



Natural
Resources
Commission

Final Report
Environmental Trust
Restoration and rehabilitation
program evaluation

June 2017

Enquiries

Enquiries about this report should be directed to:

Name	Amy Dula
Phone	(02) 9228 4844
Fax	(02) 9228 4970
E-Mail	nrc@nrc.nsw.gov.au
Postal address	GPO Box 5341, Sydney NSW 2001

List of acronyms

The Commission	NSW Natural Resources Commission
LLCI	Local Landcare Coordinators Initiative
LLS	Local Land Services
OEH	NSW Office of Environment and Heritage
The Trust	The Environmental Trust

This work is copyright. The *Copyright Act 1968* permits fair dealing for study, research, news reporting, criticism and review. Selected passages, table or diagrams may be reproduced for such purposes provided acknowledgement of the source is included.

Document No. D17/1555

ISBN: 978 1 925204 23 0

Table of Contents

Executive Summary	1
1 Recommendations	3
2 Background	6
2.1 Evaluation approach	6
2.2 Methodology	8
2.3 Restoration and Rehabilitation Program	9
2.4 Responsibility for restoration and rehabilitation	11
3 Summary of program results	12
4 Program Design	19
4.1 Program logic	20
4.2 Demand and need for the program	20
4.3 Objectives and outcomes	21
4.4 Alignment with relevant Environmental Trust Policies	21
4.5 Core business	22
4.6 Specific design parameters	23
5 Governance and administration	27
5.1 Governance	27
5.2 Program administration	30
6 Application process and selection of projects	33
6.1 Application process	33
6.2 Application assessment and project selection	35
7 Communication	39
8 Monitoring, evaluation and reporting	42
Attachment A - Restoration and Rehabilitation program design	
Attachment B - Methodology	
Attachment C - List of projects reviewed	
Attachment D - Survey questions	
Attachment E - Projects interviewed	

Executive Summary

The Restoration and Rehabilitation Program is a flagship program of the Environmental Trust (the Trust) that has been funding projects for local priorities for over twenty-five years. The program aims to “*achieve long-term beneficial outcomes for the NSW environment by encouraging and enabling community and government organisations to protect, conserve and restore the valuable natural environment*”.

This report details the Natural Resource Commission’s (the Commission) evaluation of the Environmental Trust’s Restoration and Rehabilitation Program and provides recommendations for how the program can be better tailored to help the Trust deliver improved outcomes for the environment and the community going forward.

The Environmental Trust requested the Commission undertake an evaluation of their Restoration and Rehabilitation program as implemented for the years 2010-2015. The evaluation considered a broad range of issues including assessment of the program design, achievement of objectives and long-term impacts, program delivery and administration, monitoring, reporting and evaluation, alignment with government priorities, and value for money.

The Restoration and Rehabilitation program has been in operation since 1990, initially under the *Environmental Restoration and Rehabilitation Trust Act 1990*. Restoration and rehabilitation remains one of three core areas the Trust is obligated to fund under legislation, and represents approximately 40 percent of the Trust’s total contestable grants funding. Since inception, the program has funded over 1000 projects, worth a total value of nearly \$70 million. There are around 180-220 active grants in this program at any one time.

Overall, the program is well-run. The Trust provides clear guidance for applicants, grant recipients, and technical reviewers. The application process is rigorous and transparent. Sound governance structures and processes are also in place. These aspects provide a strong platform on which to base the program going forward.

The Trust has acknowledged that the program does not incorporate a documented program logic and is lacking specified outcomes. Without these it is difficult to assess whether the Trust is achieving program objectives. The objectives and aims for the program are broad and aspirational, covering environmental protection and enhancement and capacity building.

While there is no documented program design, in practice a general program logic has emerged. The Trust funding contributes to an apparent gap, namely small to medium sized grants for local environmental priorities, implemented in a short to medium time frame. More specifically, much of the funding is used to support rehabilitation of areas impacted by environmental weeds through activities such as weeding, fencing and replanting. The majority of projects are also geared towards protection of endangered species and/or habitats.

A range of achievements are evident from project reports including:

- improved ecosystem health
- protection of endangered species/habitats
- implementation of land management plans
- community engagement
- improved awareness of environmental issues and techniques

- effective collaborations and partnerships
- success as “*seed funding*” for wider support/investment
- increased engagement and capacity building among Aboriginal groups.

The Commission feels it is timely for a comprehensive reassessment of the program design. Going forward, the Trust should develop a sound program design that establishes clear outcomes and achievable objectives for the program. The Commission has undertaken an analysis of the Trust’s current operating environment and readily available information regarding program need. The Commission recommends refining the objectives to more clearly target the core issues of restoration and rehabilitation of degraded ecosystems and community capacity building. By adopting more focused objectives the program can be tailored to target the types of projects best suited to meeting them, improve likelihood of long-term outcomes and enhance cost-effectiveness.

The evaluation demonstrates that the proponents are contributing substantial financial and in-kind co-contributions. Over the evaluation period, the total funding provided by the Trust was \$4,147,940 leveraging \$6,855,062 in combined financial and in-kind contributions, indicating the Trust is successfully leveraging additional funds. Several project proponents noted the funds are critical for their organisations and the work undertaken would not be done without the grant funds.

However, it is not possible to assess the extent to which these achievements are likely to deliver the Trust’s high level objectives. The data collected for projects is predominantly output focused and there is insufficient information to assess the extent of environmental or capacity building outcomes. The likelihood of long-term maintenance and monitoring of the projects varies, and in many cases on-ground improvements may be short-lived.

The Trust has a strong focus on ensuring equity of grant funding. Overall, their project selection represents good practice. The process for selecting projects is clear and transparent and incorporates a Technical Review Committee with broad representation. The Trust should continue to focus on equitable access to funds. In particular, actions to improve access for those with less experience in grant application writing, but who may have worthwhile projects, should be considered.

The evaluation has identified some key components of successful projects including:

- a plan for how the project will become self-sustaining and commitment to long-term maintenance and evaluation
- a collaborative approach that builds relationships between organisations, and builds the knowledge base
- strategic alignment with plans or efforts at different scales
- substantial in-kind and/or financial contributions, which result in ownership by proponents
- a clear project plan with achievable objectives
- strong and committed leadership dedicated to long-term maintenance.

The Trust should strengthen their targeting of projects that meet these criteria in future funding rounds to continue to enhance value for money and increase the likelihood of creating long-term impacts.

1 Recommendations

Recommendations

Program Design

1. The Trust should:
 - a. Periodically undertake a needs analysis for the restoration and rehabilitation program taking into account relevant contextual factors including legislative reforms, regional and state strategies, and other programs providing funding in this space. The Commission has undertaken a high level needs analysis based on current conditions. Results are provided in Attachment A.
 - b. Clarify what outcomes the Trust is targeting with this program. Recommended outcomes are provided in Attachment A.
 - c. Refine the objectives to more clearly focus on the issues and outcomes the Trust wishes to target. Recommended objectives are provided in Attachment A.
 - d. Consistent with the guidance provided in this report and the Trust's major grants funding principles, redesign the program to more directly target projects that are likely to contribute to the desired outcomes.
 - e. Ensure that the timeframes and funding limits are consistent with the objectives of the redesigned program.
 - f. Incorporate mechanisms to encourage collaboration and alignment with regional plans where appropriate. Means for doing this are included in the program design advice provided in Attachment A.
2. Revisit the upper funding limit of grants and adjust to reflect inflation.
3. Consider providing small longer-term maintenance and/or monitoring grants.
4. Consider implementing the detailed program design advice provided in Attachment A.

Governance and administration

5. Undertake a risk assessment to identify key risks to the delivery of the program and address these in any redesign of the program.
6. Document program implementation and management processes to prevent the loss of corporate knowledge.
7. Improve the consistency of the progress review process to allow feedback to be provided to proponents directly or with minimal review from the Trust.
8. Provide clear guidance on financial reporting requirements to improve financial literacy and ensure that financial reporting requirements are clearly defined and proponents report consistently.
9. Consider selecting an independent chair for the Technical Review Committees in line with good practice.
10. Clarify program administration costs and limits to ensure Trust resources are in line with other Trust administration limits and good practice.
11. Develop clear guidelines and timelines for reviewers.

Application Process and Selection of Projects

12. In developing the new grant management system, the Trust should review the application process and evaluate opportunities to streamline to reduce duplication. Consideration should be given to whether application requirements can be varied for different types of projects and/or levels of funding.
13. Consider ways to provide more support to groups applying for the program, particularly low capacity groups, such as workshops, online training sessions, and

increased staffing resources during the application period. To reach new applicants it will be critical to ensure such support is well advertised and potential applicants are aware of its availability.

14. Provide sufficient time for applicants with a range of resources and capacities to respond to call for applications.
15. Implement methods to reduce the timeframe between application submission and confirmation of outcome. Options may include employing additional reviewers and utilising a staged approach.
16. Projects should be designed with a focus on specific ecosystem and capacity building outcomes, and applications should demonstrate a project logic linking the project objectives, activities and outcomes.
17. Projects should be assessed based on the quality of the project logic provided (i.e. the likelihood the project will achieve a sustainable long-term outcome). This will allow easier comparison across a range of types of projects.
18. Consider adding criteria to the application assessment process on the likeliness of the project to build capacity, the strength of collaboration in the project, and the amount of in-kind contributions proposed.
19. Ensure the expertise and skills of the technical review committee is diverse to reduce potential bias towards areas of familiarity and perceived environmental priority.
20. Consider more rigorous requirements for government applications to demonstrate how projects will build community capacity.

Communication

21. In order to improve feedback from Trust:
 - a. Provide feedback on progress reports in a timelier manner to allow feedback and advice to be applied to projects in an appropriate manner.
 - b. Implement measures to ensure more consistent and informative feedback to proponents. Be clear with proponents what aspects of their projects are viewed as good practice, where they are not meeting good practice and provide access to what other projects are doing.
 - c. Provide feedback to technical reviewers of applications on the outcomes of projects and performance of proponents undertaking previous projects to inform assessment of future projects.
 - d. Provide feedback to reviewers as to how their feedback is applied and how it could be improved to benefit proponents and achieve better outcomes.
 - e. Provide feedback to unsuccessful participants. Given resources constraints, consider whether a summary of key issues identified in applications that were unsuccessful and provide opportunities for follow up by individual applicants or via workshops.
 - f. Consider additional means to advertise the program, the success of the program and projects and highlight outcomes achieved. Particularly focus this promotion on regions across NSW where there are a low level of applications leveraging local networks where possible to tailor approach to sharing information.

Monitoring, Evaluation and Reporting

22. Data quality issues noted should be addressed in the upcoming migration to an online grant management system to increase the ability of the Trust to maintain a higher quality database and produce efficient and accurate program level data. Specifically the Trust should:
 - a. Ensure that the meta-data is clearly organised so that analysis can easily be undertaken.
 - b. Provide specific guidance for how proponents should measure each specific indicator to ensure consistency and improve quality of the data.
 - c. Reduce the number of output indicators to target a few specific and consistent indicators for similar projects. Project may report unique outcomes indicators as appropriate.
 - d. Require spatial data to be reported for all project activities.
 - e. Revise project categories to reduce overlap and allow for more meaningful assessment of aggregated data.
 - f. Ensure that data in the database is quality assured, for instance zero values are only entered where they were reported as such.
23. Project measures should be reassessed to ensure that those selected target the key outcomes for each project (e.g. capacity building and environmental outcomes). Project reporting should focus on collection of data most useful for informing sound decision-making. See Attachment A (Section 4.3 for further guidance).
24. Activity based output measures and project outcome measures should be clearly delineated. Attachment A provides guidance on appropriate selection of these.
25. Project measure data should be routinely evaluated to identify trends and key lessons.
26. Lessons learned should be readily shared with project proponents and reviewers to enhance institutional learning and add value to the planning and reporting process.
27. The Trust should consider options for monitoring and assessing long-term outcomes including potential for proving small grants for long-term monitoring and the option to test predictive MER approaches.
28. Consider using some of the funds allocated for evaluation to establish baseline program scale information (such as surveys) and for on-ground assessment during the project.
29. Allow flexibility in achievement of outputs where outcomes are not affected.
30. The Trust should ensure that MER data incorporates outcome measures for both environmental and social (i.e. capacity building) aspects of the program.

2 Background

2.1 Evaluation approach

The NSW Environmental Trust (the Trust) requested that the NSW Natural Resources Commission (the Commission) undertake an independent evaluation of the Restoration and Rehabilitation Program in order to understand the program outcomes, program delivery, and the cost effectiveness of the program over the period 2010 – 2015 (financial years 2010/11 to 2014/15).

The Commission conducted the evaluation in accordance with the agreed key evaluation questions and proposed methods to investigate those questions (see Attachment B). The evaluation included:

- A review of documentation provided by the Trust, and project proponents.¹
- Telephone and face to face interviews with representatives of government and community grant recipients (hereafter referred to as “project proponents” – see Attachment B for full list), Trust staff, members of the Technical Review Committee, and reviewers from the Office of Environment and Heritage.
- Online survey of successful and unsuccessful grant applicants (see Attachment C for survey questions).
- Site visits to conduct interviews and inspect on-ground activities for 14 projects (see Table 1 for a brief description of the projects visited).
- Analysis of the program and project level outputs and outcomes. This included broad analysis of the evidence to identify strong themes as well as more focussed analysis against the evaluation questions.

¹ Key documents reviewed included:

- grant applications
- grant contracts and agreements
- project planning documentation
- guidelines for applicants
- project proposals and reports from individual projects
- Environmental Trust project governance procedures
- documents provided during site visits such as project plans and contractor reports.

Table 1: Projects visited during the site visits undertaken during the evaluation

Region	Project proponent and project name	Description
	Envite Environment Inc. - Wompoo Gorge lowland rainforest corridor restoration	The project, carried out by Envite, restored critically endangered lowland subtropical rainforest linking Nightcap and Goonengerry National Parks. The area of land was acquired by National Parks after the restoration.
North Coast	Ballina Shire Council - Marom Creek Weir riparian rehabilitation project Ballina	Council implemented a Vegetation Management Plan for Marom Creek Weir, to rehabilitate lowland subtropical rainforest. Council coordinated experienced bush regenerators to extend existing restoration works in the catchment of Wardell's water supply.
	Northern Rivers Fire and Biodiversity Consortium - Protecting the high ecological and cultural values of Busby's Flat	The Consortium, in conjunction with Casino Boolangle Local Aboriginal Land Council and a number of private landholders, undertook on ground bush regeneration work, planning and implementing appropriate fire management and community capacity building to protect four sites at Busby's Flat.
Metropolitan Sydney	Hawkesbury Council - Little Wheeny Creek restoration project 2012-2014	The project was undertaken by Council in conjunction with contractors. The project restored riparian region at Wheeny Creek through weeding activities.
Hunter	Hunter Councils Inc. - Buffering the Worimi conservation lands from external impacts	The project, undertaken on land owned by Worimi Local Aboriginal Land Council, involved employment and education opportunities for indigenous people. The project protected the Worimi reserve from external detrimental impacts. The project implemented weed and rubbish removal, and illegal track closures.
Mid North Coast	Orara Valley River Care Groups Management Committee - Connecting riparian rainforest corridors in the Orara Valley	The project, involving Coffs Harbour City Council and the Management Committee, connected riparian rainforest corridors in the Orara Valley.
	Kempsey Shire Council - Gills Bridge Creek rehabilitation program (management zone 5)	The project rehabilitated an area of the Gills Bridge Creek riparian corridor, which was subject to degradation from land uses of surrounding urban and industrial development. The project involved weeding and planting of native species.

	Office of Environment and Heritage - Brinerville restoration project	The project, which employed young local Aboriginal bush regenerators, restore a section of lowland rainforest on floodplain adjoining the Gondwana Rainforests of Australia World Heritage Area.
	Wollongong City Council - Riparian and headland restoration and regeneration in Bulli	The project involving Bushcare and regeneration corridors to restore connectivity along a riparian corridor, coastal headland, and in a remnant of Swamp Oak Floodplain Forest at Bulli.
South Coast	Berry Landcare - Restoration Illawarra subtropical rainforest - Bundewallah Creek	A partnership project involving a Bushcare group, Council and two private landholders. The project restored remnants of Illawarra subtropical rainforest.
	Mount Gibraltar Landcare and Bushcare Group - Mount Gibraltar forest EEC regeneration of old quarries sites	The Landcare and Bushcare group, with Wingecarribee Shire Council, removed weeds and allowed natural regeneration of Mount Gibraltar Forest. The project was part of an 18 year restoration effort of Mount Gibraltar.
	Central Tablelands Landcare - Stepping stones through our endangered grassy woodlands	A planting project building corridor links between on farm remnant endangered ecological communities with vegetation on nearby reserves. Landholders involved signed a voluntary ten year management plan.
Central West	Bathurst Regional Council - Restoring regent honeyeater habitat in the Bathurst region	The project, restored Casurina Gallery Forest along one kilometre of the Macquarie River. A number of volunteering days were held to involve the community and the project spurred an additional grant for a community fishing group initially involved in the project.
	Gilgandra Shire Council - Railway Street stormwater wetland and community education program	Council and contractors are constructing a number of artificial wetlands to mitigate the impact of urban runoff and improve water quality of discharge to the Castlereagh River.

Note that for the remainder of the report “the program” refers to the Restoration and Rehabilitation Program. The use of the term project will refer to the on-ground projects funded through the program.

2.2 Methodology

The evaluation methodology, including evaluation questions and project sampling, was developed in conjunction with the Trust.

In order to undertake detailed engagement with successful grant recipients, it was necessary to select a sample from the 279 successful grant recipients provided by the Trust to the Commission for review between 2010 and 2015 (see Attachment B for summary of projects selected for site visits and selection criteria). The aim of the approach was to ensure:

- there was an adequate number of projects across all regions
- small and medium grants were sufficiently represented
- there were more completed grants than active grants to ensure grant reports and data were readily available.

A stratified random sampling approach was adopted to promote a balanced selection of projects that reflected the characteristics and spread of grants. The final sample size of projects analysed in the document review was 51 representing a total investment of \$4.1 million. All regions except the New-England North West region were sampled.² Attachment B includes a detailed description of the sampling approach used to ensure a representative sample.

2.3 Restoration and Rehabilitation Program

The Restoration and Rehabilitation Program has been in operation since 1990, initially under the *Environmental Restoration and Rehabilitation Trust Act 1990*. The first round of grants was awarded in 1991. Since then, the program has funded over 1000 projects, worth a total value of nearly \$70 million. There are around 180-220 active grants in this program at any one time.

The program aims to achieve long-term beneficial outcomes for the NSW environment by encouraging and enabling community and government organisations to protect, conserve and restore the valuable natural environment. The objectives of the program are to:

- restore degraded environmental resources, including rare and endangered ecosystems
- protect important ecosystems and habitats of rare and endangered flora and fauna
- prevent or minimise future environmental damage
- enhance the quality of specific environmental resources
- improve the capacity of eligible organisations to protect, restore and enhance the environment
- prevent and/or reduce pollution.

The program is a contestable grants scheme and is currently split into two streams – community and government – to recognise different capacities and ensure comparability across grants. All program objectives, guidelines, application requirements and assessment criteria are consistent across both streams, except for the relevant eligibility criteria (see Restoration and Rehabilitation Program Guidelines 2015/16).

Previously, a heritage stream was trialled over two years between 2014 and 2016 under ministerial direction. The stream catered to projects being run by state-heritage-listed property owners to undertake environmental restoration works on their sites. The stream had limited success, as many applicants applied for ineligible activities (such as works on buildings) and there were a lack of applicants. The stream was significantly undersubscribed - more than half

² The Commission was unable to engage with any projects from the New England / North West region as there was a small number of projects in this region and those contacted did not respond or were unable to participate.

the available funds remained after two rounds. Therefore, after two trial rounds, the stream was discontinued. The Trust used the remaining funds for government and community stream projects.

Between 2010 and 2015, the Trust provided an average of \$4 million in grant funding each year for the program. Funding was split evenly between the government and community streams with grants ranging from \$5,000 to \$100,000. On-ground works varied in nature though consistently aimed to protect, conserve and restore natural environments.

During the period 2010/11 – 2015/16 the Trust funded:

- 150 projects under the government stream
- 154 projects under the community stream
- ten projects under the heritage stream.

The community and government streams received just under \$13 million worth of Trust funding each over the six year period, and the heritage stream received approximately \$690,000 over the course of two years.

A summary of the program is provided in Table 2. A detailed list of funded projects is available in Attachment C.

Table 2: Summary of the Restoration and Rehabilitation Program

	Government	Community	Heritage
Project years evaluated	2010-2016	2010-2016	2014-2016
Average funding per year	\$2 million	\$2 million	\$344, 105
Grants available	Minimum \$5,000 Maximum \$100,000	Minimum \$5,000 Maximum \$100,000	Minimum \$5,000 Maximum \$100,000
Average annual number of project applicants ³	2010 – 2016 80 projects	2010 – 2016 81 projects	2014/15 - 9 total applications 2015/16 – 10 total applications
Average annual number of projects approved ⁴	2010 – 2016 25 projects	2010 – 2016 26 Projects	2014/15 – 4 total grants 2015/16 – 6 total grants
Total funding between 2010 - 2015 ⁵	\$12,779,170	\$12,715,722	Total funding between 2014-2016 \$688, 210

³ Data sourced from Environmental Trust annual reports 2010/11 to 2015/16

⁴ Data taken from <http://www.environment.nsw.gov.au/grants/restoration.htm>

⁵ Data sourced at <http://www.environment.nsw.gov.au/grants/restoration.htm>

2.4 Responsibility for restoration and rehabilitation

In NSW, legislative requirements for agencies or groups to undertake restoration and rehabilitation works are limited to those instances where a specific direction has been necessitated under one of the following NSW Acts:

- *Coastal Management Act 2016*
- *Contaminated Land Management Act 1997*
- *Environmental Planning and Assessment Act 1979*
- *Local Government Act 1993*
- *Local Land Services Act 2016*
- *Mining Act 1992*
- *Petroleum (Onshore) Act 1991*
- *Threatened Species Conservation Act 1995*
- *Water Management Act 2000.*

In all other instances, on public and private land, restoration and rehabilitation of degraded land is not required under legislation.

Of note, the NSW *Local Government Act 1993* stipulates that 'community land' must be used and managed under the plan of management applying to the land and other applicable legislation. The plan of management for lands deemed as 'community land of cultural significance', and community land declared as 'natural area', 'bushland', 'wetland' or 'watercourse' should include a core objective for restoration of the land under the *Local Government Act 1993*. The Trust is required to provide \$1 million worth of funding to community organisations to encourage and support restoration and rehabilitation each year under the *NSW Environmental Trust Act 1998*.⁶ The program fulfils this legislative requirement.

The Trust has provided the Commission with draft guidance on what is considered core business of other agencies. A key consideration is whether functions are the legal responsibility of another agency. The guidance indicates the Trust seeks not to fund core business except under specific circumstances. Chapter 5 includes an assessment of whether projects funded constitute core business.

3 Summary of program results

Key Findings

- Ninety-five percent of survey respondents indicated that they completed all or most of the activities committed to and that activities are likely supporting the achievement of Trust objectives.
- The majority of projects reported a focus area (as provided by the Trust) on the protection of habitat (including wildlife corridors, threatened species/endangered ecological communities), bush regeneration, fencing of remnant vegetation, revegetation and weed management. Key activities completed most often included weed removal, planting and installing fencing.
- There is insufficient longitudinal data to determine environmental outcomes achieved, and the likelihood of long-term impacts is uncertain.
- Projects achieved a range of benefits beyond potential environmental outcomes, which included community engagement, improved awareness of environmental issues and techniques, effective collaborations and partnerships, served as “seed funding” for wider support/investment and increased engagement and capacity building among Indigenous groups.
- Projects demonstrate significant financial co-contributions and in-kind contributions. For every dollar invested the Trust is generating \$1.65 in co-contribution, based on a sample of project reports.

This section details a summary of program results as reported in project documentation. Analysis of these results, and recommendations are found in the following chapters.

Achievement of objectives

Review of the project documentation from the sample of projects highlights that the majority of projects have reported that they either met or are on track to meet their objectives. **Table 3** outlines the extent to which projects achieved their objectives based on review of documentation.

Interviews with the Trust indicate that projects are most likely to achieve their objectives when the proponents:

- maintain regular lines of communication with the Trust
- seek advice and report project related issues early
- collaborate with other groups.

No major differences between the government and community stream were noted in regards to achievement of objectives.

Table 3: Achievement of project objectives for selected sample of projects

Extent of achievement of objectives	Complete projects	Projects in progress	All projects
Fully / on track	27	6	33 (66 percent)
Mostly / mostly on track	9	7	16 (32 percent)
Partially	1		1 (2 percent)

In cases where projects largely, but not fully, met their objectives, the shortfall was typically associated with output targets that had either not been completely achieved or had been delayed. In the one instance where project objectives were only partially met, this shortfall appears to have been related to setting unachievable objectives in the short timeframe, rather than project mismanagement.

Similarly, survey results indicated that 95 percent of respondents feel they have met the objectives of the program as a whole. In regards to their specific project objectives, 52 percent believe they achieved all objectives, and 41 percent indicated they achieved most of the objectives. Interviews with grantees and survey results identified the major factors effecting the achievement of project objectives as a lack of participation from landholders, issues with contractors, weather, and setting unachievable objectives. Proponents noted that the Trust was flexible in regards to allowing variances due to weather impacts. This is considered reasonable. Suggestions in regards to managing these other risks are provided in the program design and application process recommendations.

What is the Trust funding?

Proponents report the focus of their project based on categories provided to applicants by the Trust. Based on most frequently reported focus areas (for sample of projects), the greatest portion of funding is provided for protection of habitat and revegetation. It should be noted that projects targeting these issues often incorporate weeding, which was the third most cited focus of projects. There are often overlaps between categories which creates duplication.

Table 4 provides a summary of the main focus reported from the sample of projects analysed in detail. Review of the details of the sample projects indicates that many of them related to protection of threatened species and/or endangered ecological communities.

Table 4: Summary of project focus areas for sample of projects

"Main focus" of project	Number of projects
Protection of habitat including wildlife corridors, threatened species/endangered ecological communities, control of non-indigenous species	25
Vegetation corridors/vegetation management including bush regeneration, fencing of remnant vegetation, revegetation	12
Weed management including willows	5
Water quality including riparian restoration, weir removal, erosion, stormwater	4
Wetlands management	2
Waste including prevention/reduction of pollution, resource recovery or waste avoidance	1
Other (e.g. environmental education)	1

The most frequently cited activities carried out in these projects included community awareness raising, weed control, revegetation, engagement with volunteers and development of working groups. **Table 5** below provides a summary of the number of projects that cited specific activities (from the sample assessed).

Table 5: Activities reported by the sample of projects assessed in detail

Activity	Number of projects
Community awareness raising	44
Weed control	35
Revegetation	32
Engagement of volunteers	32
Development of working groups/ collaborations	30
Training/ workshops	29
Development of management plans	27
Access control measures (e.g. fencing)	17
Maintenance of revegetation	12
Pest control	9
Guidelines and planning for future projects/ groups	7
Engagement with Aboriginal stakeholders/ training of Aboriginal staff	6
Nesting boxes	4
Riparian works	4
Other (e.g. seed collection, field trials, incentive payments)	8

Who is the Trust funding?

Government stream

Figure 1 provides a breakdown of the agencies that received grants within the sample selected for detailed review. Discussion of the potential funding of core business is included in Chapter 4.

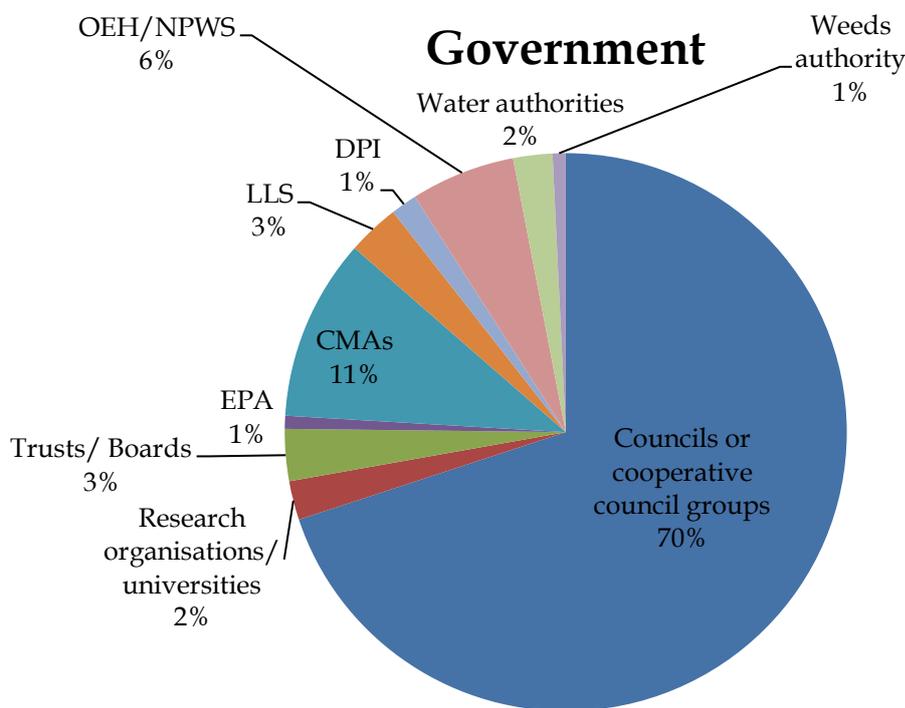


Figure 1: Distribution of grants to government agencies from sample selection

Community stream

There are various types of groups funded through the community stream, with the majority being Landcare groups (42 percent). 'Other community groups' are the next largest category

making up 30 percent of total funding. Envite, a not-for-profit contracting group was the third highest category, receiving 9 percent of grant funds. See Figure 2 for a high level breakdown of community groups funded under the community stream.

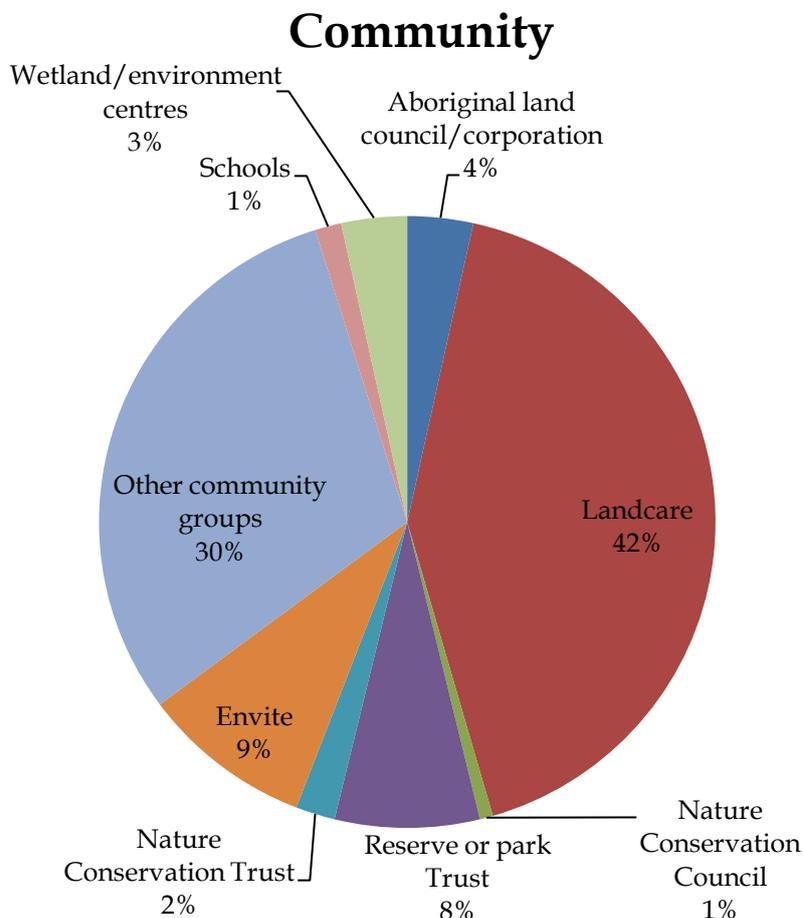


Figure 2. Distribution of grants to types of community groups - from sample selection

Long-term outcomes

The environmental outcomes and long-term impacts of the program are unclear. The short-term monitoring available for one to three year projects makes it difficult to track and demonstrate long-term environmental outcomes. Further, no specific outcomes have been specified for this program, although there are broad objectives. The reported data on project achievements generally aligns with the program’s objectives of restoring degraded environmental resources and endangered ecosystems and building capacity. Recommendations for how the monitoring, evaluation and reporting can be improved are provided in Chapter 9 and Attachment A.

Table 6 below shows the number of projects from the evaluated sample that have contributed to each of the program-level objectives, and their achievements. These achievements represent outputs or short-term outcomes, with little evidence of the projects having a longer-term impact on, for example, the condition of habitats, beyond the funding period. However, project documentation does include anecdotal or incidental reporting of long-term impacts, such as the return of native species as a result of environmental rehabilitation. For example, platypus and Australian bass returned to the Orara Valley following efforts to control weeds. Factors identified as contributing to increased likelihood of longevity of the project included strong collaboration, significant co-contributions, capacity building and commitment to continued monitoring and maintenance. In addition, the Trust has trialled various options for

increasing the likelihood of long-term maintenance. For instance, Land Management agreements have been instituted with private landholders through the Catchment Management Authority or LLS. A small number of projects had documented agreements to maintain the project for 10 years. The Trust noted that they can only institute non-enforceable agreements. However, a written commitment to maintain the site should increase the likelihood that proponents maintain the site. Attributes of projects that seemed most likely to achieve long term outcomes are further discussed in Chapter 5.

Table 6: Summary of sample project achievements and contribution to program objectives

Program objective	No. projects contributing	Summary of achievements
Restore degraded environmental resources, including rare and endangered ecosystems	43	7,932 ha of habitat regenerated 133 ha of land revegetated 120,950 plants planted
Protect important ecosystems and habitats of rare and endangered flora and fauna	33	1,598 ha of habitat managed for weeds 42.4 km of fencing installed
Prevent or minimise future environmental damage	25	81 Land Management plans developed 11 conservation commitments established
Enhance the quality of specific environmental resources	10	52 ha of vegetation corridor established 682 tonnes of waste and contaminated sediment removed
Improve the capacity of eligible organisations to protect, restore and enhance the environment	42	464 organisations engaged 155 awareness raising events with 21,615 attendees 63 training sessions run and 908 people trained
Prevent or reduce pollution	9	46 ha of land cleared of waste Devices installed to improve water quality

Project benefits

Projects funded under the program have contributed to a broad range of benefits beyond their core focus. Examples of these broader benefits include:

- conference papers and journal publications on weed control trial results
- high levels of community engagement and volunteerism across many of the projects
- improved knowledge and awareness of environmental issues and restoration methods among students and community members that were engaged in projects
- the development of collaborations and partnerships among complementary organisations and groups
- engagement with and capacity building among Aboriginal groups, particularly with respect to land management skills and experience and fostering indigenous connection to country.

Specific project benefits included:

- identification of new populations/records of endangered species, e.g.:

- White-flowered wax plant *Cynanchum elegans* in Blackbutt Reserve, Shellharbour
- a new population of the rainforest cassia *Senna acclinis* recorded in the Northern Rivers region
- re-ignition of cultural pathways between Aboriginal Elders and more recent generations relating to potaroos in the Eurobodalla region
- recruitment of a bush regenerator to a full-time traineeship position on the basis of their work in an Aboriginal green team
- improved levels of stewardship and social connectedness among Landcare participants along the Murrumbidgee river.

Co-contributions and value for money

Projects reported substantial financial co-contributions and in-kind contributions. The sample projects reported leveraging 1.65 times the original investment between financial and in-kind contributions, indicating the Trust is achieving good value for their money.

Project proponents reported a lack of clarity around reporting of financial contributions and contributions of staff time, which would technically be classified as in-kind. Reviewers also felt proponents were unclear on this issue. It is possible some staff time was reported as financial rather than in-kind contribution. It is also possible that some contributions were double reported as both financial and in-kind contributions. The level of detail reported does not allow for further assessment of this issue. Future project guidance documents and reporting templates would benefit from clearer guidance around the classifications of in-kind versus additional funding.

Over the evaluation period, projects in the government stream collectively received \$2,108,598 in Trust funding across 26 projects averaging \$81,114 per project. Community funded projects received \$2,038,982 across 24 projects averaging \$84,598 per project.

Of the sample projects reviewed, the Commission identified 23 projects that provided additional financial contributions worth an estimated total of \$2,398,424. This equates to an average of \$104,282 per project (among those 23 projects who sourced additional funds). These values are based on reporting from the project proponents.

Most projects in the sample leveraged some form of in-kind contribution in the form of volunteer labour, project coordination, machinery and equipment, tubestock supply and other contributions. These contributions amount to an estimated \$4,456,638 in value based on project reports, which is an average of \$79,583 of in-kind contribution per project. This is in addition to the financial contributions reported. The total funding provided by the Trust was \$4,147,940, leveraging \$6,855,062 in combined financial and in-kind contributions.

Projects broadly reported achieving similar outcomes relative to their spending. However, the extent of outputs varied greatly. The assessment of sample project reports, against three key metrics (area regenerated, area revegetated and area managed for weeds) indicated a wide variation in outputs per dollar. Projects that received the greatest amount of funding had the greatest level of variation. It is important to note that this variation in achievements is to be expected. Variation may be the result of a range of factors such as projects focusing on different activities or dealing with particularly difficult / resource intensive environments. There is insufficient information available to assess what specifically drove these differences. Recommendations for improving monitoring, evaluation and reporting are provided in Chapter 9.

Innovation

Most of the 52 projects analysed cited some form of innovation. However, only 13 projects made clear cases for innovation in their projects (see Table 7).

Table 7 Breakdown of sample projects trialling innovative techniques

Innovative techniques	Number of projects
Trialling new weed control techniques	5
Trialling pest control techniques	2
Cross property planning	2
Involvement of Aboriginal stakeholders	2
Integrated riparian restoration	1
Collaboration between councils to explore innovative options to reduce waste	1

Information gathered from the document review indicated projects that reported innovative approaches most often focused on identifying ways to improve current methods or develop and trial new methods. Interviews with grantees and survey results identified supportive staff, available budget and resources, and collaboration as key enablers.

Grantees considered an increased risk in using techniques that might fail or affect project achievements and felt tried and tested techniques were often sufficient to achieve project goals. These perceptions act as barriers to innovation. Other identified barriers included limited funding and resources and the need to meet strict reporting requirements.

4 Program Design

Key Findings

Program design

- The Trust acknowledges that the Restoration and Rehabilitation Program does not have a formal program logic articulating objectives, expected outcomes and performance indicators. Nor has there been an assessment of specific need. This reduces the likelihood that the Trust is maximising their investment.
- In practice, the program has implemented a loose logic that can be inferred through the stated aims of the program, its objectives and actual on-ground activities.
- The program's objectives are specified in the program guidelines but are broad and high level.
- There is a clear demand for the program evidenced by the document review, interviews with grantees and survey results. Grant recipients consistently indicated that the funds are critical for their organisations and that the work undertaken would not be done without the funds.
- The program design can be improved to better target projects most likely to achieve long-term environmental and social outcomes.

Strategic alignment

- The objectives of the program align with broad environmental and governmental priorities.
- Alignment with regional and state strategic plans varied, and this was not a clear requirement of project selection.

Design parameters

- The evaluation indicates that key components of successful projects include plans for long-term maintenance, collaboration, alignment with strategic plans, substantial co-contribution, sound project planning and committed leadership.
- The three year time frame and size of funds available are acknowledged to be generally sound and better than many alternative programs at a similar scale, but it is frequently noted that the timeframe is insufficient to demonstrate environmental outcomes.
- There is opportunity to further enhance equity of access to funds.

The Restoration and Rehabilitation Program is one of the first programs implemented by the Trust. Community-led restoration and rehabilitation remains a statutory requirement and core component of Trust funding. At the time that the program was established, funding for restoration and rehabilitation on-ground projects was scarce. Organisations participating in this type of work, and the types of issues they face, have varied considerably since the grant was initially started. More recently, there have been programs run by the Trust and other agencies (e.g. Saving Our Species, the National Landcare Program, and Linking Landscapes), that have funded large scale restoration and rehabilitation work through grants. Some of these have now closed, or are nearing completion.

The Restoration and Rehabilitation program is long-standing and provides consistent funding in an area where investment is highly uncertain. Given the changes to the operating environment,

and extensive knowledge the Trust has gathered through operation of the program for so many years, it is timely for a comprehensive reassessment of the program design.

4.1 Program logic

The Trust acknowledges that while they have developed clear guidelines for grant recipients and established funding priorities, there is not a strategic program design linking their objectives, expected outcomes and performance indicators. Similarly there has not been a needs analysis to determine where the Trust might best focus their funds to achieve outcomes.

In practice, the program has implemented a loose logic that can be inferred through the stated aims, funding priorities and objectives and actual on-ground activities (see figure 3).

The aim of the program according to the Trust’s website is:

- *To facilitate projects run by community organisations and government entities working to prevent or reduce environmental degradation of any kind. Through these projects, we also aim to improve the capacity of communities and organisations to protect, restore and enhance the environment.*

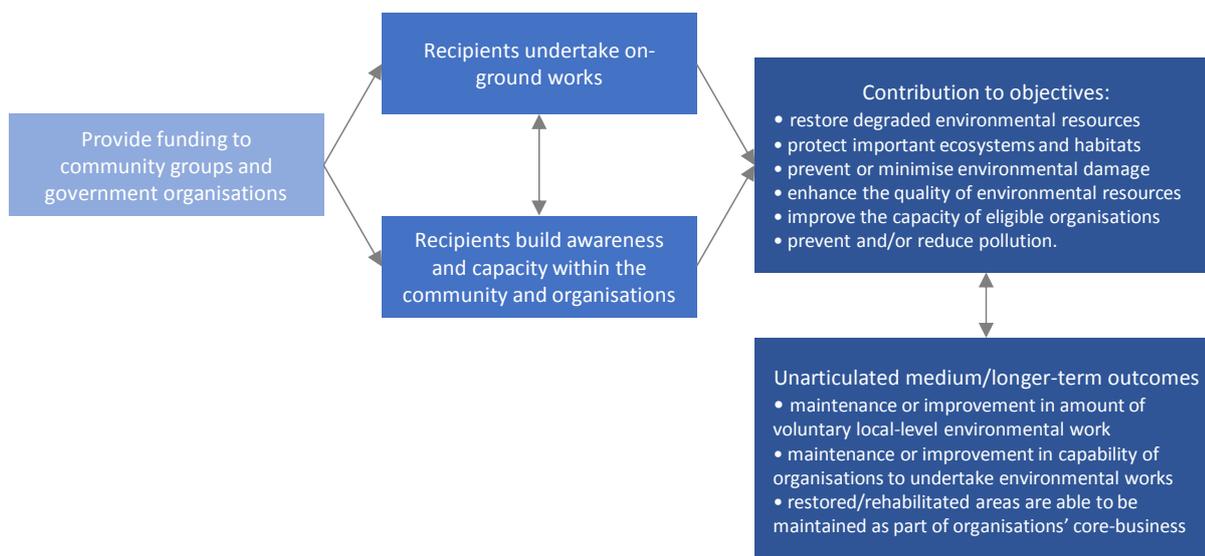


Figure 3: Inferred program logic for the Restoration and Rehabilitation Program

4.2 Demand and need for the program

There is a clear demand for the program evidenced by the document review, interviews with grantees and survey results. Evidence from the document review indicates that between 2010-11 and 2015-16 there were consistently, on average, three times more applications than grants funded. This points to a strong demand for the program. In interviews, grant recipients consistently indicated that the funds are critical for their organisations and that the work undertaken would not be done without the grant funds.

Survey results indicate 52 percent of respondents have applied for the grant more than four times, 12 percent have applied three times, eight percent have applied more than twice and 13 percent have only applied once. Interviews with reviewers noted that there was a sufficient number of quality projects meaning subpar applications did not get funded. They also noted that there was an increase in application quality of those applicants who were previously

unsuccessful. See Chapter 7 for more information on the application process. Interviews with Trust staff indicate they are funding the majority of high quality projects.

Although the demand and need for funds in regards to environmental protection in general is clear, the specific need that the program is trying to address is less clear. Interviews with participants, reviewers and Trust staff, indicate a relatively consistent view that the program is intended to fill a “niche”. This is most often indicated to be small to medium scale funding over the short to medium term to address local restoration and rehabilitation priorities. This niche exists as the program sits within a number of other longer term programs (6 – 10 years) run by the Trust including: Saving our Species, Bush Connect and the former Community Bush Regeneration Program. In addition to filling a niche, the program appears to supplement gaps in the core business activities of organisations funded under the program. In particular the program funds a significant amount of environmental weeding – weeding of species that are not listed as noxious and therefore not legally required to be addressed. To date the Trust has not undertaken a formal strategic assessment to identify gaps in funding, how this program is intended to fit with other programs, or the scale they wish to target with this program.

The Commission has conducted a high level needs analysis and developed proposed program design options, which are provided in Attachment A. This needs analysis confirms the assessment that the program is unique in providing three-year, small to medium sized grants for on-ground restoration and rehabilitation works in NSW. Other programs differ in focus, scale or longevity.

4.3 Objectives and outcomes

The program’s objectives are indicated in program guidelines but are broad and high level:

- to restore degraded environmental resources, including rare and endangered ecosystems
- to protect important ecosystems and habitats of rare and endangered flora and fauna
- to prevent or minimise future environmental damage
- to enhance the quality of specific environmental resources
- to improve the capacity of eligible organisations to protect, restore and enhance the environment
- to prevent and/or reduce pollution.

As noted, there are no specified outcomes for the program. Desired outcomes inferred from program documentation include:

- long-term improvements in environmental condition at sites of on-ground work
- increased capacity of organisations to undertake restoration and rehabilitation work
- protection of endangered species and habitats.

Due to the broad nature of the objectives and the limitations of the monitoring and reporting it is difficult to assess the overall contribution of the program to achievement of the objectives. The monitoring, evaluation and reporting is addressed further in Chapter 8.

4.4 Alignment with relevant Environmental Trust Policies

The objectives of the program are consistent with relevant environmental and governmental priorities. The program operates within the framework of legislation and aligns with the Office of

Environment and Heritage departmental corporate plan. Examples of key Government priorities are provided below.

NSW *Environmental Trust Act 1998* priorities:

- encourage and support restoration and rehabilitation projects
- promote research, and environmental education
- fund environmental community groups.

Office of Environment and Heritage Corporate Plan 2014-2017 priorities:

- partner with communities
- drive cost-effective delivery of environmental outcomes
- strategically support government, communities and industries.

Local Land Services state-wide goals and strategies

- Goal 3: healthy, diverse and connected natural environments
- Strategy 7: Deliver services that support Aboriginal people to care for Country and share traditional land management knowledge.

The Trust has incorporated a government stream into the program. According to interviews this was added in recognition that government partners are often most efficient and effective at delivering the types of projects funded through the program. Moreover, the Trust legislation provides for works to be carried out on public or private land.

4.5 Core business

The Trust has a policy outlining their decision not to provide funding for core business of other agencies. Draft guidance on what is considered core business has been provided to the Commission by the Trust. A key consideration is whether functions are the legal responsibility of another agency.

Of the sample projects selected for detailed review, the majority of projects funded in the government stream went to councils (70 percent), followed by (former) Catchment Management Authorities (11 percent). The works are not considered core business for Catchment Management Authorities or Local Land Services. Local Councils are the control authority responsible for controlling noxious weeds on council land. There are few environmental weeds that are declared noxious. Review of project descriptions indicates that the projects funded were focused on non-declared environmental weeds. Similarly other agencies (such as the weeds authority) used funds for environmental weed control outside their legal responsibility.

The government stream funds work on 'community land'. Local councils are required to prepare plans of management for community land, which must include a restoration objective as discussed in Chapter 3. The information available is insufficient for the Commission to determine whether the activities undertaken through the program were covered by a local council plans of management. The Trust should request this information in applications to ensure they can appropriately assess consistency with their core business policy.

It is noted that proponents indicated that works undertaken by councils would largely not have occurred in the absence of the grants due to resource limitations. The core business draft policy allows for exceptions under which core business can be funded. The Trust should ensure that

where projects are funded, which may be core business of local councils (or others) a consistent assessment and decision-making process is implemented in regards to granting an exception.

Other government agencies, such as LLS are not viewed to have used the funds for core business based on the information available. Grants to Office of Environment and Heritage (OEH) / National Parks and Wildlife Services (NPWS) constituted six percent of the grants in the sample (see Figure 1). The most relevant legislative / regulatory requirements for these projects is the *National Parks and Wildlife Services Act 1974* and corresponding regulations, and the *Threatened Species Conservation Act 1995*.

- The *Threatened Species Conservation Act 1995* outlines that NPWS is responsible for developing threat abatement plans for weeds listed as key threatening processes. From the OEH project descriptions it is unlikely that any of the projects are contributing to this responsibility.
- The *National Parks and Wildlife Services Act 1974* outlines principles of management for national parks (which do not specifically assign roles associated with on-ground works). Therefore it is likely that the OEH projects can be considered additional/complementary to the other NPWS funded core works consistent with the core business guidelines.
- The *National Parks and Wildlife Services Act 1974* outlines that the NPWS should prepare a plan of management for each national park and historic site. One project mentions the development of a management plan but it is unclear whether this is for an entire national park, it is more likely for the project area only. Therefore, it is unlikely to be core business in this sense.

Community groups largely conduct works on private land. Considering there are minimal legislative requirements for 'restoration or rehabilitation' specific work to be carried out on private land, these works generally include direct benefits to the private landholder as well as broader indirect benefits to the public. Historically, weeding requirements under the NSW *Noxious Weeds Act 1993* have required private landholders to destroy weeds on their land. None of the projects in the sample evaluation specifically targeted noxious weeds on private land, though it is likely that if noxious weeds were encountered, they would have been removed. The Commission does not consider this to be core business, as the majority of weeds addressed in project are environmental weeds.

In the majority of cases evaluated, based on available evidence it appears that works would not have been undertaken in the absence of the community group and grant funding. Relationships between landholders and community groups are generally managed by the groups. In some instances, informal contracts are developed that outline the works and expected maintenance.

4.6 Specific design parameters

Project design

The interviews and site visits highlighted a number of project aspects that increase the likelihood of successful projects. These include:

- **a commitment to the long-term maintenance and evaluation of project outcomes:** Applications are assessed for their likelihood to support long-term outcomes. In interviews and site visits, projects that incorporated robust post project management plans provided much greater confidence in the likelihood that they could maintain long-term outcomes. Ways to further strengthen the assessment of applications to increase the likelihood of long-term outcomes are discussed in Chapter 8.

- **a collaborative approach:** Projects built on collaboration with local organisations and/or with industry were able to leverage resources and knowledge from a broader range of sources. This built broader interest and participation in project activities and increased the likelihood that ongoing maintenance would be resourced and managed.
- **strategic alignment with plans or efforts at other scales:** Although not an eligibility requirement, many projects demonstrated alignment with local or regional strategic plans. Projects that more actively sought to support regional priorities, or to complement other on-ground activities, were able to contribute to more substantial environmental outcomes. For example, funding a small local project that contributes to a vegetation corridor has potential to contribute to environmental outcomes beyond the small area treated.
- **substantial in-kind and/or financial contributions:** Projects that included strong co-contributions also demonstrated greater participant ownership of both the project and outcomes, as well as increased motivation to maintain the works. Interview results indicate that it's important for proponents to "have some skin in the game" to support strong commitment.
- **clear project plan with achievable objectives:** Interviews indicate that changes to the program requirements have resulted in proponents developing clearer project objectives and implementation plans.

Research into good practice and successful grant programs supports the findings above, and identifies an additional criterion for consideration:

- **Strong and enthusiastic leadership:** Strong leadership dedicated to achieving and maintaining outcomes increases the likelihood of project success, particularly in regards to motivating participation and achieving long-term outcomes.

Program design

Other important design considerations for the overall program include equity of funding, and the length and size of the funding. The Trust has a strong commitment to ensuring equity of funding, and the process employed for selecting grants is transparent (discussed further in Chapter 7). This is good practice and should be maintained.

Grant distribution

The Trust generally indicated equitable funding to mean that they seek to distribute funds equitably to different regions within the state, to different grant recipients and to different types of projects. It is good practice, from a risk management perspective, to ensure a range of recipients receive funds. However, the focus should be on equitable access to the funds, rather than equal distribution across regions. Distribution across regions or groups should be targeted where there is evidence that there is reduced access to funds, for instance due to lower capacity or awareness or where there are environmental drivers, such as an underrepresented bioregion.

The distribution of projects during the timeframe of the evaluation indicates that 47 percent of projects awarded were in the North Coast region. It is not unexpected that a significant number of projects would be funded in this region given the extent of high value environmental assets and level of community engagement in the region. However, this may be an indication that the application process is favouring the types of projects in this region, or that the region is just particularly good at writing strong applications. Suggestions are provided in Attachment A in relation to how the Trust might better target those with lower capacity and in underrepresented bioregions to ensure equity of access to funds.

Grant funding limits and timeframes

In regards to timeframes and the size of funds, many proponents noted that more time and more money is always needed. A few also suggested the upper funding limit should be periodically adjusted to reflect inflation. However, on the whole respondents recognise that the grant limits are reasonable and better than many other programs that sit at a similar scale. In particular, many respondents noted that allowing three years (as opposed to shorter) was important for being able to implement projects successfully. Some respondents also noted that there are other programs that fund larger scale and longer term restoration and rehabilitation projects that grantees could apply for. This is consistent with the Commission's findings that there are larger and longer programs currently available (e.g. Saving our Species). The Trust should revisit the funding limits and adjust to reflect inflation. It was widely recognised that while three years is sufficient to carry out the bulk of the project work, additional time is needed to maintain the site until it is self-sustaining and to demonstrate environmental outcomes. This should be built into the initial project design.

Achieving long term sustainability and project maintenance can be achieved through provision of incentives. One option may be to explore 'tracking' grants in exchange for data on project outcomes. This sustainability model is employed by the Global Fund for Children⁷ who seek to have a longer engagement with grantees (3-8 years). To achieve this, they provide grantees with an initial, one off grant and after major works are completed, they provide additional \$1,000 tracking grants to obtain project data. Incentives may encourage grantees to continue works until project sites become self-sustaining.

The three year timeframe allows for capacity building. Groups with less capacity are provided with time to develop skills and confidence for running long term restoration and rehabilitation projects. As such, it provides project proponents with an indication of how projects need to be run over longer time frames and how volunteers and resources can be managed over these longer periods. This should help prepare groups to apply for the larger funding programs in the future.

Research into sound program design for achieving ecological outcomes and capacity building indicates that multi-year projects are preferable and more likely to be successful.⁸ Multi-year funding allocation allows better planning over longer timeframes and supports organisational development, capacity building and relationship and partnership building. It also enables better measurement and monitoring of resource condition or behaviour change. Timeframes should enable sufficient planning time, appropriate site selection and understanding of conditions of the restoration site. Investment should reflect holistic ecosystem outcomes and take place at the most appropriate spatial and temporal scale, whilst recognising linkages and ecosystem impacts.

The most appropriate length of time for a project is therefore dependent upon the size of the work and outcomes intended. As noted, three years appeared appropriate for the on-ground works undertaken for the projects reviewed, but longer term maintenance is required at most sites to ensure the landscapes have achieved resilience. This could be further supported through agreements for voluntary long-term maintenance, or secondary smaller grants for follow up maintenance as needed to ensure outcomes can be maintained.

⁷ The Global Fund for children (2011) Measuring the Impact of Small Grants. Available at: <http://www.globalfundforchildren.org/wp-content/uploads/2012/01/Metrics-Issue-Brief-January-2011.pdf>

⁸ A literature review and web search was conducted to examine consistent findings in regards to appropriate timeframes for grant programs targeting ecological outcomes and capacity buildings. Documented feedback and findings on other programs such as Landcare, Biodiversity Fund, and Caring for our Country was reviewed as part of the review.

Recommendations

1. The Trust should:
 - a) Periodically undertake a needs analysis for the restoration and rehabilitation program taking into account relevant contextual factors including legislative reforms, regional and state strategies, and other programs providing funding in this space. The Commission has undertaken a high level needs analysis based on current conditions. Results are provided in Attachment A.
 - b) Clarify what outcomes the Trust is targeting with this program. Recommended outcomes are provided in Attachment A.
 - c) Refine the objectives to more clearly focus on the issues and outcomes the Trust wishes to target. Recommended objectives are provided in Attachment A.
 - d) Consistent with the guidance provided in this report and the Trust's major grants funding principles, redesign the program to more directly target projects that are likely to contribute to the desired outcomes.
 - e) Ensure that the timeframes and funding limits are consistent with the objectives of the redesigned program.
 - f) Incorporate mechanisms to encourage collaboration and alignment with regional plans where appropriate. Means for doing this are included in the program design advice provided in Attachment A.
2. Revisit the upper funding limit of grants and adjust to reflect inflation.
3. Consider providing small longer-term maintenance and/or monitoring grants.
4. Consider implementing the detailed program design advice provided in Attachment A.

5 Governance and administration

Key Findings

- The program is operated in accordance with good governance principles.
- The governance structure is logical and efficient given the resources available.
- The Trust provides clear guidelines:
 - around eligibility requirements, and for applications
 - for reviewers (Technical Review Committee, Office of Environment and Heritage, private consultants and external specialists) around the assessment of applications and review progress and final reports.
- Overall, the program is well run and project proponents find the Trust staff approachable.
- Improving the consistency of the progress reviews would allow the review process to be streamlined.
- Administrative costs for the program are low relative to those allowed for benchmark programs. Program level administration constitutes approximately four percent of total cost.

5.1 Governance

The program is operated according to good governance practice including incorporation of clear application requirements; consistent and transparent review of applications; sound grant agreements; and mechanisms to review project progress and implementation. The Trust has a core set of policies and procedures that all their grant programs are managed under. These cover key aspects of governance. However, there is limited documentation of how the Trust administers this particular program (such as business or implementation plans). Development of these documents may help to ensure that Trust resources are most efficiently allocated and protect against the risk of the potential for loss of corporate knowledge.

Governance of the program comprises four tiers of management. Each tier is responsible for different aspects of management. The management structure is logical and appears to be efficient given the resources available. The four tiers include:

- i. The Trust Board sets and reviews funding priorities for each round of the program and makes final decisions around which projects to fund based on the Technical Review Committee's recommendations.
- ii. Trust Administration staff handle:
 - preparation of grant application forms and guidelines
 - day to day administration of the program
 - communication with project proponents
 - coordination of the assessment process and recommendations from the Technical Review Committee
 - preparing submissions for Trust and Ministerial approval

- coordination of progress and final reporting
 - coordinating data and information for announcements.
- iii. Application assessors and project reviewers who assess applications and review progress and final reports.
- The application assessment process is undertaken by the Technical Review Committee members. Two separate committees are operated to review government and community stream applications, although membership on the two committees is largely consistent. The Technical Review Committee assesses and scores applications against program-specific criteria as per agreed methodology, reaches a common assessment of all application, and ranks them in order of merit.
 - The review of progress and acquittal reports is undertaken by independent progress reviewers from OEH (same reviewers as for applications) and consultants. Occasionally, experts from other agencies are called in for specialist input. Currently, a private consultant whose reviewers remain confidential is employed by the Trust to undertake the review processes for the OEH metropolitan region and in instances where a conflict of interest exists for OEH reviewers. These reviewers have the same responsibilities as OEH reviewers. A list of preferred reviewers is being developed so that consultants could be used more broadly if needed in the future.
- iv. Project proponents are responsible for managing projects and grant funds as stipulated in their grant agreements.

Technical Review Committee

There are two Technical Review Committees for the program, one each for the government and community streams. The committees consist of 7- 8 members including:

- a chairperson
- delegates from OEH, LLS and Local Government NSW
- industry representatives
- community representatives.

A number of members sit on both committees. This membership fulfils the legislative requirement for Environmental Trust committees to include community and industry representatives under the NSW *Environmental Trust Act 1998*. However, it was noted in interviews with the Trust that there are some types of projects the committee members have difficulty assessing due to lack of expertise. The Trust should examine the skill set of the members to ensure that they can fairly review the range of project types proposed. This is discussed further in Chapter 6.

OEH reviewers are Ecosystems and Threatened Species Officers from the OEH regions (North East, North West, South East, South West, and Illawarra). OEH reviewers provide their reviews to assist the OEH representative on the Technical Review Committee for common assessment and ranking.

Members noted there are pressures in terms of timing and resources which make the application review process difficult. Considering the large number of applications, the Trust may wish to reconsider the time allocated to committee members for reviewing the applications.

With the exception of resourcing constraints, interviews with committee members indicate the committee is well run. The chairperson appears capable and impartial and is across the issues of

the program. However, the current chair is employed by OEH and therefore is not completely independent from the Trust. Good practice is for such committees to have an independent chair. This is particularly relevant given that government agencies, including OEH, are eligible for funding. The Trust should consider adopting an independent chair in line with good practice.

Governance for project selection

Trust staff indicated that government applicants are generally more practiced at writing grant applications than community groups. To accommodate these different skill sets, government and community applications are assessed separately. This helps ensure equity of access for community groups. The Commission agrees that there may be cases where government agencies can provide more effective and efficient services. However, as discussed further in Attachment A, the Commission's view is that there should be a focus on ensuring that government applicants are partnering with community organisations to facilitate community capacity building.

Roles and responsibilities

Participants in the program at all levels are clear on their responsibilities. Clarity around the roles and responsibilities of project proponents, private consultants and Technical Review Committee members are explicitly defined in the assessment guidelines, a contractual agreement and formal grant agreements respectively. The roles and responsibilities of OEH reviewers are not documented, although reviewers are aware of their general responsibilities.

The lack of documented responsibilities for the OEH reviewers reduces the ability of the Trust to hold these reviewers accountable or ensure consistency of reports. Progress reports from OEH reviewers range in quality, and it is not clear that the participants have sufficient time allotted to dedicate to project reviews. In interviews, Trust staff noted they are working to contract additional reviewers from private consultancies and government agencies to help alleviate this issue. Further, the Trust are in discussion with LLS regarding the possibility of working with them to review projects in their regions. This would provide several benefits including knowledge of local issues and landscapes, and the potential to more easily undertake site visits.

Grant agreements provided to project proponents are comprehensive and ensure accountability. The Trust ensures grant funds are not released without the grant recipient providing project measures and monitoring and evaluation plans. Additionally, sufficient mechanisms for managing performance of project proponents are provided through the agreements (these mechanisms include withholding grant funding). The strength of the grant agreements provides sound risk management, clarity for project proponents and properly establishes the Trust's expectations.

Grants are acquitted using a draft procedure, which is based on an acquittal checklist. The procedure is not fully implemented at this stage. The Trust staff have indicated that it will be when the grant management system is operational. The acquittal checklist outlines all information and documents required from the grantee and requirements for an assessment of project performance. The assessment of project performance is developed by combining ratings for 'project outcome performance' and 'project governance performance or risk rating'. Project outcome ratings are given a greater weight than governance outcomes. Documents have been developed to guide the project performance ratings. Overall, the draft process for acquitting grants appears sound. In particular, the ratings assessment allows for consistent and comparable assessment of many projects and appears to have a strong focus on the assessment of outcomes. The Trust noted that there is currently a backlog of projects awaiting acquittal due to a limited staff resources.

Risk management

The Trust has not provided a specific risk assessment for delivery of the program. In reassessing the design it would be worthwhile to carry out a risk assessment to identify key risks to implementation of the program. Based on the review, it appears that there may be a significant risk around the potential for loss of corporate knowledge. Many aspects of the program are undocumented and therefore if key personnel were to leave it may be difficult to hand over the program.

5.2 Program administration

Evidence from the evaluation indicates that the program is well run. Project proponents find the Trust staff approachable and guidance materials to be very useful. Requirements for financial auditing for grants over \$20,000 and the high rate of on-schedule project completion, provide evidence that oversight and accountability are good. Clear guidance is provided at a number of stages throughout the program including:

- Prior to applications - program guidelines provide clear and succinct advice to applicants. The guidelines stipulate important information including program objectives, timeframes, assessment criteria, and eligibility requirements.
- At the application stage - clear application requirements and guidelines are provided to project proponents. Application guidelines provide step by step information for applicants undertaking the application process. The guidelines are sufficiently detailed and provide examples. A more detailed assessment of the application process and selection of projects is provided in the next chapter.
- At the review stage - the Trust provide useful guidance materials for the review of applications, progress reports, and final reports. Guidance for reviewers includes scoring criteria and examples of appropriate scoring. Interviews highlight the clear understanding held by reviewers around their roles.

These guidelines set clear requirements and provide equal opportunities across all applicants and proponents.

Program administration could be further strengthened by addressing resource constraints within the Trust. Interviews highlight that Trust program staff are stretched for resources and struggle to keep up with the demands of so many projects. The large number of projects and applicants places a significant burden on the small number of staff. It was noted that this issue becomes more acute when projects experience complex problems and require more time to address, which detracts time from other grant management tasks. Project proponents indicate that by and large the Trust are quite responsive during projects but provide limited feedback in formal reports. It is likely this discrepancy is due to resourcing restraints. Providing additional resources may be worth the Trust's investment as currently the limitations of staff time are reducing knowledge sharing. This in turn reduces the benefits from the Trust's funding. Further discussion of this issue is provided in Attachment A.

Flexibility of the Trust

Project proponents noted the flexibility of the Trust was variable. The Trust were noted as flexible around timeframes, particularly when due to extenuating circumstances (for example weather). Proponents considered them less flexible in regards to varying delivery of project outputs or approaches. The flexibility of the Trust around timeframes is important and suits the nature of projects, which are at the mercy of natural systems. However, a lack of flexibility in project delivery hampers the ability of project proponents to adaptively manage their projects. A more

flexible approach to project delivery allows projects to run more efficiently and take up opportunities for best practice. It is noted that flexibility must be accompanied by systems that ensure the project is being delivered properly and changes remain in line with program objectives, outcomes and the grant agreement. Recommendations for how the Trust can improve flexibility in achieving outcomes is provided in Chapter 8.

Processes for feedback

Projects are typically funded over a three year period and submit a total of two progress reports (one each year) and one final report. As noted, the independent review of progress and final reports is undertaken by either members of OEH or a contracted third party. Currently Trust staff summarise the progress reviews for feedback to the proponents. Trust staff indicated that this was necessary as the quality and level of detail of the progress reports varies greatly. Improving the consistency of the progress reviews would allow this process to be streamlined so feedback could be given back to proponents directly or with minimal review.

Administrative costs

Program administration

While there was no total administrative cost limit identified for this program, the Trust has previously set a limit of 10 percent for other programs such as Saving our Species. Other benchmark programs set similar limits, such as Caring for Our Country Community Environment Grants (15 percent), and the National Landcare Program (10 percent). Administrative costs reported for the program were low relative to benchmarks. Data from the Trust indicates that administration of the program costs approximately \$160,000 annually (not including on-costs). This represents about four percent of grant funds. The reviews of applications and progress reports are predominantly done on a volunteer basis and incur minimal costs, which contributes to the low administrative costs. Allocating more funding to staff resources, particularly to those staff involved with reviews and project support, would help alleviate resourcing constraints. Additional clarity around program administration costs and limits should be developed to ensure that program resources are generally in line with other Trust administration limits and good practice.

Project administration

Of the sample projects analysed, projects calculated administrative costs of 3.2 percent on average. This administrative cost is low compared to the Trust's current policy, which allows a maximum of ten percent of Trust funding to be spent on project administration. These low administrative costs indicate the majority of funds are being used for on-ground activities.

It is important to note that onsite interviews have identified inconsistencies among grantees' descriptions of how they report financial contributions, in-kind contributions and administrative costs, as proponents often use the terms interchangeably. The inconsistencies may contribute to grantees under reporting, over reporting and doubling up on costs associated with financial contributions, in-kind contributions and administrative costs. As a result it is not possible to definitively determine the actual administrative costs for projects. This inconsistency was evident in both community and government streams. The Trust should provide proponents with clear guidance on financial reporting requirements so they can better assess the total project administration costs (including proponent contributions), as well as actual in-kind and financial contributions.

Recommendations

5. Undertake a risk assessment to identify key risks to the delivery of the program and address these in any redesign of the program.
6. Document program implementation and management processes to prevent the loss of corporate knowledge.
7. Improve the consistency of the progress review process to allow feedback to be provided to proponents directly or with minimal review from the Trust.
8. Provide clear guidance on financial reporting requirements to improve financial literacy and ensure that financial reporting requirements are clearly defined and proponents report consistently.
9. Consider selecting an independent chair for the Technical Review Committees in line with good practice.
10. Clarify program administration costs and limits to ensure Trust resources are in line with other Trust administration limits and good practice.
11. Develop clear guidelines and timelines for reviewers.

6 Application process and selection of projects

Key Findings

Application process

- The application process requires grantees to provide in-depth plans and to show a clear understanding of the project objectives.
- The Trust provides grant applicants with supporting material and guidelines, which applicants find to be helpful in refining and clarifying their objectives. Almost 90 percent of survey respondents found the guidance materials “*useful*” or “*mostly useful*”.
- The application process is time-consuming and difficult, particularly for the community stream and for less-experienced applicants.
- Applicants with limited capacity indicated that the timeframe allowed for preparing and submitting applications is too short.
- Applicants consistently indicated that the time required for the Trust to approve funds inhibited their ability to forward-plan.

Application review

- The Technical Review Committee is provided with clear guidelines for assessing applications, including a ranking system. This system is applied to all applications, ensuring a consistent and transparent approach to the review.
- The ranking system includes five components: tangible environmental outcomes, project objectives, planning and methodology, capacity to deliver, and value for money. The capacity to deliver criteria disadvantages applicants with limited capacity. There are no criteria to reflect whether a project addresses capacity building, yet it is a core component of the program.
- The program’s current OEH reviewers are all endangered species specialists. This may limit their ability to appropriately assess applications across a range of topics, and creates a perception of potential selection bias towards projects targeting endangered species.

6.1 Application process

Applicant feedback

The application process has both positive and negative elements. The process requires grantees to provide in-depth plans and to clarify the project’s objectives. This helps applicants identify the goals of their project at an early stage and acts as a useful reference when questions arise during the course of the project.

The application process was generally clear to applicants, and they understood the purpose of the process. Eighty-seven percent of survey respondents found the eligibility criteria easy to understand. Almost 90 percent of respondents found the guidance material either ‘*useful or mostly useful*’. None of the respondents found this material ‘*not useful*’.

While the guidelines provided are of high quality and continue to improve over time, additional support for those applicants with less experience in grant applications may be warranted. This

additional support could come in the form of knowledge-sharing across projects and the provision of examples of previously successful applications. Webinars could also offer a relatively low-resource option for providing additional guidance and building capacity. Opportunities may exist to partner with the recently commenced Local Landcare Coordinators Initiative (LLCI), which focuses on capacity building.

The results from surveys of successful and unsuccessful applicants, feedback from interviews with grantees and site visits reveal that many applicants felt the application process was difficult and onerous. This was particularly the case for less experienced community groups. Key concerns with the application process include:

- its repetitiveness (questions asked multiple times in different ways)
- the large volume of detail required
- the time-consuming nature of the process, with some applicants indicating that it took weeks to prepare an application
- the administrative requirements not being proportionate to smaller projects.

Timeframes around application process 'milestones' were also noted as a concern. The short timeframe between the opening of new funding rounds and the application acceptance deadline makes it difficult for groups with limited capacity to prepare applications. Larger organisations tend to have a "pipeline" of projects that they can readily prepare applications for, and the resources to put the applications together. Smaller organisations on the other hand need additional time to plan projects and prepare applications.

In addition, the large amount of time between submitting an application and receipt of funding, creates issues for forward planning. Trust staff indicated that this schedule is somewhat constrained by the time taken to review applications, administrative requirements, and the need to align with ministerial announcements. While publicity stemming from ministerial announcements is important, additional efforts should be made to ensure that they don't unduly affect grant recipients.

The Commission understands that the Trust is working on measures to reduce the time between application submissions and the provision of funding. It may also be appropriate to consider opening the application period earlier to give grantees more time to prepare their application. The Trust should consider whether it would be feasible to accept applications for the different "streams" separately (See Attachment A for proposed streams). This may reduce application review times and allow more timely announcements and provision of funding.

The majority of unsuccessful applicants (60 percent) had applied at least once before, with 22 percent of these applicants having applied four times or more. This demonstrates the competitive nature of the process and highlights that even experienced applicants may have difficulty receiving funding. It is important for the Trust to provide feedback to unsuccessful applicants, especially given that 70 percent of respondents noted they would apply again.

The Trust indicated that an online grant management system is currently in development. This is an opportunity for the application process to be modified to address the current duplication, and to reduce the administrative burden on both applicants and reviewers. The Trust should consider adjusting the level of reporting requirements with the level of funding being sought. For example, applicants seeking less than \$25,000 in funding could be required to provide less documentation than those seeking higher levels of funding.

Technical Review Committee feedback

The Technical Review Committee generally found the application process to be appropriate. They noted the benefits of the in-depth process, but acknowledged the onerous nature of administrative requirements. Committee members highlighted that the applications contain information not relevant to the review process, unnecessarily lengthening the review time. The online grant management system will allow the Trust to provide reviewers with an excerpt of applications containing the most critical information. Technical Reviewers also indicated that applications could be streamlined to more clearly provide the critical information they need for assessing projects, such as project maps.

Committee members indicated that the quality of applications received in the government stream are generally high quality as these applicants have the experience, capacity and resources. Conversely, the quality of the applications submitted to the community stream vary greatly from good quality to sub-par. The Committee observed some cases where a previously rejected application was resubmitted with an improved application, eligible for funding.

Technical Review Committee members noted that the application process has evolved and the guidelines have become clearer. This adaptive process is important and reflects good practice.

6.2 Application assessment and project selection

The application assessment process is detailed, independent and logical. The process is intended to ensure that the Trust selects projects that support its priorities and offer value for money. The Technical Review Committees are comprised of independent members from various agencies and organisations including OEHL, LLS, Local Government NSW, and Landcare NSW. Members of the Technical Review Committees are provided with clear guidelines for assessing applications, including a numerical scoring system. The scoring system is applied in the assessment of all applications and is used to determine the degree to which applicants meet the requirements set out in the program guidelines.

The assessment methodology contains five key criteria for consideration including, tangible environmental objectives, project objectives, planning and methodology, capacity to deliver and value for money. The system ensures a consistent and transparent approach to review. Where projects score similarly, Committee members discuss the merits of the projects and make decisions based on this. In addition, the assessment guidelines consider the sensitive nature of the review process and instruct reviewers to maintain confidentiality and integrity.

The evaluation highlighted some short-comings of the application review process. It can be difficult for reviewers to know how to rate the tangible environmental benefits of such a broad range of potential projects. Many of the technical reviewers have expertise in a particular areas of restoration and rehabilitation, often in management of threatened species. This may bias them towards projects and methodologies they are familiar with, reducing the extent to which a range of projects, or innovative projects get funded. This is particularly the case for the OEHL reviewers who undertake reviews on behalf of the OEHL representative, as they are all specialise in threatened species. Broadening the range of expertise of reviewers would help minimise this potential bias.

The criteria and ranking do not strongly support the objective of capacity building. There is no specific criterion related to whether the project will provide capacity building (although this could be covered in alignment with Trust objectives). On the contrary, much of the focus of

Criterion 4 “capacity to deliver” would actually work against organisations with lower capacity, and those seeking to implement approaches that are less tried and true. For instance, this criterion includes assessment of “demonstrated knowledge, skills and expertise in relevant fields of the applicant and/or project partners” and “capacity and commitment to undertake and complete the project”. These are important and relevant for the Trust in assessing the likelihood that the applicant can successfully deliver the project, but will eliminate lower capacity organisations. Recommendations for how to address this are provided below and in Attachment A. The Trust should also consider criteria to target attributes of projects identified in Chapter 4 including:

- collaborative approaches
- substantial in-kind and /or financial contributions.

Review criteria should include not just assessment of the capacity to deliver, but also likely capacity building outcomes from projects. Further recommendations for how to address provide additional opportunities for lower capacity organisations are provided below and in Attachment A.

Refocus assessment on project logic

The Commission has recommended (in guidance in Attachment A) that the Trust simplify the objectives of the program to more narrowly focus on restoration and rehabilitation of ecosystem functions and services and building capacity of community organisations. In line with these recommendations, projects would then be required to specify the ecosystem improvement they are seeking and the specific capacity building objectives.

Applications should require demonstration of a project logic that links clearly specified project objectives (both ecosystem service/function and capacity building) with the activities and expected measurable intermediate term outcomes. The applications should provide sufficient evidence for how the activities are likely to achieve sustainable long-term outcomes.

Spatial information on the project should be required to ensure that the Trust can track where works have been done and assess the merits of the particular activity. For instance, if the project proposes to restore a habitat through weeding activities, the likely long-term success of weeding should be addressed. The application should indicate if the source of weeds is being tackled, and if it is likely the site will become self-sustaining. A project surrounded by other land highly impacted with invasive weeds, for instance, is not likely to achieve long-term sustainable outcomes.

The Trust currently requests applicants to demonstrate how the project will be managed going forward and who will be responsible/contracted to manage the site beyond the project’s time frame. Combining this requirement, with the requirement to demonstrate how the site would become self-sustaining over the longer term will increase the likelihood that projects implemented achieve long-term outcomes.

Requirements to include a project logic and to specify specific ecosystem and capacity related outcomes should help the Trust to more easily compare across a range of projects. The application assessment criteria should relate to the quality of the project logic and the likelihood for achieving both the ecosystem and capacity building objectives. This would allow equitable comparison of a range of different types of projects with one ranking system. The Trust can then determine if they wish to further rate the relative priority of the actions proposed to narrow selection.

The Commission has proposed two separate funding streams (in Attachment A), focused on projects targeting high value environmental outcomes and projects more focused on capacity building for emerging organisations. Prioritisation of applications within these streams should incorporate criteria to weight the projects towards the stream objectives. For instance, the high value environmental stream assessment should incorporate an assessment of alignment with, and contribution to, regional priorities, and a greater weighting of the “capacity to deliver” criteria.

Capacity building

Requiring applicants to demonstrate an understanding of the project logic and ecological processes that lead to successful restoration will provide for better assurance that sound projects are selected that facilitate capacity building. The Commission recognises that this may be a difficult request for emerging groups, and has suggested the partnership stream outlined in Attachment A to address this concern. Separate assessment of these applications would allow emerging groups, with potentially less capacity, to be more competitive. These applications should have a lesser weighting on the capacity to deliver criteria and a higher weighting on a criteria that focusses on the ability to build capacity. In addition, the Commission has provided recommendations in Attachment A for how the Trust could include criteria that would prioritise projects in underrepresented bioregions and groups.

To accommodate different skill sets, government and community applications are currently assessed separately, which helps ensure equity of access for community groups. The Commission agrees that there may be cases where government agencies can provide more effective and efficient services. However, as discussed further in Attachment A, the Commission’s view is that there should be a focus on ensuring that government applicants are partnering with community organisations to facilitate community capacity building. While it is understood that this is currently the intent, the Commission recommends more rigorous requirements for government applicants to demonstrate how projects will build community capacity.

Recommendations

12. In developing the new grant management system, the Trust should review the application process and evaluate opportunities to streamline to reduce duplication. Consideration should be given to whether application requirements can be varied for different types of projects and/or levels of funding.
13. Consider ways to provide more support to groups applying for the program, particularly low capacity groups, such as workshops, online training sessions, and increased staffing resources during the application period. To reach new applicants it will be critical to ensure such support is well advertised and potential applicants are aware of its availability.
14. Provide sufficient time for applicants with a range of resources and capacities to respond to call for applications.
15. Implement methods to reduce the timeframe between application submission and confirmation of outcome. Options may include employing additional reviewers and utilising a staged approach.
16. Projects should be designed with a focus on specific ecosystem and capacity building outcomes, and applications should demonstrate a project logic linking the project objectives, activities and outcomes.

17. Projects should be assessed based on the quality of the project logic provided (i.e. the likelihood the project will achieve a sustainable long-term outcome). This will allow easier comparison across a range of types of projects.
 18. Consider adding criteria to the application assessment process on the likeliness of the project to build capacity, the strength of collaboration in the project, and the amount of in-kind contributions proposed.
 19. Ensure the expertise and skills of the technical review committee is diverse to reduce potential bias towards areas of familiarity and perceived environmental priority.
 20. Consider more rigorous requirements for government applications to demonstrate how projects will build community capacity.
-

7 Communication

Key Findings

- The Trust's informal communication with project proponents is beneficial in helping proponents achieve project outcomes.
- Formal feedback from the Trust, while sound, could be strengthened.
 - feedback on progress reports is delayed and does not include enough detail around what is being done well, what could be done better and what other current and former grantees are doing that proponents could learn from
 - feedback to the Technical Review Committee is not being provided around the success of projects they have reviewed
 - feedback to unsuccessful grant applicants is varied. Unsuccessful applicants sought more feedback on how their applications could be improved.
- There is a perception that communication and promotion of the program is inconsistent across the State. Awareness of the program is lacking in the western regions of NSW and the success of the program and projects is largely unknown to the wider community.

The majority of respondents found the Trust staff to be responsive and helpful when responding to informal requests and questions during the implementation of the projects. However, formal feedback on project reports and external promotion of the program by the Trust could be improved to strengthen the program.

Strengths in informal communications

In interviews with project proponents, the majority of respondents indicated that the Trust was very responsive and understanding in their informal communications throughout projects. Project proponents indicate Trust staff are consistently available and informal methods of communication, such as phone calls, are extremely beneficial. This type of support was noted to aid proponents in their reporting and delivery.

Feedback from the Trust

Feedback from the Trust on formal project reports, while sound, could be improved. Project proponents, reviewers and members of the Technical Review Committee all sought improved and/or increased feedback from the Trust.

Views around feedback to project proponents varied. Survey results noted 48 percent of respondents felt the Trust provided an adequate level of feedback on reports, and 42 percent said the Trust provided detailed feedback. However, 8 percent of respondents noted the Trust did not provide any feedback. In addition to this, the majority of proponents interviewed indicated either a lack of, or delayed, formal feedback from the Trust around reporting. It was noted there is generally a lag in receiving formal feedback on progress reports. These delays caused problems with applying the feedback to projects (as suggestions generally had to be rushed or applied retrospectively). Additionally, many recipients desired greater feedback on what they did well, or could do better, and what others were doing.

Timelier and more detailed feedback would help achieve stronger program and project outcomes. In addition, feedback can be better used as a method for distributing lessons learned

across projects. Providing a set of summarised feedback to proponents that details the most common issues (concerning applications or reporting for example) may be an alternative in instances where providing individual feedback is too resource intensive.

Members of the Technical Review Committee sought formalised feedback from the Trust around the success of applicants in past projects. Reviewers noted a gap in their knowledge around the eventual success of projects that had been funded. It was noted that feedback on project outcomes would allow them to build an understanding of applicants and their past performances and improve their ability to critique applications. The Trust has indicated that they are including criteria to rate applicants that have previously received funding in regards to the quality of their previous projects in the Draft Risk Rating System to be rolled out with the new Grant Management System. Consideration must then be given to how to weigh this against applicants who have not previously been funded without biasing for or against them.

Survey results from unsuccessful grant applicants highlighted varying opinions on the Trust's provision of feedback on unsuccessful applications. It appears that there is not a consistent understanding of the availability of Trust staff to provide feedback to applicants, or the level of response required from the Trust when inquiries were made. Many applicants noted they were unaware that feedback could be sought, despite this information being stated in the unsuccessful application letter sent by the Trust.

Most unsuccessful applicants noted that feedback around ways in which they could improve their application for the next round of funding would be beneficial. Providing support and feedback to unsuccessful applicants would build their capacity in grant application writing and provide opportunities to diversify potential projects within the program. As noted above, a summarised set of feedback on the most poignant issues with unsuccessful applications is an efficient method of providing feedback to applicants. The online grant management system may make provision of this type of feedback easier.

Program promotion

There were varying responses regarding the external promotion of the program. The majority of survey respondents felt the program is either well promoted or mostly well promoted. However, some respondents noted promotion may be lagging in some areas. For instance, one respondent noted *"I have mostly seen it [promotion of the program] through emails to our office. I know a lot of people in rural areas that are not as linked to internet and email"*.

This sentiment was reiterated in interviews with Trust staff, project proponents and reviewers. These groups indicate a view that communication and promotion by the Trust is inconsistent across the State. Communication is viewed to be strong in some areas, particularly Landcare Networks, though lacking in others, generally the western regions of NSW. In addition to this, interviews highlight a perception that the program is largely unknown outside a core group of organisations who routinely apply. Analysis of successful applicants that responded to the survey somewhat supports this view. Over half of recipients have been successful at least three times.

Limitations of the communication and promotion by the Trust may impact the ability of the program to be equitably accessed. Better promotion of the program and its successes would help to increase the Trust's profile within the broader community. Further, strengthening communication and promotion would help:

- attract a wider range of potential participants

- address the current lack of applicants from western regions of NSW
- highlight the achievements of both project proponents and the Trust
- complement promotion carried out by project proponents.

Attachment A includes a needs analysis, which identifies that certain bioregions and groups may be underrepresented, and ways to better target them in the application process. The Trust should also consider developing a targeted marketing plan to reach any groups they determine are underrepresented and are a high priority for them to reach. Marketing should be adapted to the characteristics of the regions and groups in question and leverage available networks. For instance, Local Landcare Coordinators may be able to facilitate appropriate methods for sharing information on the program for their particular regions.

Project promotion

Survey and interview results indicate project proponents are generally undertaking effective promotion of their activities and achievements in their local areas. Recipients generally used local newspapers and group newsletters to promote their work. A small number of recipients noted their promotion reach was amplified when they partnered with other larger organisations. These collaborations were also seen as a more sustainable method for advertising as large amounts of funding do not have to be channelled into developing advertising platforms (such as websites or newsletters).

The Local Landcare Coordinators Initiative is working to build communities of practice and share lessons from project work. This may provide an opportunity to better promote project outcomes and lessons across community groups.

Recommendations

21. In order to improve feedback from Trust:
 - a. Provide feedback on progress reports in a timelier manner to allow feedback and advice to be applied to projects in an appropriate manner.
 - b. Implement measures to ensure more consistent and informative feedback to proponents. Be clear with proponents what aspects of their projects are viewed as good practice, where they are not meeting good practice and provide access to what other projects are doing.
 - c. Provide feedback to technical reviewers of applications on the outcomes of projects and performance of proponents undertaking previous projects to inform assessment of future projects.
 - d. Provide feedback to reviewers as to how their feedback is applied and how it could be improved to benefit proponents and achieve better outcomes.
 - e. Provide feedback to unsuccessful participants. Given resources constraints, consider whether a summary of key issues identified in applications that were unsuccessful and provide opportunities for follow up by individual applicants or via workshops.
 - f. Consider additional means to advertise the program, the success of the program and projects and highlight outcomes achieved. Particularly focus this promotion on regions across NSW where there are a low level of applications leveraging local networks where possible to tailor approach to sharing information.

8 Monitoring, evaluation and reporting

Findings

- The Trust has established extensive monitoring, evaluation and reporting (MER) processes and data requirements for projects.
- The monitoring and evaluation planning requirements assist proponents in clarifying their objectives and promote good project management.
- The Trust's MER data set does not clearly separate outcomes from output measures, and outputs do not always clearly link to desired outcomes.
- Much of the data collected appears to be largely used for summary reports to Government. Project proponents do not find it useful or understand its purpose.
- Project plans could be simplified to clarify objectives and MER requirements and reduce duplication to save both the project proponents and the Trust time. It is understood steps are being taken to address this during roll out of the online grant administration system.
- The Trust provides definitions for outputs to be measured, but no guidance on the specifics of how they should be measured, resulting in different interpretations and a reduction in the usefulness of aggregated project data.
- The Trust is flexible in relation to timeframes and external circumstances (e.g. weather). There is limited flexibility in relation to varying project design or outcomes.
- The categories that the Trust provides for projects to report as their "key focus area" overlap and do not contribute to meaningful analysis of data.
- There is little to no on-ground assurance of projects. The Trust have tried to mitigate this risk by requiring more photo documentation, but additional visits would improve assurance, build relationships with proponents and allow for more active feedback on projects.
- The Trust's engagement of grantees with MER is a leading example of how citizen science can generate potentially useful data. The Trust have opportunities to better use MER data to inform project and program level decisions and drive improved project performance.

The Trust have comprehensive processes to assist project proponents in meeting their monitoring, evaluation and reporting (MER) requirements. These systems and the support from Trust staff have resulted in an improved clarity of project objectives and helped support good project management and planning. However, there is significant duplication of reporting requirements, project measures are output focused - often adding minimal value, and there is limited sharing of lessons learned. Issues with the data quality also limit the ability of the Trust to meaningfully analyse it for trends and demonstration of outcomes. The Commission has provided detailed advice separately regarding how the Trust could improve the MER systems and data. Key issues and recommendations are provided in this report.

Reporting requirements

The monitoring, evaluation and reporting processes and data requirements are clearly specified. The Trust provides grant recipients with a variety of supporting material, including:

- a monitoring and evaluation template
- predefined “output types” for creating project measures
- an interactive monitoring, evaluation and reporting webinar
- guidance on monitoring methods
- feedback on submitted monitoring and evaluation plans, progress and final reports.

These materials appear to have aided proponents in refining and clarifying their objectives in the monitoring and evaluation planning stage. This is evidenced by initial applications containing four to six overlapping objectives, which were often refined to two to three objectives. In addition, grant recipients noted the available support was helpful in developing their understanding of the Trust’s MER processes and rationale.

The monitoring and evaluation template also includes sections that promote good project management, such as ensuring applicants have considered risk management strategies, roles and responsibilities and a detailed plan of activities. These elements of MER align with good practice and should be continued by the Trust.

Although elements of MER are strong, some areas could be strengthened. Project proponents indicated that the plans required could be simplified to address overlaps and inconsistencies between the project plan (objectives), project measures and MER documents. Proponents regularly raised the issue of overlap in the Schedule C – project measures component of reporting - and the monitoring and evaluation plan. Entering project measures and projected outputs in both documents was highlighted as inefficient and increased the possibility of errors. Streamlining these documents would simplify the process and increase efficiency for both proponents and reviewers. One option may be to link the documents so measures are automatically populated in both documents when one is filled out. It is understood that the Trust is taking steps to address concerns around the duplication and time-consuming nature of the MER processes through their implementation of a new grant management system.

Proponents felt MER requirements were in many cases excessive; this was particularly the case for small projects. In addition, proponents indicated that much of the data they were required to collect was not useful to them, but assumed it was somehow useful to the Trust. Interviews highlighted that these concerns were driving small groups with limited capacity away from the program as they are unable to cope with the extensive requirements. Refining reporting requirements and considering options to reduce requirements for small grants would help address this issue. The Trust should also improve communication around the use of proponent’s data as this will provide clarity to proponents on the ‘bigger picture’ they are contributing to.

An effective variation process exists for projects to adjust the timing of report submission or completion times, though proponents feel the same does not exist for adjusting project measures. Site visits identified that projects are committed to undertaking the activities approved in their applications and have little flexibility to adjust these measures prior to commencement of onsite project operations. There may be instances where on-ground realities identified in the detailed planning stage warrant a shift in approach or extent of outputs. The Trust notes they support adaptive management through reporting - *“grantees are asked to report actuals against their projections, and provide comment on how they actually went, including explanation of any differences”*.

However, it appears that proponents are not fully aware of how this system works and thus feel limited in varying their initial measures and projections. Where changes would result in greater or equivalent outcomes or efficient project expenditure, when compared to the original proposal, such variations should be considered.

Reporting outputs and outcomes

Current project reporting is primarily output focused. Project proponents and Trust staff indicated that project measures are largely used to summarise achievements for Government reports (e.g. annual reports, information for the Minister for the Environment). The outputs currently being reported do not allow for meaningful assessment of outcomes. As a result, high level reporting (e.g. annual reports) does not clearly demonstrate significant progress in achieving program objectives.

The projects within the program are funded for, and report over, a three year period, which is short in the context of environmental restoration. Achievement of outcomes for any given project may not be apparent in ecological conditions for extended periods of time. If the Trust allocates funding for continued MER activities the collection of longer term data could better inform the achievement of outcomes.

The Trust recognises this and has indicated that the output measures are intended to act as *"proxies"* for assessing achievements likely to result in outcomes. However, many of the measures do not serve as strong proxies. For example, capacity building measures include measures such as *'number of training and awareness raising events'* and *'attendees or individuals potentially engaged'*. Although good measures for reporting project activity, these measures do not demonstrate whether capacity has been built. The program would benefit from a clear hierarchy demonstrating how outputs measured can provide insights into likelihood of outcomes, and how outcomes link to project and program objectives. Attachment A provides specific guidance and examples regarding development of project level objectives, outcomes and measures.

The Commission acknowledges that the Trust, as a grant administrator, must provide some basic assurance over the use of their funds. As such, some activity based output measures are appropriate for ensuring that funds are being spent as agreed, and that progress is being made in efforts to achieve outcomes. The Trust should seek to limit the number of output measures required to be reported to a small number of key measures that will allow a sufficient level of assurance, and seek to have common output based measures across similar projects.

The Trust should also incorporate outcomes measures realistic for assessing short to medium term outcomes that may be achieved through the projects. Outcome measures should be project specific based on the ecosystem function and capacity building objectives for the project. For instance, in regards to capacity building, a survey to indicate whether those who attend workshops actually change their practices would better demonstrate outcomes than current measures. If a survey is not feasible, options for getting commitments from participants would increase the probability that outcomes are achieved. For instance, at workshops participants could sign a pledge to take certain actions. While this is non-enforceable, the number of people willing to commit to such a pledge gives a better sense of potential outcomes than number of people simply in attendance at a training. As with output measures, a small set of common outcome measures for major projects types would be helpful to assist in analysis of overall program outcomes.

Selection of specific measures should also be based on priority MER questions generated through a review of stated and implicit project and program objectives. These questions should focus on data needed for key analyses to inform decision-making at both the program and project level.

Long-term outcomes

The data collected by the Trust is generally not sufficient to determine the long-term outcomes of projects. Anecdotal evidence indicates some long-term outcomes, such as the return of native species as a result of environmental rehabilitation, are being achieved. However, there is no formal monitoring of this. For example, platypus and Australian bass returned to the Orara Valley following efforts to control weeds. While this reported observation appears to contribute to a positive environmental outcome, no formal fauna surveys have been undertaken to verify or identify or record the extent to which this has occurred.

Outcome analysis generally incorporates two assessments, whether outcomes were achieved and whether those outcomes were significant. The Commission has recommended measures for the Trust to better determine whether outcomes were achieved in the short to medium term.

The Trust should consider the extent to which they wish to implement measures to undertake longer term monitoring and assessment of broader environmental outcomes. This would allow them to test whether the project selection is effectively leading to projects with long-term outcomes and to report on broader ecological outcomes. Options for longer term monitoring include:

- provision of small grants for project proponents to carry out periodic monitoring
- utilising some of the evaluation funds from the Trust budget for the Trust to undertake their own monitoring
- partnering with universities that may be interested in providing monitoring services as training for their students.

Additionally the Trust could consider undertaking a predictive analysis approach, which would compare the expected long-term outcomes of the project based on the specifics of the project site and activities, relative to outcomes if no action were taken. This approach would provide the Trust with some sense of potential broader environmental outcomes from projects. This could be combined with some long-term monitoring to test whether the predictive modelling is accurate.

Guidance on the percentage of program expenditure to conduct an evaluation is referenced on the Department of Premier and Cabinet website as ranging from 5 - 20 percent⁹. This guidance would indicate that the Trust has room to increase its evaluation budget allocation.

Data quality

The Trust has collected an extensive amount of data over the course of the program. However, limitations of the quality of the data reduce its usefulness for analysing and assessing program level outcomes. These include:

- The data set currently is poorly organised, making it difficult to understand how data is interrelated. There are 100,000 data records for over 150 projects contained in a single spreadsheet, with up to 33,000 rows on one data table.
- While the Trust provides definitions for the indicators, they do not provide any guidance on how to measure or report on the indicators.

⁹ Better Evaluation (2017) *Determine and Secure Resources*.

- There are 72 indicators the project proponents may choose to report. Similar projects do not necessarily report the same indicators making it difficult to compare across, or aggregate data from, similar projects.
- Spatial information on the projects and activities is not currently required. This is essential for enabling meaningful assessment of potential environmental outcomes.
- Project categories and activities overlap and descriptions are not always clear. Further, they appear to have changed over time.
- Project proponents report using a template that has all the indicators, but only report the ones that they have selected for their projects. This results in a number of empty data cells in the aggregated dataset. However, it is not possible to determine if empty cells or zero values are reported as zero activity or were simply not reported.

As a result of these limitations of the data set, statistical analysis of the data is likely to be minimally useful, as any patterns or trends identified may not be genuine. The Commission has separately provided more specific advice in regards to how the Trust might better organise and collect data to improve the ability to undertaken meaningful analysis in the future.

Adaptive management

There is evidence that the Trust is adaptively managing the program, but further strategic assessment of lessons from on-ground project results is warranted. The Trust requires that the program undergo an evaluation every five years (such as this one). Further, the Technical Review Committee discusses key lessons and issues in their meetings to rank the applications. In interviews, Trust staff indicated that due to their heavy involvement with projects they are aware of the key lessons and share those amongst the team. The informal internal sharing of lessons informs the program evolution and can be evidenced by noted changes and improvements in program guidelines. However, there is limited sharing of lessons beyond the Trust staff and reviewers.

The Commission found there is room to improve knowledge sharing accumulated from the implementation of projects. Lessons learned are actively collected through progress reports but they are currently held in hundreds of separate project reports. Interviews and site visits with grant recipients identified uncertainty around what the Trust currently do with the learnings reported. Interviewees indicated they would welcome the facilitation of forums or sharing of resources to discuss lessons, challenges and considerations from past projects. The Trust has indicated that the new online grant administration system could facilitate the efficient collection of data on lessons learned. Aggregating, analysing and sharing this information with grantees could increase project efficiency and effectiveness and ultimately lead to improvements in project outcomes.

On-ground assurance

The Trust imposes demanding reporting requirements on applicants to communicate project measures in the early stages of project inception but does not impose the same level of assurance on this data. There is little to no on-ground assurance of projects. The low number of site visits limits the accountability and transparency of public expenditure as the Trust cannot verify the reported achievements of grant recipients. The Commission's site visits demonstrated that project recipients are generally honest; however, some consideration should be given to whether further on ground assessment by the Trust is warranted.

Interviews and site visits identified a demand from grantees to see an increase in site visits. Grantees, particularly those placed in the community stream, feel that more regular site visits

would give recognition to the work and achievements of the project, motivate volunteers, give practical guidance, and encourage continued participation in the projects post funding period.

The Trust staff indicated that there are limited resources available to undertake site visits. It is estimated that they are currently positioned to undertake 35 site visits annually for all grants across all Trust programs. In selecting which projects to visit, the Trust use a risk based approach, which targets sites where significant funds are invested and/or there is an indication of significant problems. The Restoration and Rehabilitation projects are generally low risk relative to projects in several other Trust programs. While the Trust undertakes steps to manage these low risk projects by requesting photo documentation and detailed reporting, additional site visits would improve assurance, help build stronger relationships with project proponents and provide greater opportunity for the Trust to provide active project guidance to improve outcomes.

Recommendations

22. Data quality issues noted should be addressed in the upcoming migration to an online grant management system to increase the ability of the Trust to maintain a higher quality database and produce efficient and accurate program level data. Specifically the Trust should:
 - a. Ensure that the meta-data is clearly organised so that analysis can easily be undertaken.
 - b. Provide specific guidance for how proponents should measure each specific indicator to ensure consistency and improve quality of the data.
 - c. Reduce the number of output indicators to target a few specific and consistent indicators for similar projects. Project may report unique outcomes indicators as appropriate.
 - d. Require spatial data to be reported for all project activities.
 - e. Revise project categories to reduce overlap and allow for more meaningful assessment of aggregated data.
 - f. Ensure that data in the database is quality assured, for instance zero values are only entered where they were reported as such.
23. Project measures should be reassessed to ensure that those selected target the key outcomes for each project (e.g. capacity building and environmental outcomes). Project reporting should focus on collection of data most useful for informing sound decision-making. See Attachment A (Section 4.3 for further guidance).
24. Activity based output measures and project outcome measures should be clearly delineated. Attachment A provides guidance on appropriate selection of these.
25. Project measure data should be routinely evaluated to identify trends and key lessons.
26. Lessons learned should be readily shared with project proponents and reviewers to enhance institutional learning and add value to the planning and reporting process.
27. The Trust should consider options for monitoring and assessing long-term outcomes including potential for proving small grants for long-term monitoring and the option to test predictive MER approaches.
28. Consider using some of the funds allocated for evaluation to establish baseline program scale information (such as surveys) and for on-ground assessment during the project.
29. Allow flexibility in achievement of outputs where outcomes are not affected.
30. The Trust should ensure that MER data incorporates outcome measures for both environmental and social (i.e. capacity building) aspects of the program.

Attachments

Attachment A - Restoration and Rehabilitation program design	1
1 Introduction	1
2 Definitions and clarification of assumptions	1
3 Needs analysis	3
4 Program logic	9
5 Funding Stream Options	15
6 Additional capacity building considerations	20
Attachment B - Methodology	22
Attachment C - List of projects reviewed	24
Attachment D - Survey questions	28
Attachment E - Projects Interviewed	33

Attachment A - Restoration and Rehabilitation program design

1 Introduction

The NSW Environmental Trust (the Trust) requested that the NSW Natural Resources Commission (the Commission) undertake an independent evaluation of the Restoration and Rehabilitation Program (the program). The Commission has provided general program design advice in line with the evaluation framework in Chapter 5 of the Commission's Restoration and Rehabilitation Program Evaluation Report (the Report). This attachment provides more detailed recommendations in regards to options the Trust might consider in design of the program going forward.

The following document includes guidance on key definitions, needs analysis, program logic along with other considerations. This advice is based upon a high level needs analysis and discussions with the Trust regarding their objectives for the program. It is also supported by a rapid literature review, and the Commission staff's expertise.

2 Definitions and clarification of assumptions

The Commission's evaluation identified a need for improved clarity around key program definitions and assumptions. The Commission proposes that the following definitions and assumptions be used for the program.

2.1 Definitions of restoration and rehabilitation

The following definitions were developed for the program going forward¹⁰:

- **Restoration** is the process of assisting the recovery of an ecosystem that has been degraded, damaged or destroyed. Restoration includes both the process of assisting recovery and an outcome where full recovery is ultimately achieved. Recovery should be targeted towards a reference ecosystem. This reference ecosystem can be either an actual site or a conceptual model, which is developed based on other reference sites, field indicators, and historical and predictive records. The reference ecosystem should guide project objectives¹¹ and provide a baseline for monitoring and assessing outcomes.
- **Rehabilitation** is the process of reinstating degrees of ecosystem functionality on degraded sites. The process aims to permit ongoing provision of ecosystem goods and services, where complete restoration is not the objective. Like restoration, rehabilitation works should establish a reference state to work towards.

It is recognised that full restoration of ecosystems generally takes a long time, and often considerable funding¹². It is likely that project proponents in this program will most often be undertaking projects that may contribute to restoration and/or achieve rehabilitation. Achieving the complete restoration of an ecosystem within the scale of funding and time frames proposed by this grant program is unlikely to be feasible.

¹⁰ These definitions were based on definitions taken from the National Standards for the Practice of Ecological Restoration in Australia by the Society for Ecological Restoration (2016).

¹¹ Note, the Standard uses 'targets' as an alternative term for 'objectives'. The Commission has used 'objectives' as this is the terminology used by the Trust. However, the definitions are interchangeable.

¹² Society for Ecological Restoration Australasia. (2016). *National Standards for the Practice of Ecological Restoration in Australia*. Available at: <http://www.seraustralasia.com/standards/contents.html>

The major ecological effects of climate change and their implications for restoration and rehabilitation projects are widely recognised¹³. The National Standards for the Practice of Ecological Restoration in Australia (the Standard) notes that restoration and rehabilitation project objectives should be suitably adapted to account for anticipated effects of climate change on reference ecosystems¹⁴.

Adapting objectives to suit global changes in the external environment must include the concept of resilience. Resilience is defined as the “*the capacity to recover naturally from external stresses or shocks*”¹⁵. The State of the Environment Report (2016) notes that “*resilience is greatest in areas where vegetation is largely intact, or where extensive patches of largely intact native vegetation are continuous or at least contiguous, so that connectivity is maintained between them for the movement of animals, seeds and pollen*”. In restoring and rehabilitating ecosystems, projects should aim to increase the ability of the system to recover from changes and disturbances and to continue supporting native vegetation and natural processes¹⁶. When selecting what types of restoration and rehabilitation projects to target, the program should ensure project proponents have considered ecosystem resilience.

2.2 Clarifying assumptions

Assumptions around the program design were clarified through the program evaluation and through informal conversations with the Trust. These assumptions include:

- The Trust is aiming to achieve both social and ecological outcomes through this program.
- Capacity building of groups to better develop projects with logical outcomes and objectives, and to undertake restoration and rehabilitation activities, is an important aspect of the program.¹⁷
- The Trust has indicated a particular interest in ensuring equitable access to funds across NSW.
- The Trust is open to recommendations in regards to grant funding limits.
- The Trust is interested in innovative approaches to restoration and rehabilitation as appropriate.

¹³ Society for Ecological Restoration Australasia. (2016). *National Standards for the Practice of Ecological Restoration in Australia*. Available at: <http://www.seraustralasia.com/standards/contents.html>

¹⁴ Society for Ecological Restoration Australasia. (2016). *National Standards for the Practice of Ecological Restoration in Australia*. Available at: <http://www.seraustralasia.com/standards/contents.html>

¹⁵ Society for Ecological Restoration Australasia. (2016). *National Standards for the Practice of Ecological Restoration in Australia*. Available at: <http://www.seraustralasia.com/standards/contents.html>

¹⁶ This definition is taken from the *Australia state of the environment 2016: overview, independent report to the Australian Government Minister for the Environment and Energy*

¹⁷ The Commission uses the United National Development Program’s definition of capacity building: “*the process through which individuals, organizations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time.*” United Nations Development Program (UNDP), 2009 http://www.undp.org/content/dam/aplaws/publication/en/publications/capacity-development/capacity-development-a-undp-primer/CDG_PrimerReport_final_web.pdf

3 Needs analysis

A needs analysis was undertaken to inform the program design. A needs analysis is a systematic method to determine who needs the program and how great the need is. The Commission undertook a needs analysis to address three key areas, the:

- needs the program is addressing
- characteristics of program recipients
- needs identified by the assessment that are currently unmet by the program.

A detailed needs analysis was beyond the scope of the program evaluation. In lieu of this, the Commission undertook a rapid literature review and analysis to determine need. The needs analysis is based upon results of the program evaluation and should provide a sound starting point for the Trust should they wish to undertake a more detailed analysis.

3.1 The needs the program is addressing

The program evaluation and literature review indicate several areas the program is addressing to some degree. These include:

- national restoration and rehabilitation needs
- environmental needs in NSW
- capacity building in the environmental sector
- a high demand from applicants
- Indigenous employment and training.
-

3.1.1 National restoration and rehabilitation needs

Nationally, there is a need for increased ecological restoration and rehabilitation efforts and resources to match these efforts. The National Standard for Ecological Restoration notes the demand for ecological restoration in Australia is increasing across terrestrial, freshwater and marine biomes¹⁸. In addition to this the Standard notes, the success of restoration pursuits often “fall short of their objectives due to a lack of... resources or insufficient knowledge and skill[s]”¹⁹. The *Australia State of the Environment: Overview Report* also recognises this broad lack of resources and further notes an absence of federal legislation requiring the long term protection and /or restoration of environmental assets²⁰. The program contributes somewhat to these needs by focussing solely on restoration and rehabilitation and providing resources to these activities.

3.1.2 Environmental needs in NSW

¹⁸ Society for Ecological Restoration Australasia. (2016). *National Standards for the Practice of Ecological Restoration in Australia*. Available at: <http://www.seraustralasia.com/standards/contents.html>

¹⁹ Society for Ecological Restoration Australasia. (2016). *National Standards for the Practice of Ecological Restoration in Australia*. Available at: <http://www.seraustralasia.com/standards/contents.html>

²⁰ Jackson WJ, Argent RM, Bax NJ, Clark GF, Coleman S, Cresswell ID, Emmerson KM, Evans K, Hibberd MF, Johnston EL, Keywood MD, Klekociuk A, Mackay R, Metcalfe D, Murphy H, Rankin A, Smith DC & Wienecke B (2017). *Australia state of the environment 2016: overview, independent report to the Australian Government Minister for the Environment and Energy*, Australian Government Department of the Environment and Energy, Canberra.

Across NSW, it is clear that the aim of the program aligns with environmental needs. The NSW State of the Environment Report (2015) notes that the:

- state of threatened species is poor and getting worse
- condition of native vegetation is moderate and getting worse
- spread of emerging invasive species is moderate and getting worse
- impact of stable invasive species is high, though unwavering
- condition of terrestrial reserves (protected areas and conserved areas) are moderate and getting better in the east of the state, but not in the west.

The extent to which the projects in the Restoration and Rehabilitation program address these environmental needs is unclear. As discussed in the main evaluation report, monitoring, evaluation and reporting (MER) data for the program are not sufficient to assess the extent to which the projects are achieving environmental or social outcomes. Outputs indicate projects are likely contributing to improving the conditions of native vegetation and terrestrial reserves as the majority of projects focus on habitat protection and revegetation, corridor enhancement and/or weed management (see Section 3.2).

Redesigning the MER requirements to include measurable outcomes will assist in determining the extent of the program's impact in the future. This is discussed further in Chapter 9 of this report. The needs identified nationally and in NSW are unlikely to be addressed solely by the program. However, the program can contribute to improving a range of ecosystem functions and extent of quality ecosystems, and the needs analysis confirms a legitimate environmental need for the program.

There are other programs with restoration and rehabilitation objectives that overlap with the Restoration and Rehabilitation program. However, funding for these programs is often uncertain. Other programs that address specific restoration and rehabilitation objectives include the Trust's Community Bush Regeneration program, and the Office of Environment and Heritage's Catchment Action NSW and Saving our Species programs. Although these programs share similar objectives to the Restoration and Rehabilitation program, proponents have indicated that the program uniquely fills a niche for small to medium sized grants provided over a three year period. Other programs are offered at a different scale and/or in different timeframes not suitable to many proponents projects.

3.1.3 Capacity building in the environmental sector

The capacity of people involved in land management is extremely important as land managers directly influence natural resource condition outcomes²¹. The need to build the capacity of NSW land managers, is highlighted in the National Standards for the Practice of Ecological Restoration in Australia. The Standard notes the often insufficient and inappropriate knowledge and skill levels of land managers undertaking restoration and rehabilitation activities²².

In NSW there are a number of programs, funded by the Trust and other agencies that include capacity building objectives, particularly in the low to medium funding range (less than \$250,000). Although these programs potentially overlap with the Trust's Restoration and

²¹ NSW and the Department of Environment, Climate Change and Water NSW, 2010: <http://www.environment.nsw.gov.au/resources/publications/110148NRMBPG.pdf>

²² Society for Ecological Restoration Australasia. (2016). *National Standards for the Practice of Ecological Restoration in Australia*. Available at: <http://www.seraustralasia.com/standards/contents.html>

Rehabilitation program, this diversified support is important for providing a range of capacity building delivery methods and opportunities. The program contributes to capacity building needs by providing a unique opportunity to build capacity through the delivery of on-ground projects.

3.1.4 High demand from applicants

The community's perceived need for the program can be inferred by the high demand from applicants. Over the previous four funding cycles, there have been consistently three to four times more applicants than grants awarded. This high demand indicates that the community sees a significant need for the program. In interviews undertaken during the program evaluation, proponents frequently expressed their need for the program, noting works would not be done without funding. This need is due to the absence of other small scale (less than \$250, 000), multi-year funding programs in NSW. In relation to other available grant programs the restoration and rehabilitation program sits in isolation as a multi-year funding stream, with grants available for under \$250,000, over a period greater than one year. The reliability of the program funding was frequently noted as important by grant proponents interviewed in the evaluation.

3.1.5 Indigenous employment, and training

The Australia State of the Environment: Land report (2016)²³ notes "*some indigenous groups are having significant impacts in improving land management within their regions*", though in other regions impacts are limited due to competing interests, inconsistent funding or a lack of capacity. In addition to these limitations, nationally there is a need for increased Indigenous engagement and employment. Across Australia, rates of Indigenous employment sit at 58 percent with this rate falling to 36 percent in remote areas²⁴. The majority of Indigenous people (64 percent) live in regional or remote areas²⁵. The R&R program, which generally funds projects outside of urban centres, can contribute to employment and training opportunities for Indigenous people, particularly in regional NSW. Of the projects funded over the evaluation period, six percent involved Indigenous groups. Other programs with Indigenous engagement targets, such as the Catchment Action NSW, aim for percentage of funding to be directed to Indigenous capacity building²⁶. Although the program, along with other Trust programs such as Protecting our Places, contribute somewhat to Indigenous employment and engagement, there is room to expand the degree which the program fills this need.

3.2 Characteristics of program recipients

The Commission analysed the characteristics of program recipients to garner a broad understanding of who the program is engaging, the types of activities being carried out and what types of proponents would be affected by changes to program design. The analysis provides insight into the needs being met by the program at the project level. For a more in depth analysis, see Chapter 4 in the main body of the report.

²³

²⁴ Australian Bureau of Statistics (2016) *National Aboriginal and Torres Strait Islander Social Survey 2014-15*. Available at: <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/4714.0~2014-15~Main%20Features~Labour%20force%20characteristics~6>

²⁵ Australian Bureau of Statistics (2013) *Estimates of Aboriginal and Torres Strait Islander Australians, June 2011*. Available at: <http://www.abs.gov.au/ausstats/abs@.nsf/mf/3238.0.55.001>

²⁶ NSW Natural Resources Commission (2014) *Review of Catchment Action NSW funding allocation to Local Land Services 2015-16 and 2016-17*

3.2.1 Proponents and their characteristics

Analysis of project proponent characteristics reveals that:

- Landcare groups and councils are the most common proponents in the program and are often repeat applicants.
- The funding provided is substantive enough for grantees to achieve their stated objectives, as the majority of proponents reach their targets.
- The consistent achievement of output objectives demonstrates that recipients are being funded within their capabilities.
- The program is likely to be contributing to the State need for improvement in the condition of native vegetation, and terrestrial reserves as the majority of proponents are undertaking either habitat protection, vegetation or corridor management, or weed management.

The following points provide a broad overview of all proponent characteristics (over the evaluation period):

- **Type of proponents** – the majority of proponents were either councils or Landcare groups (including Bushcare and Dunecare). These groups each made up 34 percent of proponents. Incorporated organisations and government agencies (including the former Catchment Management Authorities) made up 11.5 percent of proponents each. Projects were also run by Trusts and Boards (6 percent), Indigenous groups (1.5 percent) and education institutes (1.5 percent).
- **Geographical distribution** – is highly skewed to the East coast of NSW (81 percent of proponents). There is a lack of proponents in the West of the state (six percent in the Central West and Orana, and no proponents in the Far West of the state).
- **Returning proponents** – the majority of proponents (60 percent) are repeat program grantees.
- **Partnerships** – a small number of proponents (30 percent) partner with another organisation or administrator to deliver the project.
- **Funding size** – the majority of proponents (74 percent) receive large grants (\$70,000 - \$100,000) with less proponents receiving medium (\$30,000 - \$70,000) and small (\$0 - \$30,000) grants (16 percent and 6 percent respectively).
- **Land type** – most projects worked on terrestrial land (52 percent). Over a quarter worked on riparian projects (27 percent) and 12 percent worked on wetlands. Other land categories reported include agriculture and urban land (5 percent), other (4 percent), marine and estuarine (1 percent), and roadside projects (1 percent). These categories have overlaps and so are not entirely reliable for analysing the types of land worked on in the program. Section 4.4 discusses this further. Note, this data was taken from the sample of projects evaluated, not the entire set of program proponents.
- **Project categories** – the majority of projects were classified as protection of habitat (44 percent). Over a quarter focussed on vegetation corridors or vegetation management (27 percent) and ten percent of projects were classified solely as weed management. Eight percent of projects worked on wetlands management and water quality respectively. Waste management (1 percent), and other restoration and rehabilitation projects (2 percent) made up the remaining projects. As with land types, there is overlap in the project categories provided by the Trust, making it difficult to fully assess the types of projects implemented

(see Section 4.4). Note, this data was taken from the sample of projects evaluated, not the entire set of program proponents.

- **Project success rates** – the majority of proponents either exceeded or mostly met their project targets and performed ‘good’ monitoring and evaluation (as assessed by a reviewer). All projects were assessed to be value for money (by an OEH or external reviewer) and the vast majority of projects were completed on budget. Table A1 provides a breakdown of the differences between the government and community streams in relation to this criteria. Note, this data was taken from the sample of projects evaluated, not the entire set of program proponents.

Table A1. Comparison between projects in the Government funding stream and Community funding stream. *These comparisons should be treated cautiously. They do not account for other differences between projects, such as their focus, area of operation or nature of activities*

Criteria	Government projects	Community projects
Targets met?	35 percent ‘met or exceeded’ ; remainder ‘mostly met’	22 percent ‘met or exceeded’ ; remainder ‘mostly met’
Rigour of monitoring, and evaluation (as assessed by reviewer)	72 percent ‘Good’ monitoring and evaluation, remainder ‘average’	62 percent ‘Good’ monitoring and evaluation, remainder ‘average’
Value for money (as assessed by reviewer)	100 percent	100 percent
Budget deviation	98 percent of projects on budget 2 percent of projects over budget	100 percent of on budget

3.3 Needs identified by the assessment that are currently unmet by the program

The Commission identified some needs that are not being met by the program, which may be appropriate to incorporate in future design. These needs include knowledge sharing, and geographical spread.

3.3.1 Knowledge sharing

Nationally, there is a need for “*better sharing of monitoring data, cultural understandings, scientific best practice and management experience... to ensure that all perspectives and information are available as ... challenging decisions [are made] about future land management in environmental contexts*”²⁷.

Although, it is clear that the program cannot solely address these needs across NSW, the need for greater effort in these areas provides opportunities for the program. Currently there is a lack of knowledge sharing, both between project proponents and from the program more broadly (see Chapter 8 in the Report). The Trust can contribute to this need by facilitating more knowledge sharing between project proponents, other Trust programs, other government agencies and universities. Further discussion on knowledge sharing is included in Section 6 of this attachment.

²⁷ Metcalfe DJ & Bui EN (2017). Australia state of the environment 2016: land, independent report to the Australian Government Minister for the Environment and Energy, Australian Government Department of the Environment and Energy, Canberra

3.3.2 Geographical spread

The geographical spread of projects is skewed to the East coast of NSW, particularly the North East coast. The reasoning behind this is discussed in the evaluation report (see Chapter 8) and does not necessarily reflect an issue with project selection. However, the absence of projects funded in the West of the state highlights an unmet need in this area. The NSW State of the Environment Report²⁸ notes terrestrial reserves (protected areas and conserved areas) are in moderate condition though getting worse in the West of the state (unlike the East). Additionally, it is noted that the Western and Central parts of the state have less protected bioregions than other regions. Potential causes for the low project representation in the West may include:

- lack of expertise in grant application writing, project scoping and planning
- limited support for applicants with low capacity for grant application and project development
- low awareness of the program
- less general interest in conservation work in the region
- a lower population.

The Commission does not have sufficient data to determine the key drivers for low participation in select regions. However, some recommendations have been made in Chapter 8 of the Report regarding how to potentially influence application rates in lower represented areas.

4 Program logic

Establishing a clear program logic is a key component of program design. It captures the rationale behind a program, outlining the effective relationships between intended activities and processes; their outputs; and the intended program outcomes.

Currently the program logic is not explicitly outlined in project documentation. The Commission proposes the Trust apply the program logic outlined in this section so that the pathway between defined objectives, activities and outcomes is transparently articulated.

An explicit representation of the program logic allows stakeholders to understand and test assumptions, underpins the program design and increases the likelihood of the program delivering its stated aim and objectives²⁹.

Communication of the program logic could be included in the Trust's business plan and or in supporting guidance documents.

Figure A1 below outlines the proposed Restoration and Rehabilitation program logic.

²⁸ State of New South Wales and NSW Environment Protection Authority (2015) New South Wales State of the Environment 2015

²⁹ Department of Premier and Cabinet. (2016). *NSW Government Program Evaluation Guidelines*. Available at: http://arp.nsw.gov.au/sites/default/files/NSW%20Government%20Program%20Evaluation%20Guideline%20January%202016_1.pdf

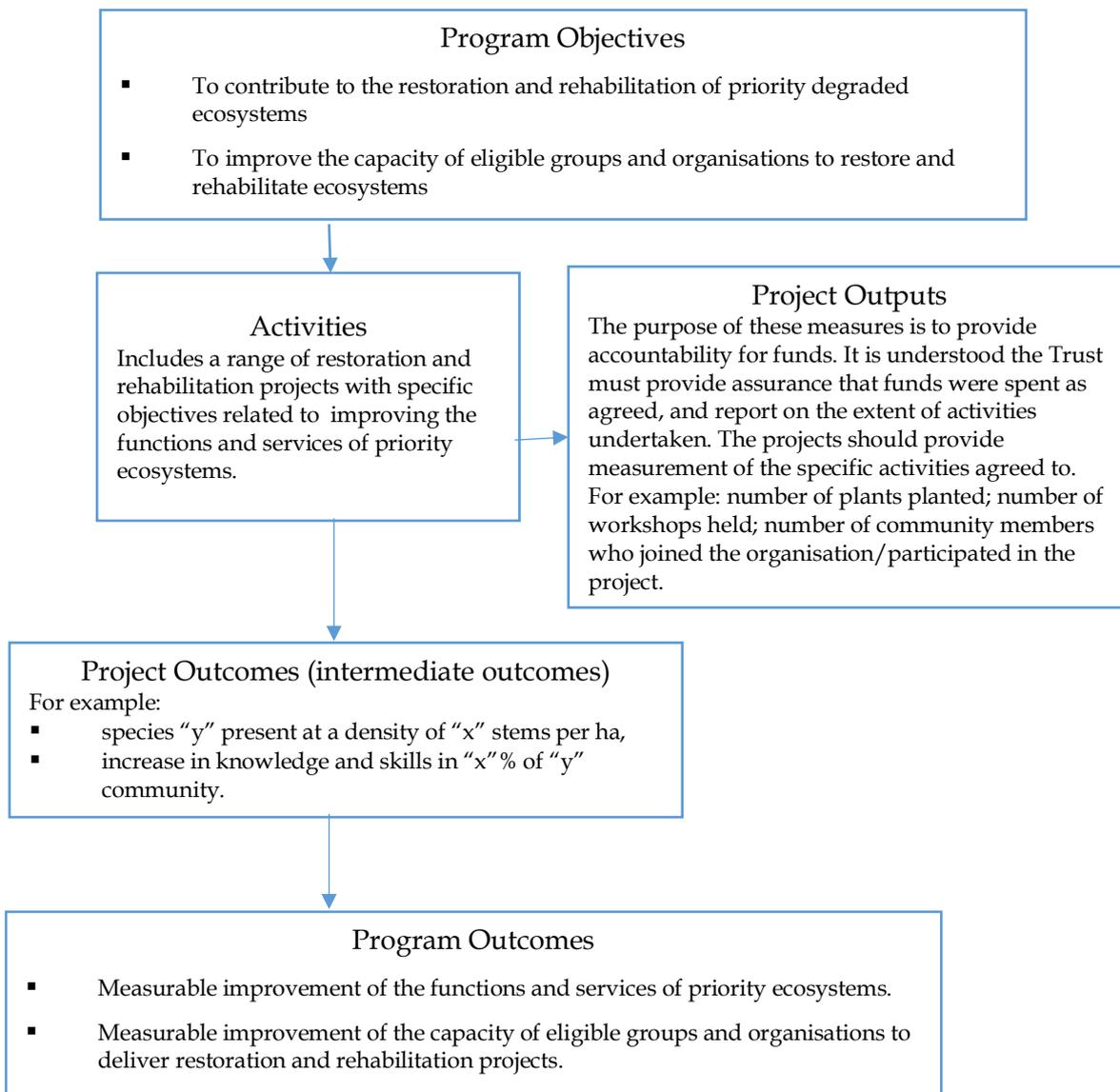


Figure A1: Proposed program logic for the Restoration and Rehabilitation program

Table A2 provides a comparison between proposed program logic and current program documentation.

Table A2: Proposed changes to program logic

Current program design	Proposed program design
Program aim	Proposed program aim
<ul style="list-style-type: none"> ▪ To facilitate projects run by community organisations and government entities working to prevent or reduce environmental degradation of any kind. Through these projects, we also aim to improve the capacity of communities and organisations to protect, restore and enhance the environment³⁰ 	<ul style="list-style-type: none"> ▪ The program aim is no longer needed as the proposed objectives are sufficient.

³⁰ NSW Office of Environment and Heritage (2016) Environmental Restoration and Rehabilitation grants. Available at: <http://www.environment.nsw.gov.au/grants/restoration.htm>

Current program design	Proposed program design
Program objectives	Proposed program objectives
<ul style="list-style-type: none"> ▪ To restore degraded environmental resources including rare and endangered ecosystems ▪ To protect important ecosystems and habitats of rare and endangered flora and fauna ▪ To prevent or minimise future environmental damage ▪ To enhance the quality of specific environmental resources ▪ To improve the capacity of eligible organisations to restore and enhance the environment to prevent or reduce pollution 	<ul style="list-style-type: none"> ▪ To contribute to the restoration and rehabilitation of degraded ecosystems ▪ To improve the capacity of eligible groups and organisations to restore and rehabilitate ecosystems
Program outcomes	Proposed program outcomes
<ul style="list-style-type: none"> ▪ Not defined 	<ul style="list-style-type: none"> ▪ Measurable improvement of the functions and services of priority ecosystems ▪ Measurable improvement of the capacity of eligible groups and organisations to deliver restoration and rehabilitation projects
Project outcomes	Proposed project outcomes
<ul style="list-style-type: none"> ▪ Output measures are currently collected; however data cannot be usefully analysed to determine outcomes due to a number of factors (see MER discussion in evaluation report). 	<ul style="list-style-type: none"> ▪ Project outcomes measures should be selected for each project. Appendix 4 of the National Restoration Standards 31 provides some useful examples of project outcomes (intermediate term). ▪ The project should also clearly articulate some longer term aspirational outcomes the project should contribute to that link to the broader ecosystem services program objectives. For example reduced erosion, abundance of species “x” or improved water quality.

Projects should also follow a clearly articulated logic that is aligned with the overall program logic. The objectives, activities and outcomes should logically contribute to the broader program objectives and outcomes. Box A1 below provides some examples of what a project logic might look like under the proposed design. The application review process should ensure that the project is clear and aligns with the overall program logic.

³¹ Society for Ecological Restoration Australasia. (2016). National Standards for the Practice of Ecological Restoration in Australia. Available at: <http://www.seraustralasia.com/standards/contents.html>

Box A1: Examples of project logic

Example 1. Habitat restoration

Objectives

1. Restore habitat for bird species X
2. Increase community capacity to undertake restoration and rehabilitation projects

Outcome

1. Increase the habitat quality of patch Y for bird species X
2. Increase the number of resident pairs and total population of bird species X
3. Increase volunteer participation by X percent

Activities

- Weeding
- Planting native species (trees, shrubs, grasses)
- Installing nesting boxes
- Hosting community planting days
- School children planting days and nest box building days

Outputs

- Area weeded
- Number of native shrub saplings and other species planted
- Number of nest boxes installed
- Number of community participants in planting days
- Number of school children participating in planting and nest box building days

Outcome measures – these measures should be taken before the start of the project (to provide baseline data) as well as during and at the end of the project (to measure changes from the baseline)

- Weed species reduced to <'x' percent cover and represented by benign species only
- Species 'a' present at a density of 'b' stems per ha (note species can be native plant species, bird x, weed species etc.)
- Percent of nest boxes regularly used
- 'z' number of tree hollows per hectare (natural and man-made)
- Number and percent of existing and new volunteers actively engaged

Example 2: Water quality project

Objectives

1. Improve the water quality of river X in Y Park to address aquatic habitat issues
2. Build community group capacity to plan and undertake riparian restoration projects

Outcome

1. Reduce erosion in Y Park
2. Return of native aquatic species
3. Engagement of an emerging community group

Activities

- Fencing (to prevent vehicles entering park)
- Planting native species along river bank
- Retain snags in stream for habitat
- Training workshop to develop project plan
- Community group planting days

Outputs

- Kms of fencing installed
- Number of native species planted on the riverbank and along wind tunnel
- Number of participants in community planting days

Outcome measures

- Suspended sediment content of river water (Total Suspended Solids (TSS) reduced by 'z' percent)
- Runoff reduced by 'a' percent
- Groundcover increased by 'b' percent
- Increased knowledge of community participants in regards to riparian management
- x percent increase in number of actively engaged participants in emerging group

4.1 Program aim and objectives

The Commission's view is that the aim of the program is to achieve the objectives. As such there is no need for a separate aim and objectives.

The program's current objectives are ambitious given the scale of funding available. They are also broad, reducing the Trust's ability to strategically target projects. The Commission proposes refining the program objectives to focus more exclusively on restoration and rehabilitation work. The proposed objectives are:

- *To contribute to the restoration and rehabilitation of degraded ecosystems*
- *To improve the capacity of eligible groups and organisations to restore and rehabilitate ecosystems*

At the project level, objectives should be more specific and measurable, in line with S.M.A.R.T. (specific, measurable, achievable, relevant, and time-bound) criteria, and consistently aligned with the capacity-building and environmental objectives of the overall program.

4.2 Program outcomes

Outcomes are not explicitly defined in the current program documentation. The 2016/17 program guidelines state that the program "*is a contestable grants program seeking to achieve long-term beneficial outcomes for the NSW environment*"³².

Explicit short to intermediate-term outcomes pave the way for establishing program strategies and activities. Without clear program outcomes the program's success is difficult to examine. The Commission proposes the following program outcomes which align with the program's objectives:

- *Measurably improve the functions and services of priority ecosystems*
- *Measurably improve the capacity of eligible groups and organisations to undertake restoration and rehabilitation projects*

The Environmental Trust's Restoration and Rehabilitation program funds projects over a three-year period, which is short in the context of environmental restoration. Achievement of outcomes for any given project may not be apparent in ecological conditions for extended periods of time. Therefore, it is important to consider outcomes in the context of intermediate (project-term) outcomes, how they could be expected to contribute to longer-term outcomes beyond the funding period, and what can reasonably be assessed in the project term.

4.3 Project Measures

When identifying and prioritising projects, it is necessary to consider the ecosystem more broadly, rather than just solely focussing on the activity. Ecosystem services are the conditions and processes through which ecosystems, and the species that comprise them, sustain and fulfil human life³³.

Ecosystems provide provisioning services (e.g. goods like timber, food sources like crops and livestock), regulating services (e.g. air quality regulation, water regulation, pollination), cultural

³² Environmental Trust (2016) *Restoration and Rehabilitation Program: 2016/17 Program guidelines*. Available at: <http://www.environment.nsw.gov.au/resources/grants/160175-program-guide-restoration.pdf>

³³ Millennium Ecosystem Assessment (2005) *Current State and Trends Assessment*.

services (e.g. non material benefits people obtain through spiritual enrichment, recreation), supporting services (e.g. soil formation, nutrient cycling).

Humans value these ecosystem services more directly as outcomes; for example:

- a greater abundance of species in a wetland
- greater numbers of large fish species available for recreation or consumption
- a more aesthetically pleasing view
- better water quality for environmental, recreational or drinking purposes.

Projects should be designed with a focus on a specific ecosystem outcome such as rehabilitated x hectares of habitat for threatened species y, rather than an activity based outcome such as weeded x hectares. In other words, the focus should be on what the project is trying to accomplish by facilitating weeding, rather than the accomplishment of the weeding itself. This will provide the ability for project and program outcomes to be better aligned and become more measurable. Outputs such as area weeded are important for the Trust in terms of tracking whether the activities they funded were actually undertaken. Further, they should logically link to accomplishing the desired outcome – i.e. it may be necessary to undertake weeding to achieve the rehabilitation of the habitat desired.

The Trust's application forms and assessment processes should be revised to reflect the proposed program logic. For instance, applicants should be assessed on whether they have identified reasonable ecosystem-based and capacity building goals, whether there is a clear project logic for how activities and outputs will contribute to the desired outcomes and whether it is reasonable to assume the actions will contribute to successful rehabilitation or restoration of the target. Further discussion of recommended changes to the application process is provided in Chapter 6 of the report.

The Trust Monitoring, Evaluation and Reporting (MER) dataset does not currently clearly separate outcomes from output measures. Specifying clearly separate output measures and outcome measures will help the Trust to improve on reporting accomplishments, and provide improved clarity for project proponents. Further, this clarification should help the Trust reduce the number of reporting requirements for proponents by focusing on key issues.

Outcome measurements are a function of a project's activities and objectives. Therefore, the program would benefit from project proponents clearly identifying their project activities, selecting relevant measures, separating their output measures and demonstrating how project activities contribute to intermediate and longer-term outcomes.

4.4 Project categorisation

Project categories are currently generated from information gathered in Section A of grantee application documents. Applicants must identify one of the following options as their main focus:

- **Protection of habitat** including wildlife corridors, threatened species/endangered ecological communities, control of non-indigenous species
- **Vegetation corridors/vegetation management** including bush regeneration, fencing of remnant vegetation, revegetation
- **Weed management** including willows

- **Water quality** including riparian restoration, weir removal, erosion, stormwater
- **Wetlands management**
- **Waste** including prevention/reduction of pollution, resource recovery or waste avoidance
- **Other** (e.g. environmental education)

These main focus areas have significant overlap, particularly in the protection of habitat, vegetation corridors and weed management. Similarly, environment type categories listed in the MER dataset, such as Terrestrial, Agriculture and Urban land, Wetlands, Roadside project, Marine, Riparian, are not clearly defined.

The Trust should consider the following:

- Explicitly categorise activity measures, output measures, outcome measures in the schedule C document.
- Ensure project objectives clearly specify the ecosystem functions or services and capacity building outcomes they are targeting and align with program objectives.
- Ensure project level objectives align with intermediate project scale outcomes.
- Categorise project measures into activity measures, output measures and outcome measures.
- Update program documentation to ensure grantees understand the relationship and logic between reporting and measuring broader environmental outcomes, intermediate project-scale outcomes, project activity and output measures and project objectives.

Clearly refining project categories and separating output and outcome measures will provide a better foundation for undertaking clear and meaningful analysis, assist with probity, accountability, transparency and better improve the performance of the program.

Further guidance on refining the MER for the program is provided in the evaluation report in Chapter 7.

5 Funding Stream Options

The Commission considered a number of funding stream options as part of the process in determining the most suitable program logic as proposed in Section 4. The options were developed taking into account the Commission's understanding of the Trust's stated priorities for the program. These include the ecological outcomes, capacity building, equity, and value for money, and continuity of funding (see section 3). Input was provided by an external consultant with particular expertise in restoration and rehabilitation, in addition to input provided by team members who undertook the program evaluation.

The team examined a wide range of options. In determining the best options for the program design, the Commission considered a number of factors:

- investing in a smaller number of large environmental projects (e.g. restoring an entire corridor) is likely to achieve greater environmental outcomes for the funds available
- the Trust's stated program priorities:
 - potential for good environmental outcomes
 - potential for good capacity building outcomes
 - potential for strategic use of funds.

On balance, the Commission determined that the High Value Environment and Partnership Funding streams were the most strategic combination for the program design going forward.

5.1 High Value Environment Stream

The High Value Environment Stream is primarily focussed on achieving good environmental outcomes. To ensure that projects achieve the greatest value for money, they must be strategically selected based on available evidence. There are a number of ways the funding could be strategically targeted.

Bioregions

The Convention on Biological Diversity sets a target of 17 percent of each of the world's eight ecoregions to be protected by 2020³⁴. Australia is working towards this target and aims to protect 17 percent of each of our bio-regions in the National Reserve System³⁵. Over the 19 bioregions in NSW, the percentage protected ranges from 81 percent (Australian Alps) through to two percent (Broken Hill Complex).

Given only five of the 19 bioregions have over 17 percent of terrestrial area protected, the Trust could consider prioritising projects in several bioregions that currently have less than 17 percent of the region protected. Prioritising these bioregions would contribute to identification of projects in currently underrepresented regions. The Regional Conservation Plans³⁶ could assist with identifying and prioritising appropriate projects in each bioregion.

In determining how many bioregions to prioritise, the Trust should consider impacts on environmental and capacity building outcomes. Fewer projects and higher concentration of resources in fewer locations will likely produce better environmental outcomes, and reduce administrative costs. For example, concentration of funds might allow for restoration of a significant portion of a corridor, or greater progress towards full restoration of a particular ecosystem. However, the more geographically concentrated the projects are, the less opportunity there is for capacity building and engagement with a broad range of community members across the state.

Prioritisation based on available spatial data

The Office of Environment and Heritage (OEH) holds key spatial mapping datasets across NSW. These datasets prioritise key resources across the state including water, vegetation, and threatened species. These datasets should be utilised to identify and prioritise projects and should be made available to project proponents. For example:

- The Draft New South Wales Biodiversity Strategy 2010–2015³⁷ includes priorities for investment in native vegetation management.
- The River Condition Index³⁸ allows the spatial reporting of long-term river health, through a method incorporating fish, macroinvertebrates, physical form, riparian vegetation, catchment disturbance and hydrological disturbance into a single measure based on the

³⁴ Department of Environment and Energy. (n.d.). *National Reserve System*. Available at: <http://www.environment.gov.au/land/nrs/about-nrs/requirements>

³⁵ Department of Environment and Energy. (n.d.). *National Reserve System*. Available at: <http://www.environment.gov.au/land/nrs/about-nrs/requirements>

³⁶ Office of Environment and Heritage. (2016). *Regional Conservation Plans*. Available at: <http://www.environment.nsw.gov.au/biodiversity/regconsplans.htm>

³⁷ Department of Environment, Climate Change and Water NSW. (n.d.). *Draft NSW Biodiversity Strategy 2010–2015*. Available at: <http://www.environment.nsw.gov.au/resources/biodiversity/strategy/10821DraftBioStrat.pdf>

³⁸ Department of Primary Industries Water. (n.d.). *River Condition Index*. Available at: <http://www.water.nsw.gov.au/water-management/monitoring/catchments>

National Framework for Assessing River and Wetland Health. A riverine condition assessment has been carried out across all catchment management areas and can be used to prioritise work on rivers.

- OEH hold information on threatened and endangered populations³⁹. These datasets could be used to guide appropriateness of projects for example whether a target species at the site or landscape level.

Depending on how the Trust wishes to focus the funding allocation, it could choose a range of options so long as the priority of the project aligned with criteria and the mapped priorities for the resource. For example, the Trust could choose one or several key resource(s) state wide, or one or several key resource(s) per region. For instance, in one region vegetation may be a priority; whereas in another river condition may be a priority. In making this decision, the Trust should consider:

- the ecological importance of each key resource in each bioregion
- the administrative burden to implement a multi-criteria project screening process that differs between bioregions as compared to a simpler process (e.g. if there was just one priority for the state over a number of years)
- the importance the Trust places on community participation across a broad geographical area over a range of different key resources
- the potential for combining environmental outcomes within projects (e.g. a project may include outcomes for vegetation, water and threatened species)
- the opportunity for capacity building.

5.2 Partnership Stream

Capacity building outcomes from small grants can make a difference to awareness, knowledge, lasting networks and the ability of people to adapt to local conditions⁴⁰. There is evidence that capacity building through small environmental projects (for example Landcare) have resulted in participants being more aware of land degradation issues, more knowledgeable on resource management topics and more likely to adopt best practice land management techniques⁴¹. In addition, one of the most effective forms of community education and communication of information is through community participation in on-ground activities⁴².

The partnership stream is proposed as a way to continue to provide broad access to funding for a range of community groups and facilitating capacity building by partnering less experienced groups with more experienced groups. In this funding stream the Trust could consider project proposals eligible only if they comprise an experienced organisation partnered with an

³⁹ Office of Environment and Heritage. (2017). *Threatened Species Conservation*. Available at: <http://www.environment.nsw.gov.au/topics/animals-and-plants/threatened-species/saving-our-species-program/threatened-species-conservation>

⁴⁰ Curtis, A., Ross, H., Marshall, G.R., Baldwin, C., Cavaye, J., Freeman, C., Carr, A., and Syme, G. (2014) The great experiment with devolved NRM governance: lessons from community engagement in Australia and New Zealand since the 1980s. *Australasian Journal of Environmental Management* 21:2, 179-199

⁴¹ Curtis, A., De Lacey, T. (1996). Landcare in Australia: Does it Make a Difference? *Journal of Environmental Management* 46: 119-137

⁴² Bennett, A.F. (2003). *Linkage in the Landscape. The Role of corridors and Connectivity in Wildlife Conservation*. IUCN, Gland, Switzerland and Cambridge.

emerging⁴³ or Indigenous group. All projects identified by proponents would be requested to demonstrate alignment with some regional priority⁴⁴ to build their capacity to understand the broader impacts of their projects.

To address the short term nature of the funding relative to ecological processes, the Trust could allow projects in this stream that propose to maintain a site that was previously partially rehabilitated or restored as part of a completed project within the program. This would facilitate capacity building in the area of monitoring and evaluation, which has been shown to be a short-coming of community environmental programs.

5.3 Innovation stream not considered viable

An innovation funding stream was considered based on discussions with the Trust; however, the Commission determined that targeting innovation would not be a strategic use of funds in comparison to the two chosen funding streams.

The National Standards for the Practice of Ecological Restoration in Australia⁴⁵ endorse innovative restoration approaches through science-practice partnerships. The Commission's view is that the Trust's Research Program is a more suitable program to achieve strong environmental outcomes from, and further development of, new restoration and rehabilitation approaches.

It is important to note that while they do not specifically target innovation, the two funding streams proposed do not preclude it. Hence, there is still the potential for an innovative project to be selected should it meet criteria and align with objectives. In addition, the proposed program design can easily accommodate application of new technologies once they have been proven and assessed to be reliable and effective.

Should the Trust still wish to further target innovation, the application process could consider proposed innovative approaches, or collaboration with scientists exploring new approaches favourably in the application assessment criteria.

5.4 Funding Allocation

It is often the case in Australian environmental programs that funding is distributed across too many small and unaligned environmental projects, resulting in projects being unable to achieve substantial ecological outcomes⁴⁶. However, it is understood that a focus of this program is to provide broad access to funds for community environmental projects and build capacity across the state. As such, limiting the projects funded to a small number is not likely to be desirable.

⁴³ The Trust would need to define emerging group criteria. These might include: Group has not been funded before, and/or are poorly resourced, and/or are newly formed (less than 12 months), and/or are located in low socio-economic areas, and/or are an indigenous group, and/or have limited grant management, and/or have limited environmental experience.

⁴⁴ For example alignment with – spatial priorities set out by OEH; Draft New South Wales Biodiversity Strategy 2010-2015; Regional conservation plans; Regional Biodiversity strategies; Catchment Action Plans; Local Land Services Strategic Plans.

⁴⁵ Society for Ecological Restoration Australasia. (2016). National Standards for the Practice of Ecological Restoration in Australia. Available at: <http://www.seraustralasia.com/standards/contents.html>

⁴⁶ Pannell, D. (2016). Improving the performance of agri-environment programs: Reflections on best practice in design and implementation. In Ansell D., Gibson, F., & Salt D. (Eds.), *Learning from agri-environment schemes in Australia: Investing in biodiversity and other ecosystem services on farms*. Australia: ANU Press. Available at: <http://www.jstor.org.ezp-prod1.hul.harvard.edu/stable/j.ctt1d10hdp.29>

Further, this would undercut one of the unique features of the program – that it is consistently available to a range of applicants.

To address these concerns, the Commission proposes that the Trust consider options for how to distribute the funds across streams and projects that will best meet their objectives. This could be done by:

- using a portion of the funding (for example 25 percent) to support small projects (e.g. up to \$50K) and use the remainder to fund larger projects that have a higher likelihood of achieving substantial environmental outcomes.
- distributing funds between the “high value” and “partnership streams” such that the suite of projects best meets the Trust’s desired outcomes.

The Commission notes that the High Value Environment Stream does not preclude capacity building, but it may have more limited capacity building outcomes. Further recommendations for how applications could be processed to achieve the Trust’s objectives are provided in Section 6 of this Attachment.

Restoration and rehabilitation projects are more likely to deliver benefits to the ecosystem and to the society if there is community and stakeholder support⁴⁷. In determining whether to significantly reduce the number of projects and increase the funding per project to achieve environmental outcomes, the Trust may wish to consider the likely stakeholder reaction and manage stakeholder expectations throughout any process of change. The Commission recommends that any shift in number of projects be undertaken slowly over time to minimise impact to stakeholders.

In addition, currently the program funding is split equally between government and community. The Commission considers that the Trust should continue to ensure that a minimum of 50 percent of the “high value stream” is provided to community groups to ensure that the legislative requirement⁴⁸ is met and that the focus on community projects remains strong. As the partnership stream requires an emerging community group, a specific split is not seen as necessary.

⁴⁷ Society for Ecological Restoration Australasia. (2016). National Standards for the Practice of Ecological Restoration in Australia. Available at: <http://www.seraustralasia.com/standards/contents.html>

⁴⁸ Environmental Trust Act 1998 No 82 (12)

6 Additional capacity building considerations

In addition to the broad program design recommendation set out above, the Commission recommends that the Trust consider the following options for further improving program design.

6.1 Project management

The Commission understands that currently project proponents do not receive a high level of project management support due to limitations of staff time, and that different Trust personnel liaise with project proponents at different stages of the project (e.g. application vs. implementation vs. reporting). The Commission proposes that the Trust consider assigning one project manager to each project for the life of the project and allocate a maximum number of projects per manager. This would increase opportunities for capacity building, and allow for improved assurance over project delivery. The Commission understands that the Trust currently spends lower than average on administration overheads and therefore is of the opinion that it is not unreasonable to invest more funds into this area, so long as tangible benefits can be achieved.

The Commission notes that:

- all projects should receive some level of active project management
- lower risk projects (based on dollar value) may in fact require additional project management support if proponents are less experienced. In order to achieve capacity building objectives additional support for projects with a range of risks may be necessary.
- a process should be set up to determine the level of project management appropriate for each project
- site visits should more frequently form part of the project management process and should be carried out where the benefits of the visit outweigh the costs of the visit.

6.2 Capacity Building - Sharing knowledge and lessons learned

The Commission recommends that the Trust consider building communication mechanisms to share knowledge and learnings between past and present project proponents. It is understood this may be possible to include in the new online grant management system. The Commission believes that this will assist the Trust achieve its capacity building objectives and assist project proponents with their projects throughout all phases.

Some examples of ways the Trust could improve communications between project proponents include:

- online forums for discussion
- facilitating networking of project proponents (e.g. provision of contact details to similar groups, providing a buddy system for similar project proponents)
- updating the Trust website to showcase successes and case studies to illustrate best practice
- including a section in the annual report detailing key lessons and showcasing success.

6.3 Leveraging the Local Landcare Coordinator's Initiative

The Local Landcare Coordinators Initiative (LLCI) is a \$15 million initiative over four years run by the NSW government, Landcare NSW and LLS. The initiative enables the effective participation of voluntary community based groups and networks, landholders, and the wider community in natural resource management activities that:

- manage and restore the natural environment
- improve the sustainability of agricultural production
- build the resilience of communities.

The LLCI seeks to build capacity in planning, developing partnerships and securing resourcing. This is done through project grants and other sources, monitoring, evaluating and reporting on their projects and activities, and improving their ongoing governance and financial sustainability. This model has been successful to date and has wide support in the regions.

The LLCI also has a Community of Practice, which is a centralised support team that will increase the activity and effectiveness of the Landcare network through a consistent approach to building community capacity across the State. It also provides information, training and communication, as well as collecting and collating information.

The LLCI personnel and Community of Practice could be leveraged by the Environmental Trust, through networking with Landcare and LLS. This could assist the Trust in meeting its capacity building objectives across all projects and all funding streams.

The Commission recommends that the Trust explore whether a mutually agreeable arrangement could be made, such that potential project proponents are made aware of, and have access to the Community of Practice, which may assist them from application through to implementation, monitoring and reporting.

Attachment B - Methodology

The sampling approach involved a number of steps, detailed as follows:

- 1 A target of 20 percent of grants (N=56) was established for detailed desktop evaluation, with a further 25 percent of this sample (N=14) targeted for site visits. The site visit projects were determined based on a sample of accurately representative projects (based on region, grant amount, status (i.e. active or completed) and streams.
- 2 The entire sample was categorised by key criteria: location (nine OEH regions with two sub-groups consisting of three dominant regions and the remaining regions), grant amount (small under \$30,000; medium \$30,000 to \$70,000; large > \$70,000), and status (completed or active).
- 3 A total of ten projects were randomly sampled from each of the key groups, the 'remaining' sub-region group, 'small-medium' grants and 'completed' grants - to ensure each target group was adequately represented.
- 4 The remaining successful grants were randomly sampled to select a further 26 to reach the target of 56 projects (see Table A3 below).

In cases where project proponents could not be engaged (N=10), projects that fit similar criteria were selected in lieu.

The Commission was not able to engage all proponents from the entire sample. Where this was not possible the Commission attempted to ensure that substitute projects were selected that maintained overall sampling distribution. The final sample size was (N=51), just short of the target of 56. The Commission was unable to engage with any projects from the New England-North West region. This is in part due to the small number of projects in this region. Results from this region are also limited in survey responses, meaning the New-England North West region is a gap in the evaluation. Otherwise, the sampling remained in line with the initial objectives and comprehensively covers the areas and project types the Trust funded.

Table A3: Summary of proposed evaluation sample

Key criteria	Proposed sample (number)	Proposed sample (percent)	All grants (percent)	Completed sample (number)	Completed sample (percent)
Total	56			51	
Small	6	11 percent	6 percent	7	14 percent
Medium	12	21 percent	16 percent	9	17 percent
Large	38	68 percent	74 percent	35	69 percent
Active	22	39 percent	58 percent	23	45 percent
Complete	34	61 percent	24 percent	28	54 percent
Metropolitan Sydney	5	9 percent	13 percent	6	11 percent
Central West and Orana	5	9 percent	6 percent	6	11 percent
Hunter	4	7 percent	13 percent	5	9 percent
Illawarra	4	7 percent	6 percent	6	11 percent
Murray-Murrumbidgee	3	5 percent	4 percent	4	7 percent
New England-North West	2	4 percent	2 percent	0	0 percent

North Coast	26	46 percent	47 percent	20	40 percent
South East and Tablelands	4	7 percent	8 percent	4	7 percent
NSW	2	4 percent	1 percent	2	4 percent
Government	25	45 percent	46 percent	22	43 percent
Community	31	55 percent	54 percent	29	67 percent

Attachment C - List of projects reviewed

Grantee type	Grantee	Project type	Year complete	Size*	Region	Location
Community	Ballina Coast Care Incorporated	Coastal restoration	2015	Small	North Coast	Ballina
Community	Dunedoo Community Group Inc	Riparian restoration	Active	Small	Central West and Orana	Dunedoo
Community	Grassy Head Dune Care	Coastal restoration	2016	Medium	North Coast	Mid-north-Macleay Valley
Community	Nambucca Valley Landcare Inc.	Pest control - indian myna	2016	Large	North Coast	Nambucca
Community	Seven Oakes Drainage Union	Wetland restoration	2015	Large	North Coast	Clybucca / Mid-north
Community	Gwymac Inc.	Habitat restoration - grassy box woodland	2016	Medium	New England-North West	Armidale
Community	Australian Network for Plant Conservation Inc.	Capacity building workshops - provenance and restoration	Active	Small	NSW	Statewide
Community	Booroongen Djugun Aboriginal Corporation	Habitat restoration - EECs	2016	Large	North Coast	Mid-north/Kempsey
Community	Central Tablelands Landcare Inc.		Active	Large	Central West and Orana	Orange-Cabonne
Community	Conservation Volunteers Australia	Habitat restoration - saltmarsh wetland	Active	Large	Hunter	Newcastle
Community	Jali Local Aboriginal Land Council	Habitat restoration - EECs, roadsides	2015	Large	North Coast	Wardell-Ballina
Community	Nature Conservation Council of NSW	Fire management	Active	Large	Metropolitan Sydney	Cumberland Plains

Community	Sandon Point, Casuarina Forest (Collins Creek) & Whartons Creek Bushcare Groups	Riparian restoration	2015	Medium	Illawarra	Bulli
Community	Greening Australia Capital Region		Active	Large	Murray-Murrumbidgee	Wagga Wagga-Hay
Community	Australian River Restoration Centre	Riparian vegetation restoration	Active	Large	South East and Tablelands	Yass
Community	Berry Landcare Inc.	Habitat restoration - sub-tropical rainforest	Active	Small	Illawara	Shoalhaven
Community	Big Scrub Rainforest Landcare Group Inc.	Weed control	2013	Large	North Coast	Northern Rivers - Lismore
Community	Brunswick Valley Landcare Inc.	Habitat restoration - farms	Active	Large	North Coast	Byron
Community	Friends of Lane Cove National Park	Habitat restoration - blue gum	2014	Medium	Metropolitan Sydney	Lane Cove
Community	Hastings Landcare Inc.	Pest control	2014	Large	North Coast	Hastings
Community	Mount Gibraltar Landcare and Bushcare Group	Habitat restoration	Active	Large	Illawarra	Bowral
Community	Northern Rivers Fire and Biodiversity Consortium	Ecological restoration 4 sites	Active	Large	North Coast	Casino-Richmond Valley
Community	Orara Valley River Care Groups Management Committee Inc.	Riparian restoration	2016	Large	North Coast	Coffs Harbour
Community	Riverina Highlands Landcare Network	Habitat restoration - box gum	2015	Large	Murray-Murrumbidgee	Wagga Wagga
Community	Upper Molong Creek	Habitat restoration	Active	Medium	Central West and Orana	Orange-Cabonne

	Landcare Group					
Community	WetlandCare Australia Pty Ltd	Wetland restoration	2014	Large	Hunter	Hunter wetlands
Community	WetlandCare Australia Pty Ltd	Habitat restoration - wetlands and koala habitat	Active	Large	North Coast	Tweed
Community	EnviTE Inc.	Habitat restoration - coastal	Active	Large	South East and Tablelands	Bega
Community	Centennial Park Trust	Catchment	2013	Large	Metropolitan Sydney	Sydney
Community	Tweed Landcare	Mapping and engagement to connect corridors	Active	Large	North Coast	Tweed
Community	EnviTE Inc.		Active		North Coast	Casino-Richmond Valley
Government	Bellingen Shire Council	Riparian restoration	2014	Large	North Coast	Bellingen
Government	Office of Environment and Heritage	Pest control - cane toads	2014	Medium	Metropolitan Sydney	All
Government	DPI	Aquatic health	2013	Large	North Coast	Tweed
Government	Ballina Shire Council	Habitat restoration	2016	Large	North Coast	Ballina
Government	Byron Shire Council	Development of roadside veg management plan	2016	Large	North Coast	Byron
Government	Clarence Valley Council	Riparian restoration	2016	Large	North Coast	Clarence Valley
Government	Hawkesbury City Council	Habitat restoration	2016	Medium	Metropolitan Sydney	Blue Mountains
Government	Kempsey Shire Council	Creek restoration	2014	Small	North Coast	Kempsey
Government	Northern Rivers CMA	Habitat restoration	2016	Large	North Coast	Northern Rivers - Lismore
Government	Port Macquarie-Hastings Council	Coastal restoration	2015	Large	North Coast	Port Macquarie

Government	Shellharbour City Council	Habitat restoration - blackbutt	2016	Medium	Illawarra	Shellharbour
Government	South East Regional Organisation of Councils	Waste strategy development	2014	Large	South East and Tablelands	Eurobodalla
Government	Bathurst Regional Council	Habitat restoration	Active	Medium	Central West and Orana	Bathurst
Government	CSIRO Biosecurity Flagship	Weed biological control	Active	Large	NSW	Statewide
Government	Eurobodalla Shire Council	Habitat restoration - Potoroo	2013	Large	South East and Tablelands	Eurobodalla
Government	Hunter Councils Inc.	Habitat restoration and protection	Active	Large	Hunter	Port Stephens
Government	Maitland City Council	Weed control	2014	Medium	Hunter	Maitland
Government	Office of Environment and Heritage	Restoration and capacity building	Active	Large	North Coast	Bellingen
Government	Rous Water	Riparian restoration	2016	Large	North Coast	Lismore
Government	Shoalhaven City Council	Habitat restoration - EECs	2016	Large	Illawarra	Shoalhaven
Government	South East Local Land Services	Riparian restoration	2016	Large	South East and Tablelands	Bega
Government	Tweed Shire Council	Wetland restoration	2015	Large	North Coast	Tweed
Government	Wagga Wagga City Council	Wetland restoration	Active	Large	Murray-Murrumbidgee	Wagga Wagga
Government	Wagga Wagga City Council	Mapping	2013	Small	Murray-Murrumbidgee	Wagga Wagga
Government	Upper Hunter Weeds Authority	Weed control - african olive	2016	Large	Hunter	Singleton

Attachment D - Survey questions

Number	Survey questions for successful applicants
1	What is the name of your organisation?
2	How many times has your organisation applied for a grant under the Restoration and Rehabilitation program?
3	How many Restoration and Rehabilitation grant applications have been successful?
4	Has your organisation applied for any other Environmental Trust grants?
5	Is your organisation categorised in the program as community or government?
6	Is your agency State government, local government or other
7	What statement best describes your organisation
8	Please indicate the number of full-time equivalent employees in your organisation.
9	Please describe the project funded under the Restoration and Rehabilitation Program. If more than one, describe the most recent project.
10	Is the grant currently active?
11	Please indicate the size of the grant received.
12	Please select the regional location of the project.
13	Does your organisation have experience in undertaking similar projects?
14	Did the project include a project administrator?
15	Did the project involve any co-contribution (cash, in-kind) from another source?
16	What was the type of co-contribution?
17	Please describe the amount and/or nature of the co-contribution
18	To what extent were the objectives of the Restoration and Rehabilitation Program made clear in the application process?
19	To what extent were the eligibility criteria for each funding stream (community and government) easy to understand?
20	To what extent were the selection criteria and processes for choosing successful grants appropriate (i.e. easy to understand, meets applicants' needs)?
21	The Trust provide a number of materials to support the preparation of Restoration and Rehabilitation applications (e.g. program guidelines, 'how to complete your application')

	instructions). To what extent were the grant application materials useful in assisting with the application process?
22	Which grant application support materials were the most useful? Please select all that apply.
23	Please describe any additional support materials that would be useful.
24	To what extent were Environmental Trust staff accessible and responsive to any questions on the application process?
25	Please describe any other ways to improve the grant application and selection process.
26	Please rate the effectiveness of the project planning tools and processes (as set out in the application form).
27	In what ways could project planning tools and processes be improved?
28	Please rate the effectiveness of the monitoring and evaluation (M&E) tools and processes (e.g. M&E plan, project measures).
29	In what ways could M&E tools and processes be improved?
30	To what extent do you think M&E processes were useful to the project (e.g. informing decision-making, adaptive management, measuring performance)?
31	Please rate the effectiveness of the reporting tools and processes (e.g. progress, annual and financial reports).
32	In what ways could the reporting tools and processes be improved?
33	To what extent did the Environmental Trust provide an appropriate level of feedback on reports?
34	Are you aware of how the Environmental Trust use grantee reports (including M&E data)?
35	Please describe how ET should use grantee reports
36	Did the project meet planned timeframes? If the project is still active, please indicate achievement to date.
37	Did the project meet the planned budget? If the project is still active, please indicate achievement to date.
38	Do you feel that the project was cost-effective? If the project is still active, please indicate achievement to date.
39	Could the project have been implemented without this grant?
40	To what extent were Environmental Trust staff accessible and responsive in providing any required support for implementing the project?
41	How could the Environmental Trust better support project implementation?
42	Which statement best describes the project?

43	Approximately what proportion of the grant was used for contractors? If the project is still active, please indicate the proportion that is expected.
44	Approximately what proportion of the project was undertaken by volunteers?
45	Please estimate the proportion of grant funding used for administration of the project (e.g. planning and reporting). If the project is still active, please indicate the proportion expected.
46	Approximately what proportion of funding was used for salaries?
47	Approximately what proportion of funding was used to purchase materials (e.g. plants, fencing)?
48	To what extent do you think the project achieved its own objectives? If the project is still active, please indicate achievement to date.
49	Do you think the project met the objectives of the Restoration and Rehabilitation Program as a whole?
50	Please describe the main environmental achievements of the project. If the project is still active, please indicate any achievements to date.
51	Please describe any other social or economic achievements of the project (e.g. education, community participation, cost-savings).
52	Do you think there have been any sustainable, long-term achievements of the project?
53	Has your organisation promoted and shared any achievements?
54	Were there any unexpected/undesirable impacts from the project that you were aware of?
55	Did the project adopt any innovative or new activities?
56	Please describe any barriers and enablers to innovation in the program.
57	From your knowledge, do you think the Restoration and Rehabilitation Program is appropriately designed to meet its objectives?
58	To what extent do you think the program is meeting the needs of applicants in achieving environmental objectives?
59	Should funding be targeted to meet the needs of applicants (e.g. by organisation type, geographical area)?
60	In what ways could funding be targeted? Please select all that apply.
61	Which statement best describes the amount of project funding offered through the program (i.e. whether it meets the needs of applicants in achieving environmental objectives)?
62	Please indicate the amount of funding that would better meet the needs of applicants and why.
63	How did you hear about the Restoration and Rehabilitation Program? Please select all that apply.

64	To what extent is the program adequately promoted (i.e. easy to find information on)?
65	Please describe any ways in which the Environmental Trust could better communicate about the program.
66	Would you apply for any future grants under this program or any other Environmental Trust program?
67	Is there any other feedback you would like to provide?

Number	Survey questions for successful applicants
1	What is the name of your organisation?
2	How many times has your organisation applied for a grant under the Environmental Trust's Restoration and Rehabilitation Program?
3	How many times has your organisation been successful in obtaining a Restoration and Rehabilitation grant?
4	Has your organisation applied for any other Environmental Trust grants?
5	Is your organisation categorised in the program as community or government?
6	Is your agency state government, local government or other?
7	Which statement best describes your organisation?
8	Please indicate the number of full-time equivalent employees in your organisation.
9	Please describe the project that was proposed in the Restoration and Rehabilitation grant application. If more than one, please refer to the most recent project application.
10	Please indicate the size of funding that was proposed.
11	Please select the region where the project proposal was located.
12	Does your organisation have experience in undertaking similar projects?
13	Why do you think your organisation was unsuccessful in this grant application? Please select all that apply.
14	Did your organisation seek feedback from the Environmental Trust on your unsuccessful application?
15	To what extent were the objectives of the Restoration and Rehabilitation Program made clear in the application process?
16	To what extent were the eligibility criteria for each funding stream (community and government) easy to understand?

17	To what extent were the selection criteria and processes for choosing successful grants appropriate (i.e. easy to understand, meets applicants' needs)
18	The Trust provide a number of materials to support the preparation of Restoration and Rehabilitation grant applications (e.g. program guidelines, 'how to complete your application' instructions). To what extent were the grant application materials useful in assisting with the application process?
19	Which grant application support materials were the most useful? Please select all that apply.
20	Please describe any additional support materials that would be useful.
21	Were Environmental Trust staff generally accessible and responsive to any questions on the application process?
22	Please describe any other ways to improve the grant application and selection process.
23	From your knowledge, do you think the Restoration and Rehabilitation Program is appropriately designed to meet its environmental objectives?
24	To what extent do you think the program meets the needs of applicants in achieving their environmental objectives?
25	Should funding be targeted to meet the needs of applicants (e.g. by organisation type, geographical area)?
26	In what ways could funding be targeted? Please select all that apply. (By geographical area (e.g. rural, coastal), By particular issues (e.g. river restoration, weed management), By particular approaches (e.g. innovation, technology), By organisation types (e.g. volunteer-based, small organisations) or other)
27	Which statement best describes the amount of project funding offered through the program (i.e. whether it meets the needs of applicants in achieving environmental objectives)? (More than enough funding, Just the right amount, Not enough funding, Unsure)
28	Please indicate the amount of funding that would better meet the needs of applicants and why.
29	How did you hear about the Restoration and Rehabilitation Program? Please select all that apply.
30	Do you think the Restoration and Rehabilitation Program is well-promoted (i.e. easy to find information on)?
31	Would you apply for any future grants under this program or any other Environmental Trust program?
32	Is there any other feedback you would like to provide?

Attachment E – Projects interviewed

Community projects interviewed

Grant number	Grantee	Project name
2011/RR/0026	Jali Local Aboriginal Land Council	Restoration of the Jali Seven Mile Beach heath and wetland stage 2
2010/RR/0013	Bush Habitat Restoration Cooperative Limited	Extension to Ropes Creek restoration and community project
2014/RR/0074	Riverhaven Reserve and Farrer Place Bushcare	Enhancing the Coastal Saltmarsh and Swamp Oak Floodplain Forest of Coronation Bay
2014/SL/0063	Rous Water	Wilson's River tidal pool riparian restoration
2014/RR/0073	Pikapene and Cherry Tree Environment Centre	Lower Dulgiggin Creek restoration
2014/RR/0035	Conservation Volunteers Australia	Restoration of migratory shorebird habitat - Hunter Wetlands NP
2011/RR/0025	Jali Local Aboriginal Land Council	Restoration of 'The Jali Lands' at Wardell
2010/RR/0010	Booroongen Djugun Aboriginal Corporation	Jidaanga Cultural Project - Endangered Phaius australis
2014/RR/0048	Greening Australia Capital Region	Revegetating threatened Riverina Sandhill woodland communities
2011/RR/0037	Nature Conservation Council of NSW	Using fire as a restoration tool in Cumberland Plain vegetation
2014/RR/0070	Northern Rivers Fire and Biodiversity Consortium	Protecting the high ecological and cultural values of Busby's Flat
2015/RR/0003	Australian River Restoration Centre	Rivers of carbon - Breadalbane biodiversity linkages
2010/RR/0008	Big Scrub Rainforest Landcare Group Inc.	Rehabilitating border ranges endangered lowland rainforest
2010/SL/0008	Centennial Park & Moore Park Trust	Model yacht pond (MYP) restoration and rehabilitation works
2014/RR/0040	EnviTE Inc.	Bega Valley coastal habitats restoration and educational walking track
2010/RR/0030	Hastings Landcare Inc.	Hastings and Macleay Indian Myna control program
2011/RR/0034	Mount Gibraltar Landcare and Bushcare Group	Mount Gibraltar forest EEC regeneration of old quarries sites
2010/RR/0058	Riverina Highlands Landcare Network	Ridgelines to rivers - Riverina highlands Box Gum project
2014/RR/0082	Tweed Landcare	Filling the biodiversity gaps connecting Tweed Coast to Border Ranges
2010/RR/0073	WetlandCare Australia Pty Ltd	Lower Hunter wetlands corridor - shorebird protection program

Grant number	Grantee	Project name
2014/RR/0088	WetlandCare Australia Pty Ltd	Restoring connected protected koala habitat and wetland - Cudgen Lake
2011/RR/0039	Orara Valley River Care Groups Management Committee Inc.	Connecting riparian rainforest corridors in the Orara Valley
2013/RR/0018	Brunswick Valley Landcare Inc.	Broken Head coastal corridor restoration project
2010/RR/0062	Sandon Point, Casuarina Forest (Collins Creek) & Whartons Creek Bushcare Groups	Riparian and headland restoration and regeneration in Bulli
2010/RR/0026	Friends of Lane Cove National Park	Dalrymple Hay - restoration of endangered Blue Gum High Forest
2014/RR/0085	Upper Molong Creek Landcare Group	Riparian restoration of Upper Molong Creek - Stage 2
2011/RR/0003	Berry Landcare Inc.	Restoration Illawarra sub-tropical rainforest - Bundewallah Creek
2011/RR/0014	EnviTE Inc.	Stepping stones through our endangered grassy woodlands
2014/RR/0028	Central Tablelands Landcare Inc.	Wompoo Gorge lowland rainforest corridor restoration
2013/RR/0004	Australian Network for Plant Conservation Inc.	Capacity building in provenance issues for restoration

Government projects interviewed

Grant number	Grantee	Project name
2010/SL/0001	Ballina Shire Council	Marom Creek Weir riparian rehabilitation project Ballina
2011/SL/0062	Shellharbour City Council	Restoring Blackbutt Reserve
2011/SL/0020	Hawkesbury City Council	Little Wheeny Creek restoration project 2012-2014
2010/SL/0005	Byron Shire Council	Protecting and managing significant roadside vegetation in Byron Shire
2011/SL/0013	Clarence Valley Council	Clarence estuary riparian and wetland restoration
2013/SL/0031	Hunter Councils Inc.	Buffering the Worimi conservation lands from external impacts
2011/SL/0064	South East Local Land Services	Building the foundations of river recovery - Bega River catchment
2011/SL/0061	Rous Water	Wilson's River catchment schools education and restoration project
2010/SL/0071	Tweed Shire Council	Protection and restoration of the Pottsville wetlands

Grant number	Grantee	Project name
2010/SL/0055	Port Macquarie-Hastings Council	Repairing the Limeburners Creek to Sea Acres coastal link: stage 1
2014/SL/0011	CSIRO Biosecurity Flagship	Community-based biological control program for crofton weed in NSW
2010/SL/0019	Eurobodalla Shire Council	Planting for potoroos - habitat restoration on the South Coast
2013/SL/0048	Office of Environment and Heritage	Brinerville restoration project
2010/SL/0059	Shoalhaven City Council	Working on country - Indigenous bushcare team - Shoalhaven
2010/SL/0072	Upper Hunter Weeds Authority	Reducing the African olive threat to native vegetation in the Hunter
2010/SL/0075	Wagga Wagga City Council	Narrung wetlands - creating community assets from degraded lagoons
2013/SL/0009	Bathurst Regional Council	Restoring regent honeyeater habitat in the Bathurst region
2010/SL/0047	Maitland City Council	Controlling African Olives in Maitland to protect native vegetation
2013/SL/0038	Maitland City Council	Strategic African olive control throughout Maitland NSW
2010/SL/0073	Wagga Wagga City Council	Biodiversity habitat corridors across the Wagga Wagga LGA
2012/SL/0021	Gilgandra Shire Council	Railway Street stormwater wetland and community education program