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Bushfire Local Economic Recovery Fund – Fast tracked Interim Evaluation Report

■ **March 2023**

Contents

2019/20 bushfire season

5.5 million hectares burnt

2,448 homes destroyed in NSW

26 people lost their lives

BLER fast-tracked quick facts

$107.8 million
For projects in bushfire-affected communities.

Initial payments to grantees were timely

The BLER fast-tracked funding to align projects with the following areas:

Sporting facilities

Roads/ walkways

Emergency management/ resilience infrastructure

Tourist attractions

BLER fast-tracked Interim Evaluation Report

BLER fast-tracked was suitable for delivering economic stimulus to bushfire-affected communities relatively quickly.

All survey respondents agreed BLER fast-tracked funding contributed towards their local area's recovery.

The evaluation used three data sources:

- de-identified administrative data
- an online survey
- interviews with staff

Key suggested improvements:

- ensure priority projects are ready
- tailor the types of support dependent on organisation's capability and capacity
- better monitoring and data collection

1. Executive summary

What was evaluated?

This evaluation examined the appropriateness and effectiveness of processes in place to support administration of the fast-tracked local infrastructure projects funded as part of the Bushfire Local Economic Recovery Fund (BLER). The BLER fund aimed to support communities to recover economically and socially from the 2019/2020 bushfires. This component of BLER (BLER Fast-tracked) funded infrastructure projects to encourage short, medium, and long-term recovery in the areas most impacted by the bushfires. The NSW and Australian Governments jointly funded all projects supported under the BLER Fund.

How was the program evaluated?

The process evaluation examined the effectiveness of the implementation of the program. Data from the fund's administrative database, interviews with t h e grant management office and program teams, and surveys of grantees were analysed. This evaluation considered several aspects of the program, including how the assessment and project selection processes, funding, monitoring and reporting all supported the immediate economic needs of bushfire- affected communities and whether the funding provided to infrastructure projects resulted in the contracting of local businesses and stimulus to the local economy. We also assessed whether the BLER program is on track to meet its medium-to-longer-term outcome of providing ongoing economic stimulus in the bushfire-affected communities.

What did the evaluation find?

Overall, this evaluation found that the design used to implement BLER Fast-tracked was to provide economic stimulus to bushfire-affected communities to support local economic recovery. A total of $107.8 million in funding was approved across the 22 infrastructure projects[1]. Across the 21 projects examined in this evaluation, the most common uses of the funding were to fund social infrastructure (such as sporting venues) and connecting infrastructure (including roads and walkways). Grantees generally agreed that the scope and amount of the funding were adequate to ensure the successful delivery of their projects. Grantees also thought that funding was delivered quickly to support local recovery. Identifying priority projects for funding from previous grants programs, local and government planning documents, and consultations with councils led to potential projects being identified and assessed for feasibility by Public Works

(PW) within three months of the announcement of the fund (by August 2020). While funds were not disbursed until March 2021, grantees reported

that they found the receipt of payments generally timely. The additional support provided for project assurance was successful in reducing grantees administrative and reporting burden but was not always as effective in supporting project delivery.

Despite grantees' perceptions that the scope of the fund was appropriate for economic recovery in their communities, some projects have experienced delays, and grantees generally thought that the timeframes for delivery of the project under the fund were too ambitious. At least one reason for delays was a lack of readiness for some projects to commence immediately (although they were assessed otherwise), meaning some projects were still engaging in design activities despite having been expected to have commenced. Thus, the immediate economic benefits (from funding local construction jobs) occurred, and the continuing economic benefits from the projects will take longer to be achieved. Several external factors, particularly the impacts of COVID-19 and floods in NSW, impacted communities' ability to access the labour and resources needed to progress their projects.

Despite these delays, early evidence suggests the projects will contribute towards economic stimulus in the local communities. Most of the grantees surveyed agreed that funding contributed to their local economic recovery. Based on grantee estimates of the proportion of grant funding spent on local employment, these fast-tracked projects are estimated to result in $30 million invested in local employment over the duration of the projects. Even so, program managers note it is important to know whether funded projects result in lasting benefits, which will be measurable when more funded projects are complete.

What do our findings suggest?

The findings suggest that fast-tracking funding to infrastructure projects can provide economic stimulus to bushfire affected communities. However, several refinements to the program could be made to increase its effectiveness in supporting communities' economic recovery, including an additional assessment step to ensure fast-tracked projects are ready to commence. This could reduce the likelihood of funding projects that will not be able to be delivered in the program timeframes. It may also assist in ensuring the milestones and timelines of future programs are more realistic. Another potential area for improvement is tailoring the types of support to organisations as part of the funding, potentially making some aspects of support voluntary for organisations with existing internal capacity.

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[1] While 22 projects were funded as part of BLER Fast-tracked, one project was managed by Resilience NSW instead of DRNSW. It is not included in this report.

2. Introduction

2.1 The Bushfire Local Economic Recovery Fund, Fast-tracked

The 2019/20 bushfire season saw large-scale destruction across NSW. Ultimately, 5.5 million hectares were burned, 2,448 homes were destroyed in NSW, and 26 people perished, including three US aerial fighters[2]. According to the NSW Government[3], a Disaster Declaration (DD) is an updated list of Local Government Areas (LGAs) impacted by a natural disaster. The NSW Government issues all DDs, and they are assigned an Australian Government Reference Number (AGRN). The 2019/2020 NSW Bushfires were assigned to AGRN 871. The LGAs impacted by AGRN 871 and the fire extent and severity (intensity) are shown in Figure 1.

The Bushfire Local Economic Recovery (BLER) Fast-tracked was a program that funded fast-tracked priority projects in bushfire affected areas to stimulate local economic recovery. BLER Fast-tracked was co-funded by NSW and the Commonwealth governments and aimed to deliver quick stimulus funding to affected communities. Given this aim, the program did not operate as an open grant but directly funded projects in these communities. The program:

Considered local priority projects (i.e., those either previously submitted for funding under an NSW government program or locally identified as priorities) for funding based on seven criteria, including balance and need, alignment, enduring benefit, funding stream suitability, local participation, support, and delivery, evidence base, and feasibility;

Obtained Public Works (PW) (previously Public Works Advisory) assessment on 25 projects shortlisted from 445 identified potential projects to determine whether they were 'shovel ready' (i.e., could begin within six months and be completed by June 2022);

Funded 22 infrastructure projects, with 21 administered and monitored by DRNSW, and one by the NSW Reconstruction Authority (NSWRA) (previously Resilience NSW).

Included ongoing involvement and support from DRNSW and PW to grantees, including a DRNSW business development manager and a PW assurance manager.

The program was intended to lead to the creation of local jobs to support project delivery (to support short term recovery) and further economic benefits to communities once delivered. It was also part of the greater BLER Fund, which made $500 million available to support infrastructure projects and local programs to support short, medium, and long-term recovery in the areas most impacted by the bushfires.
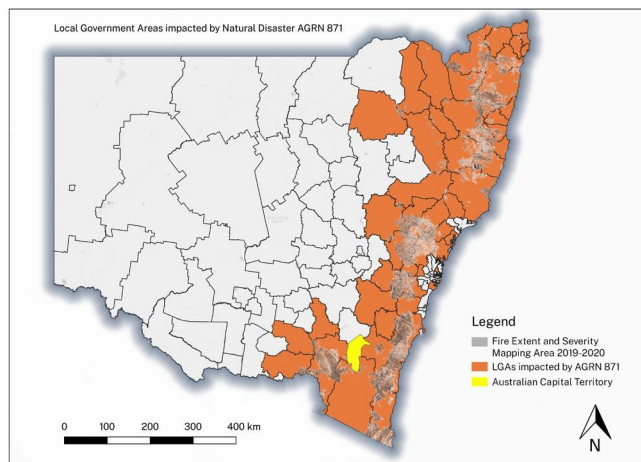

Figure 1: Local Government Areas impacted by Natural Disaster AGRN 871 overlayed with the fire intensity in each LGA

2.2 About the evaluation

The Department of Regional New South Wales (DRNSW) commissioned Spillover Data Consultancy to undertake a Process and Interim Outcome Evaluation of the 21 BLER Fast-tracked projects administered and monitored by DRNSW. The projects are valued at $100 million.

The purpose of this evaluation is to assess whether the processes associated with delivering BLER Fast-tracked were:

(i)   appropriate, given the aims of the program, and

(ii) effective.

This evaluation also seeks to identify areas where this and future programs could be improved.

2 Whittaker J, Haynes K, Wilkinson C, Tofa M, Dilworth T, Collins J, Tait L & Samson S (2021) Black Summer – how the NSW community responded to the 2019-20 bushfire season, Bushfire and Natural Hazards CRC, Melbourne.
3 The NSW government provides information on disaster recovery at https://www.nsw.gov.au/disaster-recovery.

For this evaluation, a high-level rating system is used, as follows:

 Areas where high quality documentation and/ or processes have been identified that can, potentially, be generalised to other programs and packages.

 Areas where further analyses is required, or some improvement is possible.

 Areas where significant improvement can be recommended.

2.3 Evaluation questions

The evaluation set out to answer the following questions:

1. To what extent are program design elements and processes aligned with the program objectives?

    a. How appropriate has planning and resourcing been for program delivery?

    b. Was the scope of the grants appropriate to support recovery objectives?

    c. To what extent have funding arrangements and governance structures supported effective program implementation?

2. How effectively are the programs being delivered?

    a. How well has information about the program (i.e. program objectives, eligibility, assessment criteria and process) been communicated to the target audience? To what extent has this affected grant take-up?

    b. How well was the grant application, assessment, and disbursement process implemented?

    c. To what extent are programs actively and consistently collecting and managing data for monitoring and evaluation purposes? How effective has this been?

3. What are the enablers, barriers and areas for grant improvement?

4. What was delivered by the program?

    a. To what extent are projects being delivered according to approved deeds?

    b. How do project outputs (so far) indicate progress towards short and medium-term recovery outcomes?

    c. Did the programs represent administrative value for money?

2.4 Evaluation scope

This evaluation did not draw on the principles in the Department of Premier and Cabinet's 2022 Grants Administration Guide[4] to evaluate aspects of eligibility and assessment associated with the administration of the grant by DRNSW as it was introduced after this program had been administered. That is, we did not assess whether the 21 priority projects selected under BLER Fast-tracked were the most appropriate projects, based on these principles. Therefore, aspects associated with eligibility and selection are not in scope of this evaluation.

This evaluation focused on the processes associated with delivering BLER Fast-tracked. The application and assessment aspects of this evaluation only explores these parts of the process in relation to how they have impacted delivery. This is appropriate given the more detailed examination of the application and assessment aspects of BLER Fast-tracked is presented in the Audit Office of NSW Bushfire recovery grants audit[5].

2.5 Evaluation methods

The evaluation used a mixed-method design, drawing on qualitative and quantitative data sources, including:

1. de-identified administrative data from DRNSW for the 20 councils and one other local organisation that participated in BLER Fast-tracked

2. an online survey in October 2022 of 16 councils that accepted grant funds as BLER Fast-tracked participants – all councils were invited, and seven responded

3. interviews with program design staff and grant management staff.

Note that the above sources of data mean that this evaluation suffers from several limitations. First, we do not have data on one of the BLER Fast-tracked projects which was managed by NSWRA. Second, some of our findings stem from the perceptions of a small set of seven grantees, which may not generalise to other grantees. Third, our administrative data was current as of 4 June 2022 and thus, may not represent the current state of BLER Fast -tracked projects.

4 https://www.nsw.gov.au/sites/default/files/2022-09/Grants%20Administration%20Guide%20%20September%202022_0.pdf.
5 https://www.audit.nsw.gov.au/sites/default/files/documents/Bushfire%20recovery%20grants.pdf

3. Overview of program results

Finding	Evaluation question(s)	Evidence
★★	What was delivered by the program? How effectively are the programs being delivered?	Despite program intentions to fund 'shovel ready' projects that could be completed by 30 June 2022, only six projects listed this as their completion dates. The completion date for all BLER Fast-tracked projects was subsequently extended to 30 June 2025. Some projects were delayed because of COVID-19 and other external disaster events outside the program's control. Other projects were delayed because they were still in the design phase or needed to obtain approvals (i.e., were not 'shovel-ready'). While initial funds were not deployed quickly, grantees were generally satisfied with the timeliness of BLER Fast-tracked funding disbursement.

3.1 Disaster recovery outcomes

Aside from funding immediate jobs to undertake projects, BLER Fast-tracked also aimed to fund projects that would create lasting economic benefits for the affected communities. The Programs team also noted that infrastructure was considered an effective mechanism for stimulating job creation and economic stimulus through construction. A lack of employment was considered a major risk for communities' economic recovery, and infrastructure projects could provide a direct source of jobs. The team also highlighted that selected projects that had been in the planning stage for some time to ensure infrastructure projects were 'shovel ready' or ready to commence shortly after receiving funding. In many cases, these projects had already been assessed by PW.

It was considered that these benefits may arise from both commercial and community infrastructure. A breakdown of the types of infrastructure projects under BLER Fast-tracked is presented in Figure 2, categorised by the type of infrastructure funded. Sporting facilities, roads, or walkways comprised more than half (12 of 21) of the projects. Three projects were infrastructure projects designed to improve the community's ability to respond and be resilient to disasters. The ongoing benefits of these projects will need to be assessed at a later point after these projects have been completed.
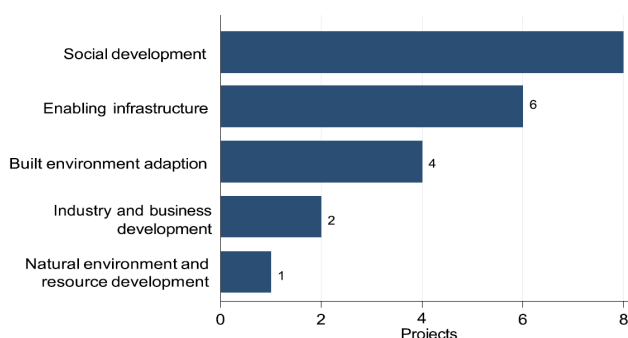

Figure 2: Types of projects funded by BLER Fast-tracked

One objective of the BLER Fast-tracked projects was to ensure that bushfire-affected communities received support for their immediate economic needs. Figure 3 shows that the BLER Fast-tracked funds were having an impact in this regard, as five of the seven funded organisations who responded to the survey 'Completely agreed' or 'Agreed' that the funding contributed towards their recovery[6].

The BLER funding contributed to our organisation's recovery

n=7
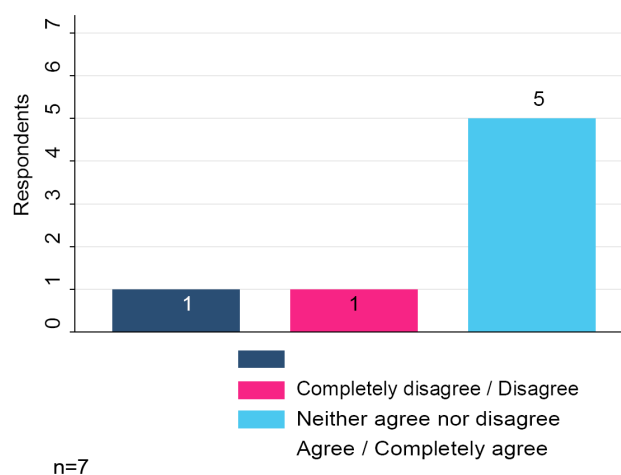
Figure 3: Grantees' agreement that the BLER Fast-tracked funding contributed towards their organisation's recovery

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6 Respondents were asked to rate their level of agreement with the statement: 'The BLER funding contributed to our organisations' recovery', on a scale between 0 (Completely disagree) and 10 (Completely agree). We collapsed their responses into three categories of agreement (0-3 Completely disagree/ disagree, 4-6 Neither agree nor disagree, and 7-10 Agree/Completely agree) to see whether there were any meaningful differences over the distribution of responses.

3.2 Distribution of funds

The total amount of funding approved across the 21 projects was $100 million. The average amount was $5 million, with only four projects (20%) funded for less than $2 million. Figure 4 shows how BLER Fast-tracked funds were distributed across LGAs.
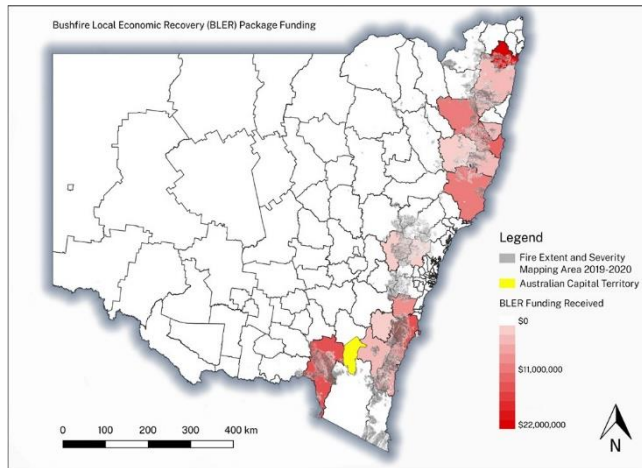

Figure 4: Distribution of grant funds by amount and LGA

3.3 Timely funds deployment

The programs design (i.e., selecting projects based on their 'shovel-readiness') and the speed of assessment and funding processes allowed for the initial funding to be deployed in a timely manner. All grantees who responded to the survey reported that receiving the initial payments was timely. Program data shows that claims for additional milestone payments were approved once evidentiary documentation was verified by grant management staff. Grantees experienced delayed payments when additional documentation was sought by grant management staff before milestone payments were approved. Figure 5[7] shows that most (5) grantees reported the speed of receiving subsequent milestone payments was 'Extremely fast' or 'Fast', whilst two of the seven respondents indicated that subsequent milestone payments were 'Extremely slow' or 'Slow'.

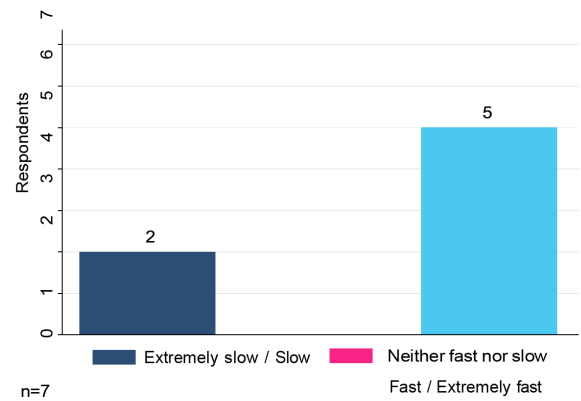**Speed of receiving further milestone payments**

n=7

- Extremely slow / Slow
- Neither fast nor slow
- Fast / Extremely fast

Figure 5: Speed of receiving initial and further milestone payments

3.4 Impacts of COVID-19

Of the seven respondents, the majority reported that COVID-19 severely impacted the delivery of their projects, as shown in Figure 6[8]. These delays were additional to delays caused by the other factors mentioned by grantees in their reporting against their planned milestones, which were:

- delays in the project design stage
- delays in signing funding agreements
- a lack of council approval
- an inability to find suitable contractors as they were occupied mainly by flood recovery projects following on from 2021 floods.[9][10]

In essence, other than delays caused by unforeseen circumstances, other delays accrued entirely due to some funded projects still undertaking planning and approval processes, contributing to delays. These delays are discussed in greater detail in Chapter 6.

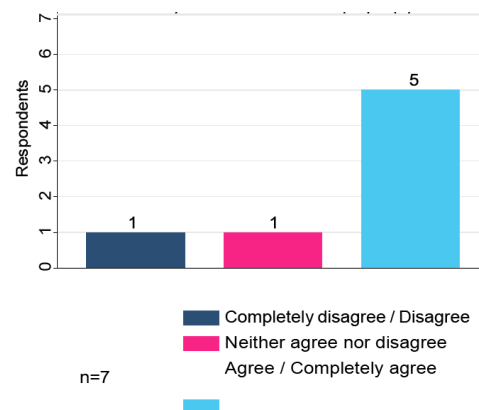**Covid-19 caused major disruptions to the delivery of our BLER funded project(s)**

n=7

- Completely disagree / Disagree
- Neither agree nor disagree
- Agree / Completely agree

Figure 6: Survey respondents' level of disruption to their BLER Fast- tracked-funded projects as a result of COVID-19

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[7] Respondents were asked to rate their perceptions on how timely further milestone payments were on a scale between 0 (Extremely slow) and 10 (Extremely fast). We collapsed their responses into three categories (0-3 Extremely slow/ Slow, 4-6 Neither fast nor slow, and 7-10 Slow/Extremely slow) to see whether there were any meaningful differences over the distribution of responses.
[8] Respondents were asked to rate their level of agreement with the statement: 'COVID-19 caused major disruptions to the delivery of our BLER funded project(s)', on a scale between 0 (Completely disagree) and 10 (Completely agree). We collapsed their responses into three categories of agreement (0-3 Completely disagree/ disagree, 4-6 Neither agree nor disagree, and 7-10 Agree/ Completely agree) to see whether there were any meaningful differences over the distribution of responses.
[9] Source: BLER Fast-tracked Milestone 2 and 3 data from SmartyGrants.
[10] NSW experienced extreme rainfall from 18 March, 2021 less than 18 months after the Black Summer bushfires. More detailed information on the floods can be found online

4. Program design elements

Finding	Evaluation questions	Evidence
★★★	To what extent are program design elements and processes aligned with the program objectives? Was the scope of the grants appropriate to support recovery objectives?	The program's design and processes to some extent, did support fast tracking of funding to priority projects which would support disaster recovery objectives. The process of allocating funding to communities was marginally faster than the open round of BLER Stage 2. Further, interviewees largely thought that the design of the program was appropriate for disbursing funds quickly. Furthermore, six of the seven grantees that responded to the survey believed they would not have used these funds on another project had it been eligible. This suggests that at least among funded communities, the program's scope supported projects that communities deemed useful for immediate economic recovery. However, as the program identified projects rather than implementing an open and competitive process, we do not know if other projects or organisations may have prevailed under a different program design. Overall, fast-tracking projects and funds was appreciated, as evidenced by interviews with DRNSW staff, as well as survey responses from grantees.

4.1 Joint Commonwealth and NSW Government design

As part of the arrangement between the NSW Government and the Commonwealth Government, the NSW Government identified priority projects to allocate and deliver funding quickly. Interviewees cited this as the rationale for administering the fund in a targeted (as opposed to an open, competitive) fashion. Indeed, projects were identified within four months of the announcement of Commonwealth Funding, and successful grantees notified within six months. The latter design would have provided more transparency but it would have required more lengthy processes as well. The open round of BLER, for example, involved eight months from the opening of applications (October 2020) until announcement of successful projects (June 2021). In summary, the program:

- Considered local priority projects (i.e., those either previously submitted for funding under an NSW government program or locally identified as priorities) for funding based on seven criteria, including balance and need, alignment, enduring benefit, funding stream suitability, local participation, support, and delivery, evidence base, and feasibility.
- Obtained Public Works assessment on 25 projects shortlisted from 445 identified potential projects to determine whether they were 'shovel ready' (i.e., could begin within six months and be completed by June 2022);
- Funded 22 infrastructure projects, with 21 administered and monitored by DRNSW, and one by Resilience NSW.

The NSW Audit Office recently completed an audit examining the design and early administration of the BLER Fast-tracked stream and its alignment with the NSW 'Good Practice Guide for Grants administration'. Among the findings of this audit are that the guidelines for the grant was not developed in line with the Good Practice Guide, and the search and assessment process to identify the final package of 22 projects from an early list of 445 projects was inconsistent and not sufficiently documented.

4.2 Projects were fast-tracked

Fast-tracking projects was a key element of the design of BLER Fast-tracked. Funding projects that had already been proposed under other programs that could be delivered quickly was considered to be an effective mechanism to achieve rapid economic stimulus in bushfire impacted LGAs. To achieve this, the project team reviewed old project submissions to GLE (Growing Local Economies) and SCCF (Stronger Country Communities Fund) and other fund packages to find submissions that were not funded but were 'shovel-ready' – ready to start within six months and were in the LGAs affected by fire. Extensions to existing projects were also considered for funding. In addition, the DRNSW Business Development Managers contacted individual Councils to ask them about critical projects they had in their LGAs they would like considered for fast-tracking.

However, as the program implementation progressed, it became apparent that not all projects were as ready as they were in their initial submission because local context and project parameters had changed significantly, sometimes because of the bushfire. This had a significant impact on program capacity to deliver immediate economic stimulus. This is explored further in Section 5.

Grantees' perceptions of how quickly the grant funding was made available following the bushfires are shown in Figure 7[11]. Five of the seven respondents agreed that grant funding was made available extremely fast.

Speed of grant being available following the bushfires
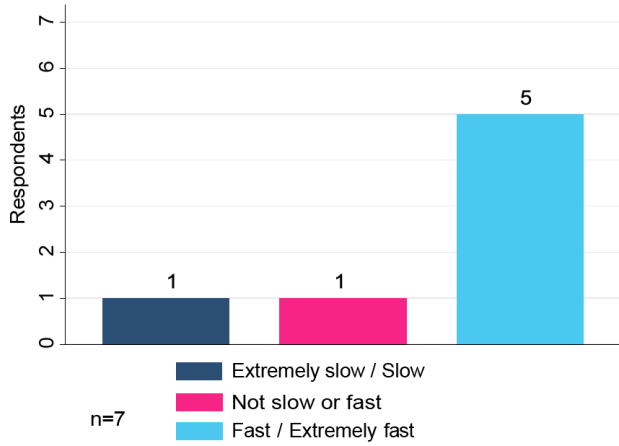
Figure 7: BLER Fast-tracked grantee ratings of the speed of the availability of the grant

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[11] Respondents were asked to rate their perceptions on a scale between 0 (Extremely slow) and 10 (Extremely fast). We collapsed their responses into three categories (0-3 Extremely slow/ Slow, 4-6 Neither fast nor slow, and 7-10 Slow/Extremely slow) to see whether there were any meaningful differences over the distribution of responses.

5. Assessments of 'shovel-ready' projects

Finding	Evaluation question	Evidence
★★	How well was the grant application and assessment process implemented?	The assessment processes were complex and required coordinating various stakeholders. Furthermore, there were inconsistencies in applying the assessment criteria, and different documentation for grants of different sizes. Data was also not always used to make decisions. A consequence was that some identified projects were not 'shovel-ready', as they were intended to be.

As BLER Fast-tracked was not a competitive funding process, this section details activities that occurred once the projects were identified.

All invited applicants were from eligible LGAs, comprising 20 local councils and one local sporting association.

5.1 A complicated process

In addition to the steps taken to fast-track eligible projects outlined in section 1.2, DRNSW also developed guidelines based on the Commonwealth Government's 'Local Economic Recovery Fund'. The criteria consisted of the following:

- Balance and need
- Alignment
- Enduring benefit
- Funding stream suitability
- Local participation, support and delivery
- Evidence base
- Feasibility

The program team identified 445 potential projects that matched the above criteria. From these 445 projects, those that had previously been assessed by PW as being able to be delivered within two years, based on the data available, were deemed priority projects.

The assessment process required coordination across different types of experts in identifying projects. The assessment panels were held over two days, and there was a lot of information to digest. There was also significant support required from PW because all, except for one, of the projects involved infrastructure development. Furthermore, the assessment process and documents required varied depending on the value of the project (which were categorised as less than $1 million, $1 million -$5 million, and greater than $5 million). This made managing the overall assessment process complex; each level was technical and complex, but managing the multiple levels was more challenging.

Additionally, applying the criteria was not always straightforward. For example, one LGA was identified as not appropriate for funding under this program even though it was bushfire affected. The fire had singed their National Park but their farming areas and townships were mostly unaffected, therefore having a limited impact on direct economic activity. As BLER Fast-tracked projects had a sharp focus on economic recovery, this LGAs was deemed ineligible even though it was a declared LGAs[12].

Further complicating matters was that the processes in place were resource intensive and time sensitive and therefore placed significant pressure on the limited staffing available to implement the program.

5.2 A consultative approach

BLER Fast-tracked attempted to identify projects that would support ongoing job creation from building infrastructure projects. Discussions with councils and industry groups occurred to determine the types of projects to be considered. Subject matter experts from PW, NSWRA, councils, and industry groups formed the assessment panels that considered the BLER Fast-tracked projects. The DRNSW Business Development Manager provided input to whether there was an ongoing workforce available to deliver these project

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[12] https://www.nsw.gov.au/disaster-recovery/natural-disaster-declarations

6. Project support

Finding	Evaluation questions	Evidence
★★★	To what extent have funding arrangements, and governance structures supported the effective implementation of the program?	There was significant support provided to the grantees who received BLER Fast-tracked funds. Public Works provided each project with a dedicated assurance manager to improve project delivery, support local project managers (i.e., grantees), and reduce grantees' reporting and administrative burden. Responses to the survey were mixed regarding the extent that this occurred. Nevertheless, it was made available to each grantee. Additionally, six of the seven survey respondents reported receiving help to implement their program from the DRNSW Business Development Manager. Of these, five rated this help as 'very helpful' or 'helpful'.

6.1 Specialist support

Six of the seven grantees who responded to the survey said their DRNSW Business Development Manager supported them in implementing their project. Of these six, half rated this support as 'helpful', and a further two rated the support as 'very helpful', shown in Figure 8.

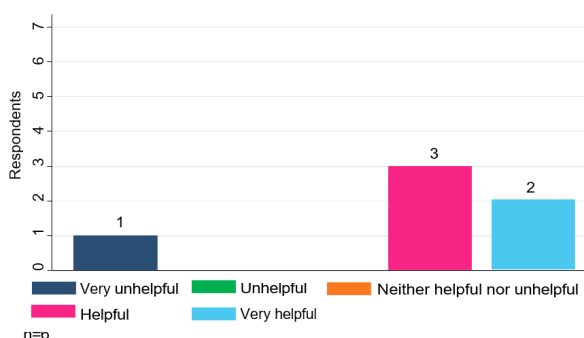**How helpful was the support(s) you accessed?**

n=6

Figure 8: Grantees' perceptions of the support received from DRNSW Business Development Managers

The survey results indicate that of seven respondents, three used the support of the NSW Business Development Manager in managing project delivery. All three found the support helpful. Obtaining further evidence may be worthwhile to understand if the perceived usefulness of this support relates to an organisation's own internal project management ability or if other factors are at play.

In addition to PW involvement in assessments with the program team, a Public Works Assurance Manager (PWAM) was appointed to each project. The PWAM was funded through the grant, so the grantees did not have to fund this themselves. Including a PWAM in the projects was seen as a risk mitigation measure. Although some of the councils already employed project managers, all projects were required to use the PWAMs.

Public Works assurance support to grantees generally encompassed project management functions related to

infrastructure and public works. The idea of this support was to improve project delivery, support local project managers (i.e., grantees), and reduce grantees reporting and administrative burden. There were mixed perceptions from grantees about the extent to which this occurred, as shown in Figure 9[13]. A clear majority of respondents (5 of 7) 'strongly agreed' or 'agreed' that the support assisted with their reporting, and a small majority (4 of 7) 'strongly agreed' or 'agreed' that the support provided value for money. However, Figure 9 also shows that a minority of respondents (3 of 7) 'strongly agreed' or 'agreed' that the PW assurance support assisted with easing implementation.

Some assurance managers, for example, completed quarterly reports on behalf of grantees. However, the Grant Management Office (GMO) noted that the nature of this support was ultimately flexible (and at the grantee's discretion). Put differently, the grantee could decide what role the assurance manager would play relative to any internal project management staff.

In summary, the support was put in place to improve project delivery and reduce grantees reporting and administrative burden. Responses from the survey indicate that the support was successful in reducing grantees administrative and reporting burden but was not always as effective in supporting project delivery.

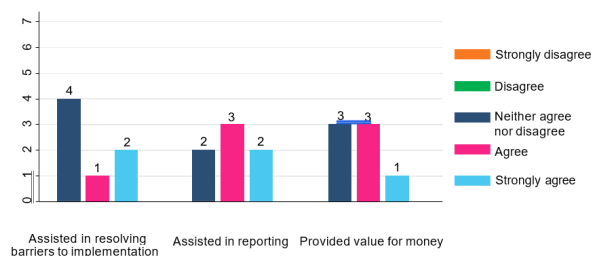**Public Work Assurance has:**

Figure 9: Participants' perceptions of the quality of the from Public Works support

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[13] Respondents were asked to rate their level of agreement on a 5-point agreement scale (Strongly disagree = 1, and Strongly agree = 5).

7. Funding deed and grant disbursement

| Finding	Evaluation questions	Evidence
★★	How appropriate has planning and resourcing been for program delivery? How well was the grant disbursement process implemented?	We find mixed evidence about the appropriateness of the planning and resourcing processes for program delivery. Funding deeds were signed relatively late in comparison to both the announcement of successful projects and the initial intended completion date for projects of 30 June 2022. Meanwhile, variation and milestone review data indicate that some projects were not 'shovel ready' and were still engaged in project design activity. Remaining reasons for delays were outside DRNSW's control (COVID-19 and impacts of NSW floods on resource availability). Survey responses indicate that grantees were well informed about their responsibilities as grant recipients before signing the funding deeds. The grant disbursement process may have been implemented ineffectively at least initially. Initial funds were disbursed relatively late, although grantees were generally satisfied with the speed of fund disbursement and projects had well-defined milestones and payment expectations. Views around how realistic the program timelines were differed based on the perceived 'shovel-readiness' of projects and the negative impacts of COVID-19 and other disaster events.

7.1 Funding deeds

The funding deed is the agreement which governs the obligations of the DRNSW and the grantees for BLER Fast-track and was the point at which funds were first disbursed. Administrative data reveals that funding deeds were signed relatively late compared with the announcement of successful projects in October 2020. The earliest funding deed was signed on the 10th of March 2021, with a further twelve projects having their funding deeds signed by the 30th of June 2021. The last funding deed was signed on 12 September 2021. Given the program's intentions to have projects completed by 30 June 2022, this appears to have occurred relatively late in the process. Milestone review notes from program managers indicate one project had a change of project manager which may have caused a delay in signing the funding agreement.

7.2 Grantees' knowledge of funding commitments

Figure 10 shows that six of the seven survey respondents reported knowing their reporting commitments 'Well' or 'Extremely well' before signing the funding agreement. However, it also shows that grantees were less sure about who to contact regarding their grant. Although four of the seven grantees reported knowing this 'Well' or 'Extremely well', the remaining three were less assured, reporting that they only knew this aspect 'Somewhat well'.

Before signing the funding agreement, how well did you know the reporting required of you as a grantee?
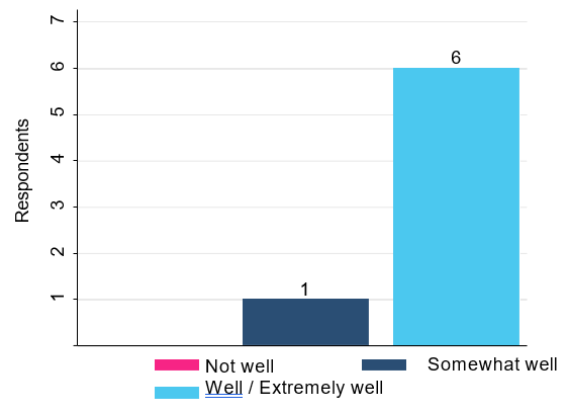
Before signing the funding agreement, how well did you know who to contact regarding the grant?
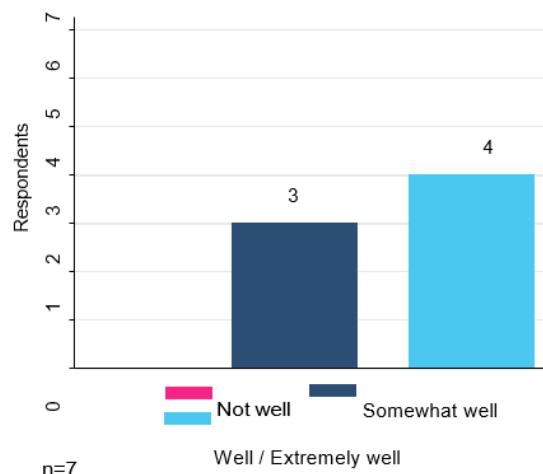

n=7

Figure 10: Grantees' knowledge of responsibilities prior to signing the funding agreement.

7.3 Funding amounts

Figure 11 presents grantees' views of the adequacy of the amount of BLER Fast-tracked funding they received for delivering their projects[14]. Five of the seven respondents agreed the funding was adequate. Generally, this mirrors findings from the administrative data. None of the six projects which were completed at the time of evaluation spent more than their initially approved amount, for example.

The BLER funding provided (considering any agreed co contributions as part of these grants) was sufficient to deliver our project(s)?
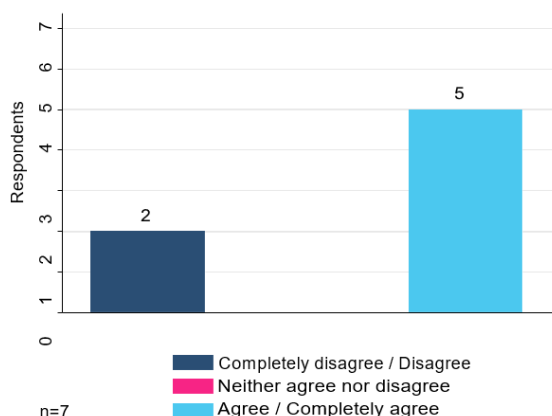

n=7

Figure 11: BLER Fast-tracked grantees' perceptions of the adequacy of BLER Fast-tracked funding

7.4 Disbursement

Funds were disbursed initially, upon signing the funding agreement, and subsequently in quarterly milestones generally corresponding to a month after the end of the next quarter (i.e., 30 April 2021, 31 July 2021, etc.) and for the next milestones, the last day in the three months after each milestone. For ease of analysis, we analyse disbursement by calendar quarters.

Table 1 summarises the program's planned disbursement schedule by calendar quarter. Most expenditure was planned around commencement. To illustrate, 10 projects commenced in Q2 2021 and an average of $1.7m was intended to be disbursed to each at this point. A large amount of funding was also intended to be disbursed in the second and third quarters of 2022, specifically a total of $17.1m and $15.0m respectively, translating to $1.3m and $1.1m per project paid. All projects had at least four milestones planned, with two projects having 10.

Table 1: Disbursement of funds against estimated community spend activities (as outlined in application forms)

Quarter	Total amount to be paid ($m)	Average amount to be paid ($m)	Projects paid in milestone
Q1 2021 (31 March 2021)	0.8	0.4	2
Q2 2021 (30 June 2021)	20.6	1.7	12
Q3 2021 (30 September 2021)	19.9	1.5	13
Q4 2021 (31 December 2021)	3.4	0.9	4
Q1 2022 (31 March 2022)	8.9	0.9	10
Q2 2022 (30 June 2022)	17.1	1.3	13
Q3 2022 (30 September 2022)	15.0	1.1	14
Q4 2022 (31 December 2022)	9.2	0.8	12
Q1 2023 (31 March 2023)	6.1	0.8	8
Q2 2023 (30 June 2023)	5.2	0.6	6

7.5 When are the projects planned to be completed?

Figure 12 presents the number of projects anticipated to be completed at various dates to the end of June 2023. Six (29%) of projects were expected to be complete by the end of 2022. Timeframes were subsequently extended for projects to be complete by 30th June 2025. All projects are expected to be completed by this date.
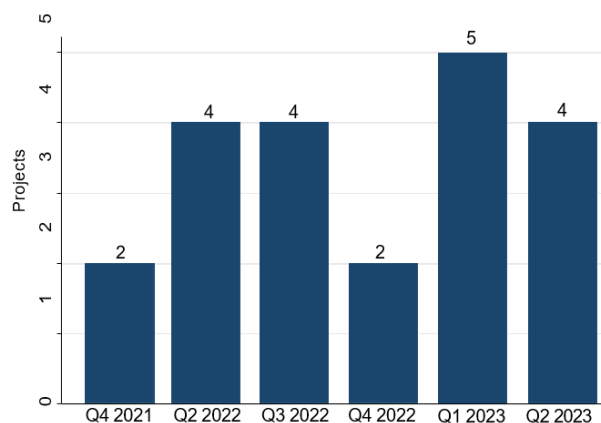
No projects intended for completion in Q1 2022

Figure 12: Distribution of BLER Fast tracked projects by expected completion dates.

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[14] Respondents were asked to rate their level of agreement on whether the BLER funding was sufficient to deliver their project on a scale between 0 (Completely disagree) and 10 (Completely agree). We collapsed their responses into three categories of agreement (0-3 Completely disagree/ disagree, 4-6 Neither agree nor disagree, and 7-10 Agree/ Completely agree) to see whether there were any meaningful differences over the distribution of responses

Figure 13 shows the distribution of projects by duration. Despite the program's intentions to fund shovel ready projects that could be completed relatively quickly to provide continuing economic benefits to the affected communities, approximately half of the funded projects were longer-term projects, i.e., those which would take longer than 18 months. Figure 13 shows that only two projects were expected to be completed in less than a year. The remaining projects are equally split between 12-18 months and longer than 18 months. Future programs may consider limiting funding to projects that can be completed sooner to ensure affected communities receive continuing economic benefits from projects more quickly.
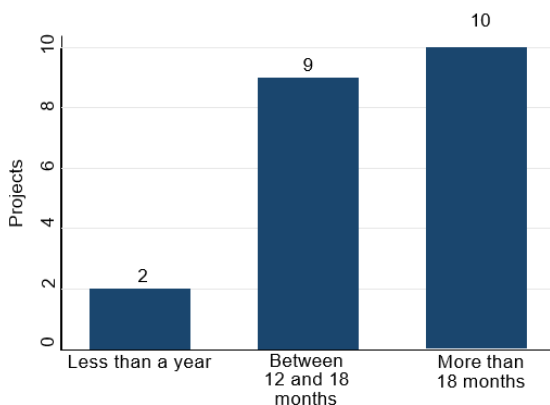

Figure 13: Distribution of BLER Fast-tracked projects by the expected duration

7.1 Variations and delays

Analysis of the administrative data reveals that four projects submitted variations and were approved. Of these, one project changed its scope, two involved time extensions, and one moved deliverable dates for activities.The administrative data also included milestone review reports for milestones 2 and 3. In these reports, grant administration officers recorded notes about grantees did not meet their deliverables at those milestones. These notes are presented below:

"Not all trades have completed as contractors busy with flood-affected recovery projects"

"Council are in process of completing survey, design and documentation, with plans to call tenders in August."

"Project is far less progressed than the funding recipient represented at commencement"

"The project requires assessment by Council and determination by Joint Regional Planning Panel"

"Design has commenced but requires approval from the Civil Aviation Safety Authority."

"Detailed design and construct tenders were issued and submissions received beginning of June. All tender prices were over budget. Council is currently in the process of refining the scope of work and determining if construction works can be carried out in-house."

"Design and construction of the tenders issued and returned for assessment 9 July. Further details/ clarification is being sought on these tenders"

These are consistent with our other findings that delays in delivery largely stemmed from either incomplete design, or other factors such as an inability to find suitable contractors, including because of concurrent flood recovery activities.

Of the seven grantees who responded to the survey four out of seven indicated that submitting variations (if required), was difficult[15], as shown in Figure 14[16].

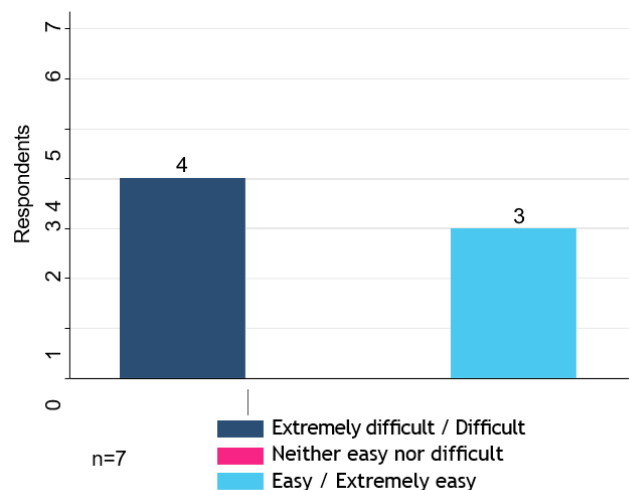**Your ease of submitting variations if required was?**

Figure 14: BLER Fast-tracked grantees' agreement about the ease of submitting variations to their projects

Respondents were asked whether their nominated milestones and delivery timeframes were realistic, as shown in Figure 15[17]. Fewer than half of the respondents agreed their milestones and timelines were realistic. These findings suggest that despite the intention to fund 'shovel-ready' projects, many projects were possibly not sufficiently developed to be implemented quickly.

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[15] Respondents were asked to rate their perception on the ease of submitting variations on a scale between 0 (Extremely difficult) and 10 (Extremely easy). We collapsed their responses into three categories (0-3 Extremely difficult/ difficult, 4-6 Neither easy nor difficult, and 7-10 Easy/Extremely easy) to see whether there were any meaningful differences over the distribution of responses.
[16] Although administrative data records indicate only four grantees submitted a variation, variations may have been submitted before the survey was completed and after the most recent administrative data available to us (as of 4 July 2022).
[17] Respondents were asked to rate their level of agreement on a scale between 0 (Completely disagree) and 10 (Completely agree). We collapsed their responses into three categories of agreement (0-3 Completely disagree/ disagree, 4-6 Neither agree nor disagree, and 7-10 Agree/ Completely agree) to see whether there were any meaningful differences over the distribution of responses.
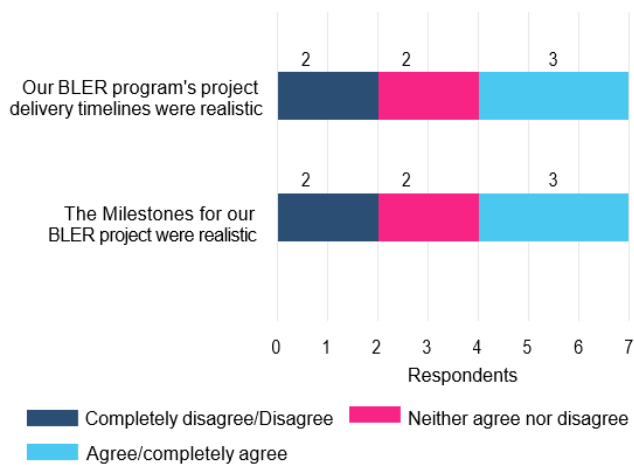
Figure 15: BLER Fast-tracked grantees' perceptions of whether their project milestones and project delivery timelines were realistic

All except one respondent reported that they had or were likely to deliver their project in the time that was agreed to in their BLER Fast-tracked funding agreement. This was corroborated through interviews with grants management staff and their experience of insufficiently developed projects expected to be implemented immediately.

Views of whether surveyed grantees could deliver their project promptly and the reasons why they could not do so are shown in Figure 16. The most cited cause of delays, as provided by grantees for why they would be unable to deliver their projects on time, were:

- supply chain issues
- flood impacts
- higher costs.

Other reasons cited by survey respondents for experiencing project delays were delays in receiving development approval, difficulty obtaining landowner approval, and community consultations. Examples of delays, as noted by the GMO, where projects did not have the requisite approvals to commence, include the project:

- is far less progressed than the funding recipient represented at the commencement
- requires assessment by the council and determination by Joint Regional Planning Panel.

A potential improvement for grant programs that aim to facilitate immediate economic stimulus moving forward may include assessing whether the necessary approvals have been obtained when identifying projects to fund.

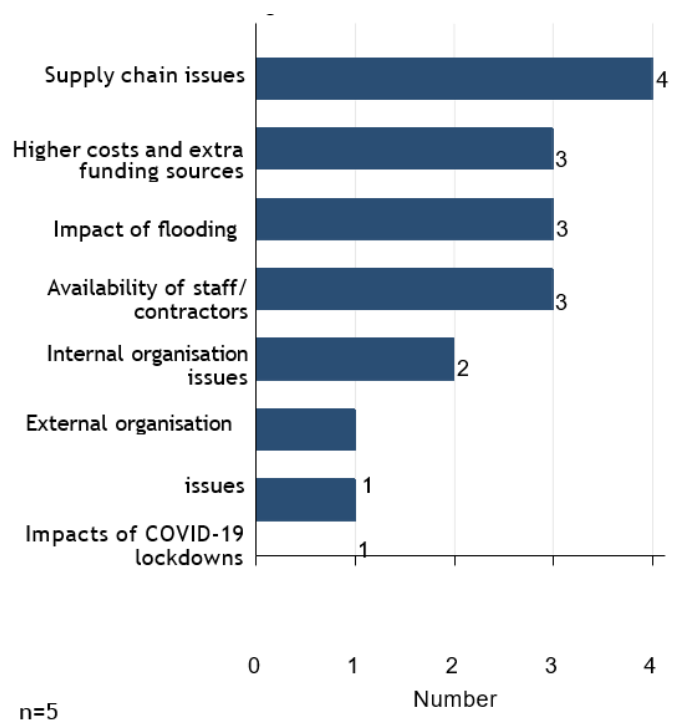**Reason(s) for not being able to deliver project in agreed timeframes**

n=5

Figure 16: Grantees' reasons for not being able to deliver projects in agreed timeframes

8. Monitoring and reports

Finding	Evaluation questions	Evidence
★	To what extent are programs actively and consistently collecting and managing data for monitoring and evaluation purposes? How effective has this been?	As Public Works and DRNSW shared project management and provision of support responsibilities over the fast-tracked projects, data has been captured in more than one place. Furthermore, there has been no attempt to harmonise or standardise the data captured. Relative to other programs, there is a lack of data being collected regularly on project outputs and limited monitoring of program outcome indicators. The evaluation also highlighted an opportunity to improve data collection methods to reduce the number of data cleaning steps prior to analysis, expand its application for monitoring and evaluating programs, and develop an 'evaluation view' from the outset. It will aid in improving monitoring and evaluation efficiency.

8.1 Monitoring projects and ongoing data collection

Project monitoring and reporting activities
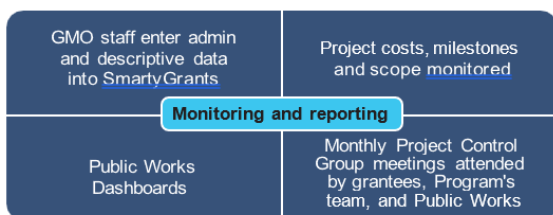
Program staff disclosed that all priority projects must have a project control group (PCG) as a condition of their funding deeds. This meant regular project meetings were held, providing consistent reporting mechanisms in addition to quarterly milestone reporting. Moreover, additional information was shared before, during and after project meetings.

Program and GMO staff acknowledged that PW produced dashboards that tracked cost escalations and how the program was tracking and identified some of the emerging key trends. However, copies of these reports/dashboards for verification were not provided for inclusion in the evaluation.

Additionally, when survey respondents were asked about the ease of undertaking regular reporting, Figure 17[18] shows that only one participant said the grants were easy to report against. It also shows that two of the respondents reported that regular reporting was 'Extremely difficult' or 'Difficult'. Most respondents (four) were indifferent.

On balance, the data available in SmartyGrants was limited in scope and ineffective in terms of tracking project outcomes. Furthermore, most grantees found the reporting process difficult.

Combined with the multiple collection points, considerable improvements can be made in the monitoring and reporting of data. At present, the data and the processes in place for its collection are not servicing the needs of grantees or the grant administrator.

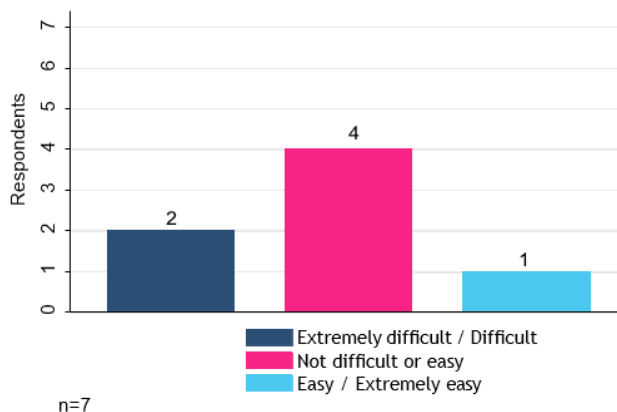**Your ease of undertaking regular reporting for this grant was:**

Figure 17: Grantees' ratings of the ease of BLER Fast-tracked regular reporting

8.1 Data collection improvements

Not all data that is currently stored in SmartyGrants is readily accessible for monitoring or evaluation purposes. For example, the data collected by the GMO in the 'Project notes' field has multiple project monitoring and approvals stages collected in a single cell. This creates extra data cleaning steps before the data can be analysed.

> **Recommendation:** separate fields should be created to report against key periods of the grant lifecycle (whether a project milestone has been approved for payment release, or when the payment has been made etc).

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[18] Respondents were asked to rate how easy or difficult it was to undertake regular reporting for this grant on a scale between 0 (Extremely difficult) and 10 (Extremely easy). We collapsed their responses into three categories (0-3 Extremely difficult/ Difficult, 4-6 Neither easy nor difficult, and 7-10 Easy/Extremely easy) to see whether there were any meaningful differences over the distribution of responses.

Limited data is being collected by the GMO on outcomes (mostly because it is being collected by PW). Collecting this data will provide the GMO with essential feedback on the progress of grantees against key outcomes and strengthen the data available for evaluation.

Recommendation: Collect periodic data on program outcomes

Recommendation: consider a more transparent data sharing arrangement with PW to help track outcomes

8.2 Developing an 'evaluation view'

DRNSW should consider investigating the possibility of developing an automated 'evaluation dataset' from SmartyGrants. Ideally this would involve querying the underlying SmartyGrants data to compile key evaluation fields in a single table or 'view'. This would not change the underlying structure or data but simply draw upon it to produce a convenience dataset for the purposes of evaluation. Automating such a process would enable ongoing monitoring of the progress of grants from an evaluation perspective (as opposed to an administrative perspective).

9. Outputs and early outcomes

Finding	Evaluation question	Evidence
★★★	How do project outputs (thus far) indicate progress towards short- and medium-term recovery outcomes?	BLER Fast-tracked has delivered on its early intended outcomes of funding infrastructure projects in bushfire-affected communities to stimulate the local economy and contracting local businesses to help deliver the projects. Evidence also suggests that the program is on track to meet its medium-to-longer-term outcome of providing ongoing economic stimulus in the bushfire-affected communities.

9.1 Early outcomes

One of the main aims of the BLER Fast-tracked funding was to support the creation of temporary jobs to deliver the projects. Figure 18 shows that only one of the seven survey respondents reported that no local jobs were created to assist with project delivery because of the BLER Fast- tracked funding. Three reported creating five positions, two reported 10 positions, whilst one respondent reported 15 local jobs had been created to assist with project delivery because of the BLER Fast-tracked funding. Unfortunately, grantees were not asked to report on the number of jobs created as part of the ongoing monitoring of the BLER Fast- tracked funding they received.

How many local jobs (within your LGA) have been created to assist with project delivery as a result of the BLER funds in the post-bushfire recovery period?
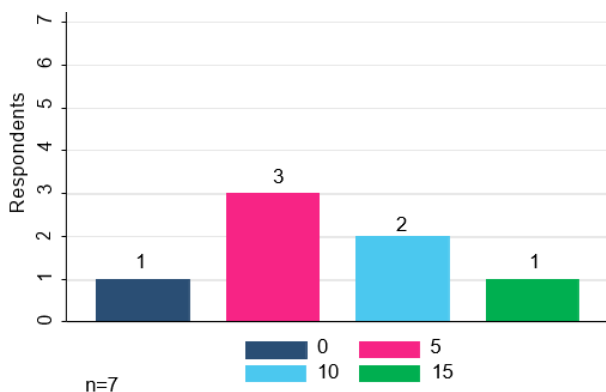

n=7

Figure 18: Local jobs surveyed grantees reported were created as a result of BLER Fast-tracked funding

Given the program's aim to deliver stimulate local economies in bushfire affected areas, grantees were asked whether they considered that the BLER Fast-tracked funding was fit for this purpose. Grantees' responses to a question regarding the suitability of the funding towards economic stimulus are shown in Figure 19. Most respondents agreed the funding was at least somewhat suitable to contribute towards an economic stimulus.

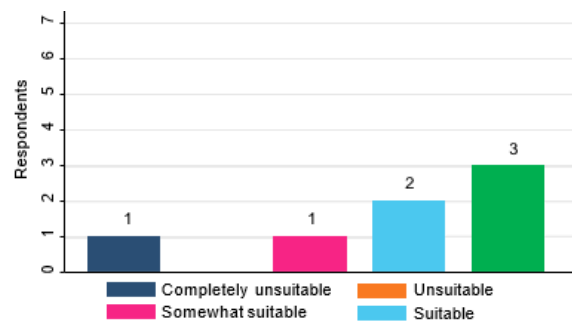**How suitable was the BLER funding in contributing to your community's economic stimulus?**

Figure 19: Suitability of BLER Fast-tracked funding for communities' economic stimulus

9.1 Progress towards medium-to-long- term outcomes

Survey respondents were asked to nominate the proportion of grant funds to be used to contract local businesses (within their LGA) to deliver their project. Responses from six of the seven respondents who provided an estimate are shown in Table 2.

Table 2: Survey respondents estimated the proportional spend of their BLER Fast-tracked funds on contracting local community businesses.

Project	Value of approved grant	Estimated proportion of grant spent on contracting local businesses	Total estimated spend on contracting local businesses ($)
A	2,000,000	85	1,700,000
B	2,780,000	60	1,668,000
C	5,250,000	10	525,000
D	11,283,000	70	7,898,100
E	12,500,000	35	4,375,000
F	8,000,000	4	320,000
Total	41,813,000	39	16,486,100

The last row in Table 2 shows, in aggregate, the six projects estimated that they will spend $16,486,100 contracting local businesses. Put simply, 40% of their BLER Fast-tracked funds were estimated to provide economic stimulus to local businesses in their LGAs.

Table 3 provides a range of estimates for the total amount spent contracting local businesses based on extrapolating the same proportions to the remaining 15 projects as listed by the six in Table 2. We have provided an additional two values 10 percentage points above and below the estimate of the six projects from the survey.

Table 3: Estimated total spending of BLER Fast-tracked grant funds on local business.

All Projects	Total value of approved grants ($)	Estimated proportion of grant spent on contracting local businesses	Total estimated spend on contracting local businesses ($)
Scenario 1	106,077,673	39	41,370,292
Scenario 2	106,077,673	29	30,762,525
Scenario 3	106,077,673	49	51,978,060

Based on the estimates in Table 3, the range of money spent contracting local businesses to deliver BLER Fast-tracked projects is between $30,762,525 and $51,978,060. This is clear evidence that the BLER funding is on track to provide the medium-to-longer-term outcome of ongoing economic stimulus in the bushfire-affected communities.

10. Findings: Emerging themes and recommendations

Finding	Evaluation questions	Evidence
★★	How effectively are the programs being delivered? What are the enablers, barriers, and areas for improvement for the grants?	Evidence of the BLER Fast-tracked achieving its early outcomes and meeting its objective of providing ongoing economic stimulus in the bushfire-affected communities confirms that this program is being delivered effectively. Still, the evaluation has revealed that some improvements are necessary. These include adding more checks and balances in the assessment stage of the process, monitoring the projects throughout, and whether mandatory involvement from Public Works is preferable to voluntary involvement.

10.1 Key findings and recommendations

This report examined the implementation and early outcomes of BLER Fast-tracked. Instead of using a competitive process, the fund identified and invited 'shovel-ready' projects to apply for funding. This was done to ensure that funds could be deployed quickly to fund infrastructure projects to stimulate local economies. The decision to identify projects previously assessed as 'shovel- ready' rather than competitive 'applications', drawing from various sources, proved to be an effective way of ensuring projects were quickly identified. While the funds could have been disbursed more quickly (comparing to the program's intended timeframes), grantees were generally satisfied with the timeliness of receipt of the funds.

Our evaluation indicates that project readiness was a key implementation challenge. Program and grant management staff interviewed indicated that for several projects, previous assessments of readiness were no longer accurate given the length of time that had passed since their initial assessment, for example. Thus, some funded projects were still in early planning stages, leading to delays in commencement and consequently delivery. For some other projects, the bushfires themselves had affected project readiness. In the future, additional assessment prior to disbursement may be necessary to ensure projects remain ready for implementation and should include examination of any need for further planning approvals. It is clear that external factors also contributed to delays for some projects. Furthermore, the milestones and timelines for this program may have been slightly ambitious. For example, fewer than half of the respondents agreed their milestones and timelines were realistic.

Another aspect of the grants was the provision of support from PW. Grantees accessed support from a Public Works Assurance Manager as part of BLER Fast-tracked. The intention was that this support would assist grantees in delivering their projects and reporting on their progress as part of their acquittal process. This was beneficial in grants administration and project delivery. From an administration perspective, the benefits of the collaboration included greater information, data sharing, and oversight. However, the grantees surveyed had mixed perceptions about the helpfulness of program assurance support from PW. A possible reason raised by program and grant management staff is that some grantees may have had existing in-house support, rendering PW support unnecessary. Future grant programs could consider offering this support voluntarily.

Even though it is too early to assess the enduring benefits of the funded projects; we find evidence to suggest a large proportion of the funds have been (and will be used) to stimulate local economies. If grantees' estimates of the proportion of grant funds used for local employment apply to all the projects, approximately $30 million of the funding would go towards local employment, a promising indicator of the medium-to-long-term success of the program in improving economic recovery. Even so, it is important for further work to consider the benefits flowing from funded projects and whether longer-term recovery goals are being achieved. DRNSW are currently planning an outcome evaluation to assess whether these benefits were realised.

11. Appendix A – Evaluation strategy

11.1 Evaluation plan

Directions of inquiry were developed to ensure that data would be collected and utilised to answer each evaluation question. These became the basis for the evaluation.

1. To what extent are program design elements and processes aligned with the program objectives?

Evaluation Question	Directions of Inquiry	Data source
a. How appropriate has planning and resourcing been for program delivery?	• Have projects started and or completed within the allocated timeframes?	Data
	• Were there enough resources to stand up and implement the program in a timely fashion?	Document review GMO Programs team
	• Are there enough resources to continue supporting the program's ongoing administration?	Document review GMO Programs team
b. Was the scope of the grants appropriate to support recovery objectives?	• Did the project contribute towards economic stimulus?	Grantee
	• How appropriate was this type of funding to support economic stimulus?	Grantee
c. To what extent have funding arrangements and governance structures supported effective implementation of the program?	• What are the delivery support mechanisms in place?	Document review Programs team
	• How clearly were these mechanisms communicated to grantees?	Programs team Grantee?
	• Have these mechanisms facilitated the implementation of the projects?	Programs team Grantee?
	• Are there clear structures in place to support the ongoing administration of the program?	Programs team GMO
	• Is the point of contact clear to grantees?	Grantee

2. How effectively are the programs being delivered?

Evaluation Question	Directions of Inquiry	Key stakeholder(s)
a. How well has information about the program (i.e., program objectives, eligibility, assessment criteria and process) been communicated to the target audience? To what extent has this affected grant take-up?	• What was the documentation provided to recipients about how the funded project was selected?	Programs team Grantee Document review
	• What assessments were conducted for project selection?	Data GMO staff Programs team
b. How well was the grant application, assessment, and disbursement process implemented?	• How were projects selected?	Programs team
	• How has selection and implementation information been captured?	Programs team
	• Did the program design, i.e. non-competitive grants, facilitate immediate access to funding? How quickly were funds distributed to grantees?	Data GMO Programs team
	• To what extent were grantees clear about their roles and responsibilities before funding deeds were executed?	Programs team/ GMO Grant recipients
	• What are the barriers to implementation?	Grant recipients
c. To what extent are programs actively and consistently collecting and managing data for monitoring and evaluation purposes? How effective has this been?	• What are the program's performance measures?	Document review GMO Programs team
	• What data is collected and is it fit for purpose?	Data Document review Programs team
	• To what extent has the data captured been 1. Purposeful, 2. Easy for grantees to provide, 3. Stored and organised on a fit-for-purpose platform 4. Useful for grantees and for monitoring and evaluation purposes	PMO staff Grant recipients

3. What are the enablers, barriers, and areas for improvement for the grants?

Evaluation Question	Directions of Inquiry	Key stakeholder(s)
3. What are the enablers, barriers, and areas for improvement for the grants?	• What enabled the successful delivery of the program?	GMO Programs team Grantees
	• What are the barriers hindering the successful delivery of the program?	GMO Programs team Grantees

4. What was delivered by the program?

Evaluation Question	Directions of Inquiry	Key stakeholder(s)
a. To what extent are projects being delivered according to approved deeds?	• Do programs have milestones/ project plans?	Document review
	• What actions have been taken to assess grant compliance with the funding deeds in place?	GMO
	• Number and scope of variations	GMO
b. How do project outputs (thus far) indicate progress towards short- and medium- term recovery outcomes?	• Have results been observed so far in terms of outputs or early outcomes? To what extent do these observed outputs or outcomes suggest longer-term recovery benefits will be realised?	Programs team
c. Did the programs represent administrative value for money?	• Has progress and milestone reporting against agreed performance measures or milestones by the funding recipient aided in ensuring the projects could deliver value for money?	GMO
	• How can the project outputs and outcomes from this program be compared with other similar programs to appreciate the extent of displacement and substitution costs?	Research

12. Appendix B – Evaluation data and analyses

This evaluation report draws on the following data sources and analysis:

1. Administrative data

BLER Fast-tracked program administration information as of 4 July 2022 was extracted from DRNSW's SmartyGrants program. Data was held at the grant level, with a final dataset of 21 applications created from merging:

- application forms
- assessment forms
- funding deeds
- quarterly milestone reports
- completion reports
- completion report reviews

While BLER Fast-Tracked consisted of 22 projects, one was not monitored

2. BLER Fast-tracked grantee survey

A survey consisting of 16 questions was developed and administered on SurveyMonkey

The survey was sent to all 16 organisations and 7 responded (a response rate of 43.75%)

Survey responses were analysed in Stata 16

This report presents descriptive analyses of the data. Given the small sample size we report the number of respondents, rather than average ratings or proportions.

3. Online interviews with program staff

Semi-structured interviews with program management office staff and grants management office staff were conducted, transcribed, and coded thematically in alignment with the directions of inquiry.