'innovation platforms' (Six Cities). Adaptations can be made to reflect the scope and scale of the strategies. For example, in Pécs the indicators and milestones defined in the Operational Programme were broken down and determined, proportionate to the funding for each city.

- **Strategy-specific quantitative indicators.** Core quantitative indicators are supplemented by additional measures in many cases, which can be:
 - developed locally (Aurillac) to capture more localised impacts/the specific territory of the strategy (Katowice) or reflect local authority competencies (Centre-Franche-Comté Metropolitan Pole);
 - developed to pick up on more specific thematic elements (Cascais);
 - developed to capture longer-term impacts (Brno); and
 - based on existing strategies and systems, e.g. the Brno City strategy, using a system of over 80 indicators for more than five years (Brno); or adaptation of a system of indicators developed for the city (Malaga).
- **Qualitative indicators.** Given the importance of 'softer' or less tangible impacts of the strategies, the development of qualitative indicators is a prominent feature of many monitoring systems.
 - In some cases, although no specific qualitative indicators are used, reporting systems can allow more qualitative assessments to be reflected. For example, within an annual progress report, as well as reporting data, a qualitative assessment of interventions is made (Azul).
 - In others, although no qualitative indicators have been set, they may be introduced in future. For example, for the Patras strategy, municipal officials are examining ways of using technical assistance for communication actions to measure public opinion on SUD interventions and receive feedback.
 - 'Softer' areas of intervention (e.g. social and human capital) will involve special surveys and research questionnaires already used for the City Strategy (Brno);
 - Intangible results (e.g. levels of satisfaction of residents living in areas covered by the SUD strategy) (Cascais, Porto).

Box 1 : Examples of frequently used indicators

- area accessible from TEN-T in 45 minutes (Brno)
- length of road (Cascais)
- share of public transport within total passenger transport (Brno)
- area of regenerated open spaces and regenerated public buildings (Aurillac, Cascais)
- vacancy rate within city centres (Aurillac)
- population living in areas with integrated urban development strategies (Cork)
- levels of satisfaction of residents living in areas covered (Cascais)
- increase in population (Kaunas)
- increased new business registrations per 1,000 inhabitants (Kaunas)
- increased household incomes (Kaunas)
- reduced air pollution (Kaunas)
- improvement in the social, economic and physical conditions in selected urban centres, based on an urban development index (Cork)
- increased non-private-car commuting levels in the designated urban centres (Cork)
- evolution of inhabitants' perception of the enhancement of their environment (Centre-Franche-Comté Metropolitan pole)

4.3 Emerging evaluation approaches

According to evaluation plans, evaluation of the strategies will usually take place as part of overall programme evaluation. Although, there are no specific evaluations for the strategy, the assumption is that the strategy is an integral part of the OP, so that assessments of programme effectiveness will automatically cover the performance of the strategy.

In some cases, the strategy will be assessed as part of specific OP evaluations, based on a specific thematic objective or priority axis that is directly related to the strategy:

- The Aurillac (SUD) strategy will be evaluated as part of the evaluation of the urban axis of the OP by the managing authority. This theory-based impact evaluation is expected to start in 2019 for ten months, and it will evaluate the impact and the efficiency of strategies on urban sprawl, as well as on the development of networks of local actors and coordination between funds allocated to urban development.

In other cases, the strategies will be subject to specific evaluations in parallel with OP evaluation.

- For Cascais (SUD), the strategy will be subject to a mid-term evaluation in 2019, seeking to identify possible execution deviations from the programmed targets and results, and the main implementation constraints and adjustment needs. A final evaluation will focus on the contribution of results to the strategic objectives and on the formulation of recommendations to inform future interventions. Furthermore, the Lisbon OP Evaluation Plan will also take the strategy into account. All strategies will be subject to the 'Evaluation of the Impact of Public (ESIF co-financed) Urban Regeneration and Revitalisation Policies', among other things evaluating first achievements of new SUD provisions.
- The operations contributing to the Azul regional ITI (non-SUD) will be evaluated within each of the contributing regional OPs. Regional authorities include a specific section devoted to ITI in each annual implementation report for each OP. A specific evaluation of the ITI Azul will also be carried out at the central level in 2020 by the DG for EU Funds, which is the managing authority of all ERDF OPs 2014-20 in Portugal.

As this analysis has highlighted, there is variation in the types of approach adopted. Broadly speaking, three approaches can be identified (see

Table 3).

Table 3 : Planned evaluation approaches

Approach	Strategy Scale and Type	Approach	Overview
1. 'Light Touch' Approach	Funding for the strategy is low and/or where experience or capacity in evaluating integrated territorial interventions is limited.	Measures of strategy achievements are part of standard OP monitoring and evaluation procedures.	<ul style="list-style-type: none"> - Scope to assess overall integrated territorial impact is limited. - Project-level indicators can offer quantitative outcomes for each project. - Qualitative processes of evaluation also possible where there are a limited number of projects and close contact with project leaders.
2. 'Standard' Approach	Strategies with a relatively substantial budget.	Broader OP monitoring and evaluation procedures adapted or supplemented to create specific arrangements for assessing achievements Indicators in these	<ul style="list-style-type: none"> - More sophisticated evaluation methodologies are being planned. - Challenges: in some cases, this approach is producing very large indicator sets that complicate monitoring and evaluation; in other

		cases can be revised to match data sources available in the territory covered by the strategy.	cases, there are challenges in disaggregating ITI effects from those of domestic interventions.
3. 'Comprehensive' Approach	Significant budgets and are part of relatively complex programme architectures.	Dedicated system for monitoring and evaluating, based on indicators of contributing OPs, but with other indicators included to cover the territorial dimension.	<ul style="list-style-type: none"> - Clear benefits of comprehensive approach (assessment of effectiveness of the strategy from a territorial perspective, including 'harder' and 'softer' dimensions in the analysis of added value, etc). - However, significant outlay of resources.

The **'light touch' approach** (e.g. Vejle, Plovdiv, Prague). This approach is apparent where funding for the strategy is relatively low and/or where experience or capacity in evaluating integrated territorial interventions is limited. In these cases, measures of strategy achievements are part of standard OP monitoring and evaluation procedures. Monitoring of strategy implementation is based solely on broader arrangements for the OP. Output and result indicators used for monitoring the OP are applied with targets set according to the proportion of funds allocated to the projects in the strategy (i.e. if the strategy has been allocated a percentage of OP funding, it must account for the same proportion of indicator targets in the relevant priority or measure. Project-level indicators (e.g. km of constructed NMV roads, number of childcare places) will produce detailed, specific quantitative outcomes for each project. More qualitative processes of evaluation are also possible where there are a limited number of projects and close contact with project leaders and those involved with the implementation of the strategy is feasible. Nevertheless, the scope to assess integrated territorial impact is limited. Often, there are no explicit plans for dedicated evaluations of the strategy.

The **'standard' approach** (e.g. Nicosia, Katowice). This approach is associated with strategies with a relatively substantial budget. In the majority of cases, broader OP monitoring and evaluation procedures are adapted or supplemented to create specific arrangements for assessing the achievements of strategies. Alongside common OP indicators, special output and result indicators are adapted to strategy interventions, in order to focus on the territory covered by the strategy and to improve clarity on what is being measured and the measurement units used. Indicators in these cases can be revised to match data sources available in the territory covered by the strategy, making measurement more feasible and more reflective of the anticipated result of the integrated interventions (e.g. Nicosia). In Katowice ITI, for example, output and result indicators are drawn from the OP, but there are also ITI-specific 'strategic' indicators included to measure the effectiveness of the ITI in the specific territory it covers. It should be noted that this has produced a large indicator set. In the Nordhausen strategy, experience from the previous programming period showed that the inclusion of a large number of indicators resulted in the process becoming unworkable and not necessarily accurate in assessing effectiveness. The standard approach can also be identified in cases that draw on existing domestic strategies and initiatives to support the measurement of strategy achievements. In Limburg, for instance, the ITI forms a sub-section of the Strategic Action Plan for Limburg (SALK), funded through ERDF and ESF OPs. Progress of SALK is measured twice a year by the Flemish Government with indicators that monitor the socio-economic development in Limburg at the macro level (e.g. conditions for economic growth and the business

environment). The Lille strategy contributes to the City Contract (Contrat de Ville, the main instrument for domestic urban policy). On the one hand, projects in the strategy will be monitored and evaluated along with other projects in the OP. However, assessments of the territorial results of the strategy will be measured in terms of its contribution to the City Contract and its added value (in other words, the leverage effect of ERDF in the Contract). The methodology is yet to be defined, but should be based on a sample of projects. In these cases, there are clear efforts to capture and assess the territorial dimension of the strategy. More sophisticated evaluation methodologies are being planned (e.g. TBIE in Katowice). Nevertheless, there are challenges: in some cases, this approach is producing very large indicator sets that complicate monitoring and evaluation; in other cases, there are challenges in disaggregating the strategy effects from those of domestic interventions.

The **'comprehensive' approach** is associated with a limited number of cases, involving strategies that have significant budgets, are part of relatively complex programme architectures (e.g. involving multiple programmes and combining EU funds) and where territorially integrated investment approaches are new and the potential added value is high. In these cases, a dedicated system for monitoring and evaluating the strategy is established, based on indicators of contributing OPs but with other indicators included to cover the territorial dimension and to better quantitatively indicate the long-term added value of the strategy. A prominent example is Brno ITI, where the results of the strategy and the contribution to particular OP objectives will be measured with the help of an indicator system compulsorily set for the strategy. This combines indicators drawn from the contributing OPs and those drawn from the domestic Strategy of Brno City, using a system of over 80 indicators for more than 5 years. 'Hard' results will be measured by the set indicators (e.g. area accessible from TEN-T by 45 minutes; share of public transport on the total passenger transport). 'Softer' areas, including added value in terms of new forms of cooperation, strengthened social and human capital, etc., will be measured through special surveys and questionnaire research that is already used in assessments of the Brno City strategy. The benefits of this comprehensive approach are clear in terms of assessing the effectiveness of the strategy from a territorial perspective, including 'harder' and 'softer' dimensions in the analysis of added value, etc. Such an approach involves significant outlay of resources that can be justified where strategy budgets, anticipated results and added value are high, but it may be less feasible in other contexts.

5. OPTIONS FOR FUTURE ASSESSMENTS OF EFFECTIVENESS

Looking forward to options for assessing the effectiveness of integrated territorial and urban strategies in the future, it is possible to highlight some basic principles and ideas.

- First it is important to recognise the need for differentiation in the size and complexity of indicators sets, in line with variation in budgets and scope of strategies.
- Second, it is also crucial to capture the results of territorially integrated approaches in line with the logic behind making such an intervention. The aim is to define synthetic or integrated indicators that can assess combined actions. For example, under the heading of urban mobility, output indicators could include integrated ticketing, bike lanes, trams, etc. and the overall result indicator could be a modal shift away from car transport in the territory.
- The third principle highlights added value. In many cases, these territorial initiatives represent new or innovative ways of doing things and the reasons for introducing them include institutional and operational, as well as physical change. This highlights the need for a combination of 'hard' and 'soft' indicators.

5.1 Indicators

The importance of assessing the impact and results of the strategies is clear. The challenges and opportunities involved have been discussed in previous sections of this report (incorporating sectoral and territorial dimensions, capturing different geographies, disaggregating the results of the strategy from the results of other interventions, including 'softer' value-added, such as new cooperative approaches, new principles of governance, etc). In line with the results orientation of EU investments it is expected that the strategies and their interventions should be developed with results in mind. Policy-makers, stakeholders and beneficiaries require knowledge and understanding of the progress and effectiveness of the strategies; transparency and accountability have to be ensured. It is important to gather information with which to better understand the role of the interventions and an evidence base comparable to, and where possible compatible with, other interventions.

The following indicators are presented as examples of the types of measures that could be used. The number and combination will vary linked to the budget, territorial coverage and thematic focus of the specific strategy. For example, developing additional tailored indicators is time-consuming, can be costly, and adds to the already considerable administrative burdens that stakeholders face.

'Hard indicators'. In terms of the 'hard indicators', sustainable urban development is a broad multi-dimensional concept and can cover a wide range of interventions. Table 5 sets out key dimensions of sustainable urban development that integrated place-based strategies may address, as well as specific elements of these dimensions. A limited number of broad ESIF programme indicators may not be sensitive enough to capture the specific focus and areas of impact of the strategies. In such cases, it may be necessary to look at more tailored indicators. Taking these areas of activity as a starting point, Table 5 also sets out examples of the types of indicators that could be useful, many of which are or could be linked to the common indicators used for ESIF programmes, with some examples from case study strategies where they are used. The focus is on results indicators, as output indicators will be strongly linked to specific strategy aims and priorities. It should be noted that these indicators taken in isolation

have a sectoral focus and therefore do not reflect the territorially integrated nature of the interventions. Therefore, it is important that in any assessment of the strategies these comparatively 'one dimensional' measures are considered alongside the qualitative measures which are also proposed in this report. As has been argued, 'hard' programme indicators alone are unlikely to capture added value associated with the design and implementation of integrated place-based strategies. Elements of added value can be found under a range of headings (see section added value in Final Report). The extent to which the approach delivers positive change is a key issue for monitoring and evaluation exercises.

Table 5: Elements of Sustainable Urban Development

Element	Heading	Indicator example
Social Wellbeing	Health	<ul style="list-style-type: none"> • Access to key local services
	Safety	<ul style="list-style-type: none"> • % people affected by poor housing
	Local or civic identity/sense of place	<ul style="list-style-type: none"> • % people affected by poverty, unemployment, community participation in planning • % of population with access or using recreation space
	Access to affordable housing and services	<ul style="list-style-type: none"> • Population perceptions of quality of life (e.g. CFC Pole) • Housing stock affordable to low- and very-low-income residents
	Access to public and open spaces	<ul style="list-style-type: none"> • Rehabilitated housing in urban areas (ESIF Common Indicator) • Population covered by improved health services (ESIF Common Indicator)
	Access to transport	<ul style="list-style-type: none"> • Number of active neighbourhood organisations • Students in higher education (e.g. Timisoara) • % early school-leavers
Economic Opportunity	Diversified economy	<ul style="list-style-type: none"> • Population living in areas with integrated urban development strategies (ESIF Common Indicator, e.g. Cork)
	Transport infrastructure	<ul style="list-style-type: none"> • Employment increase in supported areas (e.g. Nitra SUD)
	Coordinated land use	<ul style="list-style-type: none"> • Share of persons living in households with very low work
	Coordinated growth plans	<ul style="list-style-type: none"> • No. of enterprises receiving support (ESIF Common Indicators) • % new enterprise start-ups (e.g. Kaunas)
	Access to capital and credit	<ul style="list-style-type: none"> • Public or commercial buildings newly built or renovated in urban areas (ESIF Common Indicator)
	Access to education, jobs and training	<ul style="list-style-type: none"> • Increase in visitor numbers to key cultural/heritage sites (e.g. Egnatia Odos) • Length and use of new or upgraded infrastructure (e.g. Debrecen)
Environment Quality	Efficient, planned land use	<ul style="list-style-type: none"> • GHG reduction (ESIF Common Indicator, e.g. Timisoara)
	Efficient resource use	<ul style="list-style-type: none"> • Decrease in annual primary energy consumption of public buildings (ESIF Common Indicator, e.g. Torino)
	Pollution reduction and management	<ul style="list-style-type: none"> • Total passenger miles by private car • Miles travelled (or trips) taken by sustainable modes
	Climate	<ul style="list-style-type: none"> • Bike lanes in roadways • Population commuting via bus

	<p>change mitigation, adaptation and resilience</p> <p>Low-carbon transport</p> <p>Diverse and protected natural environment</p>	<ul style="list-style-type: none"> • Vehicles, buses, etc with hybrid or alternative fuel • Households within reach of public transport (e.g. Brno) • Designated critical habitat protected • Waste management • Vulnerability to flooding • Proportion of city's land area designated as recreational and green spaces to the total land area (e.g. Berlin) • Open space created, rehabilitated in urban areas (ESIF Common Indicator) • % of waste recycled • % renewable energy used municipal operations • Amount of carbon dioxide emissions in metric tons • % brownfield/infill development as a percentage of total development (e.g. Aurillac)
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Source: EPRC, adapted from Lynch, A. J., S. Andreason, T. Eisenman, J. Robinson, K. Steif, and E. L. Birch (2011) *Sustainable Urban Development Indicators for the United States*. Report to the Office of International and Philanthropic Innovation, Office of Policy Development and Research, U.S. Department of Housing and Urban Development. Philadelphia: Penn Institute for Urban Research.

<http://pennur.upenn.edu/uploads/media/sustainable-urban-development-indicators-for-the-united-states.pdf> (downloaded 10/01/18).¹⁷

'Soft indicators' and 'added value'.

Some quantitative indicators can be used to assess added value, although these are often quite general, for instance: the amount of people in areas that are affected by strategies or the number of beneficiaries of related projects; or, the number of new structures or systems (e.g. for coordination, strategy design or implementation tasks) established. Inevitably, exploring added value involves some assessment of 'softer' impacts and these headings will often be based on qualitative approaches. Here, the aim is to assess less tangible aspects of added value (strategic integration, coordinated implementation, territoriality, capacity-building and knowledge exchange). For instance, the added value of an ITI may be low in terms of capacity building where existing capacities are strong but it may be higher if it adds a new territorial focus or draws in new partners. Table 6 sets a proposed approach based on the main report's categories of added value.

¹⁷ Data sources for these indicators include: National, regional and local statistics and studies Eurostat, European Social Progress Indicators, European Environment Agency, European Quality of Institutions Index, <http://www.oecdbetterlifeindex.org>

Table 6 : Examples of 'soft' indicators - added value

	Contribution of territorial provision				
	None	Low	Modest	High	Very High
Strategic integration	x				
Coordinated implementation		x			
Territorial focus			x		
Partnership, capacity building				x	
Exchange of knowledge, experience					x

Source: EPRC, based on European Commission (2009) *Promoting sustainable urban development in Europe: achievements and opportunities*, April 2009. http://ec.europa.eu/regional_policy/sources/docgener/presenta/urban2009/urban2009_en.pdf (downloaded 10/01/18).

Thus, for the development of indicators and targets, overall it is possible to identify the key tasks of dealing with complex geographies, numerous administrative boundaries, and the combination of 'hard' and 'soft' impacts. In addressing these it is possible to draw lessons from other ESI funded initiatives that face similar challenges. For instance, in Territorial Cooperation programmes an interesting approach is the establishment of 'tailored' indicators and baselines for a programme. These are put together by a focus group of stakeholders and experts under different headings. An example would be 'changes in institutional capacity' and indicators could relate to the introduction of new structures, tools or processes. Similar approaches could be used under thematic headings. There is then a periodic review of progress towards targets by experts. The advantages of this approach is that it increases the scope for tailored indicator sets that can integrate or synthesise different territorial dimensions and ensure that these are relevant and realistic given the scale and scope of the strategy.

5.2 Evaluation

Turning to evaluation, again it is possible to highlight the value of similar principles: the need for proportionality; and the importance of mixed methodologies where the balance of qualitative and quantitative methods reflects the situation 'on the ground'.

Each evaluation will also have to incorporate different types of knowledge, generated through a range of questions and drawing on different sources of information.

- **Strategic knowledge.** Measuring the effectiveness of territorial provisions includes the generation of strategic knowledge. This includes an assessment of

the identification of needs. As has been discussed in relation to the wider evaluation debate, it is crucial that the knowledge developed is set in context. Contextual specificities play a central role in understanding the role and contribution of integrated interventions. Important geographical, cultural, economic, social and political differences shape how and to what extent the concepts and tools are applied and their added value. Assessments must consider the logic of intervention and strategic priorities that have been identified in the strategies against the socio-economic indicators for the territory covered. This part of a methodology for measuring effectiveness can involve documentary evidence assessment based on analysis of the strategies alongside domestic strategic documents (at national or sub-national level) and EU/MS socio-economic datasets. The assessment can be complemented with a more qualitative assessment by expert stakeholders on whether the challenges, logic and objectives are relevant. This is to an extent static knowledge, but it facilitates policy-learning and can inform changes during the course of policy implementation. Key questions include:

- Is the strategy really relevant to the operations being considered? Is the strategy a broad list of potential actions or does it provide specific detail on how and where the funds will be allocated?
 - Does the prioritisation in the strategy fit with the specific needs of the territory? Is this justified in the strategies in an explicit detailed way? Why are certain TOs included in the strategies – economic, social, environmental aspects?
 - Is the geographical coverage of the strategy (e.g. city, area of city, city-region, etc.) consistent with the strategic priorities?
 - How clear and coherent is the intervention logic?
 - Are arrangements for achieving synergies between projects, funds, stakeholders, etc. clearly outlined?
-
- **Operational knowledge.** This relates to the management and implementation of the intervention, with a view to identifying and addressing challenges, building on best practice and maximising efficiency and effectiveness. On the one hand, this concerns basic components of Cohesion policy management and implementation systems, assessing arrangements to ensure financial absorption, the quality of monitoring data, issues in terms of project pipeline, resourcing/capacity, quality of indicators, communication arrangements, audit issues, state-aid issues, etc. However, particularly for integrated place-based strategies, it is important for evaluations to ask whether the appropriate stakeholders are involved in the design and implementation of the strategy. This dimension of measuring effectiveness can combine documentary research with qualitative, interview-based approaches to assess the depth and quality of inputs from various actors. Specific questions could include:
 - Who is making an input into the design and implementation of the strategy?

- Are 'grass roots' actors involved or is it just professional meeting-attenders (e.g. chambers of commerce versus SMEs).
 - What is the involvement of non-public authority partners (especially private sector and civil society)? What is the territorial coverage (e.g. neighbouring municipalities)?
 - What is the level of participation of communities/residents/microbusinesses, etc. (rather than institutions and agencies)?
 - How is this input organised, i.e. according to vertical or horizontal principles – consultation or 'bottom-up' input?
 - How realistic is the scale of resources in relation to the indicators and targets set in the strategy?
 - Are the proposed actions realistic given the level of administrative capacities available for implementation?
- **Evaluative knowledge.** This forms the basis of a systematic assessment of the worth or merit of the interventions contained in the strategy. As well as examining project and programme-generated data and assessments against fixed targets, it is possible to build a more in-depth understanding of achievements through focusing on added value. On the one hand, assessments will include a review of the performance of interventions contained in the strategies according to the indicators and targets set and drawing on data from programme monitoring systems. These will be based on Cohesion policy common indicators for Operational Programmes, additional indicators and targets developed to capture specific effects in the territories covered by strategies. This would involve analysis of the performance of projects according to indicators and targets set specifically for the strategy in programmes. It could also involve comparison of the performance of projects under a integrated place-based strategies to other projects in a priority or programme not covered by the strategy, particularly those covering the same TOs. In cases where the strategy contributes to domestic strategies, comparison between the performance of EU and non-EU-supported interventions may also be possible. Depending on the scale of operations involved, this assessment could be based on a range of methodologies e.g. theory-based evaluation. Integrated place-based strategies cover different combinations of thematic objectives depending on the Member States: transport; environment; climate change; education systems; employment and information and communication technologies. The key question here is:
 - Has integration and the territorial approach lead to stronger financial and physical performance?
 - **The value of a qualitative dimension in evaluation approaches.** Generally, the value of a strong qualitative approach is apparent given the specific features of integrated interventions and the importance of less tangible effects in the logic of intervention. While it is important to identify and record quantifiable outputs and results, 'not everything that counts can be counted'.¹⁸ Integrated place-based strategies have significant scope to provide value that is not immediately apparent in statistical analyses. Thus, qualitative and participative evaluation methodologies will yield non-numerical information but

¹⁸ Cameron W B (1963) *Informal Sociology: A Casual Introduction to Sociological Thinking*. New York: Random House.

help to recognise the uniqueness of different strategy settings and capture the effects of the strategy on the behaviour of actors and organisations in the territory. Assessments of many of these aspects would, therefore, rely mainly on qualitative approaches:

- interviews and focus groups to draw out the opinions of stakeholders on the quality and sustainability of the activities undertaken in the design and implementation of the strategies thus far.
- Potential indicators of this type of added value could cover: the establishment of collaborative structures or processes (networks, fora); whether these are new or linked to existing arrangements; whether they are 'one-off' consultative initiatives designed solely to feed into the strategy or are designed as longer-term arrangements; the quality of relationships between stakeholders (e.g. the dominance of horizontal or vertical organisational principles); and the impact of these arrangements on the design and implementation of the strategy (e.g. how they are involved in resource-allocation decisions). It would be important to cover these issues in the evaluation research.
- The fundamental logic of the territorialisation agenda is the Methodology for Measuring the Effectiveness of Territorial Provisions that development initiatives benefit from concrete input from local networks. Thus, if there is evidence of strong, concerted involvement in the design and implementation of the strategies, and that these are sustainable arrangements for collaborative working, it could be assumed that this will boost their long-term effectiveness.
- Key questions would include:
 - Has the design and implementation of the strategy mobilised new financial or institutional resources for territorial development initiatives?
 - Has it built administrative capacities (skills, confidence and capabilities of actors involved, changing organisational cultures, structures, systems, tools)?
 - Has it strengthened social capital (networks, norms, relationships, values and informal sanctions that shape the quantity and co-operative quality of interactions)?

6. CONCLUSIONS

The preceding sections have gone into detail on the opportunities and challenges of implementing effective efficient and proportional approaches to measuring the effectiveness of the integrated place-based strategies. The vital importance of policy accountability, transparency, and learning is noted, as are the challenges in capturing the potentially varied hard and soft impacts and influences of integrated territorial interventions.

The strategies are implementation tools, not objectives in themselves. They must contribute to the achievement of the thematic objectives, investment priorities and specific objectives set out in the contributing programmes. Thus, financial and indicator data is traced back to contributing priority axes and specific indicators can be used at the management level to assess the implementation of individual Strategies.¹⁹

However, as comparatively new approaches, it is important that measures of effectiveness also take into account the more operational aspects of the strategies and issues related to the process of implementing integrated actions are also recognised.

The framework set out in Figure 6 draws together the key components of assessment approaches for territorial and urban strategies, based on an analysis of the strategies in their current form, taking into account, the current reporting requirements, assessment arrangements, data availability etc.

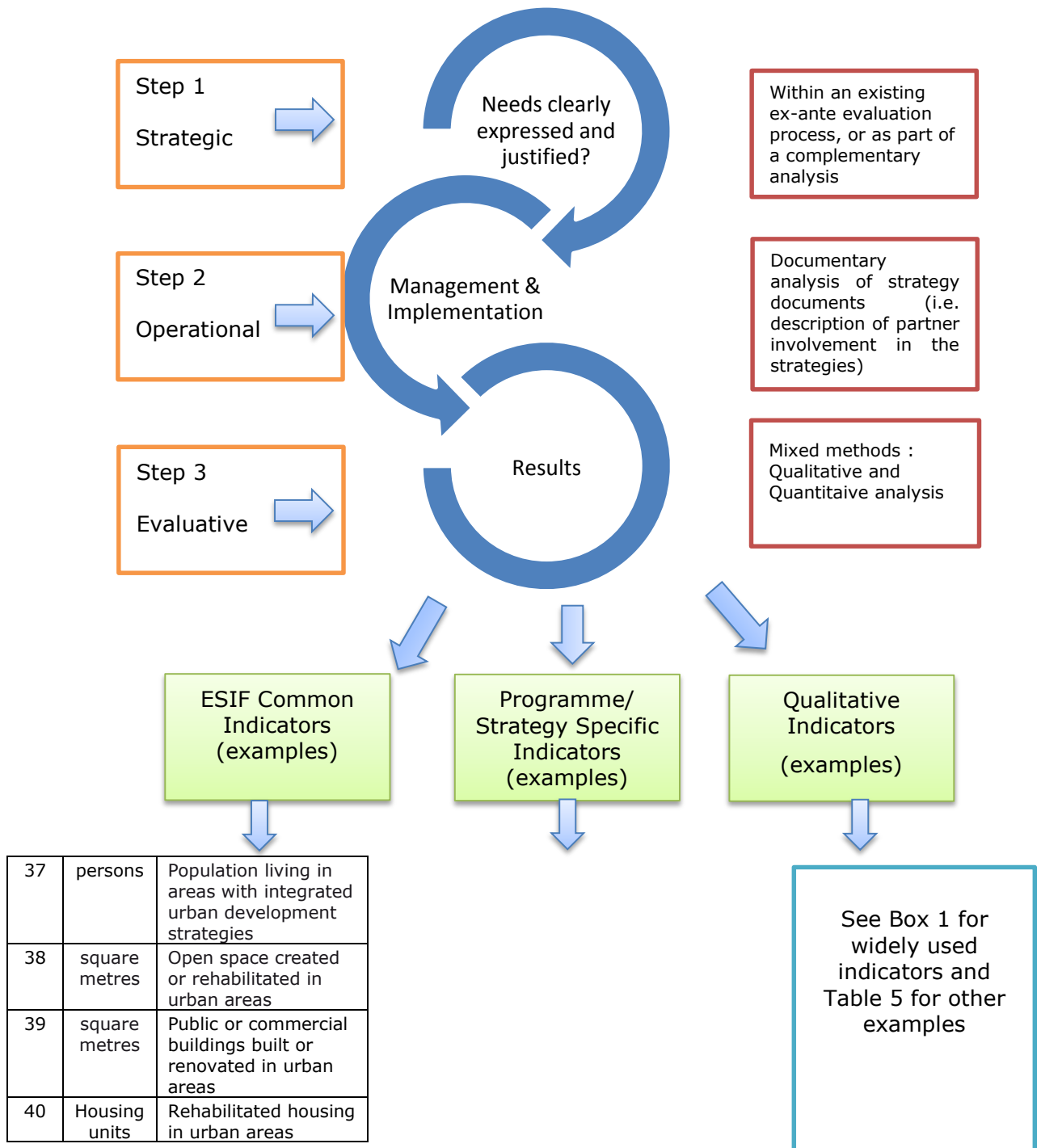
Beyond this, it is important to reiterate some of the key principles that should be considered in developing plans to assess the achievements of these strategies.

- Assessments should have have a **strong results focus** ie. - do the strategies have a strong interventions logic; are logics being effectively pursued, have results been achieved? However, assessments should also look more widely at the role, influence and implementation of the strategies, which may also have additional results and benefits, which are not reflected, in 'hard' indicators.
- Approaches to monitoring should be **built around the key output and result indicators** set out for the relevant ESIF funds, as interventions should contribute to the objectives of the corresponding investment priorities and the objectives of the integrated place-based strategies. However, these basic indicators should be complemented by relevant programme/strategy specific indicators, and, in particular qualitative indicators and assessments. The available measures and insights can be used in combination to build an understanding of contributions to the territory, wider national and EU impacts and results focussing on key areas of added value, e.g. (Annex 1 sets out a framework for developing different types of knowledge through assessments, with associated methods, questions and data sources).
- **Proportionality**. The huge variation in size in terms of population covered, thematic focus, budget, geographic scale and implementation approach, means that there must be 'tailoring' in how the framework is applied in terms of scale and scope and implementation approach (Annex 2 sets out a framework for differentiating between 'light touch', 'standard' and 'comprehensive' approaches).
- **Flexibility** should be a guiding principle, reflecting the varying characteristics of the strategies, differing geographic scales, thematic content, stages of development, administrative capacities and urban development contexts;

¹⁹ Svanfeldt C (2013) *Integrated Territorial Approaches*, European Commission presentation, Bucharest 11 October 2013.

- **The importance of 'user-friendly' methods and outputs** – well defined in terms of data generation and functions for monitoring and evaluation; tailored to capture a range of qualitative and quantitative knowledge; and taking into account the range of potential audiences;
- **Realistic goals.** It is important to be attentive to what type of knowledge can be generated, given the complexity of the subject and the resources and timescale involved.


Figure 6: Integrated Framework



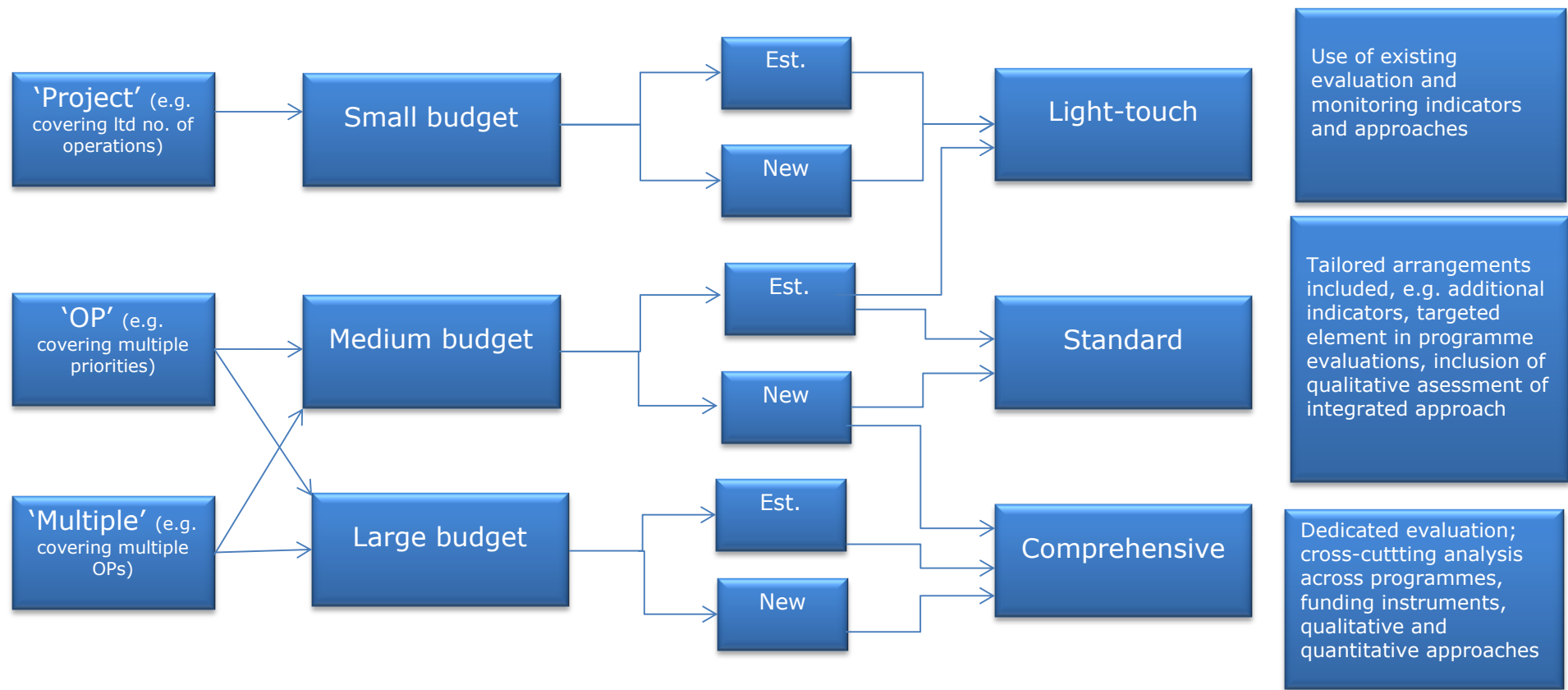
Annex 1 : Framework for generating different types of knowledge

	Rationale	Timing	Questions	Methods	Data Sources
Strategic	Ensure objectives can be met, cost-effectiveness and scope to maximise synergies	Ex ante	<ul style="list-style-type: none"> • Clear rationale for the operations being considered? • Do proposed actions fit with the specific needs of the territory? • Are policy synergies adequately considered? • Is the geographic coverage consistent with the strategic priorities? • Are targets in line with the resources available? • What is it realistic to expect future assessments to 'measure'/assess; is it necessary to develop additional benchmark measures? 	<ul style="list-style-type: none"> - Within an existing ex-ante evaluation process, or as part of a complementary analysis - Assessment of complementarities, contrasts and overlaps with relevant programmes and strategies - Qualitative assessment by expert stakeholders on whether the challenges, logic and objectives are appropriate 	Documentary sources National or sub-national levels and EU/MS socio-economic datasets, where available, e.g. http://urban.jrc.ec.europa.eu/?ind=g_dppstrend&ru=metro&s=1&c=1&m=0&f=1&p=IE001L1&swLat=49.32512199104001&swLng=-22.1923828125&neLat=57.26716357153586&neLng=5.537109374999999 http://database.espon.eu/db2/resource?idCat=43

Operational	<p>Focus on effectiveness and efficiency of management and implementation with a view to addressing any challenges, building on best practice and maximising results</p>		<ul style="list-style-type: none"> • Who is making an input into the design and implementation of the strategy? • Are genuine 'grass roots' actors and stakeholders involved? At what stages? • Are a range of actor-types and relevant territories involved? • How has partner participation been organised? If engagement has been a challenge, have measures been pursued to build engagement? • Has the strategy built on/complemented existing partnership approaches, or established new territorially-based partnerships? 	<ul style="list-style-type: none"> - Linked to a thematic/priority review of programme interventions; or separate ITI-specific review - Documentary research - Qualitative, interview-based approaches to assess the depth and quality of inputs from various actors 	<p>Documentary analysis of strategy documents (i.e. description of partner involvement in the strategies)</p> <p>Interview or questionnaire on partner engagement and involvement</p>
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<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Evaluative</p>	<p>What works, how and why? Critical assessment of to what extent, how and why territorial approach has/has not delivered results</p>		<ul style="list-style-type: none"> • Does integration and the territorial approach lead to stronger results? • Has the approach facilitated synergies with other initiatives? • Has the design and implementation of the strategy built administrative capacities (skills, confidence and capabilities of actors involved, changing organisational cultures, structures, systems, tools)? • Has the approach strengthened social capital (networks, norms, relationships, values and informal sanctions that shape the quantity and co-operative quality of interactions)? 	<ul style="list-style-type: none"> - Intervention output and results data - Where appropriate data are available for the relevant geographic scale and thematic focus of the strategy, measures such as cost per job maintained could be considered - Identification of soft/hard; long-term/short-term results using qualitative and quantitative measures, including realist evaluation, contribution analysis 	<ul style="list-style-type: none"> - Interviews <ul style="list-style-type: none"> - Focus groups to draw out the opinions of stakeholders on qualitative results - Cross-programme/policy assessments, drawing on evaluative evidence on related policy instruments where synergies have been pursued - Data-gathering and analysis of relevant results and output indicators across programmes <ul style="list-style-type: none"> - Where possible, results assessment would ideally involve statistical/quantitative analysis of cost-effectiveness, cost efficiency and impacts against established indicators - Where necessary, territorially targeted assessments of, e.g., changes in key indicators such as quality of life
	<p>Ex post</p>				

ANNEX 2: Assessment methodologies



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