

SCCF Outcomes and Economic Evaluation Final Report

Department of Regional New South Wales

21 January 2022

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Glossary, acronyms and abbreviations

Term	Full text
ABS	Australian Bureau of Statistics
BDMs	Business Development Mangers
DRNSW	Department of Regional New South Wales
ECE	Early Childhood Education
ERG	Evaluation Reference Group
FER	<p>Functional Economic Regions (FERs)</p> <p>Regional NSW can be divided into five types of regional economy, based on their underlying geography, population and economic features. These are:</p> <ul style="list-style-type: none"> • Metro Satellite • Growth Centre • Coastal • Inland • Remote.
FTE	Full-time equivalent
KEQs	Key Evaluation Questions
LGA	Local Government Area
NSW	New South Wales
Regional NSW	According to the Department of Regional NSW, 'regional NSW' refers to all the state except the metropolitan areas of Greater Sydney, Newcastle and Wollongong.
RGF	Regional Growth Fund
SCCF	Stronger Country Communities Fund
Social sustainability	Social sustainability refers to a place and a community that is cohesive, proud, safe and healthy. It is about people's quality of life and the strength of a community, and the extent to which a neighbourhood supports individual and collective well-being. (The Berkley Group, 2012)
Social infrastructure	Social infrastructure incorporates the facilities and services that are used for the physical, social, cultural or intellectual development or welfare of the community. These include health-related services, education and training, social housing programs, police, courts and other justice and public safety provisions, as well as arts, culture and recreational facilities.

Acknowledgements

The Department of Regional NSW (DRNSW) engaged Nous Group (Nous) to undertake an Outcomes and Economic Evaluation of Rounds One and Two of the Stronger Country Communities Fund. Nous worked with DRNSW from August to December 2021 to complete the evaluation.

The process involved substantial consultations with regional local council and community member stakeholders and the collection of both qualitative and quantitative data through interviews and data request forms. The valuable input provided by regional local councils and community members contributed to the stakeholder perspectives and data-supported insights that underpin this evaluation. Nous acknowledges and thanks all those involved for their input and support throughout this process.



Acknowledgement of Country



Nous Group respectfully acknowledges Aboriginal and Torres Strait Islander peoples as the First Australians and the traditional custodians of the land.

We pay respect to Elders past, present and emerging in maintaining the culture, country and their spiritual connection to the land.

The artwork above was developed by Marcus Lee Design to reflect Nous Group's Reconciliation Action Plan and our aspirations for respectful and productive engagement with Aboriginal and Torres Strait Islander peoples and communities.

1 Executive Summary

The Stronger Country Communities Fund Rounds One and Two (the SCCF) delivered a range of significant economic and social equity benefits to the people and communities of regional NSW. It also delivered substantial net economic benefits to NSW. These are the overriding conclusions of an Outcomes and Economic Evaluation that included a systematic analysis of the 999 grants, a place-based analysis of the experience of five diverse Local Government Areas (LGAs), with 8-20 projects funded in each LGA, and a cost benefit analysis (CBA), with detailed analysis of a statistically robust sample of 45 projects.

The SCCF was established to deliver social infrastructure projects to regional communities. The focus on social infrastructure is important. Social infrastructure – the community assets that support regional communities to thrive – is central to regional community social cohesion and liveability. Such community assets take various forms – from sporting fields, parks, playgrounds and public pathways to showgrounds, community halls, libraries, museums, art centres, education facilities and community health facilities. In regional communities, social infrastructure is especially important for the multiple roles it provides. A local showground can be a marketplace for farmers, a sporting field for young people and adults, a picnic location, and an emergency coordination point during a disaster. As one community member from Eurobodalla noted, such community assets are the “glue that binds a community together”.

This Evaluation heard countless examples of the positive impact that regional communities across NSW experienced due to new, upgraded or renovated community assets delivered through Rounds One and Two of the SCCF. Upgrades to swimming pools, sporting fields and other sporting infrastructure has seen an increase in physical activity. New or renovated libraries, art centres, theatres and other cultural assets have invigorated community engagement and, in some cases, also helped to activate the local economy. Upgrades to community halls and showgrounds provided communities more appropriate places to coordinate responses to recent bushfires and floods that had such a significant impact on regional NSW in communities. This range of benefits improved wellbeing, resilience and prosperity and also enhanced community pride, connection and ambition.

In many respects, the outcomes outlined above are expected. High quality social infrastructure is crucial to thriving communities. What the findings of this Evaluation demonstrates most clearly is that these outcomes are amplified when communities are empowered to choose the projects that best enhance their local community. On this count the SCCF was a success. The design and delivery of the program allowed regional communities, through their local council, to identify and then deliver localised projects that met the specific needs of each community.

This Evaluation also clearly demonstrates the economic benefits that high quality social infrastructure delivers for all of NSW. A cost-benefit analysis found that the SCCF delivered an estimated net economic benefit to NSW of \$520 million. This is a notable net economic benefit to NSW.

Summary of the key evaluation findings

To elaborate the overriding conclusions outlined above, the seven key findings of this Evaluation across the role, impact and economic benefit of the SCCF are outlined in Table 1 overleaf.

Table 1 | Summary of key evaluation findings

EVALUATION FINDINGS
<p>The Role of the SCCF</p>
<p>The SCCF enabled projects that best enhanced each local community - The minimum funding allocation model for each LGA, and the need for councils to engage with, and demonstrate the support of, local communities supported the choice of compelling projects. The SCCF program’s broad criteria enabled diverse projects across five project categories – sport (46 per cent of funded projects), recreation (21 per cent), community (19 per cent), infrastructure (12 per cent) and environment (2 per cent). The broad criteria also enabled diverse outcomes to be achieved across six outcomes areas – amenity, health, economic, education, safety and security and environmental. The upshot is that the SCCF funded projects best suited to each local community, based on the community’s specific characteristics or localised need. This finding is the most important from this Evaluation. Stakeholders confirmed that it strongly underpins the other key findings. This is a point worthy of emphasis.</p>
<p>New, greater or earlier project benefits were delivered - There is evidence across project types and locations that SCCF funding supported delivery of projects that otherwise would not have been delivered, allowed projects of greater scale (that meant greater benefits for users and communities) and brought forward delivery of projects.</p>
<p>The impact of the SCCF</p>
<p>The SCCF enhanced community pride, connection and ambition - A consistent theme across respondents was that the cumulative outcomes delivered through SCCF projects invigorated peoples’ sense of pride and progress in their location. Projects also created new places to meet and connect, which are so crucial in regional communities. The projects delivered also catalysed new aspirations to further enhance regional communities (through further asset upgrades, including through seeking grants). The collective impacts outlined above reinforce each other. The further impacts outlined below also helped to enhance community pride, connection and ambition.</p>
<p>Projects enhanced community wellbeing, resilience and prosperity - The projects funded supported a range of health, educational and safety outcomes that enhanced community wellbeing. Many projects also enhanced resilience through creating meeting points during times of natural disasters and strengthening the ability of communities to respond to change. Projects also improved regional prosperity when they activated new economic activity and created both construction and ongoing jobs in communities.</p>
<p>Social equity increased across regional communities - Evidence for increased social equity is apparent in how the SCCF increased the amenity of regional towns. This supported greater social equity both across and within regional communities. Many projects improved the quality of infrastructure and services (such as modernising community halls), increased the accessibility of assets (such as better access for people with a disability), or supported greater utilisation of infrastructure and services (such as adding lights to enable night-time sport participation).</p>

EVALUATION FINDINGS

Additional collective benefits differed across LGAs – The presence of multiple projects in a particular location generated additional collective benefits, above and beyond the benefits of individual projects. The collective impact of SCCF projects was noted on community pride, connection and ambition, community wellbeing and resilience and a variety of economic and social equity outcomes. Population density, the geographic dispersion of towns and the resultant spread of projects impacted how LGAs experienced the localised, additional collective benefits of SCCF projects. Additional collective benefits were also seen when a group of projects aligned with broader council strategies.

The economic benefit of the SCCF

The SCCF delivered a substantial net economic benefit to NSW – The net economic benefit of the SCCF is estimated at \$520 million (with a 95 per cent confidence interval of \$429 million to \$604 million), with a benefit cost ratio of 2.0 (with a 95 per cent confidence interval of 1.8 to 2.2). The strong net benefits demonstrate the usage-driven economic value that SCCF projects delivered for regional towns and NSW overall. It also demonstrates the positive return on investment that the NSW Government has achieved through Rounds One and Two of the SCCF.

The evaluation identified some challenges across the project application and delivery stages that impacted project outcomes. Many of these related to capacity or capability gaps within local councils and community groups who had responsibility to deliver projects. Stakeholders also raised opportunities to enhance project outcomes through existing and new approaches to information sharing and collaboration. Sections 4.3 and 5.5 present recommendations that build from these insights. Section 6.5 presents recommendations to better support the outcomes and economic analysis of the SCCF.



2. Background and context

2 Background and context

This Section provides background information on the SCCF. This includes an overview of the Fund and how it supports the NSW Government's and DRNSW's broader strategies for regional NSW. It also provides a short summary of how the SCCF aligns to evidence that supports social infrastructure development in regional areas.

2.1 The SCCF aims to improve the liveability of regional NSW

The Stronger Country Communities Fund (SCCF) is a Regional Growth Fund (RGF) program established in 2017. The RGF is a major \$2 billion NSW Government initiative to grow local economies and improve services in regional NSW. The SCCF's broad objectives align with the NSW Government's *20-Year Economic Vision for Regional NSW* and the commitments under the Premier's Priorities, including building infrastructure and improving service levels in regional areas. The SCCF also supports the objectives of the Regional Development Economic Framework to ensure that all people in regional NSW have access to essential services and infrastructure.

The SCCF is a social infrastructure grants program that aims to improve the lives of regional NSW residents and enhance the attractiveness of these areas as vibrant places to live and work. The program funds small-scale, social infrastructure in regional communities. Social infrastructure incorporates the facilities and services that are used for the physical, social, cultural or intellectual development or welfare of a community.¹ Through the SCCF, the NSW Government has invested in hundreds of projects that have created new community assets and upgraded or renovated existing community assets. This includes sporting fields, parks, playgrounds and public pathways to showgrounds, community halls, libraries, museums, art centres, educational facilities and community health facilities. The provision of such facilities enables citizens from across regional NSW to access the services and amenities they need to live an enriched life.

The regions across NSW vary in experience, strengths, opportunities, and challenges. The diversity of regional NSW therefore is highly pertinent to analysing the SCCF. To take just one of countless distinctions, an SCCF project delivered in Walgett, a small and remote LGA with 30 per cent of its population Aboriginal, will raise different questions to a project in Coffs Harbour, a large and growing coastal city with a more diversified community, population, and economy. The upshot is that the potential for diverse outcomes across regional NSW from SCCF funding is high due to the unique contexts of different communities.

The SCCF has included four Program Rounds to date. Rounds One and Two were initiated in 2016 and 2017 respectively. Round Three was initiated in 2020 and Round Four in 2021. Figure 1 (overleaf) shows the specific outcomes for Rounds One and Two.

¹ Infrastructure Australia, [Infrastructure Australia audit 2019: an assessment of Australia's future infrastructure needs](#). Infrastructure Australia: Sydney, Australia, 2019.

Figure 1 | Outcomes for Rounds One and Two of the SCCF²

ROUND ONE	ROUND TWO
<p>Intended to improve the quality of life for residents in regional NSW communities through improving community facilities such as:</p> <ul style="list-style-type: none"> • Town halls • Recreation areas • Shared pathways • Playgrounds. 	<p>Intended to provide community and sports-related infrastructure to improve the lives of residents and enhance the attractiveness of these areas as vibrant places to live, invest, study and work. Funding was provided to local infrastructure projects such as:</p> <ul style="list-style-type: none"> • Parks • Community halls • Playgrounds • Local amenities.

Rounds One and Two of the SCCF included several design features that are important to note:

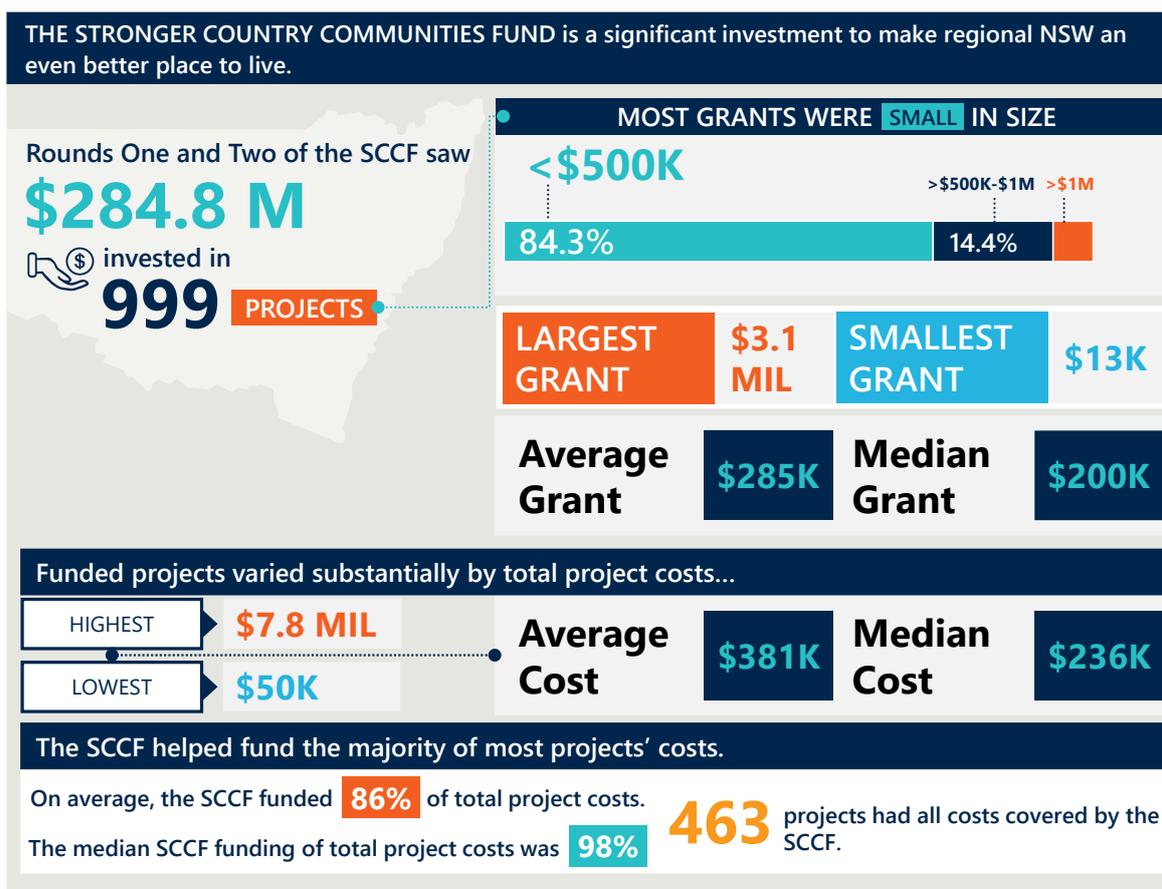
- A minimum funding allocation model that ensured every regional LGA received SCCF funding.
- All grant applications needed to go through the local council, including applications made on behalf of community groups.
- Local councils needed to demonstrate they had completed community consultation to develop the list of proposed projects.
- The application process included a two-tiered approach that provided simpler guidelines for applications seeking smaller grants.
- A combination of themed or targeted allocations that applicants needed to spend on specific infrastructure (sporting infrastructure in the case of Round Two) and flexible allocations that applicants could spend on any eligible project.

These features are referenced through the report in terms of their influence on the outcomes and impact of the SCCF.

Figure 2 overleaf provides an overview of the SCCF investment across Rounds One and Two, including how many projects were funded and the different types of projects funded. The statistics presented in the diagram illustrate the diversity of SCCF funded projects, such as through the range in project size.

² These are the stated outcomes of Rounds One and Two according to DRNSW. It should be noted that Rounds Three and Four are not in scope for this Evaluation. The specific outcomes for those Rounds were: Round Three provided \$100 million for community projects with a least \$50 million targeted for youth-related projects with an increased focus on young people aged 12-24 and a broader scope of eligible projects including programs as well as local infrastructure. Through Round Four, a further \$100 million was available for projects that increase the liveability of regional NSW communities, including \$50 million for projects that enhance female sporting facilities and increase female participation in sport.

Figure 2 | Overview of SCCF Rounds One and Two grants³

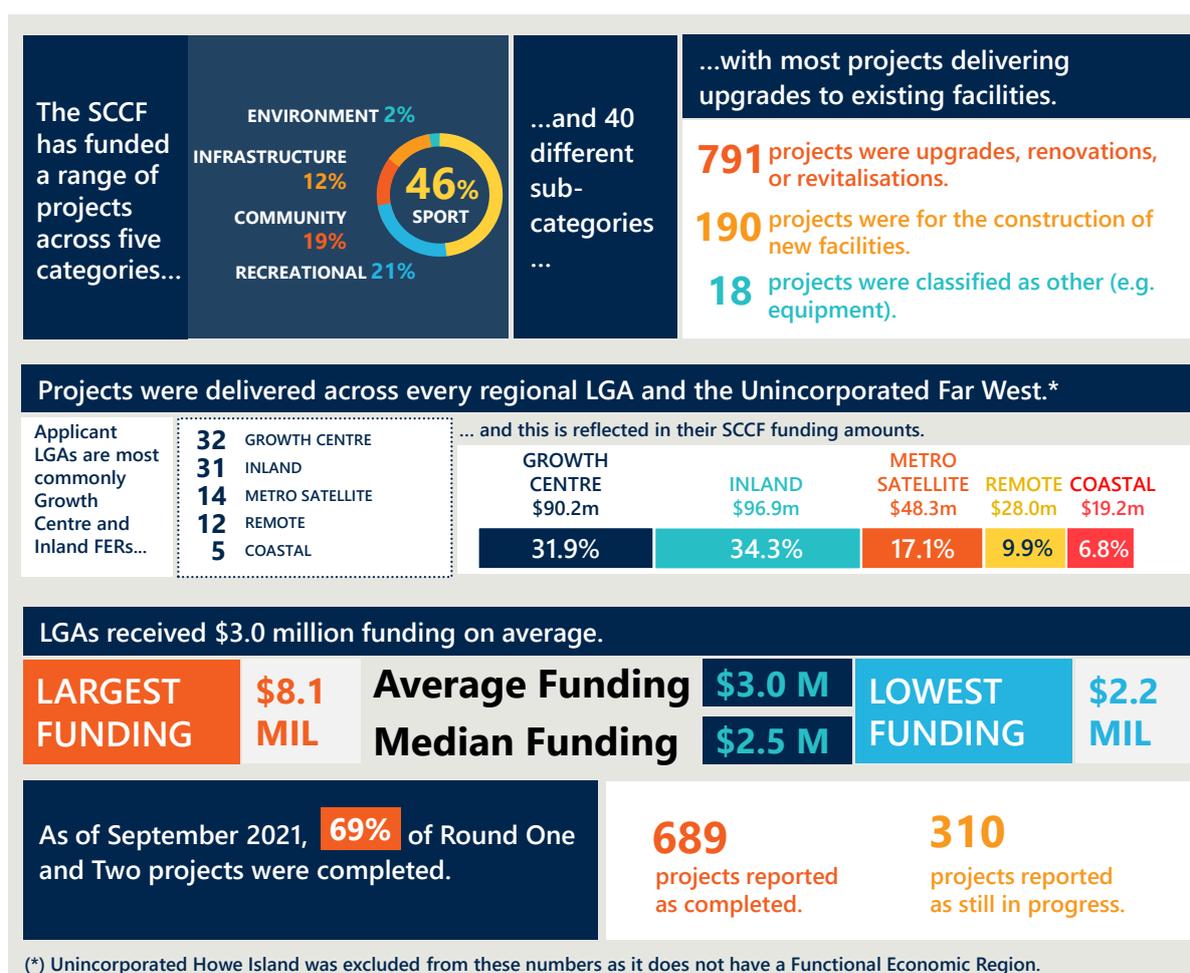


Source: Stronger Country Communities Fund Rounds One and Two program data, Nous analysis

Figure 3 (overleaf) provides a snapshot of SCCF projects and the distribution of both projects and funding across regional LGAs.² The analysis demonstrates the diversity of SCCF projects and the dispersion of projects across LGAs and FERs.

³ The program data for Rounds One and Two was provided by DRNSW. It is likely that the total cost of the projects may be underreported based on data collected through the evaluation.

Figure 3 | Snapshot of the SCCF funded projects



2.2 Social infrastructure is especially crucial in regional areas

The purpose and intended outcomes of the SCCF aligns with the important contribution of social infrastructure to regional communities. Academic research has long highlighted that social infrastructure plays multiple and central roles in regional communities.⁴ This is especially true for smaller, rural farming communities.⁵ Social infrastructure, such as schools, community halls and sporting clubs, provide important places for regional communities to build relationships and sustain community functioning.⁶ These community assets create positive connections and a sense of community and belonging, both of which have been found to be especially important for community sustainability. Evidence also supports a focus on strengthening networks of social infrastructure assets, which are generally small in scale (such as community centres, libraries, local public swimming pools and parks) to deliver broader, significant benefits to the community, the economy and the environment.⁷

Social infrastructure in regional areas provides several important benefits.⁴ These include:

⁴ Infrastructure Australia, 'Infrastructure Australia audit 2019: an assessment of Australia's future infrastructure needs'.

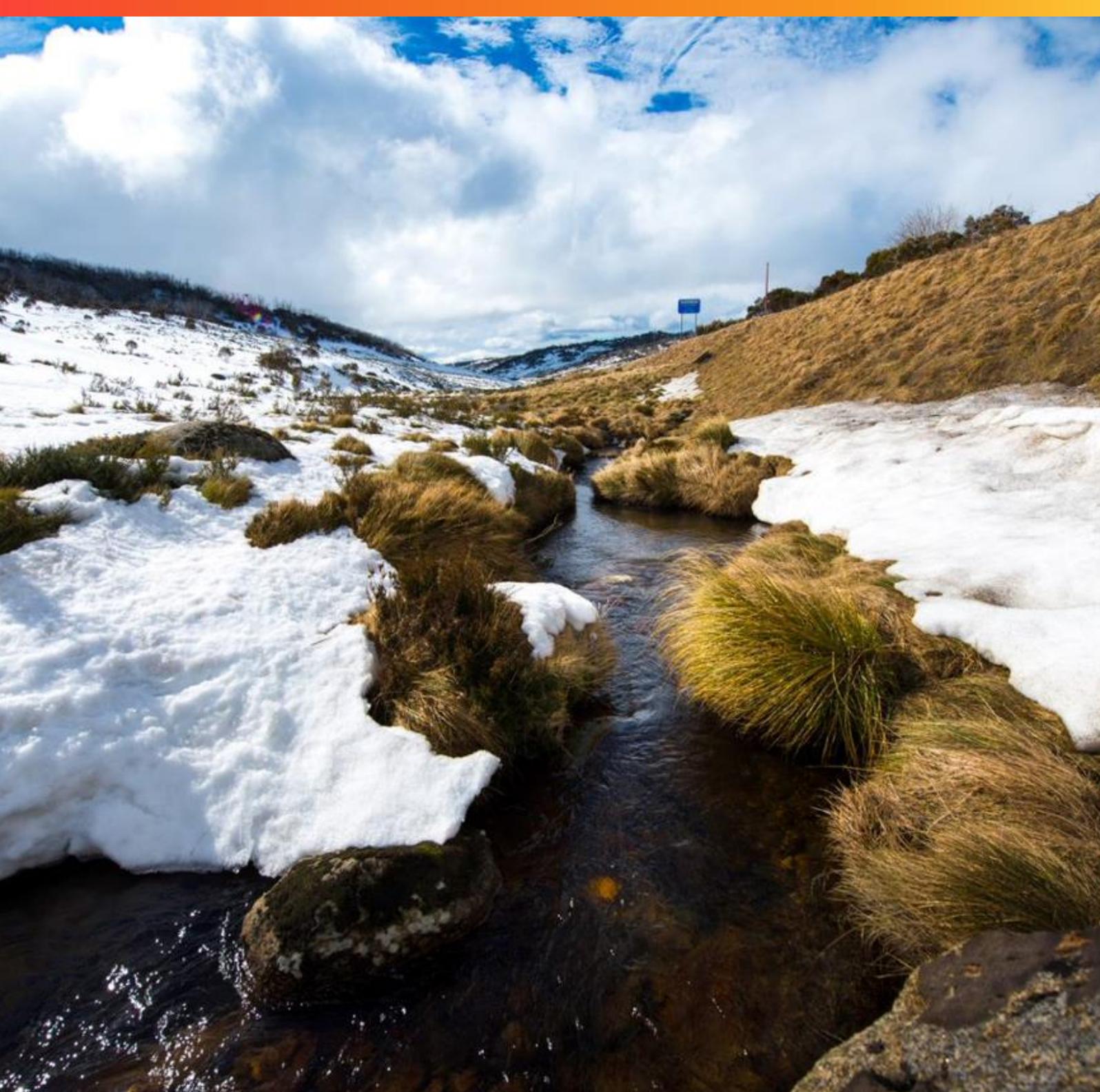
⁵ Regional Australia Institute, [Social Infrastructure](#), Regional Australia Institute Website, 2016.

⁶ D Maybery, R Pope, G Hodgins, Y Hitchener & A Shepherd, 'Resilience and well-being of small inland communities: community assets as key determinants', *Rural Society*, 19:4, 326-339, 2009, doi:10.5172/rsj.351.19.4.326

⁷ S Teriman, T Yigitcanlar & S Mayere, [Social infrastructure planning and sustainable community: example from south east Queensland, Australia](#) [Conference Proceedings], Business and Social Science Research Conference 2011, 2011, 1-12.

- supporting the quality of life and wellbeing of communities
- contributing to social identity, inclusion and cohesion
- improving the liveability of regional communities
- fostering community resilience in times of stress, such as natural disasters.

These benefits are reflected in the intended outcomes of the SCCF. Appendix F provides more detail on the evidence that outlines the role of social infrastructure in regional towns.



3. About the evaluation

3 About the evaluation

This Section provides background information to the evaluation. This includes a general overview of the evaluation, key elements of the evaluation approach and key project constraints.

3.1 An Outcomes Evaluation and Economic evaluation was conducted

This Evaluation incorporated an Outcomes Evaluation and an Economic Evaluation. The primary purpose of each component is detailed below:

- **The Outcomes Evaluation** aimed to assess the impact of Round One and Round Two of the SCCF. The Evaluation explored the social and economic, intended, and unintended, direct and indirect impacts of the SCCF. The Evaluation also reviewed what factors supported or hindered the achievement of program outcomes and the overall impact of the SCCF.
- **The Economic Evaluation** aimed to assess whether the investment through the SCCF has delivered net economic benefits for NSW. It investigated the total economic benefits of SCCF Round One and Round Two projects and compared this to the economic costs of the fund.

The Evaluation developed overall findings from a triangulation of data from both the Outcomes and Economic Evaluation and a review of program-wide data. The Evaluation only assessed process elements, such as the efficiency of program delivery, where those elements had a significant impact on the outcomes of the program. A secondary purpose of the Evaluation was to support continuous improvements to SCCF program quality and efficiency. The Evaluation builds from the SCCF Round One and Round Two Process Evaluation, which reported findings in February and March 2021.⁸

3.2 A fit-for-purpose, robust evaluation approach was used

The evaluation approach was designed and delivered in line with the *NSW Government Program Evaluation Guidelines*⁹ and the *NSW Government Guide to Cost-Benefit Analysis*.¹⁰ The evaluation approach was tested and confirmed with the Evaluation Reference Group (ERG), a collection of key stakeholders from across DRNSW.

There were five key features of the evaluation approach:

- **The SCCF Program Logic and Key Evaluation Questions:** The overall approach to the Evaluation builds from the Theory of Change and Program Logic that DRNSW developed for SCCF Round One and Two (see Appendix C.1). The approach also draws on standard Key Evaluation Questions (KEQs). The KEQs are specified across four evaluation domains: effectiveness; efficiency; appropriateness; and economic (see Appendix C.4).
- **Program level data analysis:** Program level data analysis was first conducted to understand the characteristics of the projects funded through SCCF Rounds One and Two. This included the number of completed projects, the size of the SCCF grants, the total cost of the projects, and the number of

⁸ NSW Department of Premier and Cabinet, [Stronger Country Communities Fund Rounds 1 and 2 interim process evaluation](#), P&C website, 2021; NSW Department of Premier and Cabinet, [Stronger Country Communities Fund Rounds 1 and 2 final process evaluation](#), P&C website, 2021.

⁹ NSW Department of Premier and Cabinet, [NSW government program evaluation guidelines](#), P&C website, 2016.

¹⁰ NSW Treasury, [NSW Government Guide to Cost-Benefit Analysis \(TPP17-03\)](#), NSW Treasury website, 2017.

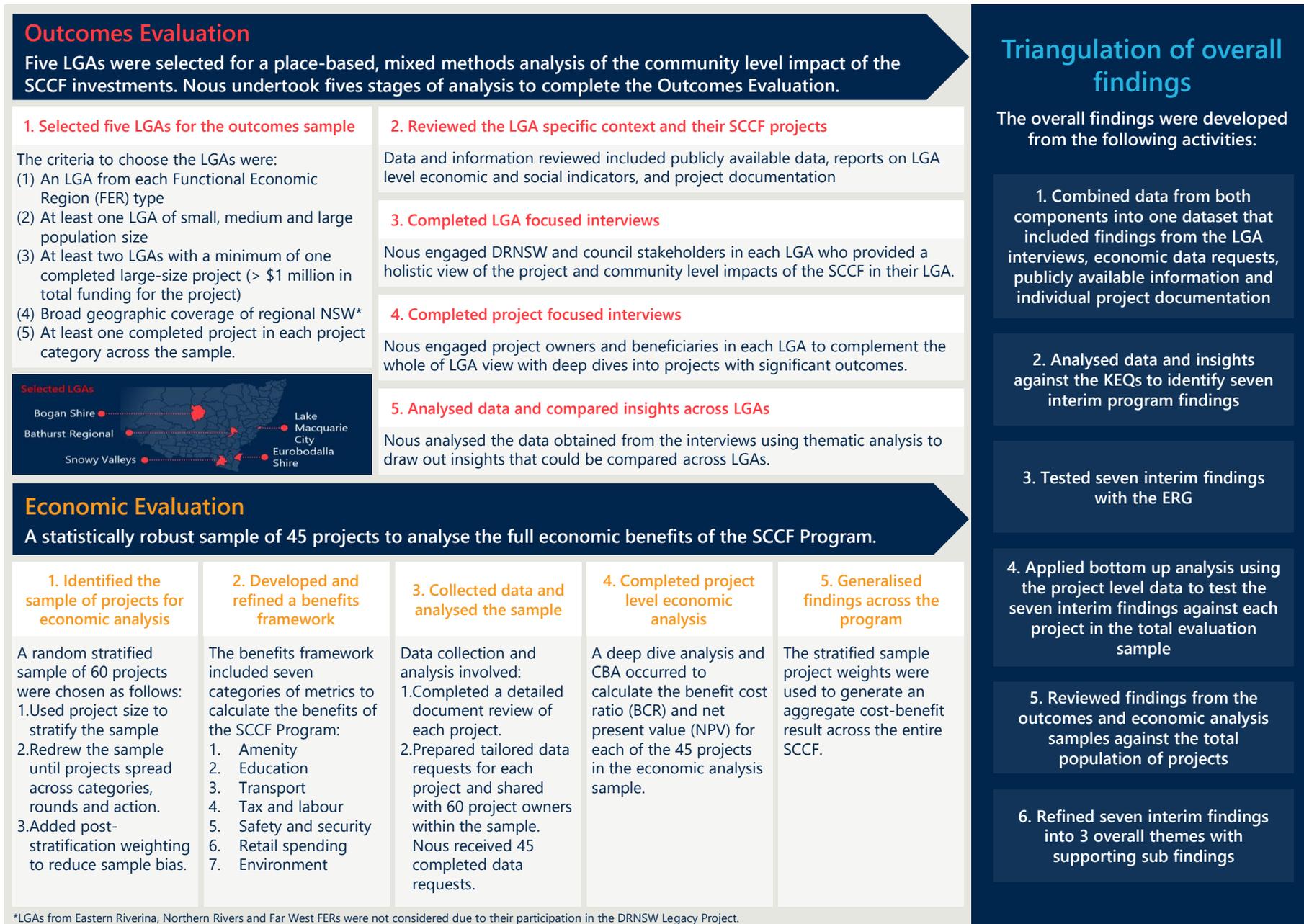
projects by the different project categories and subjects that DRNSW identified. Nous used the program level data analysis as an input into the sampling approach for both the Outcomes Evaluation and the Economic Evaluation (described next).

- **A robust sampling methodology:** Sampling was important as a detailed review of the 999 projects was not feasible within the scope of this Evaluation. In consultation with the ERG, separate samples for the Outcomes and Economic Evaluations were confirmed. For the Outcomes Evaluation, Nous and DRNSW used purposive sampling with strict criteria to choose five representative LGAs (n=71 projects). The sample of five LGAs included one LGA from each Functional Economic Region (FER) type - Coastal, Growth, Inland, Metro Satellite and Remote.¹¹ The aim of this approach was to support a place-based assessment of the SCCF's impact on regional communities. A random, stratified sample of 60 projects (with a target response rate of 45 projects) was selected for the Economic Evaluation. This approach enabled the Evaluation to develop strong statistical inferences on the overall value of benefits and costs for the entire SCCF. The data collected for the Economic Evaluation was also used to inform the findings for the Outcomes Evaluation, which incorporated findings from 116 SCCF projects.
- **Mixed-methods data collection:** Nous used a range of data sources and collection methods to answer the KEQs. This included DRNSW-sourced data and documentation on the SCCF program, grant recipient-sourced data collected from local councils and secondary research that included a review of literature on social infrastructure, social and economic outcomes datasets and publicly available sources. Nous undertook primary research through interviews with key stakeholders across the five selected LGAs. Interviewees included council workers (n=11), employees from the DRNSW Regional Network (n=9), and direct project beneficiaries (n=22).
- **A realist evaluation lens to understand how, why, for whom, and under which conditions the SCCF achieved its intended outcomes.** Nous triangulated findings across both evaluations with a realist lens. This approach allowed the evaluation team to acknowledge that the experience of the SCCF was likely different for every community due to their unique circumstances and context.

Figure 4 (overleaf) summarises the evaluation approach, including the sampling methodology and data collection, synthesis and triangulation activities.

¹¹ Functional Economic Regions (FERs) are collections of Local Government Areas that have been grouped together to develop Regional Economic Development Strategies (REDs). The REDs are used to provide a clear development strategy for the region and guide government investment in regional NSW. Each FER is categorised as one of five types: Coastal, Growth, Inland, Metro Satellite, or Remote. Source: Department of Regional NSW, [Regional Economic Development Strategies](#), Department of Regional NSW website, accessed 13 December 2021.

Figure 4 | Evaluation methodology



3.3 Key project constraints should be noted

The constraints on the evaluation scope, and quality of available data, present the following four limitations which should be kept in mind when reviewing the insights of this Evaluation.

1. There is inconsistent project outcomes data

In completing the project acquittal forms, grantees were required to identify project outcomes and nominate metrics to validate the benefits. The SCCF did not require applicants and project managers to measure or report outcomes data post project completion. The evaluation developed a tailored data request form for the Economic Evaluation to overcome this limitation. This limitation was less of an issue for gated projects that could draw on admission data to quantify usage. Non-gated community assets - such as upgrades to walkways or cycle paths - often relied on point-in-time measurements or estimates based on anecdotal evidence.

2. The impact of COVID-19 makes it harder to discern the long-term benefits

COVID-19 had a significant impact on most projects assessed as part of the evaluation. The extent to which social distancing and lock-down restrictions impacted project usage varied across LGAs. Almost 60 per cent from the place-based outcomes sample and 50 per cent from the economic analysis sample were completed after November 2019. This meant many stakeholders provided estimates of project usage to abstract from the short-term impact of COVID-19. Such estimates need to be treated cautiously. The full, long-term impact of many assets should be reassessed as the pandemic recedes and life returns to normal across NSW.

3. The project sample was biased to completed projects

A key objective of this Evaluation was to measure the impact of the SCCF projects that had been completed. This meant the sample used in the evaluation was biased to projects and LGAs with a greater portion of projects completed. The economic analysis sample only included projects that had been completed for at least 12 months (n=605). The criteria for LGA selection also included consideration of the number of completed projects in an LGA. It is possible that projects that have taken longer to complete may deliver smaller benefits than projects already completed, due to challenges through the delivery phase.

The evaluation did not involve any engagement with unsuccessful applicants or examine if projects not funded by SCCF Rounds One and Two have subsequently been delivered.

4. The sample size has led to large confidence intervals

Of the 999 projects funded in Rounds One and Two of the SCCF, 60 projects were selected for the economic analysis sample and 73 projects were included in the place-based outcomes sample.

The economic analysis sample was reduced to 45 as 15 of the identified projects did not provide the requested data. The sample size means the 95 per cent confidence interval for the economic findings is roughly plus or minus 15 per cent. It was agreed that this confidence interval was acceptable given the:

- constraints of the evaluation
- variation in size of benefits and costs of individual grants under the SCCF
- robust statistical method used to generate the sample.

The main method to substantively reduce the size of confidence intervals is to increase the size of the sample; for example, a sample of 200 projects would have around half the confidence interval width of a sample of 45 projects. As noted, it was not feasible to review such a quantity of projects.

The place-based outcomes sample was restricted to one LGA per FER type. This resulted in an oversampling of remote, coastal and metro satellite and an under-sampling of inland and growth centre LGAs. To mitigate against this limitation, the evaluation also considered the full sample of projects for the Economic Evaluation as part of the Outcomes Evaluation. This extended the number of FERs and LGAs considered in the Outcomes Evaluation to support the synthesis of findings across the entire population of SCCF projects.



4. The role of the SCCF

4 The role of the SCCF

The NSW Government expects grant programs to have a clear reason for government action. The two main reasons for government action are to:

- improve allocation of resources if there is a market failure
- promote equity where the distribution of economic costs and benefits is considered inequitable.

On the first reason, grants programs best improve the allocation of resources when they fund the right projects. This involves supporting projects that will provide a positive impact for residents and citizens, with the positive impact more likely due to government support.

On the second reason, grants programs can promote equity through funding recipients unable to fund projects from other sources. This could be through their own capacity (such as existing revenue) or through other funding programs (principally Australian government grants programs).

On both counts the SCCF has met NSW Government expectations. The SCCF:

- used an innovative approach, which entailed broad criteria coupled with an LGA allocation and project identification model, to drive selection of projects that best enhanced each local community
- resulted in new, greater or earlier project benefits through appropriately targeted government funding.

The two findings are detailed further in this Section. An overall theme should be considered alongside these findings. In the assessed sample of projects, there was no evidence, either through the stakeholder interviews or the data request forms, that the SCCF funded inappropriate or unworthy projects. It is not possible to conclude such for the entire population of SCCF projects. However, the positive response across the assessed sample of projects is a significant finding for a grants program of this size and diversity.

4.1 The SCCF enabled projects that best enhanced each local community

A key feature of the SCCF is that it funded projects best suited to each local community, based on its own specific characteristics. This is consistent with the literature review – regional grant funding delivers maximum value when regions identify their own issues and priorities to address local challenges and leverage their local context.¹² The literature highlights that local intelligence is also crucial during project delivery. Stakeholders with knowledge of the local context, conditions and potential opportunities are considered key to the relative success of project outcomes.¹³ The strong feedback received from stakeholders in this Evaluation suggests that the localisation of SCCF projects led to other key findings. This is a point worthy of emphasis.

There were two key drivers of the SCCF's ability to enable projects that best enhance each local community:

- the funding and selection model promoted community agency
- broad criteria enabled diverse projects and outcomes.

These are addressed in turn.

¹² The Local Government Association of Queensland, [LGAO policy statement 2020](#), Local Government Association of Queensland website, 2020.

¹³ C Baldwin & L Stafford, 'The role of social infrastructure in achieving inclusive liveable communities: voices from regional Australia', *Planning Practice & Research*, 34(1), 2019, doi: 10.1080/02697459.2018.1548217.

4.1.1 The funding and selection model promoted community agency

A key innovation of the SCCF grants program was to provide both certainty of funding and community agency for project choice to regional communities. These two features of the SCCF are crucial to understand the broader impact of the SCCF. Each is outlined in more detail below.

The LGA funding allocation model gave regional communities certainty. The purpose of this model was to provide a baseline of funding to all regional LGAs. The SCCF allocation model included weightings for population and remoteness. An important feature of the model was to provide all LGAs a minimum allocation of funding.

The result of the allocation model was the distribution of funds to every regional LGA in NSW and the Unincorporated Far West. As noted in Section 2, every LGA received at least \$2.2m across both Program Rounds. This translated to at least four projects delivered in every LGA.

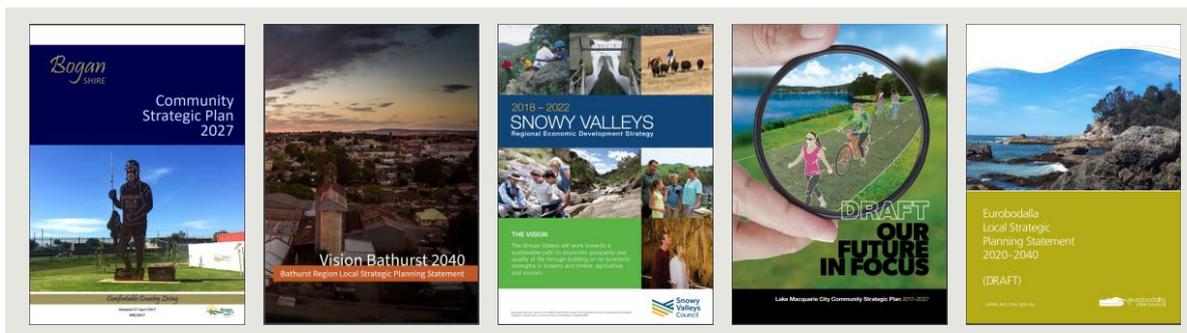
Every council engaged in the evaluation identified this approach as a strength of the SCCF compared with other socially focused grants programs. Removing the competitive element between regional LGAs gave smaller and more remote LGAs guaranteed access to funding. This meant that the SCCF supported projects in LGAs that had clear need though previously could not access funding support. These themes were also supported in the recent parliamentary enquiry into the integrity, efficacy and value for money of NSW Government grant programs.¹⁴

The SCCF gave local communities agency to identify what projects would best enhance their local community. The project identification process encouraged local councils to collate lists of projects for SCCF funding. A key expectation was that the local council engaged the community to develop the list of potential projects. The NSW Government also completed representative Choice Modelling surveys of local community members around each proposed project to determine the relative community preference for each project.

This bottom-up approach allowed local councils to identify a range of projects that addressed both the broader needs of the entire LGA and the specific needs of individual towns. This was especially useful for LGAs with geographically dispersed populations. The flexibility of project selection also enabled local councils to align projects with their specific strategies and plans for community development. Each council that was engaged suggested this enabled the SCCF to deliver an equitable share of benefits across their LGA.

Each of the five councils in the outcomes sample considered different project selection approaches – such as total cost, equity considerations or alignment with council strategies (see Figure 5) – depending on their local area needs. Restricting the size of eligible projects in one LGA caused selected projects to be clustered within the main population area. Three councils each used the flexibility of project selection to spread SCCF projects across their LGAs. A by-product of this strategy was that successful projects in one town or village motivated residents of other towns or villages in the same LGA to advocate for those projects to be delivered in their town or village (this is further explored in Section 5.1.3).

Figure 5 | Local council community and economic strategies.



¹⁴ Public Accountability Committee, *'Integrity, efficacy and value for money of NSW Government grant programs'*, NSW Legislative Council, Report 8, 2021.

4.1.2 Broad criteria enabled diverse projects and outcomes

The SCCF provided proponents with broad criteria within which to propose their projects. SCCF Round One Guidelines simply specified that projects must improve local infrastructure – ‘the kind that improves the lives of local residents’.¹⁵ The SCCF Round Two Guidelines were both more targeted and broader than the Round One Guidelines. SCCF Round Two:

- introduced more specific criteria with half the funding allocated to sporting infrastructure
- expanded the scope of eligible local infrastructure projects to include place making and street beautification alongside community and sporting infrastructure
- expanded eligibility to include projects less than \$100,000 and higher than \$50,000.

Table 2 below compares the project criteria for SCCF Rounds One and Two.

Table 2 | Comparison of project criteria for SCCF Rounds One and Two

	SCCF Round One	SCCF Round Two
Project size	>\$100,000	>\$50,000
Special requirements	None	50 per cent of funding must be committed to projects that support local sporting infrastructure
Project criteria	<p>Projects that improve local infrastructure. Examples include:</p> <ul style="list-style-type: none"> • building new community facilities to be shared by all within the community — such as parks, playgrounds, walking or cycle pathways • refurbishing existing local facilities — such as schools and health centres, community centres, libraries • enhancing local parks and the supporting facilities — such as kitchens and toilet blocks. 	<p>Projects that deliver local community infrastructure or sporting facilities. Projects must be for:</p> <ul style="list-style-type: none"> • construction of new or refurbishment/upgrade of existing community infrastructure such as community halls, playgrounds or toilet blocks • construction of new or refurbishment/upgrade of existing local sporting infrastructure such as change room facilities, walking and cycle pathways, public pool upgrades, indoor sports facilities or oval/court lighting • capital works related to street beautification and public ‘place making’ such as murals, planter boxes or town and tourism signage.

All council stakeholders and many community members interviewed through the evaluation thought the project criteria across Rounds One and Two were broader and more flexible than other similar NSW Government and Australian Government grants programs. This approach had two important consequences for the outcomes and impact of the SCCF.

The SCCF supported a diverse set of localised projects. The SCCF funded 40 different types of projects across the five project categories. The diversity of projects can be evidenced by the more unique projects, such as: improving airport infrastructure for firefighting aircraft in Cootamundra; building a retail and recycling facility in Broken Hill; and constructing a pontoon and wharf as an addition to the Tooleybuc Mensforth Park.

¹⁵ NSW Government, ‘Stronger Country Communities Fund Program Guidelines’, 2017.

Even across the more common project types, such as upgrades to sporting facilities, there was significant project diversity. There were 69 projects to improve swimming pool facilities. The diversity across those projects is evidenced by the range of improvements, see Figure 6 below.

Figure 6 | Diversity of project aims for swimming pool facilities in Rounds One and Two

<p>Shade structures, fencing and/or seating to improve the amenity of the pool area</p>	<p>Heating mechanisms to improve water temperature and accessibility</p>	<p>Large outdoor water parks or children splash pools to increase the recreational value of the asset</p>
<p>Hydrotherapy pools, gyms and other complementary assets to promote better health</p>	<p>Structural integrity updates to meet NSW Health and Safety standards</p>	<p>Accessibility features, such as family change rooms, hydraulic lifts and accessible toilet amenities, to allow more people to enjoy the facility</p>

The small minimum project size also enabled the SCCF to support localised solutions in small regional towns. There were over 150 projects that cost less than \$100,000. Both council and community stakeholders commented that **such projects could have a similarly significant impact on regional towns as larger projects**. Smaller projects were also more likely to have not occurred without SCCF funding (explored further in Section 4.2.1).

The diverse set of localised projects led to a broad range of outcomes. The evaluation identified six outcome areas related to SCCF projects, see Figure 7.

Figure 7 | Outcome areas of SCCF projects

	Amenity delivered through improved quality of and access to facilities and services across regional LGAs.
	Physical and mental health outcomes created through the increased use of new, upgraded or renovated sporting and recreational assets such as walkways, cycle paths, sporting fields and swimming pools.
	Economic outcomes generated through increased employment during and after construction, increased tourism expenditure and increased economic activity around activated assets such as community halls, theatres, galleries and main streets.
	Educational outcomes achieved through new or upgraded early childhood and school facilities that improved the quality and accessibility of education programs.
	Security and safety outcomes produced through community revitalisation that reduced anti-social behaviour and improvements in the safety of various assets.
	Environmental outcomes delivered through more energy and water efficient assets.

Source: *Nous analysis*

The SCCF's enablement of projects to best enhance each local community underpins this range of outcomes. Section 5 provides more detail on the impact of the SCCF, including describing and quantifying the outcomes that SCCF projects achieved. Section 6 outlines how these outcomes resulted in significant economic benefits for NSW.

4.2 New, greater or earlier project benefits were delivered

A key finding of the SCCF Process Evaluation was that the SCCF had funded many social infrastructure projects in regional NSW that otherwise would not have been built.¹⁶ The SCCF also significantly improved the scale or brought forward the delivery of other planned projects.

Evidence from this Evaluation overwhelmingly supports this finding. Furthermore, the SCCF unlocked:

- new benefits due to its support of projects that would not otherwise have been built
- greater benefits when it significantly improved the scale of planned projects
- earlier benefits when it helped to bring forward the delivery of planned projects.

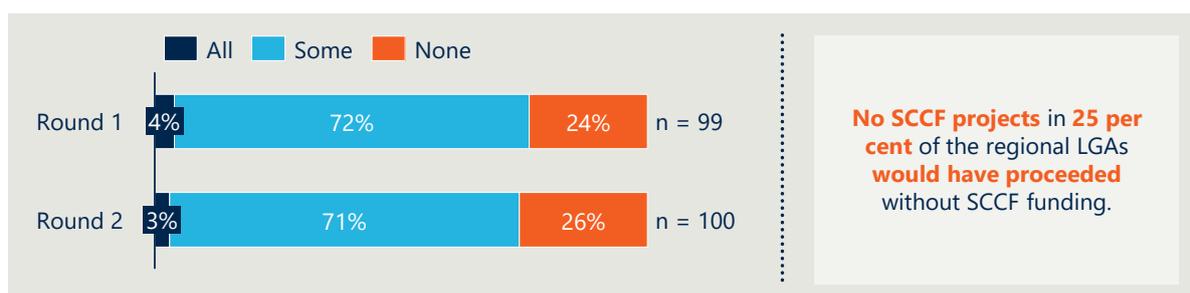
This Section discusses each of these findings in turn.

4.2.1 New benefits came from projects that would not have otherwise occurred

The SCCF helped local councils and community groups to unlock new benefits through the support of projects that would not have happened without the SCCF. Four findings, outlined below, support this finding.

Nearly all regional councils were supported to deliver projects that would not have otherwise occurred. In the SCCF Process Evaluation over 95 per cent of survey respondents from 92 local councils identified that none or only some of their projects would have proceeded without SCCF funding. It is noteworthy that 25 per cent of respondents stated that no SCCF projects would have proceeded in their LGA without SCCF funding (see Figure 8).

Figure 8 | Would you have proceeded with these project(s) without this funding?



Source: *Stronger Country Communities Fund Rounds One and Two Final Process Evaluation*

SCCF projects were 'below the line' projects that local councils could not fund without external funding. This point was made by council staff in all five LGAs. The point was especially emphasised by smaller and more remote LGAs. For example, Bogan Shire Council highlighted that none of their projects would have proceeded without SCCF funding. Several council staff from Snowy Valleys Council highlighted that they simply did not have the financial capacity to deliver significant upgrades to local amenity.

¹⁶Strategy & Delivery Group: Economics Branch, [Stronger Country Communities Fund Rounds 1 and 2 Final Process Evaluation](#), NSW Department of Premier and Cabinet, 2021.

Community groups in regional areas struggle to upgrade or develop new facilities, let alone maintain their existing facilities. This was emphasised by community stakeholders from each LGA, noting its relevance for both community owned and council owned facilities. Three community groups from Bathurst Regional Council highlighted that the revenue they generated was only able to have 'kept the lights on' and did not provide opportunities to upgrade or expand facilities. A sporting club in Bogan Shire Council shared that they applied for grants to upgrade the lights at Larkin Oval for over fifteen years without success. This theme was repeated in consultations with community groups from across every LGA.

Significant economic benefits would remain unrealised if not for the SCCF. More than 60 per cent of respondents in the economic analysis sample noted that the projects, and the outcomes and benefits those projects achieved, would not have occurred without the SCCF (see Figure 9). The outcomes of these projects included higher quality amenity, improved health and safety, additional travel savings, and increased access to childcare. In total, these projects accounted for 84 per cent of the total benefit accrued within the sample of 45 projects.

Figure 9 | Benefits realised from projects in the economic sample that would not have occurred



Source: *Nous analysis*

4.2.2 Greater project scale increased benefits

Four insights underpin the finding that the SCCF played an important role to unlock greater project benefits through the increased scale of planned projects.

Funding allowed greater scale and benefits. In the SCCF Process Evaluation, more than 70 per cent of survey respondents confirmed that the funding enabled them to increase the scale of the infrastructure they built.¹⁷ The Outcome Evaluation revealed several projects that would not have reached their intended scale without a co-contribution from the SCCF. In several cases the SCCF co-contribution not only increased the scale of the project but also played a critical role to support the project to go ahead at all.

One example is the new clubhouse at the John Matthew Tennis Centre in Bathurst. Stakeholders highlighted that the SCCF co-contribution was critical to both ensure the project was delivered at its intended scale and get the project off the ground. Nine out of the 45 data requests in the economic analysis sample also noted the SCCF helped to increase the scale of projects to realise larger benefits. For example, Cessnock City Council noted that SCCF funding significantly improved the scale of the new park under construction (and enabled faster delivery). This resulted in a larger and more diverse facility for different user groups.

The SCCF co-contributed to 536 projects, which leveraged over \$96 million in funding from other sources. This number likely underreports the total co-contribution that the SCCF attracted from local councils and other sources. Over 75 per cent of projects in the economic analysis sample highlighted that they had made a co-contribution above the reported financial co-contribution. This included funding cost-overruns, providing more FTE support to manage the project than budgeted or receiving in-kind support. In these projects, the SCCF co-contributed approximately \$1.36 for every \$1.00 that was funded by councils (as shown below in Figure 10).

¹⁷ Strategy & Delivery Group: Economics Branch, [Stronger Country Communities Fund Rounds 1 and 2 Final Process Evaluation](#), NSW Department of Premier and Cabinet, 2021.

Figure 10 | SCCF co-contribution to capital costs compared with estimated economic costs



Source: Nous analysis

Councils added significant features to planned projects that were not possible without SCCF funding. This was a strong theme in consultations with council stakeholders across all five LGAs. As noted earlier, each local council highlighted that they had limited funds to spend on social infrastructure and often settled for what they could afford. Some data requests in the Economic Evaluation also stated without the SCCF funding, the Council would have only funded the more crucial components of some projects.

One example is the Coolamon community hall upgrade. Coolamon Shire Council noted that without SCCF funding they would have limited the upgrade to safety elements. The SCCF enabled the council to increase the scale of the upgrade to include air conditioning, a new storage area, and general amenity upgrades throughout the hall.

Funding allowed proponents to safeguard against under-scoped projects. In the Outcomes Evaluation consultation, only four out of 42 respondents suggested that SCCF projects were under-scoped. In three of those cases, respondents said this was a consequence of limited procurement experience on the part of the proponent, and for such projects the scope was revised to ensure projects fully met the needs of users and local communities. None of the Economic Evaluation data responses for the suggested projects were under-scoped. There was no feedback (though both the Outcomes Evaluation and Economic Evaluation) that projects had been over-scoped, i.e. incorporating features that have not been utilised.

4.2.3 Benefits were delivered earlier

The SCCF enabled local councils to bring forward the delivery of several planned projects. Bringing forward projects allowed regional communities to realise the benefits of those projects sooner than planned. Three findings support this insight.

Most regional councils stated that SCCF funding allowed them to bring forward project delivery. Over 80 per cent of survey respondents in the SCCF Process Evaluation answered that SCCF funding had allowed them to bring forward the development of their projects. The speed with which projects were brought forward was evenly split, with the largest proportion stating that the funding had brought projects more than four years forward (see Figure 11).

Figure 11 | By how many years were these project(s) brought forward?



Source: *Stronger Country Communities Fund Rounds One and Two Final Process Evaluation*

Other priorities often delayed SCCF projects even when included in the forward delivery pipeline.

Consultations with all five local councils in the Outcome Evaluation, and some data requests in the Economic Evaluation, revealed that other core infrastructure priorities, such as roads and bridges, will always take priority, significantly delaying the delivery of social infrastructure projects. This was particularly true for smaller projects. This finding highlights the appropriateness of the SCCF objective to support social infrastructure. One council member commented that they only had the funding capacity to maintain most community assets rather than upgrade or renovate. Another council stakeholder highlighted that the SCCF had allowed them to deliver upgrades to lighting at three ovals across three towns in their LGA within two years. Without the SCCF or similar funding council would have delivered these projects across closer to six years.

Without SCCF funding many SCCF projects would have been dependent on other grant funding. Almost all the projects in the economic analysis sample that were brought forward due to SCCF funding would have relied on alternative grant programs had they not received the funding. Only 20 per cent of project owners in this sample were willing to use their own capital funds (separately or in combination with other grants) to deliver the project. This theme was also reflected in many stakeholder interviews across the five LGAs.

4.3 Applicants can be better supported

Stakeholders were overwhelmingly positive about the eligibility and application process (as outlined above). This builds from the findings of the SCCF Process Evaluation, which highlighted that 'program eligibility and application assessment procedures were clearly and effectively communicated to councils'.¹⁸ Stakeholders did identify two challenges at the application stage that if addressed could better support applicants to achieve intended project outcomes. These are:

- **Short application timelines or low procurement capability meant community stakeholders under scoped or engaged second or third choice contractors.** Five stakeholders across three LGAs highlighted this challenge. One stakeholder reflected that meeting the application timelines meant they engaged a contractor that negatively affected project quality, which may have long-term impacts on the project's outcomes. Another stakeholder highlighted that a community group had not scoped their project correctly at the application phase. This led to project delays and cost-overruns that meant the community was yet to realise any benefits from the project.
- **Community group applicants find the process of applying to multiple grants programs for the same project time consuming.** This was a broader comment from stakeholders about the various grants programs that they had applied to alongside the SCCF. This was a particular challenge in areas where volunteer time was stretched due to emerging priorities, such as responding to natural disasters. Stakeholders identified a risk that applicant fatigue may mean some worthy projects are not presented for funding through the SCCF. One stakeholder suggested that local councils could collaborate with community groups to develop a dynamic register of eligible projects for grants programs. This would mean community groups only need to apply once to have their project assessed to join the approved list. The list could then become a source of projects for a wide range of grants programs.

Stakeholders also identified two opportunities to connect applicants with each other and foster ongoing collaboration between local councils and community groups. These are:

- **Collaboration between applicants of like or adjacent projects within the same LGA may support better project outcomes.** An opportunity supported by multiple stakeholders was for the local council or DRNSW to broker collaborations between applicants when there is overlap between like projects or an opportunity to enhance project outcomes for adjacent projects.

¹⁸ Strategy & Delivery Group: Economics Branch, [Stronger Country Communities Fund Rounds 1 and 2 Final Process Evaluation](#) NSW Department of Premier and Cabinet, 2021.

- **Continued strong engagement and support from local councils for applications from community groups may strengthen the likelihood that projects best enhance each local community.** Several community groups engaged in the evaluation had applied for SCCF funding in subsequent rounds. Each of these stakeholders believed the support they received from their local council improved their application, particularly when compared with their applications for subsequent rounds. One stakeholder reflected that this was due to the application and project expertise of local council.

The reflections may be pertinent to other DRNSW grants programs. DRNSW should consider the three recommendations below for future rounds of the SCCF and other relevant grants programs.

Table 3 | Recommendations to support the project application stage

RECOMMENDATIONS	SUPPORTING FINDINGS
<p>1. Continue to encourage local councils and community groups to coordinate applications. This could involve dynamic lists of potential SCCF projects for each LGA that the local council develops in collaboration with the local community. This list could become the source of pre-approved projects for future SCCF rounds. The local council could engage the community at regular periods to update the list. Other options include continuing to expect community groups to demonstrate that their project aligns with local council strategies and/or has local council approval when it involves council assets.</p>	<p>There was significant community benefit from projects delivered by councils and community groups aligned with existing council strategies and plans.</p> <p>Collaboration between community groups and councils can help to reduce the administrative burden of applying and delivering the SCCF projects, especially for resource constrained and volunteer-based community groups.</p> <p>These themes were raised by council stakeholders and community groups in four of the five LGAs.</p>
<p>2. Explore ways to support applicants to access high quality suppliers during the grant application stages. This could involve pre-approved panels of suppliers across regions or supporting local councils to maintain a list of vetted suppliers that community groups can easily access.</p>	<p>Projects involving heritage listed facilities or projects with stringent building codes require expert guidance in the project application, design and delivery phases. Providing this expertise reduces the risk of under scoping project costs or resources.</p> <p>Application timeline pressures can also lead applicants to engage contractors that may not be an appropriate fit for the project. This may detract from a project's outcomes.</p> <p>Such themes were raised by council stakeholders and community groups in two of the five LGAs.</p>
<p>3. Orchestrate connections between applicants of like projects to foster new collaborations. This could involve DRNSW facilitating LGA or regional engagements between applicants to explore whether there are opportunities for collaboration.</p>	<p>There is an opportunity for like-projects to complement each other, rather than compete for users. Like-projects in the same area that enhance and build on each other can deliver an even better experience for users.</p> <p>This theme was raised by council stakeholders in three of the five LGAs and community stakeholders in four of the five LGAs.</p>



5. The impact of the SCCF

5 The impact of the SCCF

The evaluation found substantial evidence on the impact of the SCCF for regional communities. The SCCF improved the amenity and liveability of regional communities through the provision of quality social infrastructure. Such benefits of the SCCF are evident in the breadth of projects funded through the program (see Section 2 for an overview of what the SCCF delivered).

Section 4 highlighted that the SCCF met communities on their own terms. The result of this approach was that projects had a positive – and in some cases profound – impact on the local community. Consistent with the literature on the role of social infrastructure in regional towns, this Evaluation identified significant flow-on impacts of the SCCF at both an individual project level and a whole of community level.

Before considering the impact of the SCCF in detail, a point is warranted on the experience across projects. Even though the SCCF funded similar projects (such as the enhancement of a swimming pool or community hall) across different locations, comparable outcomes across projects should not be expected. Comparable outcomes are only likely when there is similarity across the:

- communities' features, such as demographic profile
- pre-project status of the existing assets/facilities
- project activity and output, for example the new assets, upgrades or renovations
- number of existing and/or potential new users
- experience of existing and/or new users with the new or upgraded facility
- displacement impacts due to the presence or absence of like facilities in close distance.

The diversity of communities in regional NSW makes it extremely unlikely that these conditions will exist. The evaluation did identify themes that typified the broad types of outcomes certain projects supported across different regional communities. These are highlighted in this Section. The evaluation also identified similar benefit categories across the projects that supported the cost-benefit analysis. These are outlined in Section 6.

This Section provides further detail on the impact of the program, namely that the SCCF:

- has enhanced local pride and community connection
- advanced wellbeing, resilience and prosperity in regional communities
- improved social equity across regional communities.

5.1 The SCCF enhanced community pride, connection and ambition

Access to quality services and infrastructure plays an important role in supporting regional communities to thrive. Residents that have a high satisfaction with their local area, the social and physical environment, and available services and facilities typify a thriving community.¹⁹

This Evaluation has found that the SCCF played an important role in enhancing community pride, connection and ambition across the regions. SCCF projects have created places - from swimming pools, sporting grounds and parks to community facilities for educational, health and cultural activities - where

¹⁹ J Schirmer & M Mylek, [Thriving, surviving, or declining communities: socioeconomic change in Murray-Darling Basin communities](#), University of Canberra, 2020.

the community can connect. SCCF projects have also provided a wide range of health, social, environmental, and economic benefits. SCCF assets have contributed to networks of social infrastructure that are vital to making a community thrive. All stakeholders interviewed for this Evaluation shared a sense that their region was making progress and was becoming an even better place to live and work in part due to SCCF projects.

This Section explores these three interconnected outcomes in more detail, namely that:

- the SCCF has invigorated regional community members' sense of pride and progress
- regional communities have embraced SCCF projects as places to meet and connect
- successful SCCF projects catalysed new aspirations within regional communities.

5.1.1 Regional people experienced a greater sense of pride and progress

Reinvigorating central community assets and the cumulative activity and improvement that the SCCF created reinforced community members' sense of pride and progress. These two elements are explored in more detail below.

Reinvigorating or creating central community assets within a town or region heightened community members' sense of pride. Many SCCF projects either saw existing central community assets - such as community halls, heritage buildings or local theatres - reinvigorated or created. These assets were often located in prominent positions. Residents saw these assets as important markers of whether a town is thriving.

The role that high quality central community assets play to create a strong local 'sense of place' is evident in the research literature.²⁰ Central community assets can be both small, such as the Central Tilba Bate Street Public Toilet, or large, such as the Adelon Theatre (Figure 12 overleaf provides further details on these two projects). Over 75 projects from the entire SCCF reinvigorated or created central community assets across regional NSW.²¹ Such projects included: the enhancement of the Marie Bashir Park, which had significant communal value for both indigenous and non-indigenous people in Narrandera; the renovation of the Council-owned and heritage-listed Guyra Neighbourhood Centre Building; and the construction of a new public square in the Branxton Town Centre.

Community stakeholders from across the five LGAs described the impact of reinvigorating these assets as akin to a halo effect that creates positive impressions of a town and positively influences residents and visitors' opinions. A common theme across the five LGAs was a growing sense of pride to invite friends and family from outside their LGA to visit their community and experience their signature assets. High quality sporting infrastructure was also closely linked to community members' pride in their region, especially for those towns whose community identity has strong ties to their local sporting teams.

²⁰ Baker, R. G., & Wood, S, '[Towards robust development of retail planning policy: maintaining the viability and vitality of main street shopping precincts](#)' Geographical Research, 48(1), 65-74, 2010; Alan Burns, E., & Willis, E, 'Empty shops in Australian regional towns as an index of rural wellbeing', Rural Society, 21(1), 21-31, 2011.

²¹ The following search terms 'signature', 'central', 'main street', and 'centre' were used on the project descriptions of the 999 projects in the program data. Each project description was then manually assessed to determine whether the project involved a central community asset.

Figure 12 | Examples of central community assets that have enhanced a sense of pride and progress

Renovations to the only public toilet in the heritage town of Central Tilba enhanced local pride of place

Tilba is a small heritage town popular with tourists on the main highway through the Eurobodalla Shire. The public toilet is highly visible to locals and tourists. It is in a heritage zone, which required the toilet block upgrade to match the heritage aspect of the adjacent buildings. The project saw the replacement of the entire toilet amenity block with a private, tidy and disability-friendly facility.

The successful upgrade has had several positive impacts on the Tilba community's sense of pride and progress:

- a higher quality public toilet amenity has created a "halo" effect for residents and tourists
- residents feel a sense of progress following the successful project after previous delays
- there is anecdotal evidence that tourists who were only looking for a toilet stop have decided to stay longer in town due to their positive experience with the new facilities.

The Central Tilba toilet upgrade shows that smaller and less glamorous projects can have big impacts on local pride and identity.

Source: Stakeholder interview

Repairs at the Adelsonia Theatre reinvigorated a prominent central community asset in Adelong and heightened community pride

The Theatre is the only community facility capable of hosting large groups in Adelong but due to its state of disrepair, had ceased operating as a theatre in the 1960s. The SCCF project involved upgrades to the theatre ceiling and front wall, the installation of a commercial kitchen and addition of disabled male and female change room facilities. The facility can now host medium sized theatre shows, conferences, events and community groups.

The Adelsonia Theatre has become a central community asset in Adelong. Local stakeholders commented that the theatre is:

- now a "centre-piece" of the town with the rejuvenated building façade a striking symbol of the community's pride and progress as you enter town
- becoming the main conference centre and event space for the local area, including attracting new and better theatre shows
- attracting usage from various community groups who previously did not have fit-for-purpose facilities.

The Adelsonia Theatre is a prime example of an ambitious project that has the potential to leave a significant legacy for Adelong.

Source: Stakeholder interviews and project documentation

The cumulative activity and improvement the SCCF generated gave community members a strong sense of progress. One of the major themes from across the stakeholder consultations was the sense that regional towns were making progress and were not being left behind or forgotten (the social equity dimension of this comment is explored in Section 5.3). The SCCF's role here was to fund projects to reinvigorate existing infrastructure. In some cases, the infrastructure supported through the SCCF had not been upgraded for ten years or more. At least 45 projects across Rounds One and Two of the SCCF involved the repair or upgrade of assets that were aged or had fallen into disrepair.²² One facility, Macquarie Park in Warren, had existing playground equipment that was more than 40 years old and did not meet modern safety standards.

The smaller more remote LGAs of Snowy Valleys, Eurobodalla Shire and Bogan Shire benefitted most from the upgrade of existing infrastructure. One stakeholder in Bogan Shire commented that she wished her children were young again to enjoy all the new facilities in the town. Stakeholders from the same three LGAs also commented that a renewed energy and optimism came with the construction activity of the SCCF projects following the struggles of drought, bushfires and floods in their region. The role SCCF projects played to enhance the resilience of regional communities is outlined in Section 5.2.2.

Figure 13 below provides an example of how cumulative SCCF project benefits were experienced in Eurobodalla.

“

I wish my children were young again so that they could grow up in Nyngan as it is now.

Bogan Shire community member

”

Figure 13 | LGA example of the cumulative benefits of SCCF projects on community pride

SCCF funding in Eurobodalla Shire Council has given the region a renewed sense of progress and optimism

Council stakeholders from Eurobodalla reflected that the SCCF funding was critical to creating a buzz of progress and development for the region and supported their resilience in responding to recent times of hardship from the bushfires. Eurobodalla had an intentional strategy to select projects from across the entire LGA to support equity outcomes across towns (similar to approaches used by Lake Macquarie and Snowy Valleys). As a result, benefits of the SCCF program were spread across townships and supported local villages' response to bushfires and hardship. The residents of Eurobodalla commented on having a strong sense of progress and were proud of the fact that this was reflected in the state of their infrastructure and amenities.

Source: Stakeholder interviews

²² The following search terms 'aged', 'aging', 'disrepair', and 'disused' were used on the project descriptions of the 999 projects in the program data. Each project description was then manually assessed to determine whether the project involved the upgrade of a facility that was aging or in disrepair.

This sense of progress also extended to a sense that regional places were now more attractive to new residents and visitors. Stakeholders in all five LGAs commented that SCCF funded improvements to the liveability of their towns and regions. It was widely reflected that high quality social and community amenities are important for getting new residents and business activity to ‘stick’. For a mining town like Nyngan in Bogan Shire with a lot of fly-in-fly-out workers, the improved amenities have helped to attract workers and their families to stay and live in the community. High quality social and communities’ amenities were also noted as being important for making the region a vibrant place to live and attracting essential professionals like doctors. Stakeholders in Bogan and Snowy Valleys – both LGAs that struggle to attract such professionals - highlighted this theme.

“ This program helps to position regional NSW as a nice place to live. We have seen a lot of people move here and love it because of our great amenities.

Bogan Shire community member

”

5.1.2 Projects created places to meet and connect

One of the key outcomes the SCCF intended to achieve was to support community members to feel connected and have a sense of belonging. The SCCF has achieved this through support for new assets and upgrades to existing infrastructure that regional community members have embraced as places to meet and connect.

SCCF funded new assets that provided regional communities with spaces to come together and connect. Across the five LGAs, the evaluation heard several examples how new assets had become central meeting places. This included community hubs, improved amenity at existing or new community parks, new sheltered BBQ areas, the construction of a skate park and a new cycle way. Across the entire list of SCCF projects, there were up to 200 projects that provided infrastructure to support social gatherings.²³ Some examples included the: rejuvenation of the Brewarrina Showground and Racecourse; construction of a recreation and BBQ area at Club Lithgow; and renovation of the kitchen and function room at the Armidale Golf Club. This theme was also reflected in responses to the Economic Evaluation data requests. Nineteen project owners from the economic analysis sample provided qualitative feedback that a new project had led to greater community connection. This was achieved when projects provided a new place for recreation and socialisation or improved the capacity of facilities to host community events. The reviewed literature emphasises the value of investment in arts and cultural assets, such as the Basil Sellers (BAS) Exhibition Centre highlighted below, as enablers of social connection.²⁴ These assets facilitate shared experiences, promote a sense of place and provide insight into local and cultural identities.

²³ The following search terms ‘shade’, ‘meeting’, ‘connect’, ‘seat’, ‘social’, and ‘bench’ were used on the project descriptions of the 999 projects in the program data. Each project description was then manually assessed to determine whether the project involved the provision of infrastructure that supported social gathering.

²⁴ Infrastructure Australia, ‘Infrastructure Australia audit 2019: an assessment of Australia’s future infrastructure needs’.

Figure 14 | Project example of a new asset creating opportunities for social connection

The Basil Sellars (BAS) Exhibition Centre in Moruya has created a gathering place for cultural and artistic excellence that did not previously exist in Eurobodalla

New facilities, such as the BAS Exhibition Centre in the Eurobodalla Shire, have provided the community with spaces to be together that they did not have otherwise. The BAS is a modern and vibrant community hub that expanded the existing Moruya Library into a premium exhibition space with upgraded technology and improved amenity. Before the facility was developed, community stakeholders commented that there was no direct way to support artists in the region. The Centre has become a space that is open and accessible to local residents.

Source: Stakeholder interviews and project documentation

The SCCF funded upgrades to existing infrastructure that enabled greater community connection and cohesion. This was evident across several different types of existing assets:

- Some assets were in such poor condition they were not suitable for public use or had limited use. The SCCF funding rejuvenated these assets, which would have otherwise been left to further decline. Many of these assets have now become central places for community connection.
- Upgrades to existing sporting and recreation infrastructure facilitated greater community connection, especially where projects were delivered within a close network. In the Snowy Valleys, the three public pools have become focal points for the towns and facilitated stronger connections between the towns (see LGA case study below).
- In remote LGAs like Bogan Shire, clustering projects together around a central sporting hub enabled the opportunity for joint use of recreational facilities with other community assets. Upgrades to the local swimming pool and adjacent park facilities has created a vibrant 'Friday night' meeting point for local children and families during the swimming season.
- Some upgrades have resulted in the unintended outcome of increased community connection. For example, the upgrade of Moruya Showground in Eurobodalla has led to an increase in residents enjoying lunch and afternoon picnics at the showground.

These findings were repeated across both the place-based outcomes sample and qualitative responses from the economic analysis sample.

“ In summer, people are going for an afternoon swim and then staying around for dinner. If you're there on a Friday night, you can't move in the joint.

Bogan Shire community member

”

Figure 15 | Example of projects within an LGA facilitating social connection between communities



Source: Stakeholder interviews, project documentation and [‘Tumut and Adelong Times’ article](#).

5.1.3 Projects catalysed new aspirations

Receiving SCCF funding and then successfully delivering a project was a powerful catalyst for future ambitions across both local councils and communities. This resulted in successful grant recipients accessing new funding to extend original projects and communities contributing in-kind support and exploring similar projects in different towns. These themes are explored below.

Successful SCCF projects motivated councils and community groups to pursue greater ambitions for their assets. The SCCF funding prompted local councils to consider other improvements to enhance their community. The success of the SCCF projects also made it possible for community groups to successfully apply for further development and funding. Of the project stakeholders consulted through the five LGAs, ten stakeholders made comment that the SCCF had been a catalyst for their subsequent success with other federal or state grant programs. Many community stakeholders commented that the SCCF project was evidence that they could deliver the project and great outcomes for their community. These same community groups also experienced a capability and confidence uplift.



These projects are catalytic. They give rise to local optimism and vision. It encourages people to think, what else might we achieve?

Eurobodalla community member



SCCF projects catalysed in-kind contributions from community members. One community group in Lake Macquarie shared that over 50 volunteers turned up in a single day to help them deliver their project. A community member in Bogan Shire commented that local waste collectors had gone out of their way to fashion bins within tree trunks along the new bike and walking track. Both examples demonstrate the increased ambition community members shared for their assets. The project case studies below are just two examples where grant recipients have applied for or delivered further improvements to their facilities after experiencing success with the SCCF. Each have also increased commercial viability to self-fund further development.

Figure 16 | Examples of catalytic projects that motivated applicants to pursue greater ambition for their assets



Renovations to the Bathurst Museum positioned the Historical Society for future growth and improvement

Population:
288 (ABS, 2016)

Total cost (SCCF funded):
\$100,000 (ex-GST)

Since the delivery of SCCF funded renovations, the Historical Society has applied for further grant funding and invested their own capital into new exhibitions and facility improvements. These later projects built on the earlier SCCF project. The SCCF funded renovations improved the flooring and paintwork which had fallen into disrepair and replaced the carpet which was very worn and a danger to volunteers and visitors. Stakeholders commented that they would not have applied for subsequent grants or been able to invest further in their facilities if not for the initial SCCF project.

“ Other museums won’t bounce back after COVID-19, but we will because of this funding. It has given us greater confidence and motivation to survive. ”

Source: Stakeholder interviews and [‘Western Advocate’ news article](#).

The creation of bushwalking and fire trails at the Lake Macquarie Outdoor Recreation Centre has enabled ongoing development to the area

Since the initial construction, further facility improvements have been made to the bushwalking tracks in Lake Macquarie. The initial SCCF funded project was the first part of a staged master plan to redevelop the area, which is expected to be used by over 1.25 million campers over the next 50 years and generate 20 full-time equivalent (FTE) jobs in the Lake Macquarie LGA.

Source: Stakeholder interviews and project documentation

Successful SCCF projects inspired local councils and community groups to explore similar projects in different towns. Stakeholders in the economic analysis and place-based outcomes samples stated that successful projects have inspired local councils to replicate those projects on like assets in other parts of their LGA. Members of the Snowy Valleys Council noted that the success of the upgrades to local sporting infrastructure demonstrated the value of these projects in other parts of the LGA. Another example was the upgrade of the Rathmines Community Hall, which indicated to the council the community’s appetite for and potential opportunity of repurposing a disused asset (see Figure 19). Lake Macquarie City Council is now completing similar projects with other underutilized community halls across the Lake Macquarie area, confident that they will deliver the same benefit and value to others within the region. Successful projects also inspired community members from neighbouring towns to explore how to deliver those same projects in their town. Several of the projects that were focused on young families, such as playground upgrades or the inclusion of splash pools for kids at the local swimming pool, were particularly popular.

5.2 Projects enhanced community wellbeing, resilience and prosperity

The SCCF delivered social and community infrastructure that has generated outcomes across wellbeing, resilience and economic prosperity. These outcomes have promoted social and economic development. They have also strengthened the resilience of regional communities to respond to future change and challenges. Most significantly, the SCCF has played a role in addressing inequality in community access to basic services and facilities across regions, thus allowing a greater number of regional communities to thrive. The demonstrated outcomes across wellbeing, resilience and prosperity are outlined in turn below.

5.2.1 Health, education and safety improvements enhanced community wellbeing

Numerous SCCF projects had flow-on outcomes across several wellbeing domains. This included health outcomes, education related outcomes and improvements to the safety and security of regional towns. The outcomes the SCCF achieved across these three domains are outlined below.

SCCF projects may have contributed to improved health outcomes for regional communities. Many stakeholders reported anecdotal evidence of projects from the place-based outcomes sample that had tangible positive impacts on the health outcomes of community members. This was also true for the economic analysis sample. Around two-thirds of the 45 projects in the Economic Evaluation reported health outcomes in their qualitative responses.

Two ways the SCCF achieved these outcomes was through:

- Funding new health services and facilities. This was especially impactful when projects provided a new service that was not previously available to certain community members. Approximately 12 out of 999 projects across Rounds One and Two had this benefit. Some examples included the inclusion of a new therapy pool for injured and elderly residents in Muswellbrook Shire, the establishment of a shelter in Great Lakes for women and children experiencing domestic violence, and the completion of a new premise for special needs children in Queanbeyan.
- Enhancing existing health services and facilities. Stakeholders highlighted that these projects increased the capacity of health facilities to provide more services to existing and new clients. Approximately 11 out of 999 projects across Rounds One and Two had this benefit.²⁵ Some examples included the replacement of the roof at the Hunter Life Education Centre which provides preventative health education, the extension of a therapy room as part of the Condobolin Childcare Centre upgrade, and the upgrade of the hydrotherapy pool at the Tweed Heads South Aquatic Centre.

An example of each of these types of projects is outlined in Figure 17.

²⁵ The following search terms 'wellbeing', 'well being', 'well-being', 'mental', 'health', 'physical' and 'therapy' were used on the project descriptions of the 999 projects in the program data. In addition, any projects that had been assigned the subject of 'services' by DRNSW were included. Each project description was then manually assessed to determine whether the project involved funding new or existing health services.

Figure 17 | Examples of projects that delivered health benefits

The creation of new health services and facilities...	Enhancements to existing health facilities and services...
The creation of a new annex at the Bathurst Riding for the Disabled Centre has enabled the delivery of new pet therapy services. The Centre needed appropriate facilities where clients could interact safely with the animals in close contact. The new service has been highly utilised by residents within Bathurst and neighbouring regions and delivers tangible mental health and wellbeing benefits to users.	Investment in the Central West Lifeline facilities has increased its capacity to provide mental health and domestic violence support services. The building modifications and creation of a new telecentre and training rooms, was critical to improving the facility's call capacity by 200 percent. The service is overutilised, and the facility renovations were important for supporting the service to meet increased demand during COVID-19 and other recent times of hardship.

Source: Stakeholder interviews

Stakeholders across all five LGAs noted broader health outcomes related to projects that enhanced sporting and recreational infrastructure. Approximately 674 projects across Rounds One and Two related to sporting or recreational infrastructure.²⁶ These included sporting venues, swimming pools, parks, playgrounds, skate parks, golf clubs, and mountain bike trails. Stakeholders highlighted that these types of projects helped to increase participation in local sports or encouraged residents to spend more time outdoors and in nature. Two projects that highlighted this are:

- The Maitland City Council upgraded their netball courts at Maitland Park. The facility improvements resulted in 1000 extra games being played each year.
- The upgrades to the tracks at the Awaba Mountain Bike Park in Lake Macquarie resulted in a 220 per cent increase in the number of new users trying the facility. This was especially noticed with an increase in female participation from 10 per cent to 13 per cent and 23 per cent increase in junior usage.

It is important to note that the health outcomes across each individual project will be different in nature and scale. However, the consistent themes across consultations and the data requests point to broad outcomes that are similar across sporting and recreational infrastructure.

SCCF projects supported educational outcomes for communities and regions through improved or new educational, cultural and recreation facilities. At least 46 projects across Rounds One and Two of the SCCF involved projects that likely supported educational outcomes.²⁷ The nature of these projects included the:

- construction or upgrade of libraries, museums and art centres
- transformation of existing venues into multi-purpose facilities that can now host educational seminars and events
- enhancement of existing childcare centres to increase the capacity of or to introduce new day care services for children during the day while their parents or carers are working.

²⁶ 674 out of 999 projects across Rounds One and Two of the SCCF had been assigned a category of 'sport' or 'recreation' by DRNSW.

²⁷ The following search terms 'education', 'library', 'childcare', 'child care', 'daycare', 'day care', 'museum', 'school' and 'students' were used on the project descriptions of the 999 projects in the program data. In addition, any projects that had been assigned the subject of 'education' by DRNSW were included. Each project description was then manually assessed to determine whether the project involved funding new or existing health services.

Three projects in the economic analysis sample identified educational outcomes for project beneficiaries. In all three cases upgraded childcare facilities led to improved learning environments for children who were not previously attending childcare and freed up time for families to pursue other employment and education.

One project in the place-based outcomes sample contributed to significant positive impacts for local school students. In Bathurst, the Kelso Community Hub was renovated to create a multipurpose facility. The local school embraced the space to deliver health, leadership and social support programs to disengaged students and their families in their own community space. This new approach saw the attendance of the school's disengaged students improve from under 40 per cent to over 90 per cent. It is important to note that the initiative of the school and dedication of the teachers played a major role in the achievement of these outcomes. However, stakeholders stressed that without access to the upgraded facility the delivery of the new programs would not have been possible.

Community stakeholders also noted educational outcomes for all community members following the construction of new arts and cultural facilities. The literature supports stakeholder observations that arts facilities play an important role in strengthening social inclusion and identity within the community.²⁸ They also give the 'artistically engaged' somewhere to gather. Without such facilities, stakeholders across three LGAs commented that their region would not have access to cultural events and new educational opportunities related to the focus of the new or upgraded arts and cultural facilities.

Safety benefits were an important outcome across sporting and recreation categories. Many of the sporting fields and playgrounds supported through the SCCF were damaged or in a state of disrepair before SCCF funding. Stakeholders noted across all five LGAs that poor maintenance, a lack of funding and safety issues such as asbestos inside the building exacerbated the declining quality of community assets. Four projects that demonstrated safety outcomes are the:

- Improved Bathurst Thoroughbred Racing Safety Fence, which also saw the removal of problematic trees on the racing track boundary, reduced the risk of injury for horses and their jockeys. The removal of the trees also removed a safety risk to passing motorists.
- Construction of the Bridges Hill Park in the Cessnock City LGA created a safe play space for the community. A flow on-effect was a reduction in anti-social behaviour that had previously plagued the site.
- Brightwater's shared cycleway was created to provide an accessible and safer option for residents to walk into town. This has reduced the risk of injury to walkers and bikers at what was a dangerous corner to navigate.
- Installation of new lights at the Bogan Larkin Oval delivered an important safety outcome for sporting participants who can now train and play sport out of the extreme heat in summer and under stronger lights that reduce the risk of injury at night.

“ The light will be of a huge benefit to our community during summer due to our extreme heat and the ability now to hold any events at night instead of the heat of the day encouraging greater participation and ensuring the community engaging in these sports are safer

Bogan Shire Council community member ”

5.2.2 Projects enhanced the resilience of regional communities

Social infrastructure facilities such as sporting facilities, community centres, libraries, local swimming pools and children's playgrounds help to build community resilience. They also make communities more liveable. This Section explores how infrastructure upgrades assisted regional communities to respond to disaster and hardship. It also outlines how the facilities have positioned regional communities to be more resilient to future change.

²⁸ Infrastructure Australia, 'Infrastructure Australia audit 2019: an assessment of Australia's future infrastructure needs'.

SCCF projects supported regional communities to better respond to disaster.

An important theme in the literature is that social and community infrastructure supports regional communities to meet economic challenges and better adapt to structural changes.²⁹ Stakeholders across the LGAs commented that the timing of project completion allowed some communities to better respond to bushfires, drought and disruptions from COVID-19. This was a significant unintended benefit of the program. At least one project in Bogan, Bathurst, Eurobodalla and the Snowy Valleys delivered specific benefits for supporting the community to cope with or respond to natural disasters. Stakeholders in smaller villages especially noted the impact of social infrastructure in responding to disaster. This was because they generally had fewer options for where they could gather as a community and coordinate disaster response.

Rounds One and Two of the SCCF provided community infrastructure funding before other disaster recovery funding was made available. Subsequent recovery and relief packages have been released by the state and federal governments following the 2019-20 Black Summer Bushfires and the recent drought across NSW.³⁰ It is important to note that there is now some overlap in funding available through the SCCF and other recovery funds. This was noted by stakeholders across affected LGAs, who also noted this will only be the case while those recovery funds are operational.

Figure 18 (overleaf) details how SCCF projects supported communities in Snowy Valleys and Eurobodalla to respond to hardship.



This hall is our town's lifeline. It's where we come together. It's where people slept during the bushfires.

Snowy Valley's community member



Figure 18 | Examples of LGAs where SCCF projects supported the community to respond to hardship

SCCF projects in Snowy Valleys Council became evacuation centres during the 2020 Summer Bushfires

Key community assets such as showgrounds or community halls transformed into critical meeting points during the 2020 summer bushfires. The Gilmore Hall is a key community asset within Gilmore, a small rural farming region. SCCF funding supported a renovation in 2019. The renovations, although relatively small compared with other SCCF projects, provided the community with an invaluable meeting point during the bushfires. The Hall is next door to the rural fire brigade and was used as a meeting point for residents and fire fighters during the bushfires. Without it, people would have needed to crowd together in their houses and backyards.

Source: stakeholder interviews and [‘Tumut and Adelong Times’ article](#)

²⁹ Infrastructure Australia, ‘Infrastructure Australia audit 2019: an assessment of Australia’s future infrastructure needs’.

³⁰ Australian Government National Recovery and Resilience Agency, [Australian Government National Recovery and Resilience Agency](#) [website], 2021.



SCCF projects in Eurobodalla Shire Council were key for flood preparedness and emergency response

Projects such as the drainage upgrades at the Moruya Showgrounds became key in the community's response and survival of a recent flood. The Showgrounds is the only one within Eurobodalla Shire and became the central evacuation point during recent floods. The SCCF funded drainage upgrades, which were a long overdue maintenance project, that were critically delivered before an unseasonal rainfall. The Showgrounds became the refuge site of 2500 people, 200 horses, four cows and many other household pets. The Moruya Showgrounds demonstrates that the right, small projects can have big impacts.

Source: Stakeholder interviews, project documentation and ['Beagle Weekly' article](#).

SCCF funded projects improved the resilience of regional assets and community groups. SCCF funding supported community and council facilities to become more economically sustainable. Several stakeholders highlighted this theme in interviews across the five LGAs. Smaller councils, like Bogan Shire, and community groups with limited revenue generating potential noted the importance of the SCCF project to support the resilience and sustainability of their assets. Some local councils shared that the grant meant they did not need to get a loan. This enabled them to focus their funds on other projects to enhance their community. Renovations to the Bathurst Historical Society Museum and extensions to their exhibitions and tour offerings positioned the Society to respond to the recent COVID-19 disruptions. A stakeholder close to the design and delivery of the upgrade commented that without the grant-funded renovation, the group would have folded and would not have had the means to open after COVID-19.



Other museums won't bounce back after COVID-19, but we will because of this funding. It has given us greater confidence and motivation to survive.

Bathurst community member



5.2.3 Projects improved regional prosperity

SCCF projects generated new economic activity for regional communities. The following Section explores how SCCF projects supported follow on activity for nearby businesses and created construction and additional, ongoing jobs. These benefits are distinct to the economic benefit delivered through direct economic stimulus programs that help to create or grow new industries and businesses. The findings in this Section relate to the economic activity that resulted from the successful activation of social infrastructure, which was the focus of the SCCF. The two ways in which SCCF projects improved regional prosperity are outlined below.

SCCF projects supported flow on activity for nearby businesses. Several SCCF projects have stimulated economic activity in surrounding areas. The flow-on economic impacts of improving community assets were noted in all stakeholder interviews and almost half the data requests for the economic analysis sample. Some project examples that highlight this finding include the:

- Renovations to the John Mathews Tennis which created the only facility in the Bathurst region that can host state and national level tennis tournaments. The increase in tournaments hosted at the facility

and visitation of players and spectators, has caused flow on benefits for local accommodation and food providers. This includes surrounding tennis facilities who now host more tournaments as well.

- Creation of new tracks at the Awaba Mountain Biking facility in Lake Macquarie that increased the number of new riders getting into the sport. Stakeholders noted there has been an increase in sales at the local bike shop, to the extent that beginner bike varieties are selling out of stock.
- Revitalisation of the social and cultural town centre of Bellingen that encouraged visitation to the precinct by residents and tourists and has generated additional economic activity around this area.

Figure 19 provides a detailed case study of the renovations to the Rathmines Community Hall, which has had significant economic impact on the surrounding area.

Figure 19 | Example of a project with significant economic impact on the surrounding area



Renovations of the Rathmines Community Hall in Lake Macquarie have transformed the facility into a profitable, cultural and performing arts venue for the Westlakes Area

The rejuvenation of the Community Hall has had wide ranging economic and social effects for the surrounding community. Before the renovations, the Hall was used by about 3000 people each year and hired 13 individual times. The hall renovations have addressed a huge unmet, community need with now over 40,000 people using the facility and over 280 individual hires each year. These usage rates are expected to further increase after COVID-19 restrictions and concerns have subsided. The Hall is now generating \$110,000 in revenue each year where it was previously an expense to council. Since the increase in activity at the Hall, stakeholders noted that the adjacent bowls club has been able to self-fund a new commercial kitchen and the corner convenience store has been busier. Council has tried to replicate the success with the Rathmines Hall with other similar community facilities, including the Warners Bay Theatre across the Lake.

“
This project set a model for site reactivation in our area and showed council that we can keep doing this with success.
”

Lake Macquarie Council staff member

Source: Stakeholder interviews, project documentation and [‘Newcastle Herald’ article](#).

SCCF projects created both construction and additional and ongoing jobs. The majority of SCCF projects in the sample engaged local businesses in delivering the project. Local councils highlighted that this outcome was supported by their local procurement strategies. Some stakeholders highlighted that a shortage in relevant skills or capabilities required them to look for non-local businesses to deliver all or parts of some projects. Councils did identify positive flow on effects from this, including benefits for tourism operators from bookings during the off-peak winter seasons.

There is anecdotal evidence from two LGAs that the increase in government investment has created new trades and construction jobs or attracted new trades people to regional towns. SCCF projects were also

more likely to create additional ongoing employment where there was increased patronage and usage. The evaluation identified swimming pools, childcare centres, and some sports fields as project types that created additional and ongoing employment. Some examples of the jobs that were created include an additional staff member at the Narromine Aquatic Centre, three new childcare workers at the Walla Walla Early Childhood Hub in the Greater Hume Shire, and two part-time canteen staff at the Welby Hockey Fields in Wingecarribee Shire to cope with extra patronage.

5.3 Social equity increased across regional communities

The SCCF increased social equity in two ways. The SCCF improved equity between:

- regional and metropolitan councils
- smaller, more remote regional towns and larger regional cities.

Regional communities in Australia have less resources compared to their metropolitan counterparts. This has been attributed to a declining regional population and higher levels of poverty and unemployment. As a result, regional communities have found it difficult to sustain community amenity and services to the same standard as metropolitan areas.³¹ Smaller, more remote regional towns and councils also experience additional inequality compared with larger regional cities and communities. Research has indicated that across regional communities, more rural areas are more likely to have lower quality infrastructure and essential services.³²

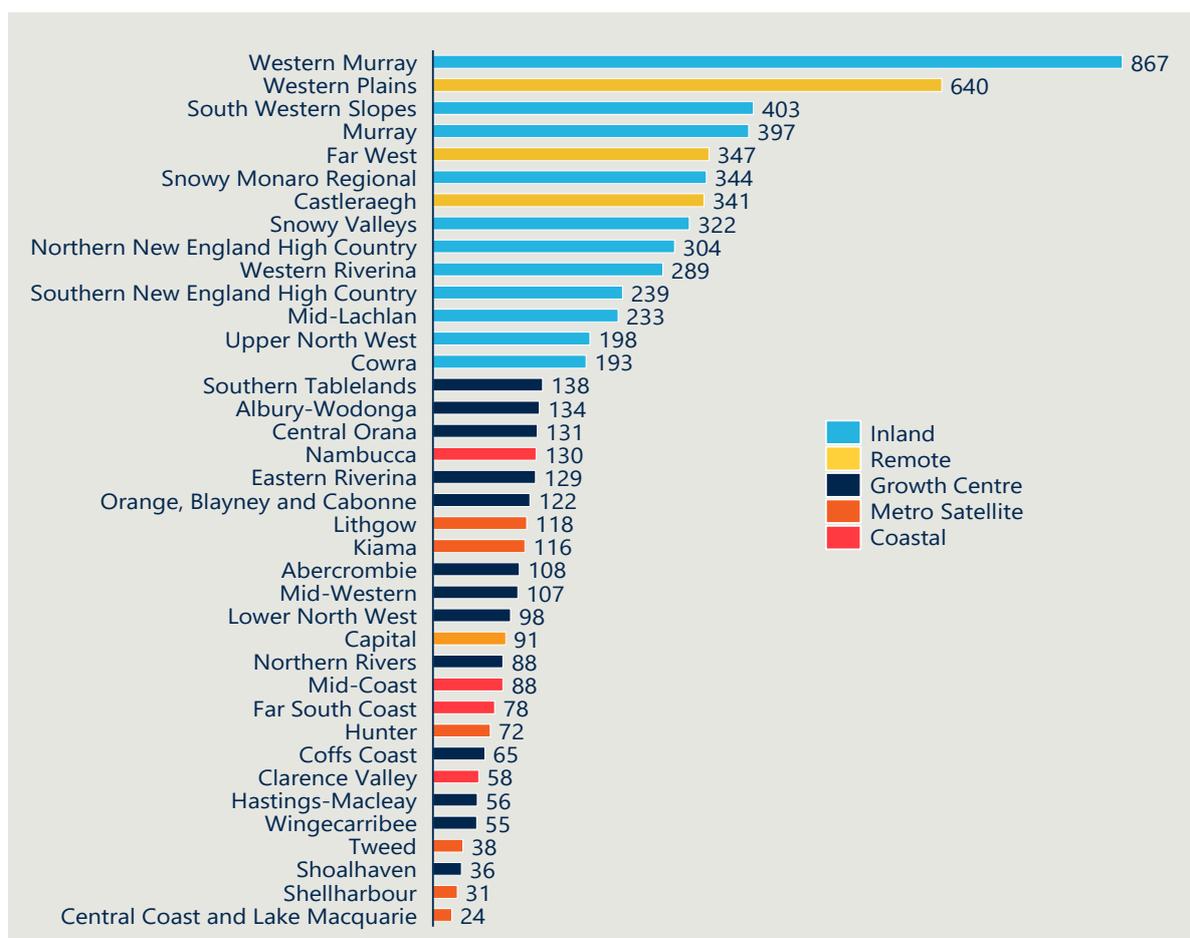
The SCCF enabled councils to increase the level of amenity in their LGAs and facilitate a greater sense of equity for regional communities when compared to their metropolitan counterparts. Analysis of program data, themes from stakeholder interviews and responses to the economic analysis data requests all highlight this finding. This builds on the findings in Section 4.2, which highlighted that the SCCF enabled local councils to provide facilities that were otherwise out of reach given their constrained resources.

On a per capita basis, inland and remote Functional Economic Regions (FERs) such as the Western Murray and the Western Plains were provided more funding from SCCF Rounds One and Two (as shown in Figure 20). LGAs in these regions are generally less populated, more remote, more fiscally constrained and have lower socio-economic profiles. This indicates that the SCCF helped to improve social equity between smaller, more remote regional councils and larger regional councils.

³¹ The Senate Economics Reference Committee, [Final report: Inquiry into the indicators of, and impact of, regional inequality in Australia](#). The Senate, Canberra, Australia, 2020.

³² Regional Australia Institute, [A submission to the Senate Standing Committees on Economics into the indicators of, and impact of, regional inequality in Australia](#). Regional Australia Institute, Canberra, Australia, 2018.

Figure 20 | SCCF funding per capita in dollars by Functional Economic Region³³



Source: Stronger Country Communities Fund Rounds One and Two program data, ABS 2016 census

The evaluation approach did not capture baseline amenity for communities or across communities. This was not possible within the scope of the evaluation. Projects were examined on their individual merits and their impact on the amenity of that local community. There may be value in creating a baseline of amenity for regional communities, and then assessing the success of the SCCF and other regional grants programs against this baseline (explored further in Section 7).

The evaluation can demonstrate that the SCCF improved social equity across regional areas through two mechanisms:

- enabling more equal access to social infrastructure and events
- improving the physical accessibility of a range of regional assets.

These are discussed in turn.

5.3.1 Projects enabled more equal access to social infrastructure and events

Facility enhancements funded through the SCCF have enabled regional residents to have more equal access to better quality social infrastructure and opportunities to host major events. Four findings provide evidence to support this conclusion.

³³ Calculated from the program data provided by DRNSW and population figures for each LGA from the 2016 ABS census.

Projects have improved ageing or previously unused facilities in regional communities. A lack of resources in regional councils to fund upgrades exacerbated this issue. SCCF projects upgraded these facilities to a safe and usable condition for the community. Through this process the SCCF increased the baseline amenity across regional communities.

For example, one of the projects in the economic analysis sample involved the upgrade of the Warialda Showground kitchen and dining room. These facilities were previously unusable due to the condition of the building and the electrical appliances. Similar examples were shared across the five LGAs, such as the refurbishment of the Adelsonia Theatre and Gilmore Hall in Snowy Valleys.

Improving the baseline amenity of regional towns has also contributed to improved regional prosperity through increased utilisation. For example, the upgrade of the Warialda Showground has also meant that extra events have been held in the showground. These events have brought new economic activity to the local community.

More available facilities increased access to and the diversity of activities in regional communities. For example, upgrades to sporting infrastructure has allowed them to operate at different times of the day and throughout the year. Stakeholders from four of the five LGAs shared that the increase in the availability of high-quality assets has led to a greater diversity of available activities for community members.

Lighting projects and pool heating are two project examples that highlight this theme:

- Over 45 projects involved an upgrade of lighting at a sporting or recreational facility. Stakeholders from various LGAs highlighted the importance of these upgrades to ensure facilities could accommodate night activities. The upgrade of lighting at Walters Park Sports Field in Lake Macquarie is one example. Stakeholders highlighted that Walters Park was highly utilised due to the growing population of the area. The new lighting to two sports fields, which were previously unusable at night, has allowed both more activity to take place and a greater diversity of sports to utilise the site.
- Twelve projects provided heating to swimming pools. Stakeholders in Snowy Valleys, Eurobodalla and Bogan Shire highlighted that the heating resulted in greater use of the facilities in the colder weeks of the swimming season. Without the heating, the water temperatures were too low for swimmers to enjoy the facilities. Stakeholders from noted that the longer swimming season has made more swimming related activities, such as swim squads and learning to swim classes, available to local community members. Stakeholders from Snowy Valleys identified that greater availability as also improved the competitiveness of the local swim squad and promoted more inter-regional swimming competitions.

Access to new or upgraded facilities has reduced travel time for regional community members. Projects that delivered new features to existing sporting, recreational or cultural assets often resulted in significant travel savings when residents had to previously travel to nearby towns to access that particular asset. This has supported improved social equity between smaller regional towns (that were often the beneficiaries of reduced travel times) and larger regional and cities. It also supported improved social equity between regional areas that are closer to larger metropolitan areas and those metropolitan areas.

In the place-based sample this was particularly evident in geographically dispersed LGAs, such as Eurobodalla, and remote LGAs, such as Bogan Shire. Over 20 per cent of projects in the economic analysis sample recorded travel savings. Project examples include:

- The new heating system at the Nyngan War Memorial Swimming Pool in Bogan Shire Council meant that swimming families in Nyngan no longer travel the 150km trip to Dubbo for swimming training on the colder weeks of the swimming season.

“
This funding makes us feel like we haven't been left behind, that we deserve these facilities as much as the cities.

Snowy Valleys Council Officer

”

- The upgrade of Bedgerabong Recreation Grounds has meant that users no longer need to use alternative facilities 40km away in Forbes.
- The larger events now hosted at the new BAS Exhibition Centre, highlighted above, means residents no longer need to travel over 200km to Wollongong or Sydney to access these exhibitions.

The SCCF infrastructure has enabled regional towns to hold major events. Stakeholders in Bathurst, Lake Macquarie and the Snowy Valleys noted that improved sporting facilities were important to attract major events. At least 150 projects across Rounds One and Two of the SCCF involved the construction or upgrade of facilities to allow for the hosting of major events.³⁴ Such events would have been held in metropolitan or bigger regional centres absent the new facilities. This was also noticed with new cultural facilities and art centres that can now host new state or national level exhibitions. Council and community stakeholders highlighted that hosting larger, state, and national level events brought additional business activity to the region. For example, participants at a state or national tennis tournament booked out local accommodation and bought goods locally.

Figure 21 | Examples of projects that have enabled regional towns to hold major events



The John Mattews Tennis Centre in Bathurst can now host major national tournaments

The SCCF funded upgrades to the Centre club house and tennis courts has enabled the Centre to host competitions that would have otherwise been held in major population hubs in NSW. The Tennis Centre is one of the few places across all of NSW able to host this standard of competition. Two tournaments have been held at the Centre since completing the renovations and drew over 200 players across each tournament. The Centre has planned for over 3 months of tournaments once COVID-19 restrictions are lifted. Stakeholders commented that each tournament promotes significant economic activity for the town and can contribute between \$400k-\$600k to the surrounding area.

Source: Stakeholder interview, project documentation and ['Western Advocate' article](#).

The Basil Sellers (BAS) Exhibition Centre has hosted large art exhibitions that would not have otherwise occurred in the region

The new BAS Exhibition Centre in Moruya is the only visual and performing arts facility within the region. The Centre has hosted a variety of national level exhibitions and events, attracting artists and art appreciators from across the country. Hosting these events was also noted by stakeholders as an important contributor to building creative and cultural excellence within the region.

Source: Stakeholder interviews and project documentation

³⁴ The following search terms 'event', 'competition', 'ticket', 'booking', and 'students' were used on the project descriptions of the 999 projects in the program data. Each project description was then manually assessed to determine whether the project involved funding infrastructure that enabled regional towns and communities to host major events.

5.3.2 Projects made regional assets more physically accessible for target users

The SCCF helped to improve the physical accessibility of regional assets for specific groups of residents. This included people with a disability, children, and women and girls.

Projects made regional assets more accessible for people with a physical disability. These projects enabled community members with physical accessibility needs to access community infrastructure and participate in their community. In the economic analysis sample, 53 per cent of projects included a specific physical accessibility feature. Consultations with community members, including those with lived experience, confirmed that these projects promoted feelings of inclusion and belonging. Some specific project examples include:

- upgrades to the Warren Swimming Pool to include improved pathways and concourse for people living with a disability
- redevelopment of the Bowral Rugby Clubhouse to include disabled access car parking and a passenger lift for people living with a disability to access the first floor of the building
- upgrades to the Tumbarumba Tennis Clubhouse and toilet block to include appropriate disability facilities
- the creation of an adaptive riding track at the Awaba Mountain Bike Track in Lake Macquarie to provide a venue suitable for riders living with a disability
- installation of a permanent wheel-chair access point for the Belmont Baths swimming area in Lake Macquarie (explored in more detail in Figure 22).

Figure 22 | Example of a project that has made a community more accessible to the community



Renovations on the Belmont Baths in Lake Macquarie have made the facility accessible to all community members, including those with disabilities

The Belmont Baths were destroyed during a storm in April 2015. The community have rallied to re-establish the baths. Council has listened to the community and allocated funds to rebuild the baths with additional swimming enclosure and disabled access. A local community member and disability carer commented on the bath saying:

“ *It is great that something like this is available for people in a wheelchair. It adds to their inclusion in the community and improves their quality of life.* **”**

The swimming spot has nearby cafes that are used by swimmers and the wheelchair facilities have since been listed on disability travel blogs and websites as a good place to visit.

Source: Stakeholder interviews, project documentation and [‘Newcastle on Hunter’ article](#).

Projects made existing infrastructure more gender inclusive. Upgrades to changerooms at sporting fields to add female specific rooms encouraged more female participation in sport. Projects of this nature occurred in Snowy Valleys and Eurobodalla. As examples the:

- Increase in female participation at the Tumut Rugby League Club in Snowy Valleys required the club to build a new toilet block with the addition of facilities for female players and officials.
- Upgrade to the changerooms at the Keith Cullen Oval were solely for female participants on co-ed game days.

Without the addition of such facilities, female participants would have planned games to be at separate times as the male games or been less inclined to participate.

5.4 Additional collective impacts differed across LGAs

A key objective of the place-based analysis was to test whether the delivery of SCCF projects had contributed to additional collective impacts above and beyond individual project impacts. The evaluation found that across the five LGAs the SCCF did provide additional collective impacts. The literature identifies the value of regional grant programs, such as the SCCF, making deliberate attempts to deliver cumulative and flow on effects within a region.³⁵ Within the context of the SCCF this was most obvious in the overall objective of the SCCF (see Section 2.1) and the approach that local councils took to select projects (outlined in Section 4.1.1).

Section 5.1 demonstrated the collective impact of SCCF projects on community pride, connection and ambition. The findings in Sections 5.2 and 5.3 revealed the range of wellbeing, resilience, economic and social equity outcomes that the SCCF delivered across and within communities. Two specific contextual features meant that LGAs experienced additional collective benefits differently.

A collection of projects that aligned with broader council strategies contributed to additional aggregate benefits. The place-based nature of the SCCF projects enabled councils to consider the variety of factors in their region that may affect the design, delivery and return of investment of selected projects. This included aligning SCCF projects with broader council strategies. When done well, a series of small projects were often seen as just as important to support additional aggregate benefits as several large-scale projects.

Lake Macquarie City Council delivered several projects that supported broader council strategies, such as the development of the shared cycle way in Brightwaters. This project extended the LGA's large network of cycleways and contributed to the council's aim to make the area less dependent on cars. Eurobodalla Shire Council have an aspiration to be NSW's most inclusive LGA. The development of an accessible change room and viewing platform at the Corrigans-Batehaven Precinct contributed to this goal. These projects also complement the nearby accessible playground. Figure 23 outlines the approach of Bathurst City Council to align SCCF projects with their goal to be a centre for regional sporting excellence.

³⁵ S Teriman, T Yigitcanlar & S Mayere, 'Social infrastructure planning and sustainable community: example from south east Queensland, Australia'.

Figure 23 | LGA example of where SCCF projects have responded to localised challenges and opportunities



Sporting facility upgrades funded in Bathurst City Council have promoted the region's reputation as a centre of sporting excellence

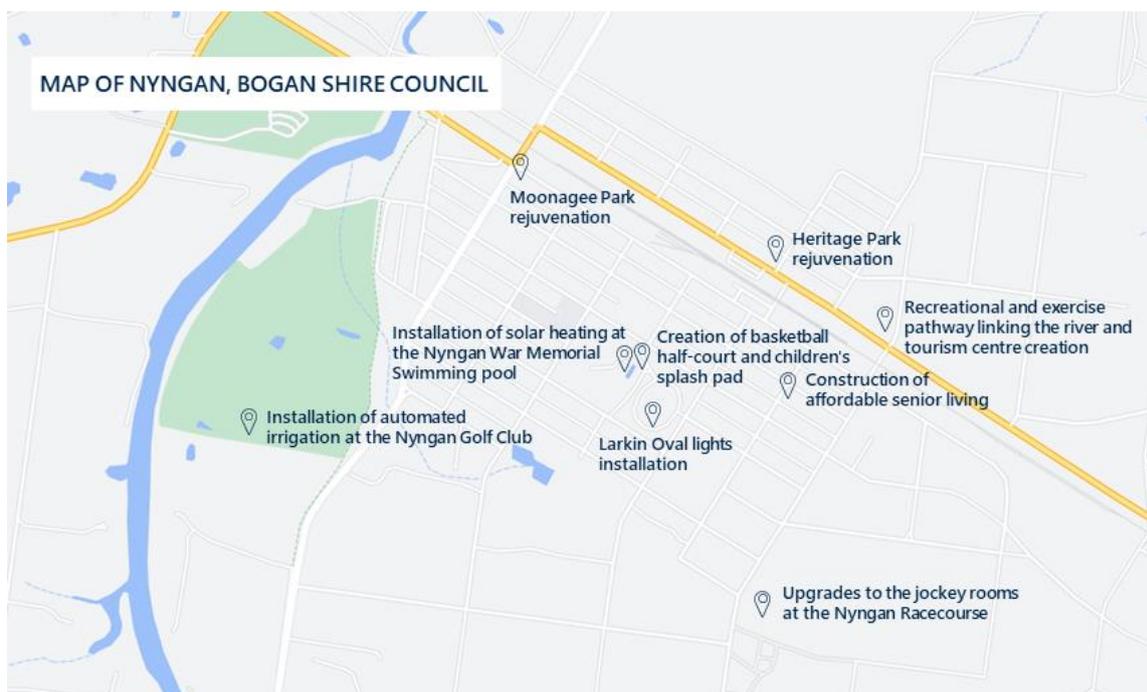
Rounds One and Two of the SCCF saw \$2.86M invested in 20 projects in Bathurst City Council. The average grant size was \$143K and 80% of projects were upgrades or renovations to existing facilities. Twelve of the projects delivered were sports-related. Council shared that the town has a strong sporting focus and that the identity of the region is closely linked to local sporting teams. The SCCF funded facility improvements have been important for improving the level of sporting competition within Bathurst and for attracting more competitions and tournaments to the region. The projects have created aggregate benefits by promoting the region as a hub for sporting and competition excellence.

Local community members commented on having a lot of pride in their local sporting clubs and facilities and how the improved facilities have “opened the door for community and social growth” in the region.

Source: Stakeholder interviews, project documentation and ['Western Advocate' article](#).

Geography had the biggest influence on the nature of additional aggregate benefits. Population density, the geographic dispersion of towns and the resultant spread of projects impacted how LGAs experienced the localised, additional aggregate benefits of SCCF projects. Snowy Valleys, Eurobodalla and Lake Macquarie, who delivered projects across multiple population centres, experienced localised additional aggregate benefits. Collective benefits across the entire LGA were noted, though were less significant. Bathurst, where all projects were delivered across Bathurst City, achieved additional aggregate benefits through delivering clusters of projects in specific suburbs. As an example, the three projects delivered in Kelso (the refurbishment and Extension of Kelso Community Hub, the installation of lights and a scoreboard at the rugby union grounds and the construction of new facilities for younger and less experienced visitors at the skate park) achieved complementary outcomes for that local community. Bogan Shire experienced significant additional aggregate benefits due to the concentration of projects in Nyngan. This has contributed to an emerging community precinct in Nyngan. The map overleaf highlights the concentration of SCCF funded projects in Nyngan.

Figure 24 | Indicative map of SCCF projects delivered in Nyngan, Bogan Shire Council



Source: Project documentation

These examples and the many other positive findings in earlier Sections highlight that the right projects, no matter their financial size, can have significant positive impacts for a community and region.

5.5 Project delivery can be better supported

Stakeholders were generally positive about the support they received during project delivery. This reiterated findings from the recent parliamentary review into NSW Government grants.³⁶ The review highlighted that local councils appreciated the level of support they receive through the Department's Regional Business Development Managers.

Alongside this positive feedback, stakeholder consultation and a review of program data³⁷ identified some project delivery challenges that impacted on the realisation of project outcomes:

- **Some community groups with responsibility to deliver complex projects faced challenges.** Two projects in the place-based outcomes sample spoke of difficulties with delivery. This was due to project complexity, some capability gaps and volunteer burnout due to the need to respond to natural disasters during the project delivery stage. This delayed the realisation of desired project benefits. Local council stakeholders also highlighted the risk of project delivery challenges due to capability gaps in community groups. They reflected on several projects that required unplanned support from the council.
- **A small group of LGAs faced significant challenges to deliver their allocation of projects.** Seven out of 95 LGAs had over 75 per cent or more of projects not completed as of September 2021. These seven LGAs are diverse. Examining the challenges they faced was not within the scope of this Evaluation.

³⁶ Public Accountability Committee, '[Integrity, efficacy and value for money of NSW Government grant programs](#)', NSW Legislative Council, Report 8, 2021.

³⁷ Qualitative data on reasons for project delays were only available for a sample of 70 Round One projects. The themes from this analysis were cross-checked with the themes from stakeholder consultations.

- **Capacity constraints, low project management capability and challenges engaging contractors were the three major challenges or risks that led to project delays.** Some local councils consistently failed to meet monthly reporting requirements due to limited capacity. Program data also identified that project management capability gaps led to delays in the commencement of several projects. In some regions, the impact of bushfires, COVID-19, and drought limited the availability of contractors to deliver projects. These events meant that contractors in regional communities were subject to social distancing restrictions or were redeployed to other more urgent projects.
- **Scope changes were usually minor and sometimes allowed for an increase in project scope.** Most scope changes involved a project coming under budget and then reallocating funds to the same or another SCCF project to expand the existing scope (and benefits) of those projects. In these cases, the types of project outcomes that would have occurred remained the same (or increased). The only impact was a delay in their realisation. There was only one project in the sample reviewed that included a scope change that resulted in unrealised project outcomes and benefits.

Experience from other jurisdictions and research into best practice regional grant processes also identified opportunities to improve project delivery and post project delivery.³⁸ These include:

- **Orchestrated collaboration between project owners throughout the project delivery phase could enhance collective outcomes.** This insight extends the opportunity to support collaboration at the application stage (outlined in Section 4.3) to the project delivery and post project delivery phases. More intentional collaboration between like projects in the same or neighbouring LGAs could enable shared strategies to connect or complement each other's assets. One stakeholder highlighted the opportunity to coordinate the upgrade of mountain bike trails in three neighbouring LGAs to boost the visitor economy. They highlighted that this approach would 'grow the pie' rather than see competition across assets.
- **Structured knowledge sharing could support stronger outcomes.** The knowledge sharing about what works for different types of assets could support stakeholders to enhance outcomes for both potential and existing assets. This could occur between DRNSW and project owners (i.e. local councils and community groups) or between project owners themselves. Local councils appreciated the opportunity to reflect on the SCCF projects delivered in Rounds One and Two. One stakeholder noted that it had spurred ideas about future opportunities. Some community groups reflected that they had already shared their knowledge and experience with similar community groups through informal channels. A structured approach to information sharing could support DRNSW to unlock further value for communities across regional NSW.

The reflections may be pertinent to other DRNSW grants programs. DRNSW should consider the three recommendations in Table 4 for future rounds of the SCCF and other relevant grants programs.

³⁸ The Department of State Development, Manufacturing, Infrastructure and Planning, Queensland, [Best practice guide for social infrastructure, Queensland Government](#), Department of State Development, Manufacturing, Infrastructure and Planning website, 2019.

Table 4 | Recommendations to better support project delivery

RECOMMENDATIONS	SUPPORTING FINDINGS
<p>4. Identify the most appropriate delivery support mechanisms as early as possible to support high risk projects. DRNSW could consider establishing monitoring controls to identify projects that are at high risk of encountering issues during project delivery. These should build on existing mechanisms to engage with local council and community groups as well as new solutions.</p>	<p>Some community groups struggled to deliver complex projects and needed support from the local council. This was attributed to capability gaps in community groups and external circumstances such as the need to respond to natural disasters. Early monitoring of at risk projects would help reduce the risk that the realisation of outcomes and benefits is delayed.</p> <p>Local council and community stakeholders from two LGAs validated this finding. Findings from the review of program delivery data on delayed projects also validated this finding.</p>
<p>5. Develop approaches to enable collaborations between project owners. Project owners of similar projects would benefit from collaborating and connecting to enhance their individual assets while complementing others. DRNSW could consider approaches to orchestrate these collaborations. This could include proactively identifying and connecting project owners of similar projects. DRNSW could also consider facilitated workshops at different stages during project delivery and post project delivery in partnership with local councils.</p>	<p>As outlined in Section 4.3, there is an opportunity for greater collaboration between SCCF project owners at the application stage as well as at the project delivery stage. This would ensure that similar and neighbouring LGAs are not competing to attract residents, new users of their assets, or visitors to their local regional community.</p> <p>Local council stakeholders from three of the five LGAs and community stakeholders from four of the five LGAs validated these findings.</p>
<p>6. Develop knowledge sharing mechanisms. This could include a repository of information about successful SCCF projects and best practice approaches for different asset types. DRNSW could also consider completing 'SCCF retros' with local councils and/or community stakeholders to identify what works for different types of assets in specific local communities.</p>	<p>Councils and community members valued the process of reflecting on projects delivered within their community. There is an opportunity for lessons learnt across LGAs, like-projects or similar community groups to be shared to ensure that SCCF project design and delivery are most effective into the future. This will help to ensure that SCCF funds and DRNSW resources are used most effectively for future rounds.</p> <p>Local council stakeholders from all LGAs and community groups from across three LGAs validated this finding.</p>



6. The economic benefit of the SCCF

6 The economic benefit of the SCCF

The Economic Evaluation assessed whether the investment through the SCCF delivered net economic benefits for NSW, based on a sample of 45 completed projects. On this count the SCCF has been a success. The new facilities are being well utilised (aside from temporary COVID-19 lockdowns). The key insights of the Economic Evaluation are that:

- The SCCF has delivered a substantial net economic benefit of \$520 million to NSW across Rounds One and Two
- Amenity was the largest category of benefits
- Capital was the major cost for projects
- There are positive net benefits under a range of scenarios
- Key changes will support better economic analysis of future SCCF rounds.

This Section outlines these findings in more detail.

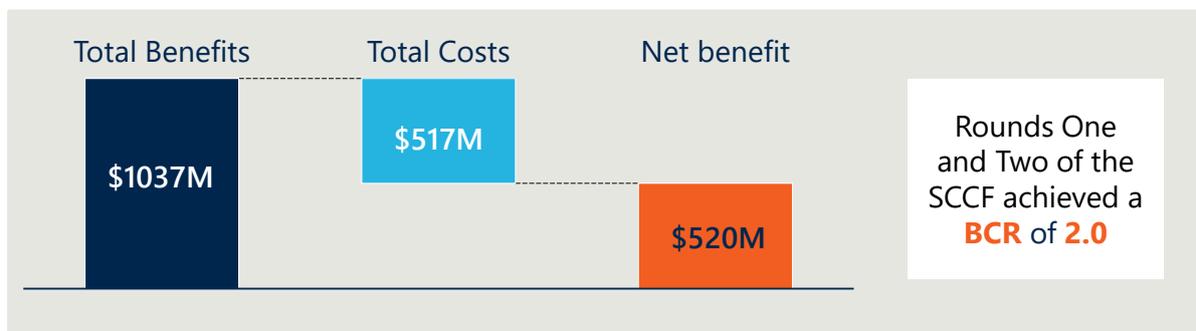
6.1 The net economic benefit to NSW was \$520M

The cost-benefit analysis of the SCCF demonstrates that the fund delivered a net economic benefit of \$520 million to NSW across Rounds One and Two. The elements of this net economic benefit include:

- **Total benefits** of \$1,037 million, with a 95 per cent confidence interval of \$877 million to \$1,190 million. This includes both non-financial benefits (such as travel time savings or improved amenity) and financial benefits (such as higher entry fees or membership fees).
- **Total costs** (including matched funds, in-kind costs and future maintenance) are \$517 million, with a 95 per cent confidence interval of \$448 million to \$586 million.
- **Net benefits** (benefits minus costs) of \$520 million with a 95 per cent confidence interval of \$429 million to \$604 million.
- **The benefit cost ratio (BCR)** of the fund is 2, with a 95 per cent confidence interval of 1.8 to 2.2.³⁹

Figure 25 provides a summary of these results.

Figure 25 | Summary of CBA results



Source: *Nous analysis*

³⁹ Note that a BCR of exactly 1.0 means it gives a 7% real rate of return (not a breakeven return), so any number above 1.0 means a higher than 7% return.

The strong net benefits demonstrate the usage-driven economic value that SCCF projects delivered for regional towns and NSW overall. These new facilities are highly utilised. It also demonstrates the positive return on investment that the NSW Government has achieved through Rounds One and Two of the SCCF.

The Economic Evaluation undertook three steps to measure the economic benefit of the SCCF:

1. **Collected data from 45 completed SCCF projects through tailored requests.** Project managers from the relevant local council completed the data request based on real data or informed estimates when COVID-19 restrictions affected the utilisation of the asset.
2. **Completed a cost benefit analysis (CBA) of each project.** The CBA identified the most material outcomes and benefits each project created. It then estimated the monetary value of these benefits through well-established techniques. The total benefits of each project were compared against the cost to deliver and maintain each project over a 20-year period, using a seven per cent real discount rate.
3. **Calculated aggregate estimates of the total benefits and costs for the entire SCCF Rounds One and Two.** The sample of 45 projects was weighted using standard survey data methods to improve inferences about the population of 999 projects. Weights were calibrated to population totals for the round, size, type of project and type of functional economic region. The aggregate estimates were based on a weighted regression model of costs and benefits in relation to project size.

Further detail on the CBA methodology can be found in Appendix E. The following Sections provide detail on the benefits, costs and scenario analysis to test the robustness of the findings.

6.2 Amenity was the largest category of benefits

The Economic Evaluation identified, measured and monetised a range of benefits that the economic analysis sample of SCCF projects created. The most significant benefits were related to amenity outcomes. Benefits associated with educational outcomes and travel time savings for residents were the next two most significant benefits. Figure 26 identifies all the categories of benefits that were identified, measured and monetised across the economic analysis sample.

Figure 26 | Overview of benefit categories identified and valued in the Economic Evaluation

Benefit category	Description	Proportion of overall benefits
Amenity	The value of: <ul style="list-style-type: none"> a new experience for new users a higher-quality experience for existing users improved access for target groups such as people living with a disability and female sports participants. 	59.2%
Educational outcomes	The value of improved education outcomes for children and time freed up for families to participate in the workforce from access to childcare.	23%
Travel savings	The value of time and vehicle cost savings for residents who do not have to commute to another town to use a facility.	12.4%
Wage uplift from construction	The total labour surplus per dollar of construction spend during the delivery of the project.	2.6%
Safety and security	Improved health and security from a reduction in crime or foregone injuries.	1.6%
Additional spending	Value added to the NSW economy from additional retail spend from tourists and visitors to a facility (to the extent that this spend is additional and not displaced from elsewhere).	1.1%
Environment	The benefit obtained from the harvesting of rainwater.	0.05%

Source: *Nous economic analysis*

The Economic Evaluation identified four key insights on the economic benefits of SCCF projects and social infrastructure more broadly. These are outlined below.

The SCCF created amenity for regional NSW in different ways depending on the type of investment and the main user group for each. It is unsurprising that the most material outcome of the SCCF – making up almost 60 per cent of benefits – is improvement in amenity (a type of consumer surplus), given the focus of the SCCF is to make regional NSW a better place to call home.⁴⁰ A key insight from this Economic Evaluation has been that amenity improvement is realised in three ways depending on what the investment is and how it is used by different user groups:

- **New users of facilities** benefited from an asset they previously did not. The most obvious example of this was when the SCCF enabled the development of a brand-new facility that attracted users who did not previously have the option of using a like facility. In other cases, new users were encouraged to

⁴⁰ Department of Regional NSW, [Stronger Country Communities Fund](#). Department of Regional NSW website, 2021.

use a facility on account of an upgrade or growth in capacity. This meant the number of new users for a given facility over a given period increased because of the investment.

- **Existing users of facilities** received greater benefits in using an asset of higher quality. Amenity outcomes of this kind were typically the result of an upgrade or renovation to existing facilities (e.g. improving the quality of a town’s netball courts to reduce slips and injuries) and were particularly important where they benefit a large existing user base.
- **Specific user groups of facilities** received a specific amenity uplift as facilities became more accessible. These investments are important because they contribute to a more equitable experience for those living in regional NSW. Key examples of investments of this type include where SCCF makes a facility more accessible for people living with a disability or for a user subset (e.g. women).

Figure 27 provides three project examples that highlight the amenity benefits for new, existing, and targeted users.

Figure 27 | Projects that highlight different amenity benefits⁴¹



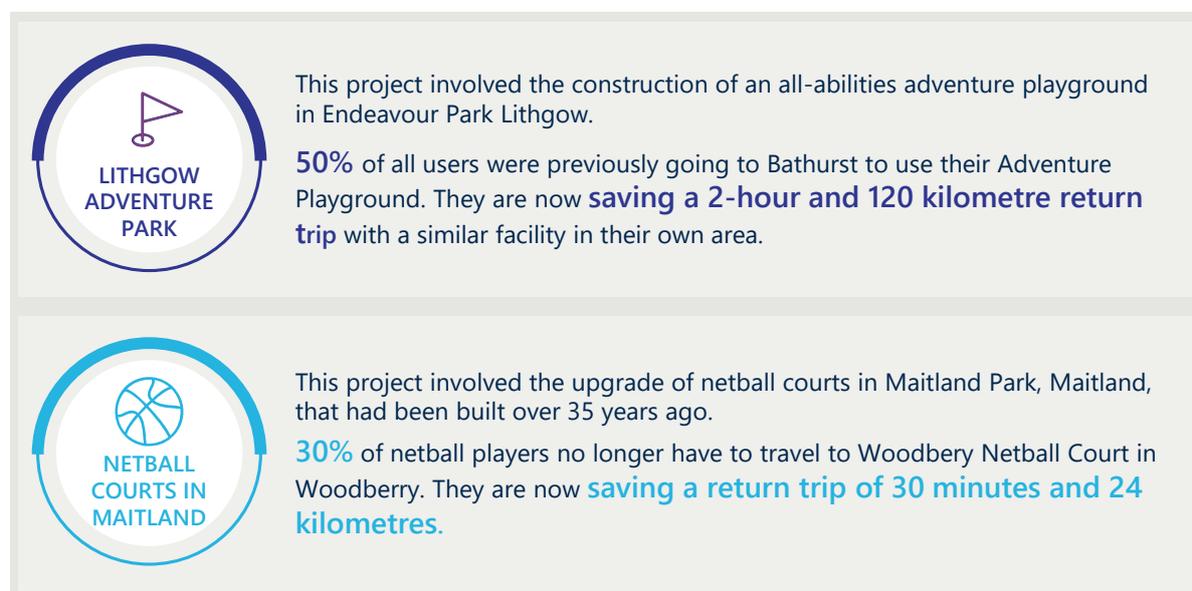
Source: *Nous economic analysis*

SCCF projects created significant benefits for people who previously needed to travel long distances to find alternative facilities. These benefits are monetised in the form of travel savings which in turn includes both time savings (i.e. less time in a car) and avoided assets usage costs (i.e. less wear and tear of using a car). As outlined in Section 5.3.1, many SCCF projects enabled residents of regional communities to access social infrastructure in their own towns rather than nearby regional centres. This was especially evident for smaller and more remote towns and projects that involved facilities unique to a particular location such as

⁴¹ While the construction of the projects involved some construction workers and possibly ‘jobs created’, many of those workers may have still been employed in the absence of the project. Noting standard Treasury guidelines, only the wage uplift (and not total construction wage) was included as a benefit.

adventure playgrounds or swimming pools. SCCF investments that created travel savings for regional communities were generally the same projects that had a displacement effect on nearby facilities (e.g. where a user chooses to spend time at a local golf course instead of travelling to a different golf course of equal quality several hours away). The size of travel savings was significant in many cases. Figure 28 outlines two examples of projects that delivered travel savings for regional community members.

Figure 28 | Projects that highlight travel savings benefits



Source: *Nous economic analysis*

SCCF projects that create longer term improvement in the lives of people (e.g. educational outcomes) generate significant economic benefits. A key outcome of the SCCF is that it can create opportunities for people living in regional NSW that might not otherwise have existed. In some cases, these opportunities can have a material impact on the lives of people. Educational outcomes supported through the SCCF are the clearest example of this. In NSW, 27 per cent of four- and five-year-old children that enrol in early childhood education (ECE) do so in a regional, remote or very remote setting. Such children are more likely than their metropolitan counterparts to be developmentally vulnerable at the start of school.⁴² By providing improved facilities to access ECE the SCCF contributed, alongside other factors such as the quality of early childhood educators, to improved lifetime outcomes for children. Figure 29 provides a case study of one such project.

Figure 29 | Walla Walla Early Childhood Hub



⁴² NSW Department of Education, [Regional and remote early childhood education: ensuring every child in regional and remote NSW gets the best start to life](#). Department of Education website, 2017.

Source: *Nous economic analysis*

SCCF projects also delivered some interesting (but not so common) benefits when the investment had a unique design element. In addition to the benefits discussed above, there are several distinctive outcomes worth highlighting. These benefits are created where an SCCF investment includes a unique design element that drives sometimes secondary or tertiary outcomes. For example, one investment in the economic analysis sample included environmental outcomes because of rainwater capture and usages. Another project resulted in a reduction in crime by activating a block of land with a well-lit children's park and BBQ area in an area that previously saw regular antisocial behaviour.

6.3 Capital was the major cost for projects

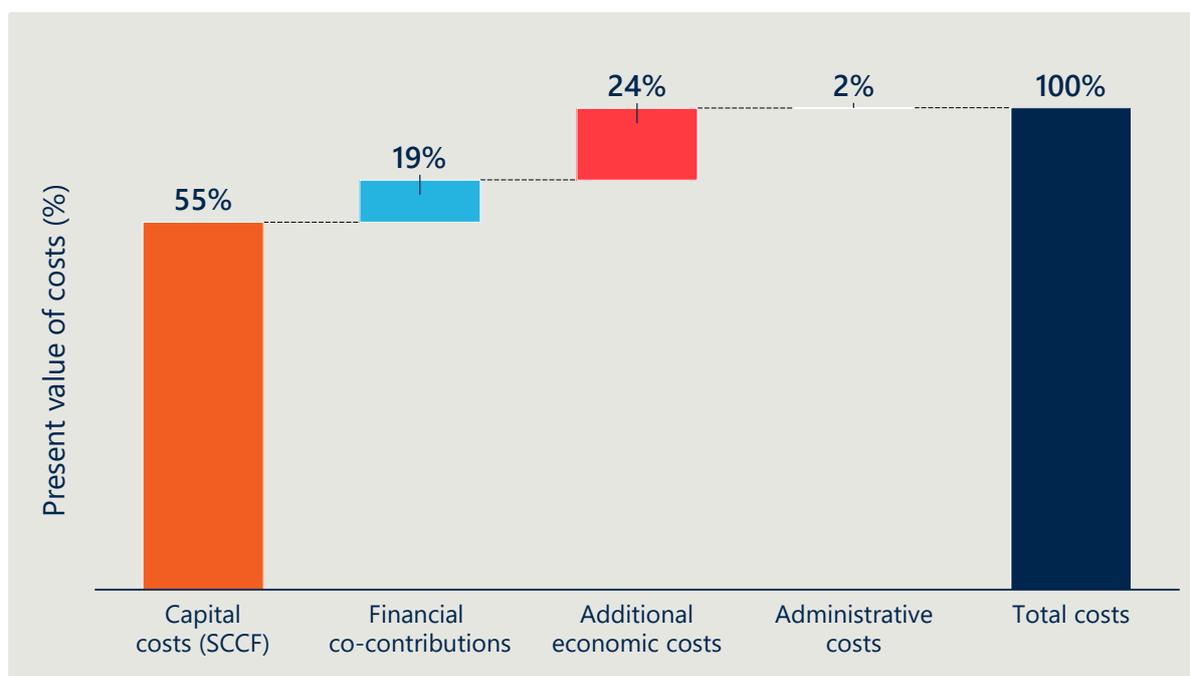
Rounds One and Two of the SCCF had an estimated overall economic cost of \$517 million over the 20 year estimate. Most costs were incurred by the NSW Government. In some projects, there were substantial contributions from local councils and other stakeholders through financial co-contributions, ongoing maintenance costs and in-kind support. The main cost components were:

- **Capital costs**, which totalled \$285 million. This reflects the total grant funding dispersed to support the 999 projects. There is no confidence interval around this estimate as the total SCCF outlay for all projects is known (hence no sampling error).
- **Financial co-contributions**, which totalled \$96 million. This reflects the total funding that was contributed by the council or project applicant, additional to the SCCF grant ('leveraged investment').
- **Additional economic costs**, which totalled \$126 million, with a 95 per cent confidence interval of \$97 million to \$195 million. This included cost overruns, in-kind support, and ongoing operating expenses. Cost overruns were reported by 25 projects in the economic analysis sample. In all cases the proponent (such as the local council) absorbed these costs. Stakeholders across the 45 projects also reported more than 9,000 hours of in-kind support. This included volunteer assistance or time that Council staff spent managing SCCF projects at the expense of other productive tasks. Most projects also required ongoing costs such as new or additional maintenance costs or additional staff to operate new facilities.
- **Administrative costs** totalled \$9.6 million. This included the cost of operating the fund and any employee-related costs. There are some additional costs that accrue to each applicant through time taken to apply for the grant. A dollar amount was not attributed to this cost due to small nature of the time and economic cost.

Appendix E provides an example of how the different costs were evaluated for each project depending on the project proponent's response to the data request form.

Figure 30 (overleaf) provides a per centage breakdown of the different economic costs across the economic analysis sample of 45 projects.

Figure 30 | Proportion of costs across SCCF Rounds One and Two



Source: *Nous economic analysis*

6.4 There are positive net benefits under a range of scenarios

Sensitivity testing of the CBA results, with reference to NSW Treasury Guidelines, shows that the fund continues to deliver a net benefit result. A discount rate of seven per cent (in real terms) has been used in the base case analysis presented here. According to NSW Treasury, sensitivity testing should be undertaken at three per cent, five per cent, and ten per cent. Figure 31 presents the results of this sensitivity testing.

Figure 31 | Sensitivity testing of results using discount rates recommended by NSW Treasury

SENSITIVITY ANALYSIS		
SCENARIOS	NET BENEFIT	BCR
7 per cent (base case)	\$520 million	2.0
3 per cent	\$879 million	2.6
5 per cent	\$676 million	2.3
10 per cent	\$344 million	1.7

Source: *Nous economic analysis*

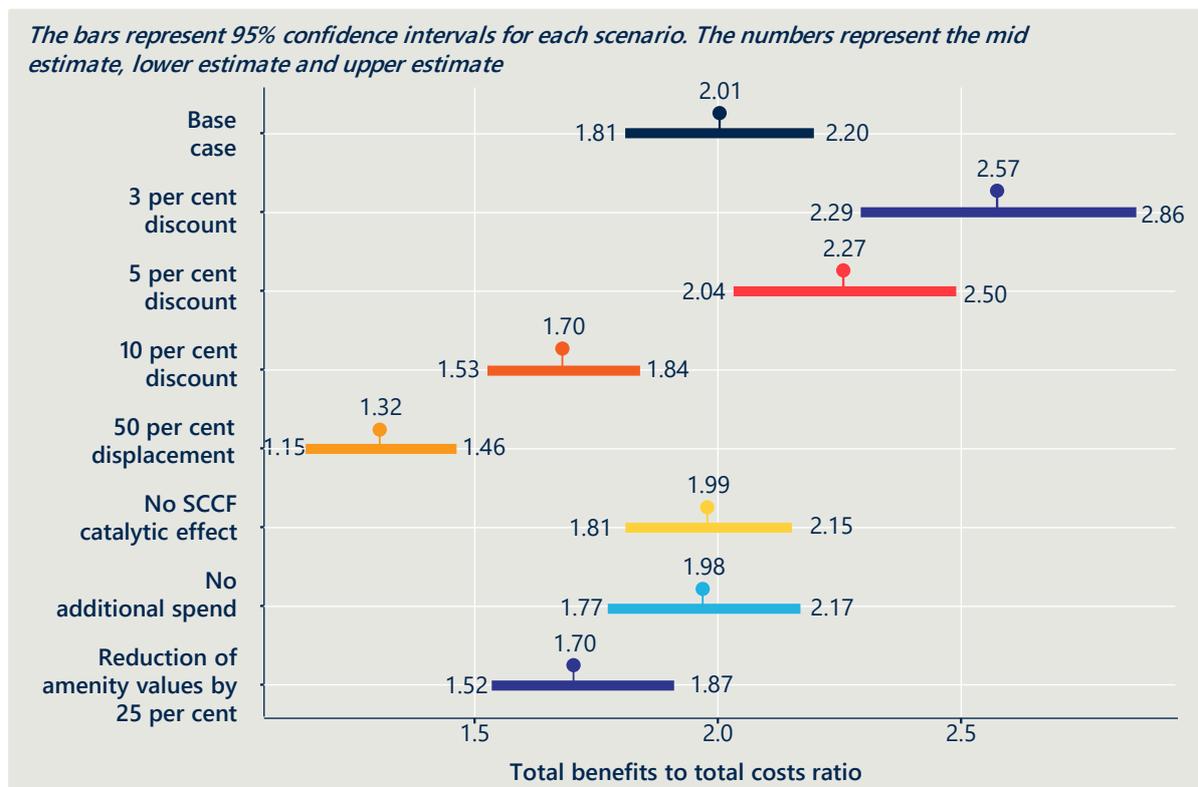
The SCCF CBA results also deliver a positive net benefit under a range of different scenarios that test some key underlying assumptions. In addition to the discount rate sensitivity testing presented above,

sensitivity testing of the base case has also been carried out under three selected scenarios. Each of the scenarios is chosen to test a fundamental model assumption with the purpose of demonstrating results are robust even under different assumptions. The scenarios are:

1. Applying a (higher) general displacement of 50 per cent across relevant benefits instead of assuming a bottom-up displacement effect based on each individual project. This approach reduces the risk that individual estimates from each project manager may have understated the extent of displacement.
2. Assuming all projects would not have proceeded in any form without the catalysing investment of the SCCF. A scenario where each project is completely reliant on the SCCF is modelled to reduce different project manager expectations influencing the results of the CBA.
3. Assuming there is no additional tourism expenditure or retail spending created because of SCCF investment. This scenario assumes that all spending is displaced from elsewhere in NSW (i.e. does not come from interstate tourists) and is therefore not an additional benefit to NSW (though is an additional benefit to that town).
4. Reducing the value of the amenity parameter by 25 per cent. Given that amenity comprised almost 60 per cent of the benefits in the CBA, testing was performed on this benefit category to determine whether Rounds One and Two of the SCCF still delivered a net economic benefit to NSW.

Appendix E provides further rationale for testing these different scenarios. Figure 32 outlines the range of net benefits and BCRs that result from the above scenarios. Across the seven scenarios the midpoint net benefit figure for the SCCF has a lower bound of \$162 million and an upper bound of \$607 million. The estimated BCR is positive in each scenario. It is reasonable to conclude that the SCCF has had a positive economic impact in NSW.

Figure 32 | Testing the CBA results under different scenarios



Source: Nous analysis

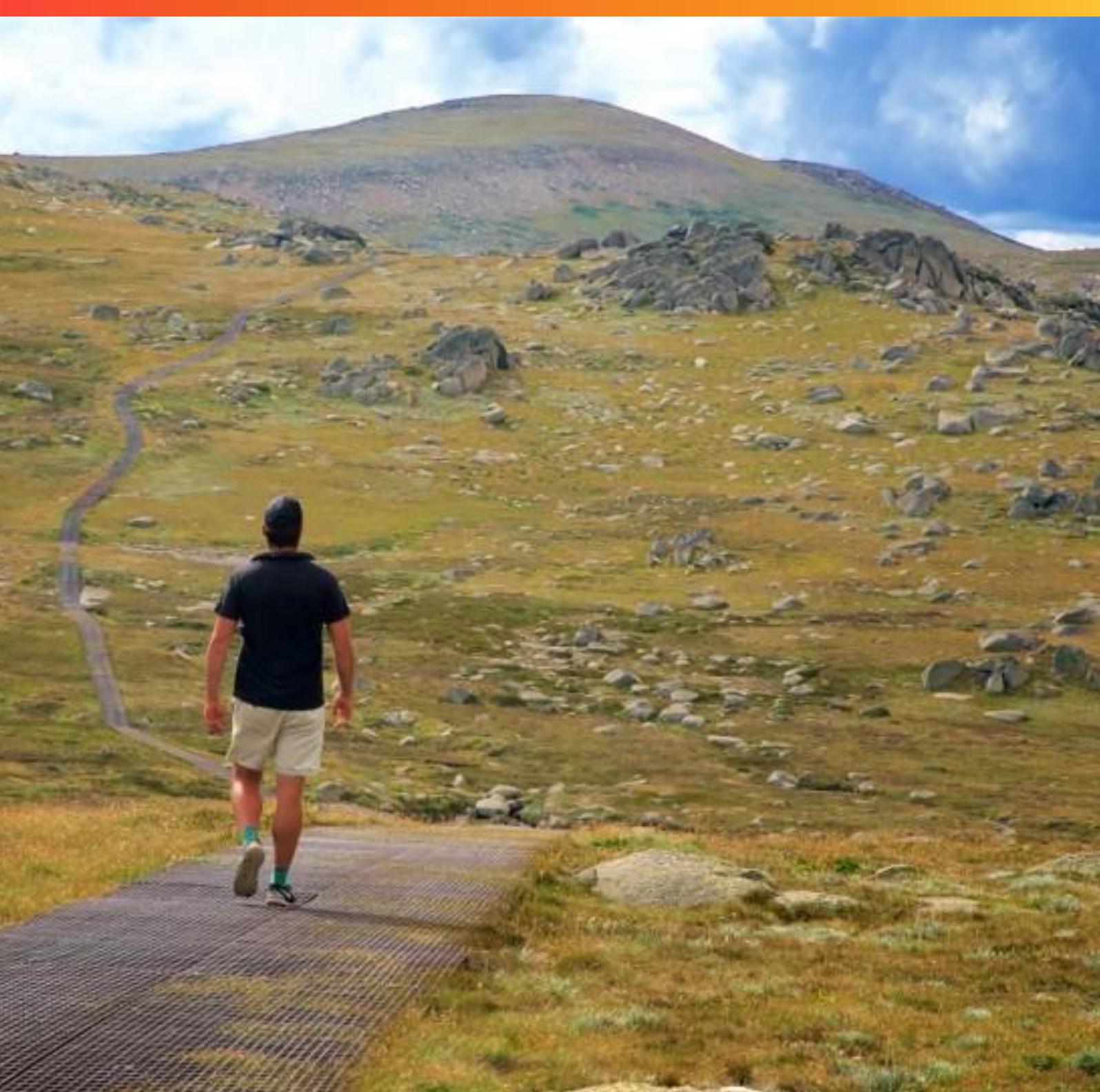
6.5 Changes can support better outcomes and economic analysis

Three key changes would help provide a stronger foundation for economic analysis of future rounds of the SCCF and other Regional Growth Funds. These changes reflect the challenges with data collection and the translation of this information into a cost benefit analysis.

RECOMMENDATIONS	SUPPORTING FINDINGS
<p>7. Develop ongoing project related data collection to measure the experience, outcomes and impact of projects. Data collection requirements should include pre-and post-funding data and for an agreed period post project completion (e.g. for at least 12 months post). Pre- and post-funding data is critical to identify a ‘counterfactual’, i.e. what might happen in the absence of the investment. The template that Nous developed could be used for this purpose.</p>	<p>The literature highlights that successful regional grant programs should include monitoring and evaluation to provide assurance that the best projects have been funded and that value for money was achieved.⁴³</p> <p>The Process Evaluation found that applications of many funded projects did not identify project outcomes that were specific and measurable.⁴⁴</p> <p>DRNSW had collected comprehensive data for each project during the delivery and closure process. There were some collection gaps that required the development of bespoke survey forms for each project to perform an accurate cost-benefit analysis on projects in the SCCF.</p>
<p>8. Develop a benefits realisation framework to monitor the benefits realised by the funded projects. The benefits realisation framework should be flexible so that it can capture the outcomes of the different categories of projects that have been funded across different rounds. DRNSW should consider providing targeted support to grant applicants to use the benefits realisation framework as a means of measuring the impact of regional grants on their community over time.</p>	<p>To measure the impact of the SCCF required determining a set of general benefit categories across the different project types that were funded in Rounds One and Two. The documentation provided by grant applicants did not refer to clear benefits that they hoped to realise and benefit categories had to be retrofitted onto the projects to translate them into a cost benefit analysis. Developing a universal benefits realisation framework, and providing guidance on the use of this framework, would aid councils and grant applicants to write better grant applications that are more likely to demonstrate clear outcomes and measures of success for proposed projects.</p>
<p>9. Build a longitudinal dataset of SCCF project outcomes to demonstrate the grant’s impact on regional communities over time. This should include:</p> <ul style="list-style-type: none"> • Maintaining the CBA model (and relevant guidance material) completed for this Evaluation. • Integrating more SCCF projects into the CBA model across subsequent rounds. • Agreeing a universal set of parameters that measure the various benefits SCCF projects aim to achieve. 	<p>There is an opportunity to extend the above methodology to develop a more robust evidence base for the costs and benefits of the SCCF and other regional funds over time. The DRNSW Evaluation team could engage closely and regularly with councils, community groups, and grant applicants to collect the right data to support the CBA model.</p>

⁴³ J Tomaney, ‘[Is there a case for regional policy in Australia?](#)’, *Australasian Journal of Regional Studies*, 18(1), 2012.

⁴⁴ Department of Regional NSW, [Stronger Country Communities Fund](#), Department of Regional NSW website, 2021.



7. The future of the SCCF

7 The future of the SCCF

The Outcome and Economic Evaluation has demonstrated that the SCCF has had a positive impact on regional communities and provided net economic benefits for NSW. A range of factors will likely drive ongoing demand for the SCCF. Such factors, alongside the evidence presented in this report, can help guide any potential future rounds of the SCCF.

The Outcome and Economic Evaluation has found that the SCCF has had a positive impact on regional communities. The SCCF:

- **Took an innovative approach to drive selection of projects that best enhances each local community.** Funding is essential to project delivery in many regional communities and targeted government expenditure will help regional councils deliver new, greater, and earlier benefits.
- **Achieved substantial positive outcomes for individual project beneficiaries and regional communities.** It enhanced local pride and community connection; advanced wellbeing, resilience and prosperity in regional communities; and improved social equity across regional NSW.
- **Delivered net economic benefits for NSW.** The facilities delivered by the SCCF are being well utilised (aside from temporary COVID-19 lockdowns). Given the diverse range of outcomes and benefits that the various rounds aim to achieve with various project types, it is more likely than not that the SCCF will continue to deliver new and positive net economic benefits for NSW.

As DRNSW considers the future of the SCCF it should consider the following four factors alongside the positive outcomes of this Evaluation.

- **Assets will continue to depreciate and need upgrading or replacing.** Smaller regional councils can often face additional financial constraints due to their small rate payer base. As such, they will likely benefit from some support for capital projects, including basic municipal services and community amenity projects. Other regional councils may be able to cover operating expenses, though not the depreciation and eventual replacement of their assets. As a result, there is likely to be ongoing demand from regional councils for funds like the SCCF.
- **Safety and regulatory standards will continue to increase over time.** Changes in building codes and regulatory standards will require ongoing upgrades and replacement of physical infrastructure in regional communities. In particular, the drive for greater inclusion for people with a disability, empowerment of Aboriginal communities, participation of women in sport and more environmentally sustainable infrastructure may drive demand for ongoing investment across regional towns.
- **Community expectations will evolve over time.** Community expectations for social infrastructure will likely increase over time. This is just as true for regional areas as it is for metropolitan areas. Changes in the economic, social, and cultural makeup of regional communities may also lead to different needs and expectations for social infrastructure. For example, while Rounds One and Two did not focus on culture, however, some of the projects that were funded included cultural elements, such as the display of Aboriginal art. Future rounds of SCCF grants will need to support regional communities to keep pace with such factors. This is even more urgent due to the large migration from metropolitan areas to many regional areas since the arrival of COVID-19 in Australia.
- **A measure of baseline amenity will help to target funding.** As outlined in Section 5.3, this Evaluation did not capture baseline amenity for communities or across communities in regional NSW. There may be value in creating a baseline amenity metric or scorecard for regional communities, and then assessing the success of the SCCF and other regional grants programs against this baseline. This baseline should incorporate both the quantity and the quality of social infrastructure, noting the value this Evaluation has demonstrated from both dimensions.



8. APPENDICES

Appendix A Program overview

This Section provides an overview of the total projects, projects across the five project categories, SCCF funding and total project funding for every LGA that received SCCF funding (see Table 5). The dollar values presented have been rounded to the nearest \$1,000 and are exclusive of GST.

Table 5 | List of LGAs that received SCCF funding

LGA	Total projects	Project category					SCCF funding (ex-GST)	Total project funding (ex-GST)
		Community	Environment	Infrastructure	Recreation	Sport		
Albury City	11	1	0	0	5	5	\$2,968,000	\$5,666,000
Armidale Regional	11	1	0	0	4	6	\$4,822,000	\$5,213,000
Ballina Shire	7	1	0	1	1	4	\$2,842,000	\$6,363,000
Balranald Shire	4	2	0	0	0	2	\$2,291,000	\$2,349,000
Bathurst Regional	20	6	0	0	3	11	\$2,859,000	\$5,960,000
Bega Valley Shire	12	4	0	1	5	2	\$2,765,000	\$3,311,000
Bellingen Shire	8	2	0	2	3	1	\$2,438,000	\$3,047,000
Berrigan Shire	9	1	0	1	3	4	\$2,367,000	\$2,577,000
Bland Shire	8	2	0	0	1	5	\$2,339,000	\$2,574,000
Blayney Shire	9	0	0	3	3	3	\$2,316,000	\$2,413,000
Bogan Shire	8	1	1	0	2	4	\$2,306,000	\$2,594,000
Bourke Shire	9	2	0	2	3	2	\$2,301,000	\$3,237,000
Brewarrina Shire	3	0	0	0	0	3	\$2,269,000	\$2,279,000
Broken Hill City	10	0	0	2	4	4	\$2,577,000	\$2,902,000
Byron Shire	14	8	0	2	1	3	\$2,703,000	\$2,980,000
Cabonne	10	2	0	4	1	3	\$2,450,000	\$3,691,000

LGA	Total projects	Project category					SCCF funding (ex-GST)	Total project funding (ex-GST)
		Community	Environment	Infrastructure	Recreation	Sport		
Carrathool Shire	10	0	0	0	5	5	\$2,291,000	\$2,429,000
Central Coast	13	4	0	4	1	4	\$7,668,000	\$9,619,000
Central Darling Shire	5	3	0	1	0	1	\$2,289,000	\$2,654,000
Cessnock City	9	2	0	1	4	2	\$3,025,000	\$4,557,000
Clarence Valley	10	2	0	1	2	5	\$2,958,000	\$5,282,000
Cobar Shire	6	2	0	1	1	2	\$2,342,000	\$3,154,000
Coffs Harbour City	7	1	2	1	1	2	\$3,273,000	\$3,538,000
Coolamon Shire	10	3	0	1	1	5	\$2,311,000	\$2,923,000
Coonamble Shire	12	2	0	2	4	4	\$2,318,000	\$2,832,000
Cootamundra-Gundagai Regional	31	7	0	1	8	15	\$4,562,000	\$5,390,000
Cowra Shire	11	2	0	3	1	5	\$2,442,000	\$2,562,000
Dubbo Regional	16	2	0	2	2	10	\$5,260,000	\$11,354,000
Dungog Shire	6	0	0	1	0	5	\$2,378,000	\$2,435,000
Edward River	9	2	0	1	2	4	\$4,642,000	\$5,966,000
Eurobodalla Shire	10	2	1	4	0	3	\$2,822,000	\$5,607,000
Federation	19	0	1	4	3	11	\$4,676,000	\$12,402,000
Forbes Shire	7	3	0	0	1	3	\$2,397,000	\$3,267,000
Gilgandra Shire	7	3	0	0	3	1	\$2,315,000	\$2,723,000

LGA	Total projects	Project category					SCCF funding (ex-GST)	Total project funding (ex-GST)
		Community	Environment	Infrastructure	Recreation	Sport		
Glen Innes Severn	9	3	0	1	0	5	\$2,388,000	\$2,807,000
Goulburn Mulwaree	7	1	0	3	2	1	\$2,683,000	\$5,286,000
Greater Hume Shire	14	2	0	0	3	9	\$2,394,000	\$3,440,000
Griffith City	4	1	0	1	1	1	\$2,634,000	\$3,041,000
Gunnedah Shire	4	0	0	0	1	3	\$2,452,000	\$3,360,000
Gwydir Shire	18	5	0	0	1	12	\$2,328,000	\$3,156,000
Hay Shire	12	4	0	0	3	5	\$2,293,000	\$2,534,000
Hilltops	26	1	1	5	5	14	\$7,037,000	\$8,151,000
Inverell Shire	5	0	0	0	3	2	\$2,518,000	\$3,460,000
Junee Shire	10	2	0	0	0	8	\$2,338,000	\$2,722,000
Kempsey Shire	10	0	0	3	3	4	\$2,678,000	\$3,861,000
Kiama Municipal	6	1	0	1	1	3	\$2,548,000	\$3,326,000
Kyogle	30	9	0	3	8	10	\$2,392,000	\$3,651,000
Lachlan Shire	10	2	0	0	2	6	\$2,362,000	\$3,244,000
Lake Macquarie City	15	5	0	2	3	5	\$5,083,000	\$8,906,000
Leeton Shire	3	2	0	0	0	1	\$2,423,000	\$3,912,000
Lismore City	14	1	0	1	3	9	\$2,851,000	\$3,270,000
Lithgow City	13	1	1	1	3	7	\$2,538,000	\$3,132,000
Liverpool Plains Shire	12	2	0	2	0	8	\$2,373,000	\$2,569,000

LGA	Total projects	Project category					SCCF funding (ex-GST)	Total project funding (ex-GST)
		Community	Environment	Infrastructure	Recreation	Sport		
Lockhart Shire	7	1	0	1	2	3	\$2,289,000	\$5,061,000
Maitland City	8	0	0	2	2	4	\$3,313,000	\$3,360,000
Mid-Coast	31	8	1	1	8	13	\$8,100,000	\$9,346,000
Mid-Western Regional	10	1	0	3	3	3	\$2,622,000	\$3,803,000
Moree Plains Shire	14	3	1	2	2	6	\$2,400,000	\$2,718,000
Murray River	13	1	0	2	5	5	\$4,674,000	\$4,674,000
Murrumbidgee	9	2	0	0	0	7	\$4,561,000	\$5,342,000
Muswellbrook Shire	7	0	0	0	1	6	\$2,515,000	\$4,854,000
Nambucca Valley Shire	9	1	1	0	3	4	\$2,533,000	\$3,091,000
Narrabri Shire	12	1	0	3	1	7	\$2,468,000	\$2,503,000
Narrandera Shire	12	5	1	0	2	4	\$2,338,000	\$3,419,000
Narromine Shire	7	2	0	0	0	5	\$2,351,000	\$2,878,000
Oberon	14	2	0	1	5	6	\$2,326,000	\$2,534,000
Orange City	7	1	1	2	0	3	\$2,853,000	\$5,036,000
Parkes Shire	9	4	0	1	0	4	\$2,482,000	\$3,249,000
Port Macquarie-Hastings	11	1	0	3	3	4	\$3,398,000	\$3,506,000
Port Stephens	10	0	0	1	4	5	\$3,227,000	\$5,148,000
Queanbeyan-Palerang Regional	13	3	0	2	0	8	\$5,316,000	\$5,932,000

LGA	Total projects	Project category					SCCF funding (ex-GST)	Total project funding (ex-GST)
		Community	Environment	Infrastructure	Recreation	Sport		
Richmond Valley	11	1	0	0	4	6	\$2,577,000	\$2,640,000
Shellharbour City	3	0	0	0	2	1	\$2,152,000	\$3,452,000
Shoalhaven City	14	1	0	2	6	5	\$3,659,000	\$4,193,000
Singleton	11	4	0	1	2	4	\$2,584,000	\$2,772,000
Snowy Monaro Regional	10	1	0	1	4	4	\$7,089,000	\$8,961,000
Snowy Valleys	19	4	1	1	2	11	\$4,721,000	\$4,900,000
Tamworth Regional	7	1	1	2	1	2	\$3,132,000	\$4,505,000
Temora Shire	13	4	0	1	1	7	\$2,338,000	\$2,600,000
Tenterfield Shire	8	2	0	2	1	3	\$2,358,000	\$2,358,000
Tweed Shire	15	2	3	0	4	6	\$3,521,000	\$4,054,000
Unincorporated Far West	8	4	0	0	2	2	\$2,270,000	\$2,518,000
Unincorporated Lord Howe Island	6	2	0	0	3	1	\$2,260,000	\$2,470,000
Upper Hunter Shire	14	1	0	1	2	10	\$2,460,000	\$2,635,000
Upper Lachlan Shire	10	2	0	2	3	3	\$2,364,000	\$2,374,000
Uralla Shire	9	0	0	1	3	5	\$2,335,000	\$2,361,000
Wagga Wagga City	7	0	0	1	1	5	\$3,148,000	\$4,172,000
Walcha Shire	6	2	0	0	0	4	\$2,295,000	\$2,742,000

LGA	Total projects	Project category					SCCF funding (ex-GST)	Total project funding (ex-GST)
		Community	Environment	Infrastructure	Recreation	Sport		
Walgett Shire	9	4	1	0	2	2	\$2,362,000	\$2,547,000
Warren Shire	4	1	0	1	1	1	\$2,293,000	\$7,016,000
Warrumbungle Shire	9	2	1	0	2	4	\$2,408,000	\$2,924,000
Weddin Shire	10	1	0	1	1	7	\$2,307,000	\$2,484,000
Wentworth Shire	8	1	0	1	2	4	\$2,369,000	\$3,148,000
Wingecarribee Shire	8	2	0	0	3	3	\$2,693,000	\$3,832,000
Yass Valley	4	0	1	1	0	2	\$2,484,000	\$2,545,000

Appendix B **Overview of place-based outcomes analysis for five LGAs**

This Section includes a detailed overview of the five LGAs that were the focus of the place-based outcomes analysis. Each overview includes the following information:

- A summary of the funding and types of projects delivered in the LGA.
- An outline of the local context, including a map of the LGA with the project locations.
- A summary of the role and impact of the SCCF for the LGA.
- A selection of stakeholder quotes.
- The full list of SCCF projects delivered in the LGA.

The place-based outcomes analysis for each LGA are presented in reverse alphabetical order as follows:

- Snowy Valleys Regional Council
- Lake Macquarie City Council
- Eurobodalla Shire Council
- Bogan Shire Council
- Bathurst Regional Council

SNOWY VALLEYS REGIONAL COUNCIL



ROUNDS 1 AND 2 OF THE SCCF SAW

\$4.72m

INVESTED IN 19 PROJECTS

with a total cost of

\$4.9m

LARGEST GRANT

\$1m

SMALLEST GRANT

\$16k

AVERAGE GRANT

\$248k

MEDIAN GRANT

\$178k

95%
OF PROJECTS ARE
COMPLETE

THE MAJORITY OF PROJECTS WERE UPGRADES OR RENOVATIONS.

15 projects were for upgrades of existing facilities or renovations

4 projects were for the construction of new facilities

The SCCF funded a range of projects across different categories.

58% SPORT

21% COMMUNITY

11% ENVIRONMENT AND INFRASTRUCTURE

11% RECREATION

LOCAL CONTEXT

POPULATION

14,395 (ABS, 2016)

FER TYPE

Inland

LOCAL FEATURES

The Snowy Valleys is a geographically dispersed LGA, comprised of many small communities and towns.

Towns within the council were significantly impacted by bushfires, especially Tumbarumba.

The council was formed in 2016 with the amalgamation of Tumut Shire and Tumbarumba Shire.



REFLECTIONS FROM COMMUNITY MEMBERS

“
Tumbarumba was nearly wiped out in the bushfires last year [2020]. There was huge loss to the local timber industry.”

“
We're like any small town, basically run on volunteers, and in a small town, its the same five families and they're tired.”

THE ROLE OF THE SCCF

Projects were intentionally spread across six towns to best enhance each local community. Snowy Valleys Council dispersed funding across the LGA. The Council consulted widely to understand different communities' vision for their place and to then prioritise projects. Seeing the success of projects in Round 1, people in other towns and villages were motivated to advocate for comparable projects in their own community in Round 2 and subsequent rounds of the SCCF.

None of the 19 projects would have happened without the SCCF. Community groups and council did not have the financial capacity to support the projects delivered. Community groups specifically noted their inability to fund large capital upgrades. The Council noted their financial capacity only allowed them to maintain existing assets. Absent SCCF funding, residents and communities would not have received the benefits SCCF projects delivered.

THE IMPACT OF THE SCCF

Projects enhanced community pride, connection and ambition across Snowy Valleys. As one example, the three upgraded pools - in Tumut, Tumbarumba and Adelong - have become places where families and friends meet and connect. The upgrades also facilitated stronger connections between the towns through new inter-town swimming competitions. The success of local sporting infrastructure upgrades has motivated similar projects in other towns. Stakeholders also spoke of renewed pride, energy and optimism. The new Batlow library, to take one example, is now a signature asset in the town. It provides the community with a state-of-the-art space for reading, studying and connecting with family and friends through a shared experience of local arts and culture.

Projects supported the resilience of Snowy Valleys communities

The Black Summer Bushfires severely impacted many communities in the Snowy Valleys. Upgrades to the Gilmore Hall and Jingellic Showground were two projects that supported the community to better manage the response to the natural disaster. Both upgraded assets became coordination and meeting points for their community. The upgrade to the Jingellic Showgrounds enabled a BlazeAid camp to assist with the recovery.

Snowy Valleys residents have more equal and better access to amenity

The SCCF supported Snowy Valleys Council to deliver greater amenity for its residents, including through making facilities more accessible. The addition of female change rooms at the Twickenham Oval supported greater participation by girls and women. Upgrades to the Adelsonia Theatre will allow the theatre to host shows that would have only been available in Tumut. The projects to improve the water temperature of Tumut and Adelong pools has allowed those pools to remain open for longer.

“

This funding makes us feel like we haven't been left behind, that we deserve these facilities as much as the cities.

Snowy Valleys Council Officer

”

“

This [Gilmore] hall is our town's lifeline. It's where we come together. It's where people slept during the bushfires.

Snowy Valleys community member

”

SNOWY VALLEYS REGIONAL COUNCIL



STAKEHOLDER ENGAGEMENT

EIGHT STAKEHOLDERS WERE ENGAGED TO EXPLORE THE SCCF IN SNOWY VALLEYS

3 LGA residents & project beneficiaries

2 Council stakeholders

2 DRNSW staff members

LIST OF PROJECTS

Project name	Category	Rd	SCCF Funding	Total Cost	Completed?
New Batlow Library	Community	1	\$1m	\$1m	Yes
Upgrade of Tumbarumba Sportsground	Sport	1	\$308k	\$308k	Yes
Upgrade of 2 Tumut 'Bull Paddock' playing fields	Sport	1	\$297k	\$297k	Yes
Tumbarumba Bike Pump Track	Sport	1	\$150k	\$199k	Yes
Tumbarumba Swimming Pool - upgraded learn to swim/water play pool	Sport	2	\$928k	\$928k	Yes
Repair Upgrade and Extend Facilities at Adelongia Theatre - Adelong	Community	2	\$321k	\$321k	No
Talbingo Walking Path	Infrastructure	2	\$310k	\$310k	Yes
Repairs and Upgrade to Adelong Showground	Community	2	\$309k	\$309k	Yes
Tumut Rugby League Change Rooms Twickenham Oval	Sport	2	\$250k	\$250k	Yes
Regulate Water Temperature of the Tumut Pool	Environment	2	\$204k	\$204k	Yes
Tumut Skate Park Redevelopment	Recreation	2	\$178k	\$178k	Yes
Jingellic Show Ground Water Bore and Irrigation	Sport	2	\$91k	\$103k	Yes
Resurface Three Tennis Courts - Tumut Tennis Club	Sport	2	\$87k	\$87k	Yes
Improving water temperature at Adelong Community Aquatic Centre	Sport	2	\$79k	\$79k	Yes
New Toilet Block and Kitchen Upgrade - Tumbarumba Tennis Club	Sport	2	\$64k	\$64k	Yes
Resurfacing with synthetic grass of two Tennis Courts at Talbingo Country Club	Sport	2	\$57k	\$57k	Yes
Disability Renovations for Talbingo Country Club	Sport	2	\$16k	\$16k	Yes
Upgrade facilities at Thomas Boyd Track head	Recreation	2	\$22k	\$54k	Yes
Repairs and Renovations to Gilmore Hall	Community	2	\$50k	\$53k	Yes

LAKE MACQUARIE CITY COUNCIL



ROUNDS 1 AND 2 OF THE SCCF SAW

\$5.08m

INVESTED IN **15 PROJECTS**

with a total cost of

\$8.91m

LARGEST GRANT **\$800k**

SMALLEST GRANT **\$73k**

AVERAGE GRANT **\$339k**

MEDIAN GRANT **\$202k**

93% OF PROJECTS ARE COMPLETE

THE MAJORITY OF PROJECTS WERE UPGRADES OR RENOVATIONS.

11 projects were for upgrades of existing facilities or renovations

4 projects were for the construction of new facilities

The SCCF funded a range of projects across different categories.

- 33% SPORT
- 33% COMMUNITY
- 14% ENVIRONMENT AND INFRASTRUCTURE
- 20% RECREATION

LOCAL CONTEXT

POPULATION
197,371 (ABS, 2016)

FER TYPE
Metro Satellite

LOCAL FEATURES
Lake Macquarie Council has a relatively large population compared with other regional councils. It is satellite city to both Newcastle and Greater Sydney

The region is dispersed around the Lake Macquarie and the geographic spread of amenity and infrastructure is an important consideration for council.



● SCCF Projects from Rounds 1 and 2. Illustrative only.

THE ROLE OF THE SCCF

Projects were spread across population centres to support existing council strategies. Aligning local needs with council strategies supported important localised benefits to be delivered within the region. Council worked closely with community groups to align projects with both local needs and broader council strategies. The Shared Cyclway in Brightwaters, for example, saw the council use SCCF funding to extend its network of shared walking and cycling pathways to one of its more remote suburbs. This aligned with its Walking, Cycling and Better Streets Strategy.

The SCCF helped council to prioritise spending on social infrastructure and community facilities. Through SCCF funding, the Council was able to improve assets sooner and to a higher and more innovative standard. As an example, the SCCF contributed \$800k to the \$1.6m renovation of the Rathmine Community Hall. Council stakeholders saw SCCF funding as key to enhancing the building beyond a standard facility upgrade. Projects also catalysed in-kind contributions from community members. The Awaba Mountain Biking track upgrade attracted over 50 volunteers in a single day to help deliver the project.

“ This program helps to position regional NSW as a nice place to live. We have seen a lot of people move here and love it because of our great amenities. *Lake Macquarie Council Officer* ”

THE IMPACT OF THE SCCF

SCCF projects have improved the liveability of Lake Macquarie. The SCCF supported projects that provide important recreation and social opportunities. Social connection was noted as a key outcome of the SCCF in Lake Macquarie. This built from projects that created spaces for community connection - such as the playground upgrade at Bernie Goodwin Memorial Park – and volunteerism. Successful projects have also motivated applicants to pursue greater ambition. For example, the initial success of the new bushwalking and fire trails in Lake Mac Outdoor Recreation Centre has motivated other development to further enhance the area.

Sporting and recreation facility improvements have supported health outcomes. Several projects improved the standard and accessibility of existing facilities and encouraged an increase in physical activity and overall wellbeing. For example, the upgrade of lighting at Walter Park Sport Field has addressed growing demand for night sports and enabled a greater diversity of sports on the site. The upgrade to the Awaba Mountain bike park supported an increase in visitation from 45,000 to over 100,000 per year.

Many projects made facilities more accessible and equitable. Seven projects delivered benefits for community members with disabilities. Such upgrades increased the health and wellbeing of disabled community members, facilitated disability tourism, and promoted broader social inclusion. Two such examples are the: installation of a permanent wheelchair feature at the Belmont Baths, which has featured in holiday and blogging posts; and new adaptive riding course at Awaba Mountain Bike park, which now attracts riders with a disability from across the broader Central Coast and Hunter regions.

“ Having this facility available during COVID-19 was huge. There are mental and wellbeing benefits about being in the forest. It gives people a good feeling. *Lake Macquarie Community Member* ”

REFLECTIONS FROM COMMUNITY MEMBERS

“ The region is dispersed around the lake and so we have to consider the different communities on both sides. ”

“ We have seen strong growth in the region since COVID-19. These amenities are important for making the new residents stick. ”

LAKE MACQUARIE CITY COUNCIL



STAKEHOLDER ENGAGEMENT

NINE STAKEHOLDERS WERE ENGAGED TO EXPLORE THE SCCF IN LAKE MACQUARIE CITY COUICL

4 LGA residents & project beneficiaries

3 Council stakeholders

2 DRNSW staff members

LIST OF PROJECTS

Project name	Category	Rd	SCCF Funding	Total Cost	Completed?
Rathmines Community Hall Rejuvenation	Community	1	\$800k	\$1.68m	Yes
Belmont Baths Amenities	Infrastructure	1	\$432k	\$632k	Yes
Speers Point Pool Solar	Sport	1	\$182k	\$296k	Yes
Swim Centres Shade Infrastructure - Community Connectivity	Sport	2	\$684k	\$684k	Yes
Shared Cycleway Brightwaters	Infrastructure	2	\$620k	\$1.40m	No
Upgrade playground at Bernie Goodwin Memorial Park	Recreation	2	\$616k	\$1.01m	Yes
Upgrade Awaba Mountain Bike Park	Recreation	2	\$450k	\$450k	Yes
Upgrade lighting at Walters Park Sports Field	Sport	2	\$231k	\$1.47m	Yes
Creating a Community Hub in Lake Macquarie	Community	2	\$202k	\$216k	No
Create bushwalking tracks and fire trails at Lake Mac Outdoor Recreation Centre	Recreation	2	\$200k	\$219k	Yes
Replace roof of Hunter Life Education Centre	Community	2	\$199k	\$199k	Yes
PCYC Morisset Installation of ceiling insulation and fans	Sport	2	\$140k	\$140k	Yes
Charlestown CREATE: Art Activation Project	Community	2	\$136k	\$181k	No
Wangi Creativity Hub	Community	2	\$117k	\$117k	No
Build Three-Bay Storage Building—Awaba Oval	Sport	2	\$73k	\$73k	Yes

EUROBODALLA SHIRE COUNCIL

ROUNDS 1 AND 2 OF THE SCCF SAW

\$2.82m

INVESTED IN 10 PROJECTS

with a total cost of

\$5.61m

LARGEST GRANT

\$1M

SMALLEST GRANT

\$833k

AVERAGE GRANT

\$282K

MEDIAN GRANT

\$175K

The SCCF funded a range of projects across different categories.

30% SPORT

20% COMMUNITY

10% ENVIRONMENT

40% INFRASTRUCTURE

90%

OF PROJECTS ARE

COMPLETE

THE MAJORITY OF PROJECTS WERE UPGRADES OR RENOVATIONS.

6 projects were for upgrades of existing facilities or renovations

4 projects were for the construction of new facilities

LOCAL CONTEXT

POPULATION

37,232 (ABS, 2016)

FER TYPE

Coastal

LOCAL FEATURES

Eurobodalla is a geographically dispersed LGA. It includes many small communities and towns.

Eurobodalla is also a prime tourist destination on the NSW south coast. Towns within the region that rely on tourism have been challenged by COVID-19 and the Black Summer bushfires, which impacted 80 percent of the region.



THE ROLE OF THE SCCF

Projects were intentionally spread across seven towns to deliver collective, region-wide benefits. Eurobodalla council spread projects across the LGA to support equity outcomes across towns. A by-product of this approach was that successful projects in one town motivated residents of other towns to advocate for similar projects to be delivered in their town. For example, the construction of a pathway in Mossy Point in Round 1 inspired an extension of the path in Batemans Bay in Round 2.

Projects would not have been delivered without the SCCF. Council reflected that SCCF projects were the projects that were neglected by other bigger, more 'glamorous' funds. Eurobodalla was also not recognised as drought-affected under other grant programs. Absent of the SCCF funding, community facilities, such as the Moruya showgrounds, would not have been upgraded. This facility proved vital in the town's bushfire response.

THE IMPACT OF THE SCCF

Projects delivered across towns enabled social connection within the region and increased residents' pride in their town. Upgrades to existing sporting infrastructure prompted more sporting competitions between towns. The creation of a new art centre enabled more cultural events to be hosted within the region. Such events have been helped bring residents together across towns. Projects that improved central community assets in prominent locations (such as halls, heritage assets, theatres and showgrounds) boosted residents' perception of the attractiveness of their community. The public toilet in Central Tilba for example, has become a signature community asset and had a "halo" effect on the main street in the town. The rejuvenated building façade is now a striking symbol for visitors of the town. It has spurred investment in similar upgrades across other community assets.

Facility upgrades have increased the utilisation of existing assets. Captain Oldrey Park in Broulee is the only netball facility within the region. The new courts have enabled the local club to increase the number of games played in the mixed and women's competitions. Access to new or upgraded facilities within each town has also reduced the time for community members to travel to nearby towns to access facilities. This was especially evident in Eurobodalla because of the wide geographic spread of towns within the region.

Four of the ten projects delivered in Eurobodalla achieved equity outcomes for their community. Eurobodalla has a goal to become the most accessible LGA in regional NSW. The development of the Corrigans / Batehaven Precinct accessible change room and viewing platform contributed to this goal. Other equity focused projects included the construction of gender-inclusive amenities. For example, the redevelopment of Bill Smyth Oval in Narooma provided age and gender appropriate facilities to better enable females to participate in sport within the region.

REFLECTIONS FROM COMMUNITY MEMBERS

“

"Covid-19 has been a real challenge to our local tourism industry, especially off the back of the bushfires."

”

“

"We have had a really tough couple of years."

”

“

The SCCF addresses a real community need. It is different because it isn't only targeted at snazzy projects, it includes the footpaths, toilets and hall upgrades that other more glamorous funds neglect.

Eurobodalla council staff member

”

“

These projects are catalytic. They give rise to local optimism and vision. It encourages people to think, what else might we achieve?

Eurobodalla community member

”

EUROBODALLA SHIRE COUNCIL



STAKEHOLDER ENGAGEMENT

EIGHT STAKEHOLDERS WERE ENGAGED TO EXPLORE THE SCCF IN EUROBODALLA SHIRE COUNCIL

5 LGA residents & project beneficiaries

2 Council stakeholders

1 DRNSW staff member

LIST OF PROJECTS

Project name	Category	Rd	SCCF Funding	Total Cost	Completed?
Develop Moruya Library and Art Centre	Community	2	\$1.00m	\$2.80m	Yes
Redevelop Bill Smyth Oval Narooma	Sport	2	\$380k	\$479k	Yes
Revitalise Captain Oldrey Park	Sport	2	\$353k	\$475k	Yes
Moruya Showground - Drainage and Carpark	Sport	1	\$200k	\$429k	Yes
Upgrade lights at Bodalla Oval Bill Smyth Oval (Narooma) and Gundry Oval (Moruya)	Environment	2	\$350k	\$372k	No
Corrigans / Batehaven Precinct Accessible Change Room and Viewing Platform	Infrastructure	1	\$150k	\$310k	Yes
Central Tilba Bate Street Public Toilet	Infrastructure	1	\$100k	\$300k	Yes
Eurobodalla Halls	Community	1	\$100k	\$225k	Yes
Pathways: Mossy Point and South Durras	Infrastructure	1	\$105k	\$132k	Yes
Create path on Hill Street Batemans Bay	Infrastructure	2	\$83k	\$83k	Yes

BOGAN SHIRE COUNCIL



ROUNDS 1 AND 2 OF THE SCCF SAW

\$2.82m

INVESTED IN 10 PROJECTS

with a total cost of

\$5.61m

LARGEST GRANT

\$1M

SMALLEST GRANT

\$833k

AVERAGE GRANT

\$282K

MEDIAN GRANT

\$175K

The SCCF funded a range of projects across different categories.

30% SPORT

20% COMMUNITY

10% ENVIRONMENT

40% INFRASTRUCTURE

100%

OF PROJECTS ARE

COMPLETE

THE MAJORITY OF PROJECTS WERE UPGRADES OR RENOVATIONS.

6

projects were for upgrades of existing facilities or renovations

4

projects were for the construction of new facilities

LOCAL CONTEXT

POPULATION

2,692 (ABS, 2016)

FER TYPE

Remote

LOCAL FEATURES

Bogan Shire is a predominantly agricultural region on the edge of the NSW outback. It has many families scattered on farms throughout the region.

It was severely impacted by the recent droughts.

Nyngan, the only major town in the shire, hosts many tourists and visitors who stop at the free camp spots.



● SCCF Projects from Rounds 1 and 2.

THE ROLE OF THE SCCF

Projects in Bogan Shire were clustered in Nyngan to build a 'precinct' of high-quality social infrastructure. This approach resulted in the co-location of recreational facilities with other community assets, promoted mixed-use activities and created a central meeting point. Several projects were also selected to enhance the attractiveness of Nyngan for tourists. Bogan Shire Council also selected one project to address challenges with the accessibility of aged care. This is a significant challenge for small, remote communities like Bogan Shire.

Bogan Shire council noted that projects would have proceeded without SCCF funding. Council staff noted SCCF projects moved the shire "light years" ahead. The community received facilities they would have otherwise "only dreamed of". Council and community members both noted they had missed out on competitive grant programs, with a sense that larger, coastal LGAs were preferred to a more remote location with a small population and user base. The SCCF changed that.

“ I wish my children were young again so that they could grow up in Nyngan as it is now. Nyngan community member ”

THE IMPACT OF THE SCCF

Community members experienced renewed energy and optimism from SCCF projects. Community members spoke with energy and excitement when they described the impact of the SCCF projects funded. The central precinct now has an energetic Friday night vibe as residents and families have embraced the upgraded Nyngan War Memorial Pool as a place to socialise and connect. SCCF projects also motivated Bogan Shire Council to develop further projects to improve community facilities. For example, the Council secured further funding in Round Three to develop a youth hub. Community members noted that the improved amenity was critical to retain and attract workers and their families to the community.

SCCF projects contributed to increased participation in sport. Upgrades to sporting infrastructure has encouraged participation in organised sports and enabled a greater variety of sports. For example, the lights added to Larkin Oval (which had not been upgraded for more than 40 years), enabled an increase in local football matches. Organised cricket will also return, now that the oval can be used at night during the summer. The local football club can also now attract teams from Dubbo to travel to Nyngan for regional finals. The lights have also increased comfort and reduced the risk of injury for participants. Sport can now be played outside of the extreme summer heat and the lights reduce the likelihood of accidents at night.

The SCCF has provided Bogan Shire residents the same quality of opportunities as larger towns. Equal opportunity is especially felt in smaller towns such as Nyngan, where recreation opportunities are limited. A lack of facilities meant that residents often missed out as there are no alternatives within a drivable distance.

“ The light will be of a huge benefit to our community during summer due to our extreme heat. We can now hold any events at night, instead of the heat of the day, encouraging greater participation and ensuring the people engaging in these sports are safer Bogan Shire Council community member ”

REFLECTIONS FROM COMMUNITY MEMBERS

“ We were severely impacted by the drought. Green spaces became precious. ”

“ We are wanting to grow our tourism industry. These amenities are key to making someone want to stop in our town. ”

BOGAN SHIRE COUNCIL



STAKEHOLDER ENGAGEMENT

SIX STAKEHOLDERS WERE ENGAGED TO EXPLORE THE SCCF IN BOGAN SHIRE COUNCIL

- 3** LGA residents & project beneficiaries
- 1** Council stakeholders
- 2** DRNSW staff member

LIST OF PROJECTS

Project name	Category	Rd	SCCF Funding	Total Cost	Completed?
Support affordable senior living in the Bogan Shire	Community	2	\$995k	\$995k	Yes
Larkin Oval Lights - Lighting up the Sky	Environment	1	\$480k	\$480k	Yes
Create children's splash pool and half basketball court at Nyngan War Memorial Pool	Sport	2	\$132k	\$420k	Yes
Create recreational and exercise pathway linking river precinct to tourism centre	Recreation	2	\$275k	\$275k	Yes
Nyngan - Making Golfing Green	Sport	1	\$142k	\$142k	Yes
Install solar heating at Nyngan War Memorial Swimming Pool	Sport	2	\$119k	\$119k	Yes
Nyngan Park Rejuvenation - Creating Cultural and Social Hubs	Recreation	1	\$101k	\$101k	Yes
Upgrade jockey rooms at Nyngan Racecourse (Geeing up the Jockey Rooms)	Sport	2	\$60k	\$60k	Yes

BATHURST REGIONAL COUNCIL



ROUNDS 1 AND 2 OF THE SCCF SAW

\$2.86m

INVESTED IN 20 PROJECTS

with a total cost of

\$5.96m

LARGEST GRANT

\$300K

SMALLEST GRANT

\$60K

AVERAGE GRANT

\$143K

MEDIAN GRANT

\$110K

The SCCF funded a range of projects across different categories.

55% SPORT

30% COMMUNITY

10% RECREATION

95%

OF PROJECTS ARE

COMPLETE

THE MAJORITY OF PROJECTS WERE UPGRADES OR RENOVATIONS.

16 projects were for upgrades of existing facilities or renovations

4 projects were for the construction of new facilities

LOCAL CONTEXT

POPULATION

2,692 (ABS, 2016)

FER TYPE

Remote

LOCAL CHALLENGES

Bathurst Region Council holds many of the major facilities within the region, such as a university, hospital and airport.

The region is comprised of historic areas, as well as newer suburbs with growing populations and amenity needs.

The region has a generally younger population. Sporting activity is a major focus of the region and key part of the community's identity.



● SCCF Projects from Rounds 1 and 2. Illustrative only.

REFLECTIONS FROM COMMUNITY MEMBERS

“One of our greatest strengths as a region is our sporting ability. We take great pride in our local teams.”

“Our region is filling with young families who have moved out of the city.”

THE ROLE THAT THE SCCF PLAYED TO SUPPORT REGIONAL COMMUNITIES

Projects were selected and designed to enhance existing Council and community strategies. This approach helped to cluster projects within specific suburbs within Bathurst city to deliver additional aggregate benefits. As an example, the three projects delivered in Kelso (the refurbishment and Extension of Kelso Community Hub, the installation of lights and a scoreboard at the rugby union grounds and the construction of new facilities for younger and less experienced visitors at the skate park) achieved complementary outcomes for that local community. Sporting excellence was noted by local stakeholders as an important part of the region's identity, and 12 of the 20 projects focused on local sporting infrastructure. They have enabled the region to host major sporting tournaments and events.

Local stakeholders reflected that without the SCCF, some of these projects would not have proceeded. Three community groups highlighted that the revenue they generated was only able to 'keep the lights on' and did not provide opportunities to upgrade or expand facilities. SCCF funding was therefore essential to support projects.

THE IMPACT THAT THE SCCF HAD ON REGIONAL COMMUNITIES

Projects have made the region more attractive to current and prospective residents and visitors. Projects focused on beautifying community spaces, such as parks and recreation facilities, were noted by stakeholders as important for improving the livability of the region. Investment into the creation of 'green' spaces, such as the enhancement of the water supply infrastructure at the Bathurst Golf Club and the construction of the new Freeman Park in Llanarth, have been important for making the town an even better place to live.

Fifteen SCCF projects supported improved wellbeing outcomes for the region. Flow-on benefits across health, safety and education domains were noted by local stakeholders. The Riding for the Disabled Centre is now able to provide pet therapy services that are highly utilized by residents within Bathurst and neighboring towns. Investment into local Lifeline facilities has enabled more mental health and domestic violence support services to be provided across central west NSW. The Kelso Community Hub was renovated to create a multipurpose facility. The local school embraced the space to deliver health, leadership and social support programs to disengaged students and their families. Safety benefits were noted from the improved Bathurst Thoroughbred Racing Safety Fence, which reduced the risk of injury for horses and their jockeys.

Projects have helped community and council facilities more sustainable. Higher quality facilities have supported greater utilization of local infrastructure and services. Upgrades to existing infrastructure has enabled the region to host major events that would have otherwise been held in metropolitan or bigger regional centers. These new events have brought additional business activity to the region.



Other museums won't bounce back after COVID-19, but we will because of this funding. It has given us greater confidence and motivation to survive.

Bathurst community member



The project has made a huge difference. People are coming in from Orange and around the region to access the service.

Bathurst community member



BATHURST REGIONAL COUNCIL



STAKEHOLDER ENGAGEMENT

TWELVE STAKEHOLDERS WERE ENGAGED TO EXPLORE THE SCCF IN BATHURT

7 LGA residents & project beneficiaries

3 Council stakeholders

2 DRNSW staff member

LIST OF PROJECTS

Project name	Category	Rd	SCCF Funding	Total Cost	Completed?
Sallywags Child Care Centre Refurbishment and Modernisation	Community	1	\$100k	\$1.10m	Yes
John Matthews Tennis Centre New Clubhouse	Sport	1	\$200k	\$848k	Yes
Construction of Residential Subdivision Park - Freeman Park	Recreation	1	\$100k	\$600k	Yes
Build new sports courts at Perthville Village Square	Sport	2	\$295k	\$555k	Yes
Build facilities for younger and less experienced visitors at skate park	Recreation	2	\$300k	\$455k	Yes
Mountain Bike / BMX Club Amenities	Sport	1	\$100k	\$405k	Yes
Upgrade kitchen and amenities for Meals On Wheels	Community	2	\$294k	\$295k	No
Perform conservation work on the headmaster's residence (CBD)	Community	2	\$60k	\$210k	Yes
Redevelopment and Enhancement of the water supply infrastructure at Bathurst Golf Club	Sport	1	\$118k	\$164k	Yes
Construct new telephone centre and training facilities for Lifeline 13 11 14	Community	2	\$163k	\$163k	Yes
Upgrade Bathurst Riding for the Disabled Centre	Sport	1	\$153k	\$153k	No
Refurbishment and Extension of Kelso Community Hub	Community	1	\$150k	\$150k	Yes
Upgrade Bathurst Indoor Sports Stadium	Sport	2	\$147k	\$147k	Yes
Install lights and scoreboard at rugby union grounds	Sport	2	\$146k	\$146k	Yes
Upgrade Bathurst City Community Club facilities	Sport	2	\$65k	\$121k	Yes
Bathurst Harness Racing Club Children's Play Area	Sport	1	\$104K	\$104K	Yes
Bathurst Thoroughbred Racing Safety Fence	Sport	1	\$102K	\$102K	Yes
Replace interior of the Bathurst District Historical Society museum	Community	2	\$100K	\$100K	Yes
Install exercise equipment and water stations (Cousens and Berry Parks)	Recreation	2	\$100K	\$100K	Yes
Resurface netball court	Sport	2	\$63K	\$63K	Yes

Appendix C Evaluation Approach

This Outcomes and Economic Evaluation forms part of DRNSW's Program Monitoring and Evaluation Plan (PMEP) developed for the SCCF. DRNSW's current PMEP for SCCF Rounds One to Four was reviewed and updated in 2021. As SCCF Rounds One and Two were launched in 2017, evaluation planning in the PMEP for SCCF Rounds One to Two has been developed retrospectively.

This Section outlines the detailed evaluation methodology. It includes the following information:

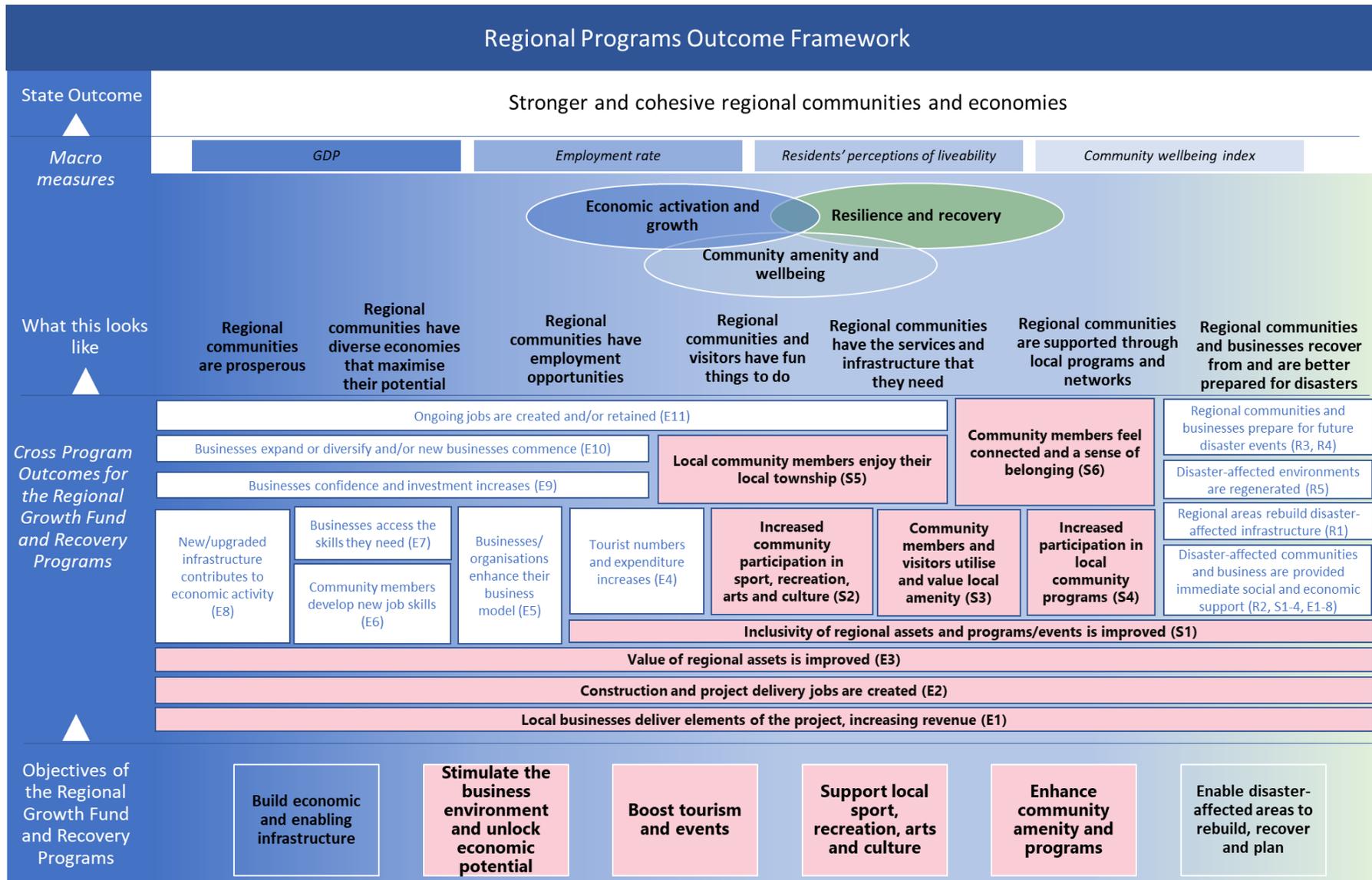
- DRNSW Regional Programs Outcomes Framework
- SCCF Rounds One and Two Theory of Change and Program Logic
- Evaluation principles
- Key Evaluation Questions
- Ethics
- Document register
- Interview guides
- Project data requests
- Consultation register

C.1 DRNSW Regional Programs Outcomes Framework

As a Regional Growth Fund (RGF) Program, the SCCF aims to achieve specific objectives and outcomes aligned with the DRNSW's Regional Programs Outcome Framework (2021)⁴⁵. The Regional Programs Outcome Framework describes the overarching logic for how Regional Programs support stronger and cohesive regional communities. In this framework, three pillars of the Regional Programs – economic activation and growth, community wellbeing and amenity, and resilience and recovery – are shown to mutually reinforce each other. Figure 33 overleaf highlights in pink regional program objectives and outcomes within the Framework that are relevant to SCCF Rounds One and Two. As SCCF Rounds One and Two were launched in 2017, the evaluation plan for SCCF Rounds One to Two has been developed retrospectively.

⁴⁵ Figure 33 overleaf is the Regional Programs Outcome Framework at September 2021. The Framework, and the outcomes relating to the SCCF within it, are subject to change following a review in January 2022 and the published findings of this evaluation.

Figure 33 | DRNSW Regional Programs Outcomes Framework



C.2 SCCF Rounds One and Two Theory of Change and Program Logic

DRNSW's Theory of Change for SCCF was developed as part of the PMEP and is summarised in Figure 34 below. The Theory of Change explains how SCCF is expected to contribute to intended outcomes.

Figure 34 | Theory of Change | SCCF

Problem statement:

Significant liveability differences exist between urban centres and regional cities and communities in terms of social infrastructure, walkability, community amenity and services, and local employment. With regional populations predicted to grow substantially, there is an increasing need for resourcing to deliver local community infrastructure and programs to enhance the lives and wellbeing of residents in regional communities. Good access to infrastructure and services is critical to building healthy, liveable and cohesive communities resilient to change and adversity.

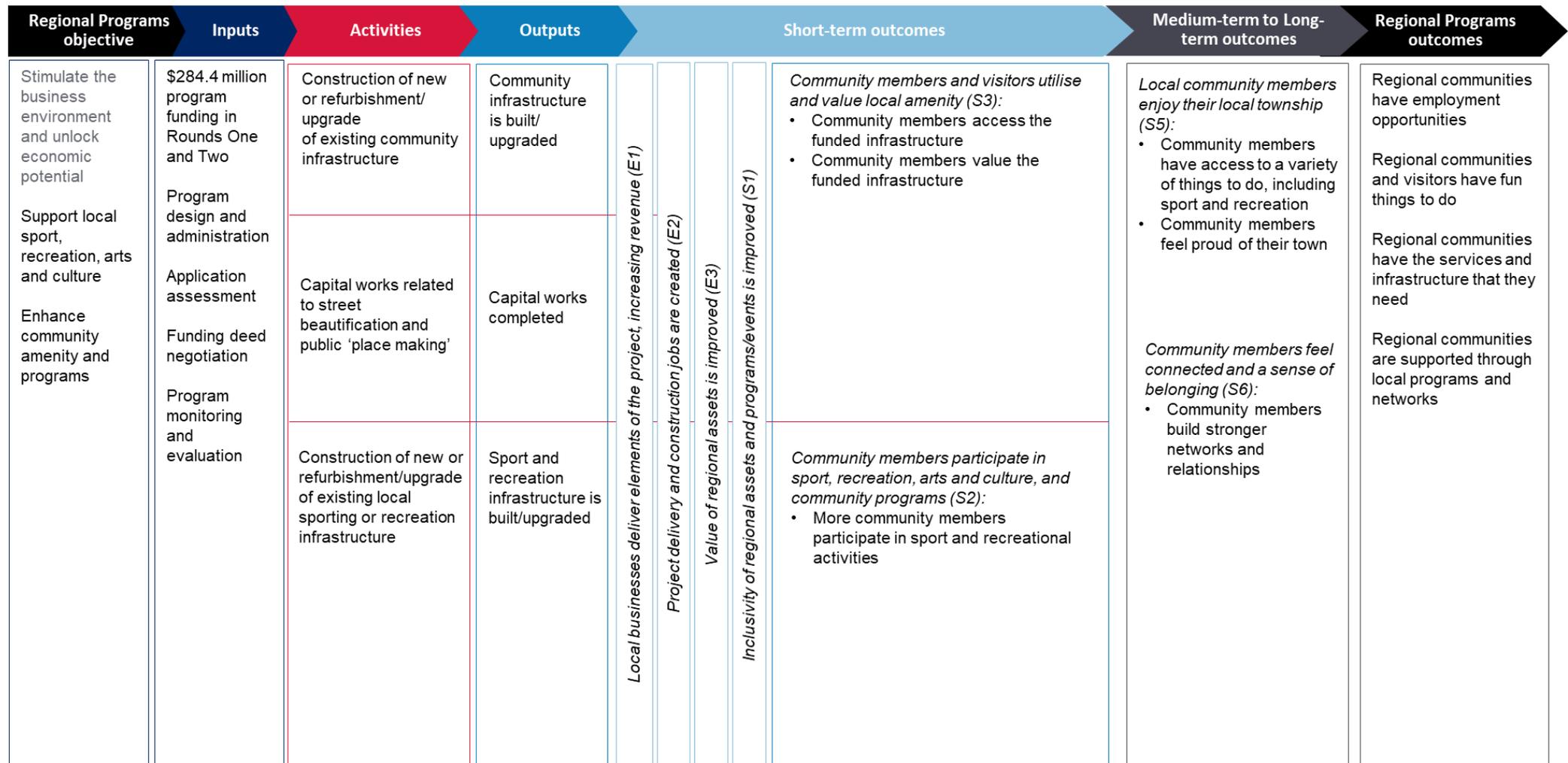
If we ... provide grants to LGAs across regional NSW to build or upgrade social and sporting infrastructure, and/or deliver relevant community programs, festivals and events.

Then regional communities will have greater access to participation and development opportunities in sport, recreation, the arts and culture, and cultural programs.

So that ... the liveability of regional communities as places to live and work will be boosted, community health and wellbeing will be enhanced, social cohesion and resilience will be promoted.

The Program Logic, provided in Figure 35 overleaf, connects the program inputs, activities and intended short and medium-term outcomes. The outcomes and alpha-numeric codes in the Program Logic align with relevant outcomes highlighted for SCCF in DRNSW's Regional Programs Outcome Framework (see Figure 33 above).

Figure 35 | Program Logic | SCCF Rounds One and Two



C.3 Evaluation principles

Nous delivered the evaluation according to the best practice principles of the *NSW Government Program Evaluation Guidelines* (2016).⁴⁶ Drawing on these Guidelines, and the specific context of this Evaluation, the following principles shaped the evaluation approach.

Balanced	The Evaluation will balance feasibility, appropriateness and rigour. This will facilitate the delivery of evidenced-based findings and insights within the constraints of the project.
Robust	The analysis will be methodologically rigorous, with appropriate scale and design to deliver valid insights. The data collection methods will provide evidence that Nous can reliably use to make robust findings and recommendations on the impact of the SCCF investment.
Credible	The Evaluation is independent and will be ethical and transparent.
Timely and practical	The Evaluation will be conducted within the agreed timeline to inform government decision making. Findings and recommendations will be practical to support future program design and delivery, and policy development
Efficient	The Evaluation will make best use of available data to optimise the efficiency of evaluation activities.
Collaborative and consultative	The Evaluation will balance DRNSW expertise and evaluator independence. It will also include targeted engagement with key program and community stakeholders.
Respectful	The Evaluation will design, conduct and report activities in a manner that respects the rights, dignity, entitlements and knowledge of different stakeholder groups
COVID-19 conscious	The Evaluation will be sensitive to the impact of COVID-19 on key stakeholders and their communities. It will use tailored and sensitive approaches to data collection and ensure Evaluation findings are cognisant of the pandemic context. The evaluation team will be flexible with timelines where possible.

C.4 Key evaluation questions

This Evaluation drew on standard key evaluation questions (KEQs) that DRNSW has developed to guide the Outcomes and Economic Evaluation of its regional programs. The KEQs were specified across four key evaluation domains: effectiveness, efficiency, appropriateness and economic. Table 6 outlines the KEQs that guided the Evaluation. The table also includes a summary of the evaluation findings against each KEQ.

Table 6 | Key Evaluation Questions

Key Evaluation Domains	Key Evaluation Questions	Evaluation findings
EFFECTIVENESS: Did the program have the effect it expected?	<ul style="list-style-type: none"> What was delivered by the program? How does this align to the baseline expectations? 	<ul style="list-style-type: none"> Section 2 in the report outlines the breadth of projects delivered through the SCCF. Section 4.3 outlines the challenges that some stakeholders faced to deliver SCCF projects.

⁴⁶ NSW Department of Premier and Cabinet, [NSW government program evaluation guidelines](#), P&C website, 2016.

Key Evaluation Domains	Key Evaluation Questions	Evaluation findings
		<ul style="list-style-type: none"> Section 5 and 6 provides detailed findings of how project outcomes delivered under the SCCF in most cases met or exceeded baseline expectations.
	<ul style="list-style-type: none"> What factors helped and hindered project delivery? How was this different across projects and communities? How can these factors be embedded or mitigated in future program rounds? 	<ul style="list-style-type: none"> Section 4.1 provides insights into the factors that helped project delivery through the project application and identification stages. Section 5.4 outlines how different LGA characteristics influenced the additional collective benefits of the SCCF. Sections 4.3 and 5.5 highlight challenges and opportunities to improve the SCCF (and other like grants programs) alongside recommendations to mitigate or embed these in future program rounds.
	<ul style="list-style-type: none"> To what extent did the program achieve its short-term outcomes: <ol style="list-style-type: none"> Increase community use and satisfaction with local amenity Increase community participation in sport, recreation, arts and culture 	<ul style="list-style-type: none"> Section 5.3 includes detail on how projects improved the quality of infrastructure and services and supported greater utilisation and accessibility. Section 5.2.1 also highlights examples of increased participation in cultural and sporting activities.
	<ul style="list-style-type: none"> To what extent did the program achieve its medium-term outcomes: <ol style="list-style-type: none"> Enhance community members' enjoyment of their local township 	<ul style="list-style-type: none"> Section 5 includes all details of the impact of the SCCF on improving regional liveability and quality of life. Section 5.1 highlights stakeholder's reflections that the SCCF promoted a greater sense of pride and progress in their community. It also includes detail on how projects created places for residents to meet and connection.
	<ul style="list-style-type: none"> To what extent did the program achieve its long-term outcomes: <ol style="list-style-type: none"> Increase community members sense of belonging to their local community Enhance the liveability of communities through employment opportunities, fun things to do, the services and infrastructure that they need and local programs and networks 	<ul style="list-style-type: none"> Section 5.1 outlines in detail how SCCF projects enhanced community pride, connection and ambition. Section 5.2 provides details on how SCCF projects enhanced wellbeing, resilience and prosperity in regional communities. Section 5.3 highlights that social equity increased across regional communities due to SCCF projects that improved the quality, utilisation and accessibility of infrastructure.
	<ul style="list-style-type: none"> How did the achievement of outcomes vary across different 	<ul style="list-style-type: none"> Throughout Section 5 project examples are provided to highlight how different project types influenced outcomes differently.

Key Evaluation Domains	Key Evaluation Questions	Evaluation findings
	<p>factors (e.g., project type and regions)?</p> <hr/> <ul style="list-style-type: none"> Did communities experience any additional, aggregate benefits from the totality of SCCF projects delivered in their region? <hr/> <ul style="list-style-type: none"> What is the likely contribution of the program to these outcomes? What else may have impacted these outcomes? <hr/> <ul style="list-style-type: none"> Were there any unintended positive or negative impacts from the program? 	<ul style="list-style-type: none"> Section 5.4 outlines how different LGA characteristics influenced the additional collective benefits of the SCCF. Section 6.2 provides detail on how different project types influenced the economic benefits that residents and communities experienced. <hr/> <ul style="list-style-type: none"> The impact outlined in Section 5.1 and 5.3 reflect additional collective benefits that the SCCF delivered for regional communities. Section 5.4 outlines how LGA characteristics influenced the additional collective benefits delivered through the SCCF. <hr/> <ul style="list-style-type: none"> Section 4.2 provides detail on the role of the SCCF in delivering new, greater or earlier project benefits. 5.2.2 includes specific detail on the role of the SCCF in supporting communities to respond to disaster. <hr/> <ul style="list-style-type: none"> Section 5.4 overviews the additional collective impacts of the SCCF across different LGAs. These were impacts noted by stakeholders in addition to direct project benefits.
<p>EFFICIENCY: Does the program represent administrative value for money?</p>	<ul style="list-style-type: none"> Were the program administration costs (resources within the GMO and program area) commensurate to the value of the program? <hr/> <ul style="list-style-type: none"> Were project timeframes met? <hr/> <ul style="list-style-type: none"> Were projects provided reasonable investment for their expected outputs? 	<ul style="list-style-type: none"> Yes, this is best reflected in the positive net economic benefits of the SCCF and the BCR of 2.0 (both outlined in Section 6). <hr/> <ul style="list-style-type: none"> Section 4.3 highlights that x out of 999 projects were completed as of September 2021. Many of the delayed projects received reasonable extensions due to unforeseen challenges created from natural disasters and COVID-19. <hr/> <ul style="list-style-type: none"> Yes, this is best reflected in the positive net economic benefits of the SCCF and the BCR of 2.0 (both outlined in Section 6).
<p>APPROPRIATENESS: Was the program an appropriate response to the problems it sought to address?</p>	<ul style="list-style-type: none"> To what extent did the program address the initial problem that it intended to address? 	<ul style="list-style-type: none"> Section 4 provides strong evidence that Rounds One and Two of the SCCF were appropriate responses to the overarching objectives of the program. SCCF projects best enhanced each local community and delivered new, earlier or greater project benefits.

Key Evaluation Domains	Key Evaluation Questions	Evaluation findings
ECONOMIC: What are the estimated economic impacts from the program?	<ul style="list-style-type: none"> What are the economic benefits from the projects? 	<ul style="list-style-type: none"> Section 6 overviews the economic benefits of the SCCF, including how benefits differed across project types and positive net benefits under a range of scenarios.
	<ul style="list-style-type: none"> Where differential economic outcomes occurred between projects, what were the key drivers for this? 	<ul style="list-style-type: none"> Section 6.2 overviews the types of economic benefit experienced across the program. The economic impact was influenced by the type of project and main user base. Section 5.2.3 also includes detail on how projects improved regional prosperity and the indirect economic activity that resulted from the investment.
	<ul style="list-style-type: none"> What is the estimated economic impact of the program? 	<ul style="list-style-type: none"> The Evaluation determined that the net economic benefit to NSW was \$520M. Further detail on the economic benefit of the SCCF is outlined in Section 6.
	<ul style="list-style-type: none"> What can be learned from these projects to improve economic impact of these types of projects? 	<ul style="list-style-type: none"> Section 6.5 includes recommended changes to support outcomes and economic analysis.

C.5 Sampling methodology

The Evaluation used a sampling methodology to address the effectiveness key evaluation domain. A sampling methodology was important as a detailed review of each SCCF project (n=999) was not feasible within the scope of this Evaluation. The aim of the sampling methodology was to enable an analysis of the outcomes and economic benefits of a representative sample of SCCF projects to generalise conclusions about the overall impact of the program across NSW regional communities.

The sampling approach for each of the two components of the Evaluation – Outcomes Evaluation and Economic Evaluation – had different though complementary goals:

- **The Outcomes Evaluation** sample aimed to support a place-based assessment of the impact of the SCCF in a selection of communities.
- **The Economic Evaluation** sample aimed to provide a statistically robust analysis of the full economic benefits of the SCCF.

To achieve these different goals, separate samples were designed for the Outcome Evaluation and Economic Evaluation. The specific approach taken for each sample is outlined in more detail in the appendices below (Appendix D for the Outcomes Evaluation and Appendix E for the Economic Evaluation).

C.6 Ethics

Nous delivered an Outcome and Economic Evaluation of the SCCF that met ethical standards and protected the confidentiality of DRNSW, and the various stakeholders engaged during the Evaluation. This included careful management of sensitive datasets and ethical engagement with stakeholders.

Ethical collection of data

Nous confirmed with DRNSW that ethics approval was not required to collect the data from the identified stakeholders that Nous and DRNSW approached to participate in the Evaluation. The Evaluation was also unlikely to and did not raise any risks that required ethics consideration.

Nonetheless, it was important that the Evaluation data was collected in an ethical manner. To maintain ethical standards Nous:

- Gained appropriate consent from participants through the use of privacy statements.
- Assured participants that there is no risk that their involvement will negatively affect their employment, reputation or grant application.
- De-identified and aggregated data for reporting purposes.

Further information on gaining consent and protecting the privacy of participants is provided below.

Gaining consent and protecting privacy of participants

Nous is committed to seeking the appropriate consent and maintaining the privacy of evaluation participants. We implemented the actions outlined below to ensure participants were fully informed about what was required of them, how the information they provided us was used and how we maintained privacy.

Privacy statements

Participants interviewed during the Evaluation were provided with a privacy statement. The privacy statement outlined:

- Nous' engagement by the Department for the Evaluation
- The purpose of the interview or data request
- That the Evaluation will be bound by the Australian Privacy Principles
- How data was managed and kept confidential
- How data was reported for the Evaluation

The final privacy statements were approved by the Department.

Informed consent

We used the following approach to protect the privacy of participants and seek their informed consent when involving them in interviews or data collection:

- DRNSW sent an email to invite stakeholders to participate in the Evaluation through interviews or sharing relevant project data. The email included the background to the Evaluation, the purpose of the interview and an introduction to Nous Group as the independent evaluator.
- Nous sent a follow-up email to confirm participation. The follow up email included the privacy statement described above. Nous requested participants respond to the email with a confirmation email to acknowledge they have read and agreed to the conditions of the privacy statement (Nous recorded this consent on file).

Recording and use of data

Nous did not record interviews for this Evaluation. The Nous team took detailed notes during every interview and used this as the basis for the analysis. Participants were advised that their data would be reported in aggregate and no organisation or participant would be identifiable unless agreed.

C.7 Document register

Table 7 includes a list of SCCF Program documents that Nous reviewed over the course of the Evaluation. Project documentation referred to in the table includes:

- Project application documents
- Applicant assessment documentation including project eligibility, viability, and Choice Modelling
- Completed project acquittal forms and accompanying outcome documentation
- Various project administration forms.

A complete list of all documents reviewed as part of the Evaluation is outlined below.

Table 7 | SCCF Outcomes and Economic Evaluation document register

Ref	Name of document
1	20 Year Vision for Regional NSW Report
2	NSW Government - Regional Development Framework
3	NSW Government - Regional Growth Fund
4	NSW Government - Stronger Country Communities Fund
5	NSW-Government- Program-Evaluation-Guideline-January-2016_1
6	SCCF Evaluation - Tranche 1 Regional NSW Documentation v.3
7	SCCF Program Logic Rounds One and Two - 30 08 21
8	TPP17-03_NSW_Government_Guide_to_Cost-Benefit_Analysis
9	SCCF Rounds 1 and 2 Final Process Evaluation Report March 2021
10	SCCF Rounds One and Two - Funded Projects
11	RDOC21 32255 20210618 - SCCF Round 1 & 2 Funding Breakdown
12	20210906 - SCCF Rounds One1 & Two Completions with dates
13	Draft DRNSW Regional Programs Outcome Framework - Program Mapping
14	Draft Regional Programs Outcome Framework
15	Draft SCCF Rounds1-4 - PMP - 2021
16	SCCF Rounds One and Two Interim Process Evaluation Report
17	SCCF Round One - Application Form Template - 2017
18	SCCF Round One - Approved Projects

Ref	Name of document
19	SCCF Round One - Assessment Guidelines - 2017
20	SCCF Round One - Fact Sheet - 2017
21	SCCF Round One - FAQs Final Version - 2017
22	SCCF Round One - LGA Registration Form Template - 2017
23	SCCF Round One - NSW Industry website - 2017
24	SCCF Round One - Program Guidelines - 2017
25	SCCF Round One - Webinar presentation - 2017
26	SCCF Round Two - Application Form Template - 2018
27	SCCF Round Two - Approved Projects - 2018
28	SCCF Round Two - Assessment Guidelines - 2018
29	SCCF Round Two - Fact Sheet - 2018
30	SCCF Round Two - Program Guidelines - 2018
31	SCCF Round Two - Webinar presentation - 2018
32	SCCF Rounds 1 and 2 Final Process Evaluation Report March 2021
33	SCCF Rounds One and Two - Funded Projects
34	Sample documentation for Round One projects in 10 LGAs
44	Sample documentation for Round Two projects in 10 LGAs
54	SCCF project documentation for each of the X projects in the place-based outcomes sample
55	SCCF project documentation for each of the 60 projects identified as part of the economic analysis sample

C.8 Consultation register

Nous consulted broadly with relevant stakeholders to inform the Evaluation design and findings. This included:

- Three presentations to the Evaluation Reference Group (ERG). The ERG consisted of key stakeholders from across DRNSW. Nous engaged the ERG to validate the Evaluation and Project Plan, test and refine the preliminary findings and discuss the final report. The ERG enabled the Evaluation to capture the diverse views of all stakeholder groups, contextualise emerging findings and build understanding across key stakeholders.
- Two consultations with NSW Treasury to test the cost benefit analysis methodology and to discuss the draft findings.

- A consultation with the DRNSW SCCF Program Design team to develop an understanding of program process and to test draft program design recommendations.
- Weekly meetings with the DRNSW Evaluation Team to ensure rigour and consistency of the evaluation, in line with the Department's standards.

In addition to the above, Nous conducted 32 consultations as part of the Outcomes Evaluation. Table 8 below includes an overview of the stakeholders consulted across the five LGAs.

Table 8 | Overview of stakeholders consulted in the Outcomes Evaluation

Regional Council	LGA residents & project beneficiaries	Council stakeholders	DRNSW staff members
Bathurst Regional Council	7	3	2
Bogan Shire Council	3	1	2
Eurobodalla Shire Council	5	2	1
Lake Macquarie City Council	4	3	2
Snowy Valleys Regional Council	3	2	2
Total	22	11	9

C.9 Interview guides

The following Section includes the interview guides that were used in the consultations with LGA stakeholders. Separated interview guides were used for BDM and council stakeholders to comment on the collective community impacts (see Table 9) and project beneficiary stakeholders to understand the direct impacts of SCCF projects (see Table 10).

Table 9 | Interview guide - Council and BDM stakeholders

Introduction and overview of the SCCF Outcomes and Economic Evaluation
Context
1. Can you please describe the key features of your LGA as they relate to the projects that were delivered?
Projects funded
2. What were the specific needs that each of the funded projects responded to?
3. What role did SCCF funding play to deliver each of the projects? For example, would some of the projects have occurred without SCCF funding? Or did SCCF funding help to expedite the delivery of some projects?
4. If you had not received SCCF funding, how else would you have funded the various projects?

Benefits

5. Which parts of the community benefitted most from the projects?
 6. What projects do you think have had the biggest impact on your community?
 7. Were there any collective benefits for your community from the package of funded projects? Was the whole greater than the sum of the parts?
 8. Were there any unintended positive or negative impacts from the projects?
-

Other stakeholders

9. Are there any key stakeholders who benefited from specific projects that we should speak with?
-

Table 10 | Interview guide - project-focused stakeholders

Introduction and overview of the SCCF Outcomes and Economic Evaluation

Context

1. Can you please describe the key features of your project funded by the SCCF Program?
-

Projects funded

2. What were the specific needs that the funded project(s) responded to?
 3. What role did SCCF funding play for your project? For example, would the project have occurred without SCCF funding? Or did SCCF funding help to expedite the delivery of the project?
 4. If you had not received SCCF funding, how else would you have funded the project?
-

Benefits

5. What benefits has the project(s) delivered for your community?
 6. Who has benefitted most from the project?
 7. Were there any unintended impacts, positive or negative, from the project?
-

Appendix D Outcomes Evaluation Methodology

Funding for SCCF projects from Rounds One and Two were spread across different LGAs in regional NSW. For this reason, Nous and the DRNSW Regional Programs Evaluation Team chose to take a place-based approach to the Outcome Evaluation that focused on specific LGAs. The place-based approach also allowed Nous and the DRNSW Regional Programs Evaluation Team to assess the totality of investments in a community and determine whether multiple projects delivered in a single area interacted together to deliver benefits beyond those of each individual project.

For the Outcomes Evaluation, Nous and DRNSW used purposive sampling with strict criteria to choose five representative LGAs (n=71 projects). The sample of five LGAs included one LGA from each Functional Economic Region (FER) type - Coastal, Growth, Inland, Metro Satellite and Remote.⁴⁷ The aim of this approach was to support a place-based assessment of the SCCF's impact on regional communities. The insights from the Outcome and Economic Evaluation were triangulated to increase the credibility and validity of the overall findings, which incorporated findings from 116 SCCF projects.

D.1.1 Sampling methodology for the place-based outcomes analysis

To choose an appropriate set of LGAs, criteria were developed to ensure the sample included LGAs with a diverse range of geographical and economic regions and different characteristics and demographics. The criteria were:

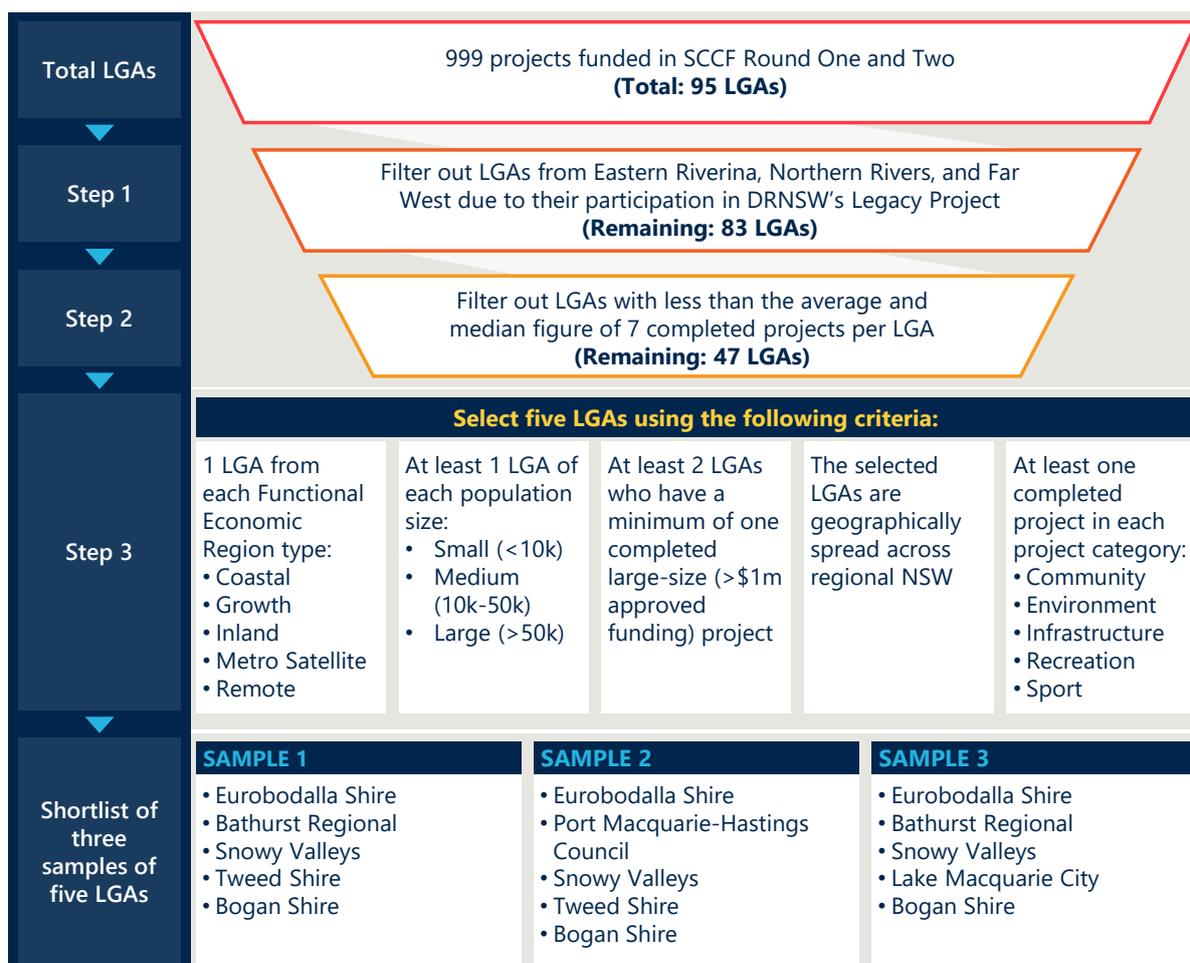
1. An LGA from each Functional Economic Region (FER) type (Coastal, Growth, Inland, Metro Satellite and Remote)⁴⁸
2. At least one LGA of each population size (small, medium and large)
3. At least two LGAs with a minimum of one completed large-size project (> \$1 million in approved funding for the project)
4. LGAs that provide broad geographic coverage of regional NSW
5. At least one completed project in each project category (Community, Environment, Infrastructure, Recreation and Sport).

Nous and DRNSW also considered including the total funding for LGAs as a criterion. The additional LGAs in this category did not satisfy the other criteria. Therefore, total funding for LGAs was not included as a criterion.

Figure 36 (see overleaf) outlines the methodology used to select three different LGA samples that met the sampling criteria.

⁴⁷ Functional Economic Regions (FERs) are collections of Local Government Areas that have been grouped together to develop Regional Economic Development Strategies (REDs). The REDs are used to provide a clear development strategy for the region and guide government investment in initiatives in regional NSW. Each FER is categorised as one of five types: Coastal, Growth, Inland, Metro Satellite, or Remote. Source: Department of Regional NSW, [Regional development strategies](#), Department of Regional NSW website, 2021.

Figure 36 | Process used to create the LGA sample for the place-based Outcome Evaluation



Nous presented the two shortlisted samples to DRNSW's Regional Program Evaluation Team for a final decision. The decision was made to include Sample One, which included Bathurst Regional in place of Port Macquarie-Hastings, as this provided the greatest number of projects within the sample. The Regional Program Evaluation Team consulted with relevant Regional Development Network staff to confirm that the identified LGAs were feasible to include in the Evaluation.

D.1.2 Data collection and analysis for the place-based outcomes analysis

Nous designed the place-based Outcome Evaluation to take advantage of a mixed methods data collection and analysis approach. The approach consisted of five key aspects:

- **A rapid review of the LGA specific context:** Nous developed a detailed profile of each sampled LGA through the review of publicly available data and reports, the analysis of LGA level economic and social indicators and a targeted sweep of local media sources. Nous also reviewed targeted project level documentation to get a deeper understanding of the breadth and focus of the SCCF projects within each LGA. Finally, Nous engaged the BDM with responsibility for each LGA to better understand the local context prior to engagement with community stakeholders.
- **Whole of LGA focused engagement:** Nous identified and then engaged stakeholders in each LGA who could provide an unbiased and holistic view of the full suite, or most projects delivered in Rounds One and Two. The purpose of this engagement was to understand the broader, collective impact of the SCCF projects on each community.

- **Project-focused engagement:** Through the whole of LGA focused engagements, Nous identified direct beneficiaries (such as the Chair of a sporting club) of projects that have had a significant impact on the community. The purpose of the project-focused interviews was to complement the whole of LGA view with deeper investigation into key projects in each community. This engagement also gave the evaluation the opportunity to engage direct beneficiaries of the projects.
- **Thematic analysis of key insights within and across each LGA:** Thematic analysis is a common method for interpreting patterns of meaning within qualitative data to provide a framework for organising findings and observations.⁴⁹ Nous collated stakeholders' insights to identify key themes across the LGAs and SCCF Program. A thematic analysis of the key insights within and across an LGA allowed the Evaluation to identify what worked, for whom and in what context. Thematic analysis is often applied within a realist lens to identify patterns within and across data in relation to participant's lived experience, views, and perspectives.⁵⁰ The thematic analysis explored how the different LGAs experienced the benefits of the SCCF based on their different characteristics, the different types of projects delivered and the collective impact of the suite of SCCF projects. Applying this realist lens was important for acknowledging experiences of SCCF investments were different for everyone and depended on different circumstances and context.
- **Identification of overall program-wide findings:** The output of this analysis was seven key findings across the role and impact of the SCCF. These findings were tested against the qualitative responses in the economic data forms using bottom-up analysis techniques. Project level documentation was also used to test the seven findings and deepen the insights using quantitative data points.

D.1.3 Approach to triangulate and generalise findings for the Outcomes Evaluation

Nous triangulated and generalised insights from across the place-based outcomes sample and the economic analysis sample. This approach involved four steps:

- **Reviewing data for the projects in the place-based outcomes sample against the seven overall findings.** This included the interview data, information stakeholders shared with Nous and the DRNSW-supplied project documentation.
- **Reviewing the data collected for each project in the economic analysis sample against the seven key findings.** This included the quantitative and qualitative data that project owners shared with Nous through the project data request and a review of project documentation.
- **Comparing the review of findings across the outcomes and economic sampled projects.** This included a comparison of the findings for projects according to FER type and project category. The economic and outcome sample provided unique project examples of how findings were experienced differently across regional NSW.
- **Testing sub-findings identified in the bottom-up analysis against the overall program data.** For outcomes clearly associated with a specific type of project, Nous reviewed the overall program data to assess the likely prevalence of the identified outcomes across the whole SCCF. For example, both the place-based outcomes and economic analysis samples identified that the upgrade of lighting at sports and recreation infrastructure resulted in an increase in activity due to increased availability. A review of program data could then identify the total number of such projects in the sample to estimate the likely prevalence of this outcome across regional NSW.

This approach allowed the evaluation to draw inferences on program-wide impacts based on the analysis of over 100 projects.

⁴⁹ V Clarke & V Braun. [Thematic analysis](#). In Encyclopedia of critical psychology Springer, New York, NY, 2014. pp. 1947-1952.

⁵⁰ Clarke & V Braun. Thematic analysis.

Appendix E Economic Evaluation Technical Appendix

This appendix provides a more detailed description of the cost-benefit analysis (CBA) approach and methodology presented earlier.

E.1 Sampling methodology for the Economic Evaluation

An overall sample of 60 projects from SCCF Rounds One and Two was selected for the Economic Evaluation component. This number of projects was selected to balance two competing objectives: feasibility and statistical robustness. This sample size enabled the Evaluation to ensure a statistically robust sample was used to generalise the overall value of benefits for the entire SCCF (n=999 projects). The sample was limited to projects that had been completed at least 12 months prior to September 2021. This was done to increase the likelihood of choosing projects for which measurable outcomes and benefits had been realised.

E.1.1 Determining the sampling approach

Five candidate sampling methods and two weighting methods were identified. Simulation was used to identify the method with the best results in terms of bias and variance of the estimate of total SCCF benefits. The approach included three steps:

1. **Simulate the overall benefits of each project funded under the SCCF:** To test the sampling strategy, project-level benefits were assumed to be random values that on average are proportional to the project size, with variance increasing as project size increases. For each project a random multiplier was generated and applied to the project size to create an individual project benefit. The multiplier was the product of random group-level multipliers from each of the key dimensions of a project:
 - Project action (Upgrade, New or Other)
 - The Round the project was funded
 - Project category (Sport, Community, Infrastructure or Other)
 - FER where the project was delivered
 - Individual random effect.

Trial and error were used to modify the parameters for this simulation. This was done to obtain a distribution of benefits with a visible relationship to project size but still a fair degree of spread that judgement and experience indicated was realistic.⁵¹

2. **Test five different sampling methods:** The next step was to test the effectiveness of the different methods of sampling and weighting in estimating the simulated overall benefits of the SCCF.⁵² A total

⁵¹ Multipliers were drawn from normal distributions with means of 1.05 or 1.1 and standard deviations of 0.6 or 0.5, mixed with normal distributions of mean 0.5 and standard deviation 0.2. The higher value of the two mixed distribution was chosen so no projects would have negative benefits

⁵² The five sampling methods used were simple random sampling; stratified by category with equal probabilities; stratified by size with over-sampling of large projects; stratified by size with over-sampling of large projects and re-draw; stratified by size with equal probabilities (i.e. no oversampling).

of 1,000 samples were drawn with each method. Each sample was weighted two different ways,⁵³ providing a total of 10,000 estimates of total benefits.

3. **Compare the test results to identify the most robust sampling method:** Nous calculated the point estimate and confidence interval for 'total benefits' of the whole population projects based on each actual sample of 45. These 10,000 sets of estimates, each based on a sample of 45 projects, were compared to the simulated known 'total benefits'.

The best sampling method in terms of bias and variance was the 'stratified by size with over-sampling of large projects and re-draw method', in combination with post-stratification weighting.⁵⁴ Using this method resulted in over 94 per cent of the simulations returning a value within the 95 per cent confidence interval. Confidence intervals were smaller with this sampling method than methods that stratified by a factor other than project size or did not stratify at all (i.e. simple random sampling). Use of post-stratification weighting rather than simpler weighting reduced bias regardless of the sampling method, especially the chance of the chosen sample resulting in an estimate that systematically underestimated total benefits. The post-stratification weighting somewhat increased variance (i.e., increased the uncertainty of estimates) in the simulations. This was judged to be a fair trade-off for the reduced bias and for confidence intervals that met their intended level of confidence.

E.1.2 Identifying the sample of projects for the Economic Evaluation

The preferred sampling method to identify the sample of projects for the Economic Evaluation involved the following steps:

1. **Use project size to stratify the sample.** The methodology used project size to stratify the sample so that it could oversample larger projects. This reduced the risk of underestimating or otherwise poorly estimating the total benefits since larger projects are likely to result in larger benefits with higher variance. The final sampling method selected an initial sample of 60 samples with 27-20-13 small, medium and large projects respectively. The method tested was 45 projects, in similar proportions 20-15-10 small, medium and large projects respectively. The final recommended method increased this to 60 to allow for some projects' benefits possibly being impossible to measure.
2. **Redraw the sample.** If the sample contained less than three of any classification level that is to be used in weighting (see below), it was discarded, and a new sample redrawn. The classifications used in weighting are project 'category' (Community, Recreation, Sport, Infrastructure, Environment or Other), SCCF Round (One or Two), 'action' (Upgrade, New or Other) and FER. For example, if a sample drawn as per step one included only two grants with the action of 'Upgrade', the entire sample was discarded and redrawn. This approach guarantees the post-stratification weighting will converge and minimises the chance of an influential outlier causing unstable estimates.
3. **Add post-stratification weighting.** Steps one and two result in complex unequal probabilities of any project being selected (for example, larger projects, and projects from small project categories, are both more likely to be included in the sample). Post-stratification weighting is a standard method and important step to reduce bias in the sample in this situation. In this case the sampling method weighted the sample to match the totals of the size strata and each of project category, Round, FER, and action.

E.1.3 Limitations with the sampling approach

Nous identified two major limitations that may have impacted the robustness of the results:

⁵³ The two different weighting methods were weight to match totals of the strata and weight to match totals of the strata and each of size, category, round, economic region, action, and completion status.

⁵⁴ Projects were categorised for size by total project cost as follows: small for <\$500k; medium for \$501k-\$1m; and large for >\$1m.

- The actual distribution of benefits may have depended systematically on factors not considered in Nous' simulation (for example, the mix of resources used to deliver each project) or was less related to project size than assumed. If this was the case, then the simulations may have overestimated the ability of the methods tested to recover the true benefits. In this scenario, a better sampling and weighting method would have taken the neglected factors into account. However, as the true relationship of benefits to such factors was precisely what the Evaluation was seeking to understand, pragmatic judgements were made on what was most likely to be material.
- Sampling 45 or 60 projects of a total 999 projects resulted in a large confidence interval. With the simulated benefits data, samples of 45 were returning 95 per cent confidence intervals of total benefits at around \$600 million ± \$200 million. The main method to substantively reduce the size of confidence intervals would have been to increase the size of the sample; for example, a sample of 200 projects would have around half the confidence interval width of a sample of 50 projects. Reviewing such a large sample was not possible within the constraints of this Evaluation project. Ultimately, the actual confidence interval for the base scenario and the various scenarios used in the sensitivity analysis was less than the simulated benefits. This is expanded more in Section E.10.

Table 11 includes a summary of the sample of projects selected for the Economic Evaluation. Table 12 overleaf includes the full list of the projects. Note that dollar values presented in Table 12 have been rounded to the nearest \$1,000.

Table 11 | Summary of the sample of projects selected for the Economic Evaluation

The sample includes 45 projects across 37 LGAs			
By project size	<ul style="list-style-type: none"> • Small (19) • Medium (16) • Large (10) 	By FER	<ul style="list-style-type: none"> • Coastal (3) • Inland (15) • Metro Satellite (9) • Growth Centre (16) • Remote (2)
By project type	<ul style="list-style-type: none"> • Community (8) • Other (Environment) (2) • Other (Infrastructure) (4) • Recreation (9) • Sport (22) 	By Project action	<ul style="list-style-type: none"> • Upgrade (33) • New (9) • Other (3)

Table 12 | Full list of projects included in the economic analysis sample⁵⁵

LGA	Project name	Project category	Project type	SCCF funding	Total project cost
Bathurst Regional	Scallywags Child Care Centre Refurbishment and Modernisation	Community	Education	\$100,000	\$1,082,000
Bega Valley Shire	Community Hall Kitchen Upgrades	Community	Town hall/community centre	\$144,000	\$144,000
Bellingen Shire	Bellingen Community Precinct Project	Community	City	\$886,000	\$886,000
Bogan Shire	Larkin Oval Lights - Lighting up the Sky	Environment	LED lighting	\$480,000	\$480,000
Byron Shire	Upgrade tennis courts at Booyong Recreation Reserve	Sport	Sporting venue	\$59,000	\$59,000
Carrathool Shire	Hillston Pedestrian Suspension Bridge and Desatholon Park Refurbishment	Recreation	Park	\$581,000	\$581,000
Central Coast	Create shared footpath/cycleway along Tuggerawong Foreshore Tuggerawong	Infrastructure	Footpath/cycleway	\$542,000	\$995,000
Central Coast	The North Entrance Beach Public Toilets and Changerooms Replacement.	Infrastructure	Public amenities	\$260,000	\$520,000
Cessnock City	Complete themed playground and Bridges Hill Park	Recreation	Park	\$936,000	\$1,586,000

⁵⁵ SCCF funding and total project cost are rounded to the nearest \$'000.

LGA	Project name	Project category	Project type	SCCF funding	Total project cost
Clarence Valley	Rushforth Park Lighting Upgrade	Sport	Sporting venue	\$301,000	\$326,000
Coffs Harbour City	Community Facility Activation Upgrades	Community	Theatre	\$602,000	\$607,000
Coolamon Shire	Community Halls and Cultural Centres	Community	Town hall/community centre	\$291,000	\$326,000
Forbes Shire	Supporting a proactive and vibrant rural community Bedgerabong Recreation Grounds Upgrade	Recreation	Recreation area	\$102,000	\$132,000
Glen Innes Severn	Street beautification and upgrades on Grey Street Glen Innes	Community	City	\$453,000	\$871,000
Glen Innes Severn	Upgrade Melling Park with Wellness Trail	Infrastructure	Footpath/cycleway	\$516,000	\$516,000
Goulburn Mulwaree	Victoria Park Upgrade - Stage 1	Recreation	Park	\$896,000	\$1,103,000
Greater Hume Shire	Walla Walla Early Childhood Hub	Community	Education	\$252,000	\$779,000
Gwydir Shire	Upgrade Warialda Showground kitchen and dining room	Sport	Showground	\$115,000	\$125,000

LGA	Project name	Project category	Project type	SCCF funding	Total project cost
Hilltops	Boorowa Recreation Ground bore and irrigation system	Sport	Sporting venue	\$113,000	\$113,000
Hilltops	Keith Cullen Oval facilities upgrade	Sport	Sporting venue	\$96,000	\$100,000
Hilltops	McLean Oval sporting precinct	Sport	Sporting venue	\$731,000	\$863,000
Lachlan Shire	Upgrade Tottenham Racecourse	Sport	Equine	\$151,000	\$151,000
Lithgow City	Lithgow Adventure Playground	Recreation	Park	\$1,042,000	\$1,369,000
Lockhart Shire	Lockhart and The Rock Swimming Pools Refurbishment	Sport	Swimming pool	\$1,529,000	\$4,200,000
Maitland City	Improvements to Bakers Brickyard Playground	Recreation	Playground	\$559,000	\$569,000
Maitland City	Netball court upgrades - Maitland Park	Sport	Sporting venue	\$924,000	\$865,000
Muswellbrook Shire	Karoola Park Regional Netball Courts	Sport	Sporting venue	\$184,000	\$184,000
Nambucca Valley Shire	Lighting Up Coronation Park	Environment	LED lighting	\$500,000	\$627,000
Narrabri Shire	Narrabri and Wee Waa Bowling Clubs Synthetic Turf Project	Sport	Sporting venue	\$484,000	\$518,000
Narrabri Shire	Narrabri Creek Walk Cycle Path Section 1	Infrastructure	Footpath/cycleway	\$486,000	\$486,000

LGA	Project name	Project category	Project type	SCCF funding	Total project cost
Narrandera Shire	Just Add Water Slide - Lake Talbot Water Park	Sport	Swimming pool	\$167,000	\$244,000
Narromine Shire	Community Swimming Pool Upgrades - Ensuring our communities have access to compliant swimming pools	Sport	Swimming pool	\$486,000	\$558,000
Narromine Shire	Narromine Aquatic Park Refurbishment and Splash Park	Sport	Swimming pool	\$900,000	\$900,000
Port Macquarie-Hastings	Port Macquarie Sporting Fields Improvement Program	Sport	Sporting venue	\$434,000	\$444,000
Port Stephens	Upgrade Bagnalls Beach East Playground and Recreation Area	Recreation	Park	\$80,000	\$150,000
Queanbeyan-Palerang Regional	Queanbeyan Golf Course Amenities Upgrade	Sport	Golf course	\$750,000	\$750,000
Temora Shire	Temora town netball courts upgrade	Sport	Sporting venue	\$78,000	\$78,000
Upper Lachlan Shire	Clifton Park Community Connections and Pathway	Recreation	Recreation area	\$112,000	\$112,000
Uralla Shire	Pioneer Park	Recreation	Park	\$433,000	\$448,000
Wagga Wagga City	Upgrade French Fields McDonalds Park and Harris Park	Sport	Sporting venue	\$1,189,000	\$1,749,000

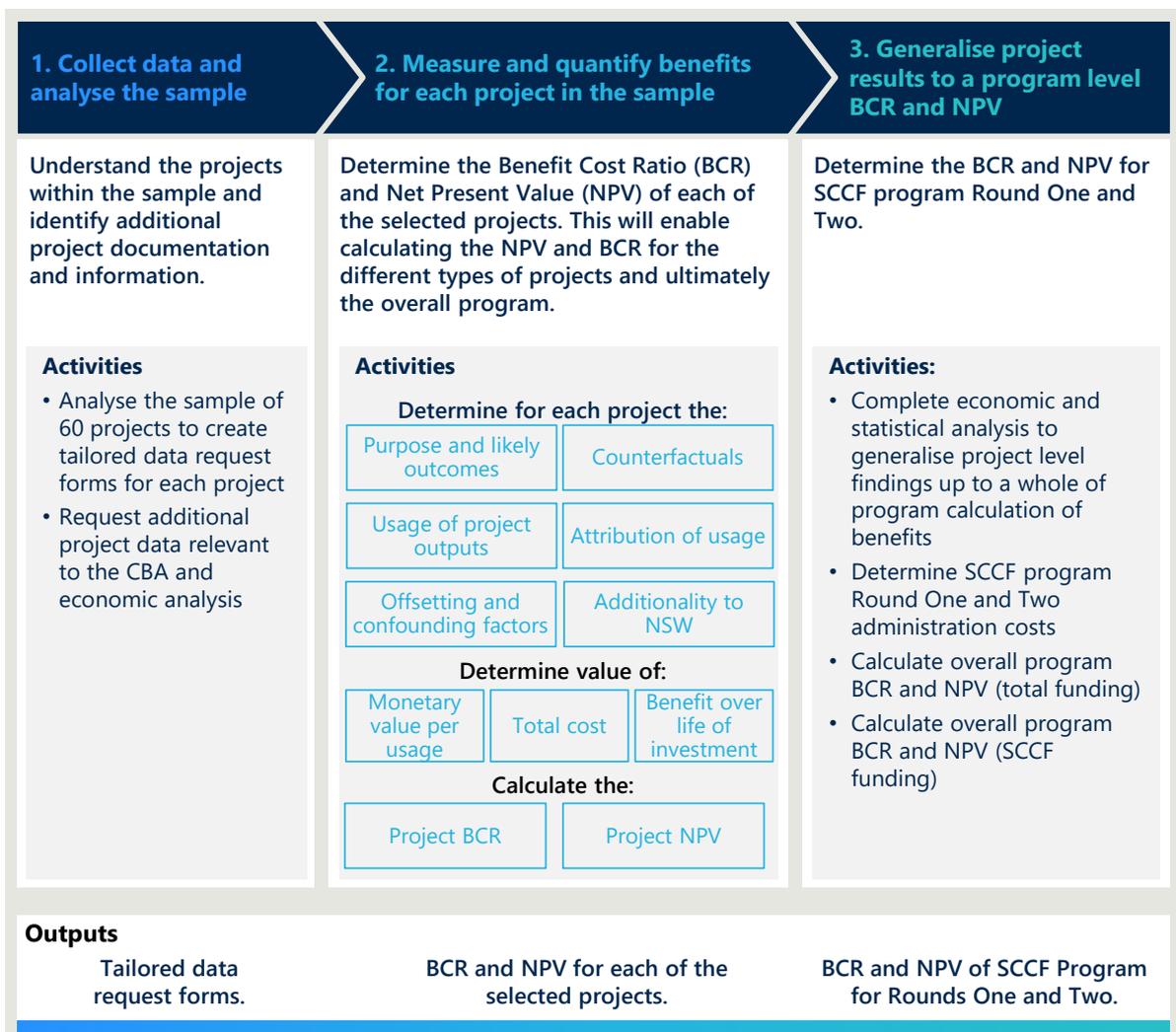
LGA	Project name	Project category	Project type	SCCF funding	Total project cost
Walcha Shire	Walcha Preschool Building Replacement	Community	Education	\$660,000	\$1,052,000
Warren Shire	Upgrade Warren Swimming Pool to improve the lives of residents	Sport	Swimming pool	\$743,000	\$1,295,000
Wingecarribee Shire	Bowral Rugby Clubhouse Redevelopment (Stage 2)	Sport	Sporting venue	\$991,000	\$1,041,000
Wingecarribee Shire	Construction of Second Synthetic Hockey & All Weather Sporting Field Stage One	Sport	Sporting venue	\$375,000	\$1,192,000
Yass Valley	Murrumbateman Recreation Grounds lighting upgrade	Sport	Sporting venue	\$200,000	\$200,000

E.2 Summary of CBA methodology

Nous developed the cost-benefit analysis (CBA) methodology in accordance with the NSW Government Program Evaluation Guidelines (2016) and TPP17-03 Guide to Cost-Benefit Analysis.⁵⁶ The methodology was tailored to meet the requirements of the SCCF Economic Evaluation. It built on a sophisticated project sampling methodology to determine the projects for inclusion in the CBA (as outlined above). Our approach focused on CBAs of the individual projects in the economic analysis sample and then generalised those results to an estimate for Rounds One and Two of the SCCF. Nous conducted a deep dive analysis and CBA to calculate the Benefit-Cost Ratio (BCR) and Net Present Value (NPV) for each of the 60 projects selected in the economic sample, of which 45 were able to provide detailed data on the usage of the new facility.

Figure 37 below summarises the CBA methodology.

Figure 37 | Overview of the CBA Methodology



⁵⁶ NSW Department of Premier and Cabinet, 'NSW government program evaluation guidelines'; NSW Treasury, [NSW government guide to cost-benefit analysis \(TPP17-03\)](#), NSW Treasury website, 2017.

E.3 Data collection methodology

As a first step, Nous analysed the data and documentation held by DRNSW on the 60 projects that were selected in the economic analysis sample. Focus was placed on specific data points that were relevant to determining the data that was required to be collected for the CBA. These data points were the:

- Type of project (e.g. swimming pool, community hall)
- Type of project action (e.g. the construction of a new facility or the upgrade or renovation of an existing facility)
- Broad intended outcomes that each project had stated they were aiming to achieve and how they had planned to measure these outcomes
- Total project cost reported to DRNSW
- Funding amount provided by the SCCF.

Nous then created tailored data request forms based on these points of reference. To provide context to inform the analysis, and to assist with triangulating results with the Outcomes Evaluation sample, the data request forms asked for more information from project proponents than what was strictly required for the CBA.

Table 13 provides an example of the broad questions included in the data request form. These questions were tailored and adapted depending on the type of project and the outcomes it aimed to achieve. For some project types, such as childcare centres, other more specific questions were included in their data request form.

Table 13 | Data request form

Question	Example	Please provide response below
Costs		
1. We understand the NSW Government grant was for <i>[insert grant amount]</i> , excluding GST, and the total project cost <i>[insert project cost amount]</i> . Are these amounts correct?	<i>Yes or No.</i> <i>If no, please provide the correct amounts.</i>	
2. Who contributed the remaining project cost amount of <i>[insert any additional project costs not reported to DRNSW]</i> ?	<i>Council, philanthropic groups, private businesses, etc.</i>	
3. Did the project come in on budget?	<i>Yes or No (over budget by 50%).</i>	
4. Were there any additional resource needs, volunteer time or in-kind costs not accounted for in the project budget?	<i>For example, two team members spent 25% of their time managing the project for one year at the expense of other productive tasks.</i>	
5. Would this project still have proceeded without NSW government funding?	<i>Yes; Yes but on a smaller scale (e.g. half the size); Yes but years later; or No.</i>	

Question	Example	Please provide response below
6. If “Yes” or “Yes but on a smaller scale” to the question above, how would you have sourced the additional funds, or reduced expenditure elsewhere?	<i>Use other government grants, reduced scope of upgrade, or estimate the delay in the project etc.</i>	
7. What is the expected additional annual (on-going) maintenance costs of the new facilities, excluding GST?	<i>Additional rubbish collection, cleaning, electricity, water, etc.</i>	
8. Who pays this ongoing cost?	<i>Council, etc.</i>	
9. Did the project cause any unexpected costs or disruption?	<i>Community complaints, noise, pollutants of any kind etc.</i>	
Benefits: We know that COVID lockdowns have disrupted activities this year. Please answer based on expected usage in a year when things return to normal.		
10. How many additional users are likely to be playing sports / using the new / upgraded [<i>insert facility type</i>] as a result of this investment?	<i>For example, 200 additional users each day / week / year.</i>	
11. What is the average booking / membership / entry fee per use / additional user?	<i>Improved access for families, people living with a disability etc.</i>	
12. [<i>if applicable</i>] How many additional spectators are likely to be watching sports games as a result of the upgrade? Will they be paying an entry fee and if so, how much?	<i>For example, 20 additional spectators each week paying average of \$5 entry fee.</i>	
13. Has the investment improved access and availability?	<i>Extended hours of operation, improved access for people living with a disability etc.</i>	
14. Please give any additional information or breakdowns about users.	<i>Number of users by age groups and their different entry fees, male/female/disabled numbers, other sources of revenue increase due to the new facilities.</i>	
15. What do you think these participants were doing before this investment occurred?	<i>For example, 50% of one parent of the newly enrolled children had to reduce working days to look after the children, 40% of families had to enrol their children at a childcare centre 1 hour away, 10% of families relied on extended family to look after their children during the day.</i>	

Question	Example	Please provide response below
16. Has the investment resulted in any additional employment opportunities? If so, what is the change in employment?	<i>For example, 3 additional workers a week, 1 part-time staff moving to full-time, etc.</i>	
17. <i>[if applicable]</i> How many additional tourists per year (in a normal year) would use the <i>[insert facility]</i> ? How much would they spend on average at local businesses? Where do these tourists come from and where would they normally go if not for the <i>[insert project type]</i> ?	<i>For example, 1000 additional tourists use the park. They spend on average \$20 at local businesses, 500 come from NSW and the other 500 are interstate visitors, and they would normally visit another NSW park if not for the park upgrade.</i>	
18. <i>[if applicable]</i> How often per year (in a normal year) would the new / upgraded facility host additional sports competitions? Where were these previously held?	<i>For example, 2 additional regional-level sporting competitions that were previously held at a sports field 1 hour away.</i>	
19. Please provide any information on how this investment has generated other (maybe unexcepted) benefits that make the local community a better place to work, live, study, and play. Include where these benefits have come from and any figures to support your answers.	<p><i>Other benefits could relate to:</i></p> <ul style="list-style-type: none"> • <i>Health outcomes such as parents having more free time to exercise or participate in social recreation.</i> • <i>Safety outcomes such as less incidents of injury at the centre due to upgraded facility.</i> • <i>Economic outcomes such as reduced childcare fees for families.</i> • <i>Educational outcomes such as improved learning for enrolled children.</i> 	

The data request forms asked project proponents to respond to questions abstracting from the impact of COVID-19. Where numbers were not readily available due to the impact of COVID-19 restrictions on usage or patronage of a facility, project proponents were asked to estimate numbers for a non-COVID-19 impacted period.

While there were 60 data request forms created for 60 different projects, only 58 data request forms were sent out, with two of Kyogle Council's projects not included due to competing demands on their time from other DRNSW engagements. From these 58 data requests, 45 project proponents responded, and a CBA was conducted on these projects for inclusion into the Economic Evaluation. lists the projects that were included in the Economic Evaluation.

E.4 Identifying benefits associated with projects in the SCCF

The top three benefit categories were identified for each project based on responses from project proponents. In most cases, projects only had one or two benefits (such as increased use of a facility such

as a pool and not having to travel to the next town to use a facility). The analysis focused on three benefits as other benefits, noting:

- Asking for additional data from project proponents would also have added to the requirement on respondents and decreased the likelihood that responses would be provided.
- The nature of projects funded meant that additional benefits were unlikely to have had material implications for the results.

As outlined in Section 6 of the report, seven common benefit categories were identified across the 45 projects in the CBA. Within each benefit category, different benefit types and their corresponding monetary values were identified and included based on publicly available information. In some instances, this required conversion to a value in 2021 dollars and in Australian currency. Two general conversion parameters were used, an:

- **Inflation rate** of 1.6 per cent based on an average of the inflation rates from 2013-2020. A period of seven years was used to ensure a more accurate and long-term inflation trend was included and to average out the impact of COVID-19 on inflation.⁵⁷
- **USD/AUD exchange rate** of 0.73 USD to 1 AUD based on a five-year average of the exchange rate.

In addition to conversion parameters, benefits were assumed to grow on an annual basis in real terms at a rate of 0.6 per cent. This annual percentage growth rate was derived from projections from the Department of Planning, Industry and Environment which indicated that the regional NSW population will increase by 400,000 in 2020 to 3.1 million people in 2041.⁵⁸

E.5 Benefit categories and benefit types

This Section outlines the seven benefit categories, the benefit types grouped within each category, their respective benefit values and the sources used for each benefit type.

E.5.1 Amenity

Amenity – a type of consumer surplus for community facilities (if there is no entry fee, or over and above any nominal entry fee) – refers to the value of:

- a new experience for new users
- a higher-quality experience for existing users
- improved access for target groups, such as people living with a disability and female sports participants.

Amenity accounted for almost 60 per cent of the benefits that SCCF projects have realised. Amenity was classified across the range of different facilities using the following steps:

Step 1. The different categories of users were identified

Across the SCCF projects, three user groups were identified:

- *Additional users* – some investments have resulted in additional ‘active’ users who have actively used the facility (e.g. sports participants, swimmers, walkers and cyclists). Some ‘passive’ users have also benefited from new facilities even if they are not participating directly in their use (e.g. spectators who watch games at a sports field or people who visit a “beautified” street).

⁵⁷ In 2019-20, the inflation rate was -0.3% due to the impact of COVID-19 on prices in Australia. Source: Reserve Bank of Australia, [Measures of consumer price inflation](#), RBA website, 2021.

⁵⁸ Department of Planning, Industry & Environment, [Population](#), Department of Planning, Industry & Environment Website, 2020.

- *Existing users* – some investments have also resulted in existing users receiving an increase in the quality of their experience. Existing users receive an incremental increase in amenity from each usage in this case. The increment additional use was isolated from existing use for facilities that were expanded rather than new.
- *Specific user groups* – some investments benefit a particular user demographic (e.g. women or people living with a disability). In this case, such users experience additional amenity because they are a user with previously fewer substitutes (suitable alternative facilities). Most data responses did not provide numbers on the specific user groups that benefitted from projects. Where this occurred, the following percentages (shown in Table 14) were used as a proxy based on research of publicly available sources.

Table 14 | Proxy per centage figures for specific user groups

Proxy figure	Proportion of total users	Rationale
General per centage of users with physical disabilities who benefit from an improved accessible environment	14%	4.4 million out of 25 million Australians have a disability and 77% of these people with disability reported a physical disorder as their main condition. This was used as a proxy for the proportion of total users who would benefit from improved equity of access. ⁵⁹
Per centage of total sports participants who are female	33% ⁶⁰	Rate of 33.3% (1/3) used as study shows that men and boys participate in organised sport at twice the rate of women and girls. ⁶¹

Step 2. A tiering system was developed to approximate the monetary value of each additional or incremental amenity value per use

The tiering system accounts for high, medium, and low value benefit from each use, based on the perceived benefit of the asset after project completion. It should be noted that the tiering system here refers to the size of the benefit accruing to the user per use and does not relate to the construction quality of the facility. Amenity value was also attributed to each use to allow for comparisons between projects where many users receive a low value benefit (e.g. from a “beautified” street) and projects where a small number of users receive a high value benefit (e.g. from using a swimming pool with water slide). In both cases, the same level of investment can be justified due to the total quantum of amenity benefit that accrues to the project.

A rating of high, medium, or low value usage was given to each asset type based on the type of project that was involved, analysis of the project documentation, and responses to the data request by project proponents. To ensure consistency in the benefits valuation approach, ratings were kept consistent between similar project types unless there was evidence to indicate an exception needed to be made for a specific project. Figure 38 outlines the general ratings that were given to the various project types in the economic analysis sample.

⁵⁹ Australian Network on Disability, [Disability statistics](#), AND Website, 2019.

⁶⁰ 33% was used as the proxy figure in all sports-related projects which involved improved equity of access for females other than one project that was for a netball court. As netball is a predominantly female sport, 70% of total users was assumed as a proportion instead.

⁶¹ Victorian Health Promotion Foundation, [Analysis shows boys participate in organised sport more than girls](#), Victorian Health Promotion Foundation Website, 2016.

Figure 38 | Amenity tiering ratings for different project types

HIGH VALUE	MEDIUM VALUE	LOW VALUE
Swimming pools with additional features (e.g. water slide)	Swimming pools with standard features	Sports venue safety or lighting upgrade
Golf club	Sports venue (new or upgrade of quality / capacity)	Pathway or cycleway
Female changerooms (for female users)	Community theatres / performance halls	"Beautified" street or precinct
		General changerooms (for general users)
	Parks	
	Showgrounds / community halls	

Step 3. An appropriate monetary value was assigned for each scenario

Amenity values were divided into three categories of active, passive, and incremental amenity per use, with a high-medium-low value for each of these three categories.

The majority of SCCF projects are recreation or lifestyle based. The best estimation approach in the literature is US Army Corps of Engineers Economic Guidance. This was used to estimate high / medium / low amenity values that were subsequently converted to 2021 AUD. The Guidance was relevant as examined the planning and cost-benefit analysis of recreational communities of practice in the US army, which are groups of people who have shared common recreation activities and interests. The Guidance utilised the Unit Day Value approach to valuing recreation, which is a more flexible method than other common benefit valuation methodologies, such as the travel cost method and contingent valuation method. The method can also be applied to both general and specialised forms of recreation.⁶²

The methodology allowed for a general amenity value to be applied to all projects in the economic analysis sample, rather than assigning separate amenity values for different project types. This approach made sense due to the diversity of project types in the sample. While there are widely accepted methods for estimating benefits such as health and exercise, SCCF projects delivered more intangible benefits such as through enhancements to parks and community halls. Using a general amenity value meant that the methodology could be simplified and allow for comparisons between different project types (e.g. a swimming pool versus a community hall).

Given that the main monetary values assigned to the amenity benefits were appropriated from a United States source, it was necessary to determine whether adjustments were required for the Australian context. Following other studies which have researched and applied the Unit Day Value approach outside the United States, only exchange and inflation rate adjustments were made.⁶³

Table 15 provides the high-medium-low dollar values that were assigned to each amenity type and a rationale for their calculation. As a sense check, these value ranges were tested against values for cycling

⁶² U.S. Army Corps of Engineers, [Memorandum for planning community of practice](#) [printed memorandum], 2018.

⁶³ R Ball et al., [Unit day values an application to Auckland regional parks](#) [conference presentation], 1997.

and walking health benefits from the Transport for NSW Economic Parameter Values⁶⁴ and additional research on the health benefit of swimming per visit⁶⁵ and were deemed to be reasonable.

Table 15 | General amenity values used in the CBA

Amenity type and user group	Value per use or visit (2021 AUD)	Rationale
Active Additional active users (e.g. sports players)	High: \$35.24 Medium: \$17.45 Low: \$12.47	<p>The Unit Day Value approach assigns a total of 100 points based on the following criteria:</p> <ul style="list-style-type: none"> • Recreational experience • Availability of opportunity • Carrying capacity • Accessibility • Environmental quality. <p>A Unit Day Value of US\$24.86 for a '50 point specialised recreation value', converted to AUD, was used for the high value. The reason for using specialised recreation was that high quality amenity facilities were deemed to provide unique experiences for users, which satisfies the definition of specialised recreation in the memo. A midrange of 50 points was used here to account for the diversity of projects that had been rated as providing a 'high value' experience.</p> <p>A Unit Day Value of US\$12.31 for a '100 point general recreation value', converted to AUD, was used for the medium value. General recreation was used here as most facilities rated as medium quality in the economic analysis sample were deemed to provide activities that were attractive to most outdoor users as per the definition outlined in the memo. 100 points was used here as most projects rated as providing a 'medium value' experience were deemed to achieve a perfect or close-to-perfect rating on the five criteria.</p> <p>A Unit Day Value of US\$8.80 for a '50 point general recreation value', converted to AUD, was used for the low value. The rationale for using and given that these were deemed to be provide a 'low value' experience, 50 points rather than 100 points were used.</p>
Passive Additional passive users (e.g. spectators at a sports game)	High: \$17.62 Medium: \$8.72 Low: \$6.24	<p>High, medium, and low values were calculated as 50 per cent of their respective active values for passive users. 50 per cent was used as passive users are not actively participating or using the facility and so only obtain part of the enjoyment of active users.</p>

⁶⁴ Transport for NSW noted a health benefit (in 2021 dollars) of \$1.26 per km for cycling and \$1.89 per km for walking. If cyclists exercise 10km on average per visit, and walkers exercise 5km on average per visit, this equates to a dollar range of \$9.45 to \$12.60 per use of a cycleway or pathway. Cycleways and pathways were assigned an amenity benefit value of \$12.47 per visit for active users in this CBA which was a comparable value to the range of \$9.45 to \$12.60. Source: Transport for NSW, [TFNSW economic parameter values](#), NSW Transport Agency website, 2020.

⁶⁵ Economic research by the Royal Life Saving Society identified a swimming health benefit of \$28.17 in 2021 dollars per visit. In most SCCF projects involving swimming pools in the economic analysis sample, an amenity benefit value of \$17.45 per visit was assigned, with \$35.24 used for a few higher-end swimming pools. Despite the Royal Life Saving Society identifying a dollar figure higher than the amenity value used, it was noted that their figure of \$28.17 included indirect benefits such as a reduction in health spending and absenteeism from work, while the CBA amenity value figure only accounts for the experience for the user at the time of visit. Therefore, it was concluded that the amenity values used in the CBA were still reasonable. Source: Royal Life Saving Society, [Economic benefits of Australia's public aquatic facilities](#), Royal Life Saving Society website, 2017.

Amenity type and user group	Value per use or visit (2021 AUD)	Rationale
Incremental Existing users	High: \$8.81 Medium: \$4.36 Low: \$3.12	High, medium, and low values were assumed to be 25 per cent of their respective active values for existing users. 25 per cent was used as existing users were already obtaining an experience from a facility and as a result, they only obtain an incremental gain from the upgrade.

In addition to the general amenity values, amenity monetary values were also assigned to improved equity of access for specific user groups, namely people living with a disability and female sports participants. Table 16 provides outlines the two main monetary values used for specific user groups.

Table 16 | Amenity values for improved equity of access

Amenity type	User group	Value (2021 AUD)	Rationale
Additional amenity value from improved physical access for general facilities	People living with a disability	\$11.65 per visit	Total benefits of an accessible environment have been estimated to be \$730 million per annum for 250,000 people. Assuming that each visit is equal to a day's value, and then increasing this value to 2021 dollars, this results in \$11.65 for each visit. ⁶⁶
Additional amenity value for female participation in sport per annum	Female sports participants	\$24.87 per annum	Improving female equality has been estimated to boost the global economy by \$12 trillion USD. \$12 trillion USD dollars converted to AUD divided by 2015 world population of 7.3 billion people obtains a value of \$1643.84 per annum. 1 per cent of global GDP is roughly sports related. This was used to calculate the value per female participant per annum and then converted into 2021 dollars. ⁶⁷

E.5.2 Educational outcomes

Educational outcomes refer to the value obtained from:

- **The value of improved educational outcomes for children.** Early childhood education can lead to better outcomes in the long-term, including improved achievement at school, reduced risk for health conditions such as obesity, and higher longer-term employment prospects. A 2019 study found that these outcomes were valued at a total of \$3.3 billion in 2017 for Australia.⁶⁸ Divided by 700,604 total Australian childcare enrolments, and converted into 2021 dollars, this led to a derived value of \$4,983.85 per enrolled child per year that was used in the CBA.
- **Time freed up for families to participate in the workforce from access to childcare.** An additional benefit of access to childcare is that it frees up time for parents and carers to participate in the workforce. This was valued at \$362.34 per day in the CBA and was calculated from an average hourly

⁶⁶ J Frisch, *The benefits of accessible buildings and transport: an economist's approach*, 1998.

⁶⁷ Woetzel J, et al, *How advancing women's equality can add \$12 trillion to global growth*, McKinsey, 2015.

⁶⁸ The Front Project, *A smart investment for a smarter Australia: economic analysis of universal early childhood education in the year before school in Australia*, PWC, 2019.

wage of \$42.43 in 2017 for primary carers with children aged zero to five multiplied by an eight-hour workday and converted into 2021 dollars.⁶⁹

In the economic analysis sample, educational outcome benefits were relevant to three projects that involved the construction or upgrade of a childcare centre. As noted in the research literature, it was acknowledged during the Economic Evaluation that access to early childhood childcare services does not necessarily result in benefits to children attending these services and long-term educational outcomes for the child can also vary depending on the type of education they receive. The fact that the SCCF provided increased capacity for childcare services does not necessarily translate into improved long-term outcomes for the child attending the service.

Therefore, to ensure that benefits were accurately attributed to the SCCF, educational outcome benefits were only valued for children who previously were not attending childcare and could now attend childcare as a result of the SCCF investment providing a new childcare facility and / or increased services. Approximately 90 per cent of the benefits in educational outcomes were driven by the time freed up for families to participate in the workforce. This ensured that any attribution of improved long-term educational outcomes to the SCCF was conservative in the Economic Evaluation.

E.5.3 Travel savings

Travel savings refers to the value of time and vehicle cost savings for residents who do not have to commute to another town to use a facility. Two components of travel savings were valued:

- **The saving on travel time.** A value of \$18.01 per hour was used. This was derived from the travel time value for private cars of \$17.72, converted into 2021 dollars, from the Transport for NSW Economic Parameter Values guide.⁷⁰ As the SCCF projects are in regional areas where public transport is poor, it was assumed most users would commute via private car.
- **The saving on vehicle operation costs.** A value of \$0.31 per km was used. This was derived from the Transport for NSW Economic Parameter Values guide for vehicle operating cost for rural roads with a 4 per cent gradient and straight curvature, which was 30.2 cents per km and subsequently converted into 2021 dollars. The assumption was made that on average, most rural users were driving a medium car at 60km/h.⁷¹

Travel savings were included for projects where project proponents indicated that some or all the users of the new facility were previously using a facility in a different locality. In all cases, research using publicly available maps was used to inform the time and distance required to travel to that different locality in valuing the amount of travel savings.

E.5.4 Wage uplift from construction

The wage uplift from construction is the total labour surplus per dollar of construction spend during the delivery of the project. A figure of 6.28 per cent of the total capital cost for each project was used to value this benefit for all projects. This per centage figure was derived from summing up a labour surplus of 3.3 per cent and a wage uplift as a per centage of construction of 2.98 per cent.

The labour surplus of 3.3 per cent was derived from multiplying 40 per cent value added (wage share) from labour with an 8.26 per cent figure included in the NSW Guide to Cost Benefit Analysis Framework for Special Activation Precincts.⁷²

⁶⁹ The Front Project, [A smart investment for a smarter Australia: economic analysis of universal early childhood education in the year before school in Australia](#). PWC, 2019.

⁷⁰ Transport for NSW, 'TFNSW economic parameter values'.

⁷¹ Transport for NSW, 'TFNSW economic parameter values'.

⁷² NSW Government, 'Cost benefit analysis framework for special activation precincts', 2020.

The wage uplift per centage figure of 2.98 per cent was calculated from dividing a \$5,505 dollar figure by the NSW construction spend per worker of \$185,000.⁷³

E.5.5 Safety and security

Safety and security benefits refer to improved health and security that arise from a reduction in crime or foregone injuries. The following two projects in the economic analysis sample had this benefit identified and valued.

- One respondent reported that their project's development resulted in crime reduction as the site was previously a 'hot spot' for antisocial behaviour. An average cost per criminal incident of \$970 was derived and converted into 2021 dollars from historical research on the cost of vandalism.⁷⁴ An annual crime rate based on publicly available data for that locality was then used as a proxy to calculate the number of incidents and subsequent total benefit value of the reduction in crime.
- One project reported that the investment had helped avoid a serious injury that was occurring once every two years. The cost of a serious injury was valued at \$194,419 in 2021 dollars and this was averaged out over two years for an annual figure of \$97,209.⁷⁵

E.5.6 Additional spending

Additional spending is the value added to the NSW economy from retail spend from tourists and visitors to a facility (e.g. purchasing food from the canteen). The analysis only included the extent of the benefit deemed additional and not displaced from elsewhere. Additional spending was only included for nine out of 45 projects where spending was one of the top three benefits identified from the data request and no other benefit types could be ascertained.

Based on input-output tables from the Australian Bureau of Statistics, the average of the value added for expenditure on accommodation and food services is 52 per cent, which for ease was rounded to 50 per cent as the value added to the NSW economy from additional spending in the CBA model.⁷⁶ An average spend per visit of \$18.52 was used based on research conducted on the average lunch spend for Australian employees.⁷⁷ For projects which involve visitors or spectators to a facility, the proportion of those visitors or spectators who spend money at the canteen or nearby businesses was assumed to be 10 per cent, noting that retail spending is not material to the calculation of benefits of SCCF projects.

E.5.7 Environment

The sole environment benefit relevant, noted by one respondent, was the harvesting of rainwater. The rainwater harvesting benefits of a full tank per household / facility per year was valued at \$1,774 in 2021 dollars based on research in southeast Queensland.⁷⁸ It was assumed that water capture is twice the volume of a typical house, providing an annual benefit of \$3,548.

E.6 Adjusting for displacement of benefits in projects

Adjusting individual benefits

⁷³ Australian Bureau of Statistics, [Construction work done, Australia, preliminary, 2019](#) [data set], ABS, 2019.

⁷⁴ P Mayhew, [Counting the costs of crime in Australia](#), Australian Institute of Criminology, Canberra, 2003.

⁷⁵ Australian Transport Assessment and Planning, [Crash costs](#), ATAP Website, 2013.

⁷⁶ Australian Bureau of Statistics, [Australian National Accounts: Input-Output Tables](#) [dataset], ABS, 2021.

⁷⁷ McCrindle, n.d., [The cost of work: what we pay to work](#), McCrindle Research Pty Ltd, 2015.

⁷⁸ P Coombes, [Effectiveness of rainwater harvesting for management of the urban water cycle in South East Queensland](#), Urban WaterCycle Solutions, 2013.

As the project types that were evaluated were diverse, the CBA attempted to establish the counterfactual of each individual investment in order rather than establishing a quasi-experimental control group (for example, it was not feasible to identify and survey towns that did not get a swimming pool).

In the data request form sent out (see Appendix E.3), project proponents were asked what they had thought users were doing previously before the project. The estimated benefits were then adjusted based on responses. For example, if a project proponent indicated that new users were coming from a nearby facility, then the value of certain benefit categories such as amenity, educational outcomes, and additional spending were reduced accordingly.

In some data requests, project proponents provided a proportion of users that were being displaced (e.g. 40 per cent of users were swimming at a major location 30 minutes away). If these proportions were provided, then these numbers were used in the CBA. In most data requests where displacement was indicated, project proponents did not provide a proportion of users that were being displaced (e.g. participants would have been using other venues in the shire). In these cases, a 50 per cent displacement was assumed. This may over-estimate the extent of displacement, as for many parts of regional NSW there are few close substitutes for the facilities funded by the SCCF, given long distances between locations and some towns have few facilities.

Accounting for scale and delay

The CBA accounted for scaling and delay where a project proponent indicated that the project may have occurred in the future even without SCCF funding. Benefits and costs were adjusted accordingly as follows.

- Where a project proponent indicated that SCCF funding allowed for an increase in the scale of the project that would still have occurred absent funding, the benefits and costs were scaled down based on the initial scale of the proposed project. This ensured that only the increase in scale was valued and included in the CBA. Nine out of 45 projects in the economic analysis sample had the adjustment effect of scaling applied to their CBAs.
- Where a project proponent indicated that the project would have proceeded without the SCCF, though sometime in the future, then only the benefits and costs of the brought-forward period were measured and included in the CBA. 16 out of 45 projects in the economic analysis had the adjustment effect of delay applied to their CBAs.

E.7 Costs associated with projects in the SCCF

Each data request form also included questions on the costs of projects. Project proponent responses for each of these questions were included in the CBA and valued using general parameters where appropriate. Table 17 provides an overview of the costs associated with projects in the SCCF and how they were valued in the CBA.

Table 17 | Overview of costs for SCCF projects

Cost	Description	Valuation approach
SCCF grant	The amount funded by the SCCF for each project.	The SCCF grant amount was initially provided by DRNSW in the program data. The data request form asked project proponents to confirm that the grant amount was correct.
Financial co-contributions	Other capital costs that were contributed to the project by other groups (such as local councils and	DRNSW provided total project costs, which combined with the SCCF grant amount, allowed Nous to calculate

Cost	Description	Valuation approach
	sporting clubs) and additional to the SCCF grant.	other capital costs. The data request form asked project proponents to confirm the total project cost and identify whether there were any cost overruns.
Additional operating costs	Any additional costs to run and operate the facility after the delivery of the project (such as maintenance of the new facility and costs of new staff).	The data request form asked project proponents to identify whether the project led to an increase in operating costs. Where the data request form identified there was extra employment as well, the cost of that additional staff based using an FTE salary of \$91,744 (calculated from average weekly earnings statistics for a worker in NSW from the ABS) was also included in this operating cost calculation. ⁷⁹ Projects involving childcare centres used a salary of \$42,361. ⁸⁰
In-kind costs	Volunteer support and resource time that was spent on the project and were not accounted for in the original project budget.	The data request form asked project proponents to identify if there were any in-kind costs. Where in-kind support was identified, this was valued as: \$32.85 per volunteer hour over the course of the project delivery if volunteers were involved; or as a proportion of FTE salaries if council workers had provided support to the project. ⁸¹
Unexpected costs	Any non-monetary costs, such as noise or disruption, from the project.	The data request form asked project proponents to identify if there were any unexpected costs. Valuation of unexpected costs was dependent on the nature of the cost.

The small amount of time project proponents took to apply for grants (estimated as up to a week by nearly all project proponents) were not valued and included in the calculation of costs, given the small size.

Figure 39 provides a worked example of how costs were valued at the individual project level (note: the project has been de-identified and the cost figures have been modified to avoid the disclosure of sensitive financial information).

⁷⁹ Australian Bureau of Statistics, [Average weekly earnings](#) [data set], ABS, 2021.

⁸⁰ Foundation Education, [How much do childcare workers earn?](#) Foundation Education Website, 2019.

⁸¹ Converted to 2021 dollars from an ABS calculation of \$27.45 per hour in 2010. Source: K Sunners, [Valuing volunteers for in-kind contributions: how to figure out \\$ values for volunteer hours when you're not a maths nerd](#), Strategic Grants, 2015,

Figure 39 | Project worked example of valuing costs

Project worked example – valuing costs

- **SCCF grant:** SCCF grant was \$500,000.
- **Financial co-contribution:** Additional contributions by the council, the developer, and a loan by the NSW Treasury totalled \$600,000.
- **Additional operating costs:** The project upgrades led to an \$25,000 increase in operating costs per year. These annual costs were assumed to remain constant for 20 years and were discounted at a rate of 7 percent, resulting in a total present value of \$264,850.
- **In-kind costs:** A project officer was engaged on a fixed contract by the council to manage this project and other capital projects. An assumption was made that they had a salary of \$91,744 as per the general cost parameters used and 50% of their time was spent managing this project, which results in an in-kind cost of \$45,872.
- **Unexpected costs:** There were no unexpected costs.

E.8 Project discount rate and time period

A standard real discount rate of 7 per cent was used for the base scenario CBA as per the NSW Government Guide to Cost-Benefit Analysis (TPP17-03).⁸²

Facilities were assumed to last for a 20-year time period and benefits and costs were valued over this time period. This time period is standard for a cost benefit analysis. It is long enough to capture all the significant benefits and costs of the facilities funded by the SCCF.⁸³ It was assumed that facilities reach a complete end of life at the end of the 20-year period and no terminal or replacement value was included into the CBA.

A standard real discount rate of 7 per cent was used for the base scenario CBA.

E.9 Overall SCCF program level economic analysis

Nous then used the detailed economic analysis for each of the 45 projects to estimate the total economic benefit and costs of all 999 SCCF projects. Building on the sample selected, Nous used statistical methods to estimate the total benefits of the SCCF Program. This approach involved scaling up the NPV result of each group of projects by the population weight that was used to develop the stratified sample of 45 projects. This was then compared against the total funding of the program.

While project-specific costs were factored into the NPV, there was a program-wide administration cost of \$9.6 million for the SCCF across Rounds One and Two. This was added in after the project-specific costs to derive a total program cost.

The NPV and BCR was reported relative to all the costs that were evaluated, which are:

- The portion attributable to SCCF Rounds One and Two funds which was approximately \$285 million.
- Financial co-contributions provided of \$96 million.

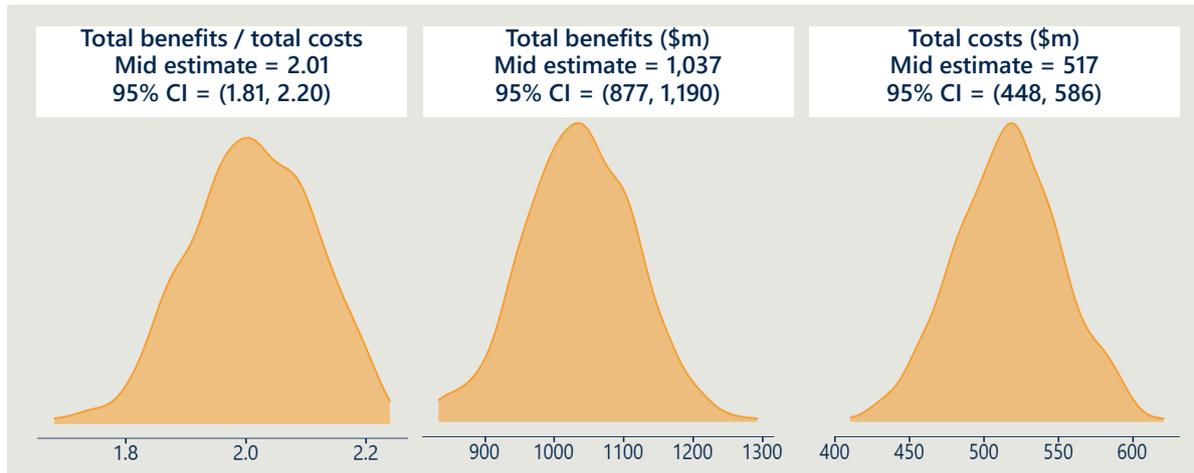
⁸² NSW Treasury, 'NSW government guide to cost-benefit analysis (TPP17-03)'.

⁸³ NSW Government, 'Cost benefit analysis framework for special activation precincts'.

- Additional economic costs of \$126 million which included cost overruns, in-kind support, and ongoing operating expenses.
- Administration costs of \$9.6 million which included the cost of operating the fund and any employee-related costs.

As a sample of 45 projects was used to assess the benefits and costs of the overall program, the reported NPV and BCR are subject to sampling error. Figure 40 outlines the BCR, the total benefits, and the costs along with their 95 per cent confidence intervals that were generated in the process of scaling up the economic benefits and costs of the economic analysis sample.

Figure 40 | Confidence intervals for BCR, total benefits, and total costs



Distributional analysis of the benefits and costs was undertaken qualitatively rather quantitatively.

The sampling method was designed to give an acceptable confidence interval on the aggregate benefits of SCCF. Within that, there were various projects targeted at specific priority groups including women, people with a disability, childcare, youth, and other under-served or lower-income members of the community.

The SCCF certainly provided more vulnerable members of the community with better facilities and that most of the benefits accrue to the community ('consumers') in the form of increased 'amenity'. In some instances, there was a small component of 'producer surplus', from higher entry fees to the (usually council-run) swimming pool or membership fees for a soccer club or golf club. This came from additional users rather than increased user charges.

To provide a statistically valid breakdown of distributional effects (or on other dimensions, such benefits by region or by type of project) would require a much larger sample size and this was not feasible in the constraints of the project. However, Sections 4 and 5 of the report provide a qualitative assessment of the beneficiaries of the SCCF investments and the distribution of outcomes and benefits.

E.10 Sensitivity analysis

The following sensitivity analyses was performed in accordance with NSW Treasury guidelines and the testing of some key underlying assumptions:

1. Applying a discount rate of three and ten per cent in addition to the base case scenario of a seven per cent discount rate. This was based on the NSW Government Guide to Cost-Benefit Analysis (TPP17-

03).⁸⁴ In addition, interim feedback provided by NSW Treasury over the course of the evaluation also suggested an additional sensitivity test at a discount rate of five per cent, which was performed.

2. Applying a (higher) 'worst case' general displacement of 50 per cent across relevant benefits instead of assuming a bottom-up displacement effect based on each individual project. This approach was used to reduce the risk that individual estimates from each project manager may have understated the extent of displacement. The reason for applying a general displacement rate was also to act as a 'sense check' against the 'bottom up' displacement approach, to ensure the net benefits are still positive with a larger amount of displacement.
3. Assuming the SCCF did not have a catalysing effect on the delivery of projects to reduce the expectations of different project managers influencing the results of the CBA. This meant turning off the impact of delay and scale in the CBA.
4. Assuming there is no additional tourism expenditure or retail spending created because of SCCF investment. This scenario was tested since most tourists may come from within NSW (intra-State tourists) rather than being additional visitors to NSW.
5. Reducing the value of the amenity parameters by 25 per cent. Given that amenity comprised almost 60 per cent of the benefits in the CBA, a reduction in the amenity parameter values was performed to test the sensitivity of the economic analysis results to the amenity parameter values.

Under all these different scenarios, the SCCF demonstrated a positive NPV even after accounting for potential sampling error. It is therefore likely to conclude that the SCCF has had a positive economic impact to NSW. Table 18 identifies the BCRs, total benefits, and total costs for each scenario along with their respective 95 per cent confidence interval ranges.

Table 18 | BCRs, total benefits, and total costs across different scenarios

Scenario	BCR	Total benefits (\$m)	Total costs (\$m)
Base case	2.01 95% CI = (1.81, 2.20)	1,037 95% CI = (877, 1,190)	517 95% CI = (448, 586)
3% discount rate	2.57 95% CI = (2.29, 2.86)	1,437 95% CI = (1,217, 1,651)	558 95% CI = (470, 647)
5% discount rate	2.27 95% CI = (2.04, 2.50)	1,210 95% CI = (1,026, 1,391)	534 95% CI = (457, 612)
10% discount rate	1.70 95% CI = (1.53, 1.84)	842 95% CI = (712, 967)	498 95% CI = (437, 559)
50% displacement	1.32 95% CI = (1.15, 1.46)	679 95% CI = (581, 775)	517 95% CI = (448, 586)
No SCCF catalytic effect	1.99 95% CI = (1.81, 2.15)	1,233 95% CI = (1,032, 1,404)	626 95% CI = (529, 696)
No additional spend	1.98 95% CI = (1.77, 2.17)	1,022 95% CI = (869, 1,176)	517 95% CI = (448, 586)

⁸⁴ NSW Treasury, 'NSW government guide to cost-benefit analysis (TPP17-03)'.

Scenario	BCR	Total benefits (\$m)	Total costs (\$m)
Reduction in amenity parameters by 25%	1.70 95% CI = (1.52, 1.87)	870 95% CI = (743, 1,003)	517 95% CI = (447, 585)

Appendix F Literature review

The literature review was designed to provide additional evidence to assess the appropriateness and effectiveness of the SCCF. The literature review collected evidence on the:

- Role social infrastructure plays in regional communities
- Success factors to deliver strong outcomes through regional grants programs.

The review drew on the following sources:

- Peer-reviewed literature, with a focus on high-quality, systematic reviews where possible
- Grey literature, including non-academic reports, evaluations, and reviews of similar programs from other Australian and international jurisdictions
- Media reports
- Evaluation frameworks, publications and toolkits.

F.1 Social infrastructure plays a vital role in regional communities

Social infrastructure includes the facilities and services that are used for the physical, social, cultural or intellectual development or welfare of a community.⁸⁵ This includes educational, recreation, health, cultural and sport facilities that provide essential services and improve quality of life.⁸⁶ Social infrastructure helps to promote a better quality of life, to strengthen a sense of belonging and to sustain healthy and inclusive communities.⁸⁷

F.1.1 Social infrastructure plays central and multiple roles in a regional community

In a regional context, social infrastructure plays a central role to support community success and sustainability.⁸⁸ The literature highlights that social infrastructure creates important social connections and a sense of community, both of which have been found to be especially important in rural and farming communities in Australia.⁸⁹ Community centres such as schools, community halls and sporting clubs, provide important places for regional communities to come together.⁹⁰ The social connections that social infrastructure fosters are important for community sustainability and development. The literature also

⁸⁵ S Teriman, T Yigitcanlar & S Mayere, 'Social infrastructure planning and sustainable community: example from south east Queensland, Australia'.

⁸⁶ H Yhee, S Kim, & S Kang. '[GIS-based evaluation method for accessibility of social infrastructure facilities](#)'. Applied Sciences, 2021, 11(12).

⁸⁷ S Teriman, T Yigitcanlar & S Mayere, 'Social infrastructure planning and sustainable community: example from south east Queensland, Australia'.

⁸⁸ Infrastructure Australia, 'Infrastructure Australia audit 2019: an assessment of Australia's future infrastructure needs'.

⁸⁹ P McManus, J Walmsley, N Argent, S Baum, L Bourke, J Martin, & T Sorensen, '[Rural community and rural resilience: what is important to farmers in keeping their country towns alive?](#)'. Journal of Rural Studies, 2011, 28(1), 20-29, doi:10.1016/j.jrurstud.2011.09.003.

⁹⁰ D Maybery, R Pope, G Hodgins, Y Hitchener & A Shepherd, 'Resilience and well-being of small inland communities: community assets as key determinants', Rural Society, 19:4, 326-339, 2009, doi:10.5172/rsj.351.19.4.326

emphasises that regional communities also find important value in social infrastructure assets in responding to and supporting each other during hardship.⁹¹

The literature identifies four important roles for social infrastructure, in that it:

- **Supports the quality of life and wellbeing of communities.** Social infrastructure helps to maintain and enhance community wellbeing.⁹² It plays an important role in enhancing the quality of life, social equity, stability, and social wellbeing of regional communities.⁹⁷ It often provides for the basic needs of communities.
- **Contributes to social identity, inclusion and cohesion.** Social infrastructure provides places for people to come together and participate in community life.⁹³ Social infrastructure often has an inclusivity and accessibility focus, recognizing that everyone has the right to access and use socially valued resources.⁹⁴
- **Improves the liveability of regional communities.** Social infrastructure is an essential element to whole-of-community wellbeing and liveability. Parks, sport and recreation activities are important for healthy, active, liveable, connected and engaged communities.⁹⁵
- **Fosters community resilience in times of stress, such as natural disasters.**⁹⁶ Social infrastructure plays a key role in supporting high quality of life and strong social connection in region areas which is important for helping communities to adapt to hardship and change.⁹⁷

F.1.2 The three tiers of government each contribute to the delivery of social infrastructure in regional communities

To deliver the best outcomes for regional areas all spheres of government must work collaboratively to support the development and implementation of strategies, policies and plans focused on social, economic and resilience outcomes.⁹⁸ At a high level, the literature noted the following respective roles.

- **Local Government** plays a critical role as active owners of social infrastructure and are the vital links to the local community.⁹⁹ Collaboration between local councils and community organisations is important for supporting communities to build their social resilience.¹⁰⁰
- **State and Territory Governments** are responsible for the implementation of specific reforms, many of which are unique to individual places and enable the more efficient delivery of projects. Each state and territory have jurisdiction-wide infrastructure plans which includes the provision of social infrastructure.¹⁰¹
- **Australian Government** holds a 'sponsor' role and is critical to ensuring national consistency, collaboration across jurisdictions and common measurement of outcomes.

⁹¹ H Yhee, S Kim, & S Kang, 'GIS-based evaluation method for accessibility of social infrastructure facilities',

⁹² J Schirmer & M Mylek, *Thriving, surviving, or declining communities: socioeconomic change in Murray-Darling Basin communities*, University of Canberra, 2020.

⁹³ J Tomaney, 'Is there a case for regional policy in Australia?', *Australasian Journal of Regional Studies*, 2012, 18(1).

⁹⁴ C Baldwin & L Stafford, 'The role of social infrastructure in achieving inclusive liveable communities: voices from regional Australia', *Planning Practice & Research*, 34(1), 2019, doi: 10.1080/02697459.2018.1548217.

⁹⁵ Regional Australia Institute, *Measuring the economic benefits of Social Infrastructure*, Regional Australia Institute website, 2016.

⁹⁶ Infrastructure Australia, 'Infrastructure Australia audit 2019: an assessment of Australia's future infrastructure needs'.

⁹⁷ NSW Government, *A 20-year economic vision for regional NSW*, NSW Government website, 2021.

⁹⁸ The Local Government Association of Queensland, *LGAO policy statement 2020*, Local Government Association of Queensland website, 2020.

⁹⁹ Infrastructure Australia, *Australian infrastructure plan 2021*, Australian Government website, 2021.

¹⁰⁰ NSW Government, 'A 20-year economic vision for regional NSW'.

¹⁰¹ J Tomaney, 'Is there a case for regional policy in Australia?'.

The literature observed that all three levels of government must collaborate to support the provision of social infrastructure and coordinate their efforts to enable regional economies to thrive.¹⁰²

There are challenges to demonstrate the economic value of social infrastructure investment

Economic analysis of the provision of social infrastructure is challenging because of the inherent qualitative benefits that the infrastructure provides. Research widely supports that access to high-quality affordable social infrastructure has a direct impact on social and economic wellbeing by contributing to social identity, inclusion and cohesion.¹⁰³ Infrastructure Australia acknowledged the importance of social infrastructure by including it within the 2019 Infrastructure Audit.¹⁰⁴ This reflects the growing recognition that social infrastructure assets and networks play in supporting the nations wellbeing.

This review was unable to find any research on the outcomes of delivering place-based social infrastructure interventions in a regional context. The closest related studies include evaluations of social infrastructure planning.¹⁰⁵ The Queensland Government has published a best practice guide for social infrastructure investment.¹⁰⁶ GHD, in partnership with Western Sydney Planning, created a framework for the planning of social infrastructure facilities and programs in achieving the Aerotropolis vision.¹⁰⁷

F.2 There are four success factors to deliver strong outcomes through regional grants programs

A key objective of investment in social infrastructure in regional areas is to correct for the disparities in service provision and liveability relative to metropolitan areas.¹⁰⁸ The literature suggests four factors are crucial to ensure regional funding delivers maximum benefits:

- Ensure an outcomes and impact focus through monitoring and evaluation
- Enable regions to identify their own issues and priorities
- Empower local governments (and community) to deliver projects
- Have deliberate, cumulative and flow on effects within the region.

This Section outlines these factors in more detail.

Ensure an outcomes and impact focus through monitoring and evaluation

The literature highlights that regional grant programs should be supported by realistic evaluations and clear standards to inform funding and progress decisions.¹⁰⁹ Without this, project documents and reports provide limited assurance that the best projects have been funded and that value for money was achieved.¹¹⁰ With social infrastructure projects designed to deliver social value, it can be difficult to quantify and assign metrics to monitor outcomes and impact. Research by the Regional Australia Institute outlined the following steps for measuring the benefit of social infrastructure.¹¹¹

1. Understanding the baseline - what would happen if the project was not completed?

¹⁰² The Department of State Development, Manufacturing, Infrastructure and Planning, Queensland, [Best practice guide for social infrastructure, Queensland Government](#), Department of State Development, Manufacturing, Infrastructure and Planning website, 2019.

¹⁰³ Infrastructure Australia, 'Infrastructure Australia audit 2019: an assessment of Australia's future infrastructure needs'.

¹⁰⁴ Infrastructure Australia, 'Infrastructure Australia audit 2019: an assessment of Australia's future infrastructure needs'.

¹⁰⁵ H Yhee, S Kim, & S Kang. 'GIS-based evaluation method for accessibility of social infrastructure facilities',

¹⁰⁶ The Department of State Development, Manufacturing, Infrastructure and Planning, Queensland, [Best practice guide for social infrastructure, Queensland Government](#).

¹⁰⁷ M Lander & J Glasby, [Draft Western Sydney social infrastructure strategy report 3: social return on investment framework](#), GHD, 2020.

¹⁰⁸ F McKenzie, 'Regional policy', in F McKenzie, [Australian Politics and Policy: Senior Edition](#), Sydney University Press, Sydney, 2019.

¹⁰⁹ J Tomaney, 'Is there a case for regional policy in Australia?'

¹¹⁰ F Barca, P McCann & A Rodriguez-Pose, 'The case for regional development intervention: place-based versus place-neutral approaches', *Journal of Regional Science*, 2011, 52(1), doi:10.1111/j.1467-9787.2011.00756.x.

¹¹¹ Regional Australia Institute, 'Measuring the economic benefits of Social Infrastructure'.

2. List all the benefits of the project to identify which can be quantified and using what metric, such as new jobs, dollars spent, health, employment outcomes, and over what time frame.
3. Compare the economic state before and after the project is delivered, to understand the value and risks associated with not delivering the project.

If identified early, measurable economic benefits of social infrastructure investment can increase the chance of future funding and investment and overall project success.¹¹²

Enable regions to identify their own issues and priorities

Initiatives aimed at regional development must consider the geographic diversity experienced across regions. Each region has its own unique characteristics and diverse needs. Solutions must suit local conditions and cater for different communities within and across regions – including fast growing regional cities, peri-urban areas, small towns and rural communities.¹¹³ Applying a place-based approach demands consideration of the variety of factors in diverse geographical locations that may affect the design, delivery and return of investment of government funding. A place-based approach is designed to identify and build on embedded local knowledge to develop economic strategies and to focus infrastructure and investment to a region's strengths and needs.¹¹⁴ Empowering lower or more local levels of government allows funding mechanisms to recognise regional differences and can best incorporate local views to determine how to best support communities.¹¹⁵

Empower local governments and communities to design and deliver projects

The role of the local stakeholders in the implementation of regional strategies is often key to their relative success.¹¹⁶ Stakeholders within the region should have considerable autonomy in the delivery of grant funding as they understand the local context, conditions, and potential opportunities.¹¹⁷ Under this approach, state and federal bodies serve an enabling function to support the design of locally owned strategies and solutions.¹¹⁸ As a key provider of social infrastructure, local councils are in a critical position to guide the overall infrastructure planning framework for the community.¹¹⁹

To enable successful project delivery, local government staff need expertise in regional development and project management.¹²⁰ In some cases where regions are not equipped with the appropriate capacity and capability to manage a project, they risk not meeting the requirements of funding and missing out on opportunities. Regional grants and their accompanying administrative processes should be designed with the capacity and capabilities of people who will applying in mind.¹²¹ At a practical level, this means minimising the administrative burden cognisant of the resources of regional communities. Support from state or federal government agencies in this regard is also valuable.

Have deliberate, cumulative and flow on effects within the region

Evidence also supports a focus on strengthening networks of social infrastructure assets, which are generally small in scale (such as a community centres, libraries, local public swimming pool and parks) to deliver broader community, economic and environmental benefits.¹²² How a community looks and feels, which grows from the quality of the local landscape and buildings, and the sense of safety, have a strong

¹¹² Regional Australia Institute, 'Measuring the economic benefits of Social Infrastructure'.

¹¹³ Infrastructure Victoria, [Victoria's infrastructure strategy 2021-2051](#), Victorian Government website, 2021.

¹¹⁴ J Tomaney, 'Is there a case for regional policy in Australia?'

¹¹⁵ A Beer & A Maude, '[Local and regional economic development agencies in Australia](#)', report prepared for Local Government Association of South Australia, 2002.

¹¹⁶ A Beer & A Maude, 'Local and regional economic development agencies in Australia'.

¹¹⁷ J Tomaney, 'Is there a case for regional policy in Australia?'

¹¹⁸ The Local Government Association of Queensland, 'LGAQ policy statement 2020'.

¹¹⁹ S Teriman, T Yigitcanlar & S Mayere, 'Social infrastructure planning and sustainable community: example from south east Queensland, Australia'.

¹²⁰ J Tomaney, 'Is there a case for regional policy in Australia?'

¹²¹ J Schirmer & M Mylek, 'Thriving, surviving, or declining communities: socioeconomic change in Murray-Darling Basin communities',

¹²² S Teriman, T Yigitcanlar & S Mayere, 'Social infrastructure planning and sustainable community: example from south east Queensland, Australia'.

influence on people's perception of their local community.¹²³ Such factors are also important determinants for whether people will move to a community. Regional investment initiatives can deliver broad and wide reaching benefits and have a profound impact on the social and economic foundations of a community.

Co-locating various types of community orientated social infrastructure assets – for example libraries, art galleries and business offices – creates highly accessible, and versatile community assets. Shared and joint use of such facilities also provides an opportunity to partially address some of the capital and operational funding challenges of regional social infrastructure development.¹²⁴ Co-locating and the joint use of community services makes better use of existing assets, or shares the cost of delivering a new asset, and makes more space available to local communities.¹²⁵ To capture the full potential, this requires optimisation, trust and cooperation with the broader region collective benefits required.

¹²³ M Sirgy, R Widgery, D Lee, & B Grace, '[Developing a measure of community well-being based on perceptions of impact in various life domains](#)', *Social Indicators Research*, 2010, 96(2), 295-311.

¹²⁴ K Clarke & E Burns, '[Can co-location address fragmented rural mental health care delivery? Regional evidence from Victoria, Australia](#)', *Australasian Journal of Regional Studies*, 2017, 23(2), 174-194.

¹²⁵ Infrastructure Australia, 'Australian infrastructure plan 2021'.

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Nous Group is an international management consultancy operating across Australia and New Zealand, the UK, Ireland and Canada. For over 20 years we have been partnering with leaders to shape world-class businesses, effective governments and empowered communities.



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