



Restoration and rehabilitation program evaluation

Trust administration analysis

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Evaluation background

The Environmental Trust has in place a framework of rolling independent evaluations for each of its contestable grant programs. These evaluations explore the strengths and weaknesses of each program and assist the Trust in the refinement of objectives, value and scope of future funding rounds, as well as changes to process and administration.

In accordance with this framework, the Trust's Restoration and Rehabilitation (R&R) program was the focus of an independent evaluation in 2016–17. The R&R program has been in operation since 1990, initially under the *Environmental Restoration and Rehabilitation Trust Act 1990*, with the first grants awarded in 1991. The program seeks 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 most recent prior evaluation of the program was in 2010.

Trust Administration engaged the NSW Natural Resources Commission (NRC) to undertake the evaluation, covering the period from 2010 to 2015. The NRC were chosen due to their extensive experience in evaluating government initiatives across a variety of sectors, including recent projects with the Trust, Local Land Services, the Office of Environment and Heritage, and the Department of Primary Industries. They also assisted the Trust in 2015–16 in developing its broader Program Evaluation Framework.

The final evaluation report was submitted to the Trust Administration in June 2017.

Evaluation findings

The Evaluation Report concluded that overall the R&R program is well-run, with the following points deserving specific recognition:

- Project investment represents good value for money with substantial leveraging of additional financial and in-kind contributions (e.g. 2014–15 grants successfully leveraged 1.65 times the original Trust investment).
- Sound governance structures and processes are in place.
- The application process is rigorous and transparent.
- Clear guidance is provided for applicants, grant recipients and technical reviewers.
- There is a strong focus by the Trust on ensuring equity of grant funding, with the project selection process representing good practice (i.e. clear and transparent process, and the incorporation of a Technical Review Committee with broad representation).
- Trust funding contributes to an apparent market gap, namely small to medium sized grants for local environmental priorities, implemented in a short to medium time frame.
- Interviews with grant recipients consistently indicated that R&R funds are critical for their organisations, and the work undertaken would not be undertaken without the availability of these grants. This was particularly due to the current constraints in other small grant program opportunities offered by other donors.

Between 2010 and 2015, the program funded 314 projects across three streams (150 government, 154 community and 10 heritage), with approximately 200 active grants at any one time. Much of the funding is used to support rehabilitation of areas impacted by environmental weeds (e.g. weeding, fencing and replanting) with significant investment also geared towards protection of endangered species and/or habitats.

The projects have been associated with a host of environmental achievements including:

- improved ecosystem health
- protection of endangered species/habitats
- implementation of land management plans
- increased 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.

Analysis

The evaluation of any contestable grant program run by the Trust is an opportunity to obtain an independent assessment of the health of the program and identify the possible options and/or opportunities for the future delivery of that program.

Program design (funding model)

A major finding of the report was that the program ‘does not have a formal program logic that articulates objectives, expected outcomes and performance indicators’. Instead the program has ‘implemented a loose logic inferred through the stated aims of the program, its objectives and actual on-ground activities’.

The report notes that the current objectives are ‘consistent with relevant environmental and governmental priorities’, however they are considered to be ‘broad and high level’. Furthermore, ‘there are no specified program outcomes’ and there is a focus upon achieving and reporting outputs, rather than achieving program outcomes.

The NRC notes that 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’ and ‘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’.

Other important design considerations raised in the report refer to equity of funding and the length and size of the funding. The Trust ‘has a strong commitment to ensuring equity of the funding, and the process employed for selecting grants is transparent – this is good practice and should be maintained’.

However, the report noted that ‘the focus [of the program] should be on equitable access to the funds, rather than equal distribution across regions.’ In other words, any move to direct funding to specific regions should only occur ‘where there is evidence that there is reduced access to funds, for instance lower capacity or awareness or where there are environmental drivers (e.g. underrepresented bioregions)’. Several suggestions were provided in the report on how equity of access to funds may be achieved.

The report recognised that the current grant limit is reasonable and ‘better than many other programs that sit at a similar scale’. However, suggested that the Trust ‘should periodically revisit the funding limits and adjust to reflect inflation’. Trust Administration shares this

concern especially when considering the ability of proponents to achieve comparable project outcomes with rising project-related costs (e.g. transport, materials, labour, etc), without any increase in the maximum grant available. However, it should be noted that any increase in the individual grant amount would reduce the number of grants awarded.

The report also identified the difficulty experienced by the evaluators to adequately measure tangible environmental benefits achieved by the program within the three-year timeframe of individual projects. The report concluded that there was a distinct need for the addition of a 'long-term monitoring program' that incorporated timeframes beyond the standard three-year duration of projects.

This concept, in addition to facilitating longer term sustainability and project maintenance, would improve the ability to measure long term outcomes. This could be enabled through additional small 'tracking grants' offered to a percentage of projects annually to obtain on-going data.

Program value

As a statutory program, the R&R program has been funding environmental projects continuously since 1991, funding over 1000 projects worth nearly \$70 million. The report concluded that at a higher level the R&R program has a unique place in the portfolio of contestable environmental grant programs offered within NSW,

'...it 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. In addition to filling a niche, the program appears to supplement gaps in the core business activities of organisations funded under the program'.

The report noted that there was clear demand for the program during the evaluation period where 'consistently, on average, three times more applications than grants were funded'. Further, grant recipients consistently indicated that R&R funds are 'critical for their organisations and that the works would not be undertaken without these grant funds, particularly due to the current constraints in other small grant program opportunities offered by other donors'.

Feedback from the proponent surveys supported this statement particularly for public land where 'works undertaken by councils would largely not have occurred in the absence of grants due to resource limitations'.

As stated previously, the report observed that in the 2014–15 round the R&R program successfully leveraged substantial financial and in-kind co-contributions from project partners, with a finding that 'for every dollar invested, the Trust generated 1.65 times the original investment from co-contributions'.

The program was also responsible for encouraging innovation in funded projects, with 'most of the 52 projects analysed citing some form of innovation, mostly focused on identifying ways to improve current methods or develop and trial new methods'.

Finally, the report states that the program achieved a range of benefits beyond potential environmental outcomes, including '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'.

Program governance

The report highlights that ‘the program is operated in accordance with good governance principles 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 and these cover key aspects of governance’.

Program Administration

The report concludes that the ‘program is run well’ with ‘requirements for financial auditing for grants over \$20,000 and the high rate of on-schedule project completion, provides evidence that oversight and accountability are good’. Furthermore, ‘clear guidance is provided at a number of stages throughout the program including: prior to applications; at the application stage and at the review stage’. This supports not only strong delivery of funded projects, but also the equitable access to funding opportunities in the first place.

However, project proponents noted that the flexibility of the Trust was variable, with higher flexibility offered ‘around timeframes, particularly when due to extenuating circumstances...’ and less flexibility regarding ‘varying delivery of project outputs or approaches’. While Trust Administration acknowledges the shortcomings of the latter, careful considerations must be made when assessing these types of variations to ensure that the ultimate objectives and value for money of projects are consistent with the original approval of the Trust.

While project proponents found ‘Trust staff to be approachable and guidance materials to be very useful’ and that they are ‘quite responsive during projects’, the NRC noted that ‘program administration could be further strengthened by addressing resource constraints within the Trust’. Interviews highlighted that ‘Trust program staff are stretched for resources and struggle to keep up with the demands of so many projects’.

This issue becomes particularly acute when ‘projects experience complex problems and require more time to address, which detracts time away from other grant management tasks’.

The report highlights that ‘administrative costs for the program were low relative to benchmarks’ at ‘approximately 4% of grant costs’. When compared to other related programs such as ‘Caring for Our Country Community Environment Grants (15%), the National Landcare Program (10%)’ and even the Trust’s ‘*Saving Our Species* Partnership Grants (10%)’, the report includes a recommendation to allocate ‘more funding to staff resources, particularly to those staff involved with reviews and project support, would help alleviate resourcing constraints’.

Application process and selection of projects

Applicants stated that the application process was ‘generally clear and that they understood the purpose of the process’. Guidelines provided are ‘high quality and continue to improve over time’, however, ‘additional support for those applicants with less experience in grant applications may be warranted’.

Report recommendations suggest providing additional support tools particularly to inexperienced applicants.

The report outlined concerns (expressed by applicants) that the application process was difficult or onerous, particularly for less experienced community groups. Several key concerns about the application process (e.g. duplication) were identified. It is acknowledged

by the Trust that the current system has its limitations, however, the report recognised that the introduction of the online grant management system within the next 12 months would create 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'.

Timeframes around the application process milestones were also noted as a concern. Firstly, 'the short timeframe between the opening of new funding rounds and the application acceptance deadline'; and secondly, 'the large amount of time between submitting an application and receipt of funding, creates issues for forward planning'.

The Trust acknowledges that recommendations on these two points are warranted, however, implementation is more problematic due to constraints imposed by a) the length of processes that ensure good governance, and b) the need to align with the timing of both Trust meetings and ministerial announcements.

With respect to the assessment and recommendation of projects by the Technical Review Committee, the NRC suggested three key areas to improve including:

1. Broadening the range of TRC members with specific technical knowledge on a needs basis to minimise potential bias
2. Adding criteria to support capacity building in projects
3. Refocusing assessment of projects to a project logic.

Each point has merit and consideration will be made as to how best to integrate each when re-designing the program.

Communication

The report noted that the 'majority of proponents indicated that Trust staff were very responsive when responding to informal requests and questions during implementation of projects'. Further, Trust staff were considered to be 'consistently available and informal communications e.g. phone calls, were extremely beneficial'.

However, some aspects of formal communication, e.g. formal feedback from the Trust to grantees, reviewers and members of the TRC, could be improved. Trust Administration acknowledges that improvements could be made to address some of these recommendations and proposed actions are outlined in the management response table.

External promotion of the program by the Trust was considered by a number of stakeholders to be 'inconsistent across the state' with communication viewed to be 'strong in some areas, particularly Landcare Networks, though lacking in others, generally the western regions of NSW'.

The report recommends that the Trust focus on 'developing a targeted marketing plan to reach any groups determined as underrepresented', target a 'wider range of potential participants' and to 'highlight the achievements of both project proponents and the Trust'.

Monitoring, evaluation and reporting (MER)

MER received a considerable amount of attention throughout the evaluation. The report stated that the Trust has 'comprehensive processes in place to assist project proponents in meeting their MER requirements. These systems and the support from Trust staff have resulted in an improved clarity of project objectives and helped support and promote good project management and planning'.

Further, the report indicated that 'MER processes and data requirements are clearly specified' with 'materials both aiding grantees in refining and clarifying their project

objectives and ensure that risk management strategies, roles and responsibilities of project stakeholders and detailed plans of activities are considered'. The evaluators concluded that these elements of MER 'align with good practice and should be continued by the Trust'.

However, also outlined were concerns raised by respondents relating to imposition of excessive MER requirements, duplication of reporting requirements, inconsistencies and overlaps between the project plan (M&E plan) and project measures, and collection of data that grantees neither found useful to them or understood its purpose.

On a higher level, the NRC noted that the current system of project reporting is primarily output focussed, with a variety of respondents indicating that '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 outcomes'. Trust Administration recognises this shortcoming and agrees that a 'clear hierarchy demonstrating how outputs measured can provide insights into likelihood of outcomes, and how outcomes link to project and program objectives' is required. In essence, this would involve incorporating 'outcomes measures into projects realistic for assessing short to medium outcomes' and 'should seek to limit the number of output measures required to be reported to a small number of key measures'.

A major MER observation highlighted during the evaluation was that the data collected by the Trust was insufficient to determine and verify the impacts of long-term outcomes of projects. Key recommendations to address this included for the Trust to 'consider measures where longer-term monitoring and assessment of broader environmental outcomes' could be undertaken and 'increase the evaluation budget' to facilitate the process.

A further suggestion was that to improve the likelihood that on-ground activities achieve sustained longer-term outcomes, the development and application of more robust monitoring processes/tools would need to occur. The consideration of funding the maintenance of projects was also mentioned.

In regard to the suggestion to 'increase the evaluation budget', attention was drawn to the Department of Premier and Cabinet's guidance¹ on the percentage of program expenditure recommended to conduct evaluation i.e. ranging from 5 to 20%. The Trust's current allocation to MER is significantly below this range and 'would indicate that the Trust has room to increase its evaluation budget allocation'.

The report highlighted the extensive amount of data recorded over the course of the program, mainly through project measures. However, 'limitations in the quality of this data reduced its usefulness for analysing and assessing program level outcomes' especially when attempting to 'understand how data is interrelated'.

It was acknowledged that the 'Trust provides definitions for its indicators', however, a key suggestion was for the Trust to provide 'more specific guidance (to proponents) on how to measure and report on the indicators'.

Finally, the Trust's on-ground assurance of data generated through project implementation was raised as an important issue. The report states that at present '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'.

Trust Administration acknowledges this shortcoming and agrees that 'additional site visits would improve assurance, help build stronger relationships with project proponents and

¹ Better Evaluation (2017) *Determine and Secure Resources*

provide greater opportunity for the Trust to provide active project guidance to improve outcomes’.

Resourcing

As documented above, the Program (and the Trust as a whole) has administration costs of around 4% of grant funds managed, which is considerably lower than comparable programs. The Trust’s capacity to implement the recommendations is limited and there will have to be a prioritisation process.

Due to the Coastal and Biodiversity reforms, the Trust has begun a process of working with OEH and the Biodiversity Conservation Trust to map activities and programs, to ensure that we can all maximise the benefits of our collective programs, identify synergies and avoid perverse outcomes. This, and other program evaluations will assist in program redesigns and through this, appropriate resourcing levels will be identified.

Recommendations

The report findings and the resulting recommendations provide an opportunity to look at a revised program design to improve efficiency and effectiveness of Trust investment. The table below provides a Trust Administration response to each recommendation.

R&R Evaluation – Management Response

No	Recommendation	Response
Program design		
1.	The Trust Should:	
a.	<p>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.</p> <p>Results are provided in Attachment A of the Evaluation Report.</p>	<p>Accepted</p> <p>The Trust already does this in an informal way prior to opening new rounds of the program. This ensures program consistency with any relevant legislative reforms, government priorities and/or initiatives. Crucially, this analysis also ensures that program parameters match those of the target audience it seeks to fund (i.e. funding amounts, time limits or funding saturation). However, the Trust will ensure that a comprehensive stakeholder needs analysis process is integrated into the five-year program evaluation cycle or after the conclusion of each evaluation process. The Trust recognises the importance of keeping the program relevant to legislative reform, aligned to regional and state strategies, the needs of our clientele and keeping abreast of other programs funding similar outcomes.</p>
b.	<p>Clarify what outcomes the Trust is targeting with this program.</p> <p>Recommended outcomes are provided in Attachment A of the Evaluation Report.</p>	<p>Accepted</p> <p>A major finding of the report was that the program ‘does not have a formal program logic that articulates objectives, expected outcomes and performance indicators’. As such, the development of such a logic is a significant priority.</p> <p>The design of this logic would identify short, intermediate and long-term outcomes for the program. It would then integrate explicit short term to intermediate project level outcomes that would directly align themselves with these program outcomes. In applications, proponents would be expected to ensure alignment as part of a revised assessment criterion.</p>

No	Recommendation	Response
c.	<p>Refine the objectives to more clearly focus on the issues and outcomes the Trust wishes to target.</p> <p>Recommended objectives are provided in Attachment A of the Evaluation Report.</p>	<p>Accepted</p> <p>The Trust shares the view that the program’s current objectives are broad and ambitious given the scale of available funding, and agrees that program objectives could be refined to focus on key issues and outcomes.</p> <p>The report ‘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’.</p> <p>These objectives will be revised through the development process of a program logic.</p>
d.	<p>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.</p>	<p>Accepted</p> <p>Integration of this consideration into the redesigned program is an essential element especially when attempting to target projects most likely to achieve long-term environmental and social outcomes. Revision of project assessment criteria to reflect this and instruction of Technical Review Committee members to consider this when scoring applications may assist in achieving these outcomes.</p>
e.	<p>Ensure that the timeframes and funding limits are consistent with the objectives of the redesigned program.</p>	<p>Accepted</p> <p>Survey respondents confirmed that the three-year funding period and the grant limits (i.e. between \$5000 – \$100,000) currently approved for R&R projects are sufficient to implement the bulk of project work. Both multi-year projects and similar funding limits will remain key features within a re-designed program. However, to demonstrate environmental outcomes more effectively, the re-designed program will consider the inclusion of additional funded actions designed to measure project outcomes from a sample of projects beyond the three-year funded lifetime (refer to Trust Administration response to Recommendation 3 below).</p>

No	Recommendation		Response
f.	<p>Incorporate mechanisms to encourage collaboration and alignment with regional plans where appropriate.</p> <p>Means for doing this are included in the program design advice provided in Attachment A of the Evaluation Report.</p>	Partially Accepted	<p>Trust Administration agrees with the logic regarding cost-effective collaboration and alignment of investment with regional plans. However, the challenge is how to spend the annual budget (\$4 million) effectively without duplicating other expenditure commitments. For example, \$100 million over five years for terrestrial threatened species (OEH); \$240 million over five years for private land conservation activities (BCT); and other Trust grant programs such as Bush Connect (\$8 million over 10 years) and SOS Partnerships (\$10 million over 10 years).</p> <p>Trust Administration contends that the most effective way for the use of the annual R&R budget is to fund gaps, i.e. activities not already funded through other funding programs. Other important benefits generated from this approach is to encourage social outcomes such as community engagement and activity (e.g. volunteerism), environmental education, and to influence positive environmental behaviours.</p> <p>In the 2015–16 program round, the program leveraged \$1.65 for every Trust \$1.00 invested. This directly contributes to the achievement of outcomes included in other strategic regional plans e.g. Weed Management Strategies, Conservation Plans etc.</p>
2.	Revisit the upper funding limit of grants and adjust to reflect inflation.	Partially Accepted	Feedback from survey respondents indicated that present grant limits (i.e. between \$5000 - \$100,000) were reasonable. Trust Administration will review funding limits and adjust to reflect inflation (if required) every five years when the program is externally evaluated. It should be noted that any increase in the individual grant amount would reduce the number of grants awarded, unless there is an increase in the funding made available under the program.
3.	Consider providing small longer-term maintenance and/or monitoring grants.	Partially Accepted	As stated in the report, it is currently difficult to assess the environmental outcomes and long-term impacts of the program given that all monitoring activities occur during a project’s funding duration (i.e. one to three years) rather than beyond and over longer ecological timeframes.

No	Recommendation	Response
		<p>To track and demonstrate long-term environmental outcomes, Trust administration supports investigating the concept of offering small non-contestable monitoring grants to a representative sample of grantees across NSW beyond the end of their projects for up to 10 years. These grants would aim to encourage grantees to continue works until project sites become self-sustaining in exchange for longitudinal data used to measure the environmental and social outcomes achieved from the Trust's investment.</p> <p>Offering secondary smaller grants for follow up maintenance has merit from an ecological perspective given that for most ecological restoration projects the point of completion (or minimal continued intervention) is usually around 10 years, with approximately 80% of resources needed within the first six years. This has been recognised by the Trust through the implementing of the Community Bush Regeneration, Bush Connect and Saving Our Species Partnerships grant programs funding models.</p> <p>However, the Trust believes that offering maintenance grants is not the most cost-effective method to achieve positive outcomes for the environment of NSW. It is maintained that the main purpose of the R&R program is to facilitate on-ground action by creating an entry point through funding for groups and government to break the inertia of inaction and encourage the broader community to participate in and care for their local environment. Due to limitations of available budget, the funding of maintenance activities would reduce the Trust's ability to invest in its priorities. As such, Trust Administration asserts that the current system should continue and that grantees only plan and implement projects they can maintain within the means their organisation/groups have at their disposal.</p>
4.	Consider implementing the detailed program design advice provided in Attachment A of the Evaluation Report.	<p>Accepted</p> <p>The Trust will consider the detailed program design advice provided when commencing any re-design of the program. The first step will be to consider and define the program's objectives and principal outcomes. This will set the direction for the scope and extent of the program re-design, which in turn will guide consideration of the advice offered. This will be done in context with the broader piece of work</p>

No	Recommendation	Response
		planned to identify the most effective way the Trust can deliver its programs given the significant reforms in the biodiversity and coastal areas and synergies with organisations and programs such as the Biodiversity Conservation Trust, the Coastal and Estuary Program, <i>Saving our Species</i> etc.
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.	Accepted Currently a generic risk assessment is applied to all the Trust’s contestable grant programs. However, this needs to be regularly reviewed to ensure that it reflects the trends in existing, new and emerging risks. In re-assessing the program’s design, Trust Administration will conduct a risk assessment to identify key risks to the implementation of the future program.
6.	Document program implementation and management processes to prevent the loss of corporate knowledge.	Accepted The Trust currently implements a robust and comprehensive system to document and prevent the loss of corporate knowledge including: <ul style="list-style-type: none"> • core set of policies and procedures that guide the governance of all programs • electronic document management files (and hardcopy for pre-2014 rounds) for each project • electronic project database to collect and store project information • current development and implementation of a new comprehensive online grant management system (GMS) A review of the current methods will be conducted to identify any specific gaps and possible actions.

No	Recommendation		Response
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.	Accepted	<p>Trust Administration accepts the need to improve the timeliness of feedback to grantees. The current development and implementation of a new comprehensive online grant management system will assist in achieving this goal.</p> <p>Measures to improve consistency of reviews that are currently being actioned are:</p> <ol style="list-style-type: none"> 1. development of standardised terms of reference for reviewers that defines expectations and responsibilities of all parties, especially focussing upon improving the quality and comprehensiveness of feedback to grantees 2. broadening the range of both internal (OEH) and external reviewers (e.g. other government organisations, private enterprise etc. who have the expertise to assist.)
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.	Accepted	<p>The Trust acknowledges that grantees frequently experience challenges in managing and reporting on project financial costs. Trust Administration will seek to improve guidance on how to minimise mistakes (such as under-reporting, over-reporting and cost double-up inconsistencies) and provide tools to assist determination of project in-kind contributions and administrative costs. Broader consultation with grantees may be required to develop feasible and workable solutions based upon their experience.</p>
9.	Consider selecting an independent chair for the Technical Review Committees in line with good practice.	Accepted	<p>This recommendation is consistent with the Trust's recent trend in appointing independent Technical Review Committee (TRC) Chairs (with preference for community chairs) to ensure that these important positions remain independent from the Trust.</p>
10.	Clarify program administration costs and limits to ensure Trust resources are in line with other Trust administration limits and good practice.	Accepted	<p>Trust Administration supports the recommendation to address internal resource constraints. Despite the report finding that the program is 'being run well', it is not running as efficiently as it could be if administrative resources were allocated commensurate to other program benchmarks. The 4% administration cost currently allocated to the program is well below other similar programs (i.e. National Landcare Program 10% and Caring for Country Community Environment Grants 15%). As part of the broader context work the</p>

No	Recommendation	Response
		Trust is undertaking of its programs, it is planned to identify the resourcing needs to deliver redesigned programs.
11.	Develop clear guidelines and timelines for reviewers.	<p>Accepted</p> <p>As mentioned in Recommendation 7, Trust Administration is currently working at ways to improve the consistency and quality of project reviews and feedback.</p> <p>In addition, the development of the new GMS is expected to provide improved functionality to address this issue (i.e. the inclusion of an automated project review status management dashboard to track the status of reviews and automate reminder actions).</p>
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.	<p>Accepted</p> <p>The development of the new GMS has just commenced (October 2017) and this recommendation will be addressed throughout the development phase. Focus will be upon reducing repetitiveness, administrative burden (for both applicants and reviewers) and streamlining application and reporting processes.</p>
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.	<p>Accepted</p> <p>Trust Administration will consider a range of options that aim to provide additional support to groups and new applicants. More targeted advertising to potential applicants is also desirable to diversify the Trust's customer base, especially in areas of under representation.</p>
14.	Provide sufficient time for applicants with a range of resources and capacities to respond to call for applications.	<p>Accepted</p> <p>Trust Administration acknowledges that some groups, particularly those with limited capacity, may require additional time to plan and prepare their applications. It is proposed that future rounds of the program will have an extended opening period to promote opportunities for all applicants to prepare quality applications.</p>

No	Recommendation		Response
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.	Partially Accepted	<p>Trust Administration is conscious of this issue and will continue to identify opportunities and implement measures under our control to reduce the timeframe between submission and confirmation of outcomes in situations. This could include improving administration processes, increasing the application preparation timeframe, revising Trust delegations to facilitate efficient (and timely) decision making on operational issues, etc.</p> <p>However, for situations outside the influence of Trust Administration (e.g. announcement of successful projects by the Minister), options include 1) working with the Minister’s Office to agree on an announcement protocol; and 2) ensuring that during weekly media briefings between OEH and the Minister’s Office that essential information on forthcoming timeframes is shared to minimise customer service delivery disruptions.</p>
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.	Partially Accepted	<p>Most applications already nominate a specific ecological outcome; however, capacity building outcomes are less well defined. Trust Administration agrees that without too much additional effort, applicants could provide more specific outcomes for both.</p> <p>While the development of a program level logic, integrating capacity building, ecological rehabilitation and program governance objectives, is strongly supported, the requirement for project level logics requires more consideration.</p> <p>Based upon our understanding of our customers, Trust Administration believe there are more feasible options, other than a project logic for each project. The requirement for each grantee to develop a ‘Project Implementation Plan’ (PIP) is currently being considered. Evolving from the Monitoring and Evaluation Plan template, the PIP would define activities and timeframes for each project level outcome, as well as identify monitoring tools, indicators and verifiers of success and how, what and when the project would be evaluated. It would also link project level outcomes and activities to the program level logic. In addition, the PIP provides a meaningful tool for use by grantees to</p>

No	Recommendation	Response
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.	<p>guide and track project progress and apply adaptive management after periodic evaluations.</p> <p>Partially Accepted</p> <p>As discussed in Recommendation 16 above, Trust Administration recommends the application of a PIP rather than a project logic at the project level. Our experience with our customers shows that they continue to have difficulties with writing objectives and linking appropriate activities that can show a theory of change.</p> <p>Trust administration therefore believe that the simplicity and intuitive nature of a PIP offers several advantages over a logic when making comparisons across a range of project types including:</p> <ol style="list-style-type: none"> 1. Project level outcomes are directly linked to the overall program level logic, in a simpler easy to understand way. 2. Efforts made by applicants to plan their projects, including scheduling and monitoring activities that directly contribute to achievement of project outcomes are easily displayed and assessed. 3. Showing how adaptive management will be integrated into their project during and beyond its life, including the projects evaluation processes.
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.	<p>Partially Accepted</p> <p>While generally supportive, further consideration of this recommendation is required. Clarification on who the 'likeliness of the project to build capacity' recommendation is targeted at will assist. Is it 'likeliness of the project to build capacity' of the group through applied learning of implementing the project, or is it 'likeliness of the project to build capacity' of the broader community through its activities? Both are potentially desirable, but are achieved through different means.</p> <p>'Capacity to deliver' (including an assessment of an applicant's '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') remains an important assessment criteria for the program, particularly when attempting to manage program and project risk. However, this has the potential to disadvantage new/inexperienced applicants who don't have a solid</p>

No	Recommendation	Response
		<p>track record. A stand-alone stream to support this type of applicant is being considered by Trust Administration.</p> <p>Under the existing system, although not mandatory, applicants that show good collaboration and co-contributions are considered more favourably by the committee. Applicants are encouraged to collaborate with other entities to strengthen projects, manage risk and to engage appropriate expertise in projects. Likewise, co-contributions are not mandatory, however, applicants are encouraged to leverage broader investment from project stakeholders and partners which in turn leads to more effective project outcomes. The success of the current approach is demonstrated by a \$1.65 co-contribution return for each Trust dollar invested in the 2015–16 round.</p> <p>Trust Administration would be reluctant to impose additional requirements to strengthen collaborations and obtain minimum in-kind co-contributions upon applicants at this time. The preference is for applicants to ‘own’ their own projects and make these choices themselves.</p>
<p>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.</p>	<p>Accepted</p>	<p>The assessment of grant applications by a technical review committee (TRC) and the minimum make up of that TRC are statutory requirements outlined in the <i>Environmental Trust Act 1998</i>. Trust Administration currently has procedures outlining the process for determining the make-up and representation of TRCs. Trust Administration will continue to focus on engaging a broad range of TRC members, especially identifying and filling any technical knowledge gaps (e.g. aquatic ecosystems).</p>
<p>20. Consider more rigorous requirements for government applications to demonstrate how projects will build community capacity.</p>	<p>Not Accepted</p>	<p>Not all government projects require or have community involvement (e.g. weir removal projects). It is therefore difficult to include assessment criteria that encourages government projects to build community capacity without disadvantaging applicants whose projects have no practical requirement for this type of involvement to achieve a positive environmental outcome.</p>
<p>Communication</p>		

No	Recommendation		Response
21.	In order to improve feedback from the 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.	Partially Accepted	Trust Administration agrees that timely feedback to grantees is highly desirable.
	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.	Partially Accepted	Trust Administration agrees that more consistent and informative feedback to grantees is highly desirable. Several opportunities are available to improve the quality of feedback provided to grantees, including: <ul style="list-style-type: none"> Continuing efforts to improve the information received from the technical reviewers of progress and final reports (i.e. the recently improved reviewer report template prompting reviewers to provide more detailed, specific and expansive responses from technical reviewers). Continuing the process of increasing the number technical experts from a range of relevant sources (i.e. other government agencies and private consultants).
	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.	Partially Accepted	Trust Administration agrees that strengthening the knowledge of TRC members to build a greater understanding of applicants and their past performances will assist in improving their ability to assess and recommend applications. The Trust is currently developing a new Grants Management System. A specification of the new design will be the ability to capture both technical and governance performance outcomes, which will be made available to technical reviewers.
	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.	Accepted	Trust Administration agrees that feedback to reviewers on how their feedback is applied could result in better outcomes. Detailed guidance is currently being prepared on minimum response expectations from reviewers, along with a process of providing specific feedback to reviewers if minimum expectations are not met in their review reports.

No	Recommendation	Response
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.	<p>Accepted</p> <p>Consideration will be given to determine the most appropriate means to provide feedback to unsuccessful applicants. Two key improvements could be made for the next round of grants:</p> <ol style="list-style-type: none"> 1. Provide a general summary of feedback (i.e. areas completed well and those needing improvement during the funding round could be provided); and 2. Provide more guidance to TRC members to include at least three specific points of feedback for each application with the knowledge that this information will be provided to unsuccessful applicants. <p>Under the current program procedures, all unsuccessful applicants are invited, when advised in writing of their unsuccessful project, to contact Trust Administration to seek feedback on their project.</p>
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.	<p>Accepted</p> <p>Trust Administration views the promoting its programs as an opportunity to increase the Trust's profile within the broader community, engage new customers and promote / share successful environmental outcomes achieved through its funded projects.</p> <p>Trust Administration is currently re-designing its Dissemination Program and this recommendation has been included for consideration as part of the process. It is anticipated that a targeted marketing plan will be developed to reach out to both current and future customers through existing networks and those of strategic partners e.g. Landcare NSW's Local Landcare Coordinators Initiative.</p>
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.	<p>Accepted</p> <p>Introduction of the GMS will provide a significant improvement in capability for the management of meta-data. This will include the creation of a central repository to organise and extract data for fit for purpose analysis.</p>

No	Recommendation		Response
	<p>b. Provide specific guidance for how proponents should measure each specific indicator to ensure consistency and improve quality of the data.</p>	Accepted	<p>Trust Administration recognises the benefits of providing tools that set both minimum quality standards (and expectations) and provide technical guidance for grantees. The success of the '<i>Guide to monitoring ecological restoration projects</i>' document introduced in 2016 has resulted in considerable improvements in the demonstration and tracking of project achievements.</p> <p>Once the program logic is completed and outcomes defined, specific monitoring measures will be formulated to answer a variety of MER questions. For each of the measures devised, detailed guidance will be provided to grantees on how each can be applied to ensure consistency of approach. The Trust may need the assistance of external service providers to identify the most effective methods.</p>
	<p>c. Reduce the number of output indicators to target a few specific and consistent indicators for similar projects. Projects may report unique outcomes indicators as appropriate.</p>	Accepted	<p>It is clear from the report that the Trust must review the number of output indicators employed to measure success of individual projects, and the program as a whole. We must also ensure that those used are meaningful to both grantees (as part of their project monitoring) and for the reporting and analytical purposes of the Trust. It is expected that this will occur once the new program logic has been developed.</p> <p>A key development consideration for the Trust when defining output indicators, will be the selection of project output measures that support meaningful assessment of outcomes at the project level, and then in turn will provide insights into the likelihood of achieving program level outcomes.</p>
	<p>d. Require spatial data to be reported for all project activities.</p>	Accepted	<p>From the next round of the program, inclusion of spatial data will become a mandatory requirement in all applications. Consideration on the level of complexity required will need to be made by Trust Administration based upon:</p> <ol style="list-style-type: none"> 1. access to appropriate software systems 2. technical capability of staff (and time required to reach competency) 3. cost of using the system.

No	Recommendation	Response
		Once determined, guidance on the minimum mapping standards will be provided to applicants to ensure clear and broad understanding of the Trust's requirements.
e.	Revise project categories to reduce overlap and allow for more meaningful assessment of aggregated data.	Accepted Project categories will be reviewed when the program logic is defined.
f.	Ensure that data in the database is quality assured, for instance zero values are only entered where they were reported as such.	Accepted Current tools to collect and manage project measure data use Excel, with zeros often reflecting the presence of a formula rather than non-performance against a measure. After the introduction of the GMS, quality assurance of data will be far easier to manage. Standard data entry rules will be incorporated to ensure data integrity.
23.	Project measures should be reassessed to ensure that those selected targets 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 of the Evaluation Report (Section 4.3) for further guidance.	Accepted This recommendation has been addressed in Recommendation 22c and will be addressed after the definition of the new program logic. However, as with output measures, a small set of common outcome measures for major project types will be designed for each intermediate outcome defined within the logic. This should assist in analysing whether achievement of overall program outcomes has occurred. Further, at the program level, evaluation questions will be defined up-front and relate directly to how key program outcomes/objectives measures will be attained. It is envisaged that by applying an up-front evaluation mechanism, Trust Administration will be ideally positioned to conduct stand-alone informed decision making and thorough application of an adaptive management process.

No	Recommendation		Response
24.	<p>Activity based output measures and project outcome measures should be clearly delineated.</p> <p>Attachment A of the Evaluation Report provides guidance on appropriate selection of these.</p>	Accepted	<p>Trust Administration supports this recommendation for application at the project level. Refer to Recommendation 16 regarding the proposed introduction of a project level PIP that would integrate the contents of this recommendation. The PIP is a project management and planning tool developed by applicants and following a hierarchical method that relates outcomes, activities, monitoring indicators and verifiers to an implementation timeframe. The outcomes proposed in each project would be linked directly to program level intermediate outcomes defined within the program logic.</p>
25.	<p>Project measure data should be routinely evaluated to identify trends and key lessons.</p>	Accepted	<p>It is acknowledged that improving our measures and data quality will also support trend analysis and identification of key lessons. We envisage the new GMS will also help to facilitate this.</p> <p>Consideration will be given on the most effective timeframe to evaluate project measures data. The frequency of which will be determined by the cost of conducting the evaluation, expertise held internally within the Trust and the current level of Trust Administration capacity.</p>
26.	<p>Lessons learned should be readily shared with project proponents and reviewers to enhance institutional learning and add value to the planning and reporting process.</p>	Accepted	<p>Trust Administration intend to address this recommendation through the following:</p> <ul style="list-style-type: none"> • The functionality of the GMS, where data entered from a variety of sources (i.e. grantees, progress report and TRC reviewers etc.) will be collated and lessons learned disseminated in an efficient manner. • The re-designed Dissemination Program is anticipated to play a significant role in disseminating results from projects through multiple networks and delivery methods. <p>It should be noted that the existing dissemination program has been actively doing this for well over a decade.</p>

No	Recommendation	Response
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.	<p data-bbox="1048 248 1167 308">Partially Accepted</p> <p data-bbox="1200 248 2029 587">The implementation of a monitoring program to measure the long-term outcomes of the program would be an important addition given that ecological rehabilitation outcomes occur over periods beyond the three-year timeframe of the majority of projects funded under the program. Three credible options were suggested in the Evaluation Report and further deliberation is required before a final decision is made. The predictive analysis approach in particular appears to have some merit; however, only limited detail was provided in the Report. It is suggested that testing is required to provide proof of concept before any decision on that approach could be considered for adoption. This may take several years.</p> <p data-bbox="1200 635 2029 783">The suggested option to fund small grants to project proponents to carry out periodic monitoring, however, is quite attractive given that the program already utilises grantee collection of monitoring data (citizen science) during the life of Trust funding for their project. Please refer to Recommendation 3 where this option has been explored in detail.</p>
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.	<p data-bbox="1048 807 1167 866">Partially Accepted</p> <p data-bbox="1200 807 2029 927">Trust Administration will consider the most appropriate methods and delivery mechanisms to evaluate project level outcomes. Several options are being considered to monitor delivery mechanisms including:</p> <ul data-bbox="1200 943 2029 1134" style="list-style-type: none"> <li data-bbox="1200 943 2029 1002">• quarantining specific funds for monitoring purposes as part of the maximum amount available under the grant <li data-bbox="1200 1007 2029 1066">• providing an additional sum on top of the approved grant amount specifically for longer term monitoring <li data-bbox="1200 1070 2029 1134">• identifying additional resources to undertake more site visits to validate project outcomes and reporting. <p data-bbox="1200 1142 1738 1174">However, further investigation is still required.</p>

No	Recommendation		Response
29.	Allow flexibility in achievement of outputs where outcomes are not affected.	Accepted	<p>Trust Administration is open to applying flexibility when assessing output variations in situations where project outcomes are not affected. Grant Administrators in most cases possess sufficient delegation to approve these types of amendments. The challenge arises, however, when complex variation requests seek significant changes to outputs and co-contributions (i.e. cash and in-kind) and large movement of funds between budget lines. In many cases this may significantly change the scope of the project and result in a project being considered less value for money and competitive with other unsuccessful projects, than when it was originally assessed and approved.</p> <p>Trust Administration will consider the most appropriate methods to resolve situations where complex variation requests arise and as part of the process will seek advice from the TRC.</p>
30.	The Trust should ensure that MER data incorporates outcome measures for both environmental and social (i.e. capacity building) aspects of the program.	Accepted	<p>Outcomes that incorporate both environmental and social (i.e. capacity building) will become a central component of the new program logic. A variety of measures will be devised for each intermediate outcome to measure and demonstrate achievements for each program objective across short to long temporal timeframes.</p>