



Bushfire Industry Recovery Package Stream 1 Process and interim outcome evaluation

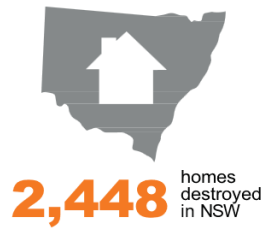
■ April 2023

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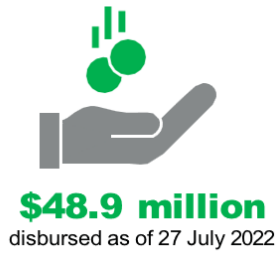
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2019/20 bushfire season



Bushfire Industry Recovery Package Stream 1 quick facts



Apiculture \$1,088,092

Aquaculture \$2,952,116

Dairy \$12,074,013

Forestry (storage) \$8,895,073

Forestry (haulage) \$13,122,394

Horticulture \$19,990,738

Viticulture \$1,509,935



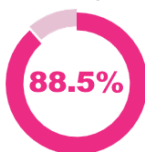
121 businesses
received \$20,001 - \$200,000



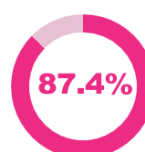
Funding was most commonly spent on repairing damaged infrastructure and replenishing inventories.



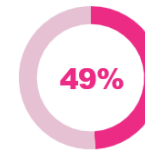
Bushfire Industry Recovery Package Stream 1 recipient feedback



of grant recipients believed the BIRP funds contributed either partially, mostly, or fully in restoring/replacing their bushfire damaged infrastructure



of grant recipients believed the BIRP funding supported their economic recovery from the impacts of the bushfire



of grant recipients believed the BIRP funds contributed to their business's recovery to a 'large' or 'great' extent.



Grant recipients were pleased with the timeliness of receiving their initial payment (rating this at 7.8 out of 10)

Spillover Data Consultancy is a program evaluation and data services consultancy that works with multiple NSW government departments and other private evaluation consultancies. Spillover Data Consultancy acknowledges the contribution provided by members from the Department of Regional NSW Program Insights & Evaluation team in co-designing the evaluation, data collection, and reporting.

1. Executive summary

What was evaluated?

This evaluation examined the appropriateness and effectiveness of Stream 1 of the Bushfire Industry Recovery Package (BIRP) Stream 1. Stream 1 is a recovery fund for projects that help businesses and their supply chains in bushfire impacted industries to rebuild, recover and grow, with a focus on retaining and creating jobs. The BIRP is a joint Commonwealth–State funding arrangement to support immediate disaster recovery for businesses affected by the 2019/2020 bushfires. This package was designed to assist with immediate disaster recovery projects in the following industries:

- Apiculture
- Aquaculture
- Dairy
- Horticulture
- Viticulture
- Forestry
 - Storage
 - Haulage

The BIRP Stream 1 grants were administered by two different agencies within the Department of Regional NSW – the NSW Rural Assistance Authority (RAA) and the Regional Recovery Branch. The RAA administered projects in the apiculture, aquaculture, dairy, horticulture, and viticulture industries, and DRNSW administered projects in the forestry (storage & haulage) industries. Data collected by both organisations was mostly comparable. There were some instances where monitoring data was not collected by both agencies, but this had no impact on evaluating the processes supporting the BIRPs implementation across industries, or, on how BIRP is achieving short-term outcomes and is progressing towards medium to longer- term outcomes.

How was the program evaluated?

The process evaluation examined the effectiveness of the implementation of the grant funding. Data was triangulated from the fund's administrative databases, interviews with grants and program managers, surveys of grant recipients, and interviews with industry participants. The evaluation investigated how processes, including assessment and approvals processes, funding, and monitoring and reporting supported access to funds to support bushfire-affected communities to recover from the impacts of bushfires, and the repair and restoration of

was on track to meet the intended medium-to-longer-term program outcome of retaining existing jobs, providing new ongoing jobs, improving business confidence, and helping businesses diversify and become more financially resilient.

What did the evaluation find?

This evaluation examined business recovery projects with approximately \$60 million in funding across 445 businesses. Overall, this evaluation found that the design and processes used to implement Stream 1 of the BIRP were appropriate and effective for the delivery of the package's objective to support business recovery in bushfire-affected communities. Funding was most commonly spent on repairing damaged infrastructure and replenishing inventories. Grant recipients were pleased with the timeliness of receiving their initial payment (rating this at 7.8 out of 10).

Most (87.4%) grant recipients believed that the BIRP funding had achieved the aim of supporting them to recover economically from the impacts of the bushfire. Almost half (49%) of grant recipients reported the BIRP funds contributed to their business's recovery to a 'large' or 'great' extent. Additionally, grant recipients felt that the scope of the funding supported their economic recovery, rating this at 8 out of 10. When comparing this across industries, dairy industry grant recipients rated this the highest (9.1 out of 10), which was statistically significantly higher than recipients from the viticulture, forestry (storage & haulage), aquaculture, and apiculture industries, but not statistically significantly higher than horticulture recipients.

The BIRP was successful in restoring and repairing damaged infrastructure. This is evidenced by most grant recipients (88.5%) reporting the BIRP funds had contributed to either partially, mostly, or fully restoring/replacing their bushfire damaged infrastructure.

When looking at medium-to-longer term outcomes, dairy industry recipients rated their confidence in existing jobs being retained in the next 12-18 months significantly higher than recipients from the viticulture, forestry (storage & haulage), aquaculture, and apiculture industries, but not significantly higher than horticulture recipients.

Despite these successes, open-ended survey responses indicated that the need to co-contribute and/or pay invoices before being reimbursed created a financial burden on grant recipients. Consideration could be given to making a part payment upfront, with evidence of expenditure required to access following payments. This could potentially ease some of the financial burden for

What do our findings suggest?

The findings suggest that, for the most part, the design of the BIRP is a suitable model for supporting businesses in bushfire-affected communities to recover relatively quickly. However, there are some potential improvements to the program. These grants would be more accessible to a greater number of small businesses by aligning them with the practical challenges faced by small businesses, such as tight cash flows and having simpler and clearer grant guidelines.

2. Introduction

2.1 The Bushfire Industry Recovery Package Stream 1

The 2019/20 bushfire season saw large-scale destruction across NSW. Ultimately, 5.5 million hectares were burned, 2,448 homes destroyed in NSW, and 26 people lost their lives¹.

Stream 1 of the BIRP is a recovery fund for projects that help businesses and their supply chains in bushfire-impacted industries to rebuild, recover and grow, with a focus on retaining and creating jobs. The BIRP is a joint Commonwealth–State funding arrangement to assist with immediate disaster recovery projects for businesses affected by the bushfires in the following industries:

- Apiculture
- Aquaculture
- Dairy
- Horticulture
- Viticulture
- Forestry
 - Storage
 - Haulage

A Disaster Declaration (DD) is an updated list of Local Government Areas (LGAs) that have been impacted by a natural disaster². All DDs are issued by the NSW Government and are assigned an Australian Government Reference Number (AGRN). AGRN 871 was assigned to the 2019/2020 NSW Bushfires. Figure 1 shows the LGAs impacted by AGRN 871 and the fire extent and severity (intensity).

The BIRP was not a competitive process. Instead, the funding amount was allocated to each business based on defined criteria, for example the number of hectares affected.

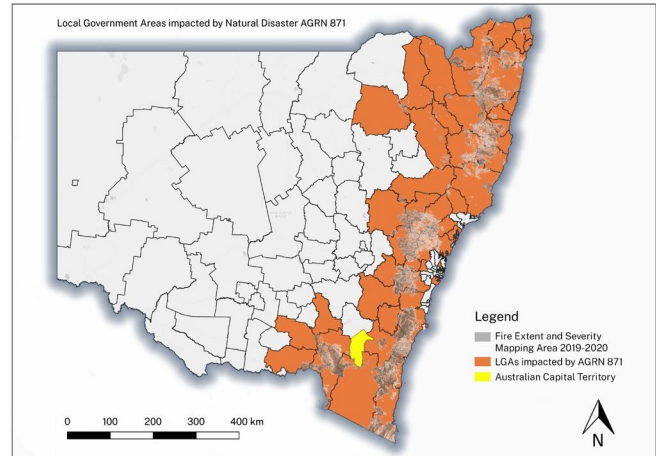


Figure 1: Local Government Areas impacted by Natural Disaster AGRN 871 overlaid with the fire intensity in each LGA

2.2 About the evaluation

The Department of Regional New South Wales (DRNSW) commissioned Spillover Data Consultancy to undertake a process and interim outcome evaluation of Stream 1 of the Bushfire Industry Recovery Package (BIRP).

The purpose of this evaluation is to assess whether the grant program, its elements, and the processes used to implement it were:

- appropriate, given the aims of the program, and
- effective for the delivery of the program objectives.

This evaluation identifies areas of improvement for this and future programs.

A high-level rating system is used for this evaluation, as follows:

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



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



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



Areas where significant improvement can be recommended.

¹ Whittaker J, Haynes K, Wilkinson C, Tofa M, Dilworth T, Collins J, Tait L & Samson S (2021) Black Summer – how the NSW community responded to the 2019-20 bushfire season, Bushfire and Natural Hazards CRC, Melbourne.

² <https://www.nsw.gov.au/disaster-recovery/natural-disaster-declarations>

2.3 Evaluation aims

The BIRP aims to achieve both short-term (implementation) and medium to longer-term outcomes. The primary implementation outcomes this evaluation focused on were:

- sectors and businesses are supported to recover from the impacts of the bushfires
- damaged infrastructure is repaired.

The evaluation also focused on medium- to longer-term outcomes:

- retaining existing jobs
- creating new ongoing jobs
- increasing business confidence
- improved business financial resilience.

2.4 Evaluation questions

The evaluation set out to answer the following questions:

1. To what extent are program design elements and processes aligned with the program objectives?
 - a. How appropriate has planning and resourcing been for program delivery?
 - b. Was the scope of the grants appropriate to support recovery objectives?
 - c. To what extent have funding arrangements and governance structures supported effective program implementation?
2. How effectively are the programs being delivered?
 - a. How well has information about the program (i.e. program objectives, eligibility, assessment criteria and process) been communicated to the target audience? To what extent has this affected grant take-up?
 - b. How well was the grant application, assessment, and disbursement process implemented?
 - c. To what extent are programs actively and consistently collecting and managing data for monitoring and evaluation purposes? How effective has this been?
3. What are the enablers, barriers and areas for grant improvement?
4. What was delivered by the program?
 - a. To what extent are projects being delivered according to approved deeds?
 - b. How do project outputs (so far) indicate progress towards short and medium-term recovery outcomes?
 - c. Did the programs represent administrative value for money?

2.5 Evaluation methods

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

- administrative data from DRNSW and the NSW Rural Assistance Authority (RAA) for businesses that received funding support through the BIRP (the data was de-identified)
- online survey distributed to BIRP participants in October 2022
- interviews conducted with program design staff and grant management staff
- industry comparisons.

We present all data sources in this report under key headings related to the design, implementation, and early outcomes of the BIRP.

2.5.1 The survey

A total of 431 industry participants were invited to take part in the BIRP survey. The survey investigated aspects of grant implementation and immediate short-term and medium- to longer-term outcomes. In total, 182 respondents completed the survey (Response rate= 42.3%). Figure 2 displays the distribution of survey respondents by industry.

Survey respondents by industry

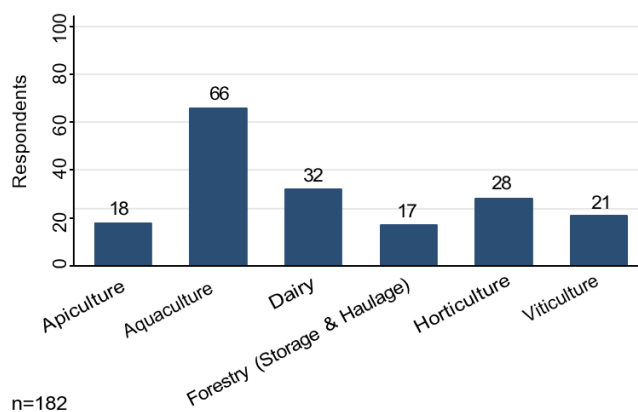


Figure 2: BIRP survey respondents by industry

Even though just under half of all invited grantees responded to the survey, they did so in a way that was not proportional to each industry. For example, the response rate was highest amongst respondents from the dairy (60%) and forestry – storage and haulage (59%) industries. The next highest responses were from respondents in the aquaculture (45%) and horticulture (42%) industries. The lowest response rates came from the respondents from the apiculture (32%) and viticulture (32%) industries.

To allow us to relate the responses across all industries, we weighted the survey for non-response bias by fitting a logistic regression model on the following factors that could potentially affect the responses:

- industry representation – the experiences of grant recipients could be affected by the industry they are involved with. For example, it is possible that the grant is more suitable for one or more industries. Therefore, we weighted the responses to ensure that they are proportional to industry representation
- local government area – the experiences of grant recipients could differ by the severity of the damage caused by the bushfire and/or the occurrence of other natural disasters like flooding. To account for these differences, we weighted the responses to ensure that they are proportional to each LGA
- the size of the grant – the experiences of grant recipients could potentially differ based on the amount of funds received. Therefore, we account for this by weighting the survey responses to ensure that they are proportional to the size of the grant.

the actual population. The CIs can be used to compare differences on two or more aspects that have been measured. Wherever a difference exists between these aspects, and there is no overlap between the CIs, we can be confident at the 95% level that these differences are not due to chance (they are statistically significant differences).

2.5.2 Industry comparisons

We undertook industry-level comparisons to understand whether different industry contexts influence similarities or differences in outcomes experienced by each industry. In total, we interviewed the following number of participants across each industry:

- Apiculture (3)
- Aquaculture (4)
- Dairy (3)
- Forestry (storage & haulage) (2)
- Horticulture (1)
- Viticulture (0)


We grouped industry participants into 4 groups based on the size of their pre-bushfire revenue (small/large) and size of the industry grant they received (small/large). We then randomly sampled participants from each group. Capacity to engage across industry groups was limited due to flooding in some bushfire-impacted regions and participant time constraints. A detailed breakdown of the process is outlined in Appendix 2.

Data from all sources is presented throughout the report (including industry comparison data) and a dedicated section comparing the outcomes across industries is in Chapter 10.

2.5.3 Statistical inference

This evaluation used 95% confidence intervals (CIs) wherever average ratings were determined for different aspects of implementation and impact, using the survey data. The 95% confidence interval accounts for the uncertainty (or variability) in our sample compared with

3. Overview of program results

Finding	Evaluation questions	Evidence
	What was delivered by the program?	The BIRP has delivered approximately \$60 million in funding to support businesses to recover from the impacts of the bushfires.
	How effectively are the programs being delivered?	Grant recipients believed the scope of the funding supported their economic recovery, rating it at 8 out of 10.
	Was the scope of the grants appropriate to support recovery objectives?	

3.1 BIRP administered by two agencies

Stream 1 BIRP grants were administered by two different agencies – the RAA and DRNSW Regional Recovery. The RAA administered projects in the apiculture, aquaculture, dairy, horticulture, and viticulture industries, and the DRNSW administered projects in the forestry (storage & haulage) industry.

The data collected by both RAA and DRNSW is mostly comparable. Whenever a difference exists, it is noted in the section of the evaluation.

3.2 Distribution of funds

Table 1 shows that between 19 May 2020 and 1 May 2021, 505 applications were lodged with the BIRP. A total of \$93.5 million was requested across the apiculture, aquaculture, dairy, forestry (storage & haulage), horticulture, and viticulture industries.

Table 1: Overall BIRP funding requests, approvals and application information

Decision	Applications	LGA	Total amount requested	Mean amount requested	Earliest application	Most recent application
Approved	445	66	\$60,400,676	\$123,267	19/05/2020	01/05/2021
Not Approved	64	31	\$33,098,277	\$486,739	01/05/2020	01/05/2021
Overall	505	80	\$93,498,953	\$177,862	01/05/2020	01/05/2021

Note: A business may have projects that are approved and/or not approved across different applications. Across these industries, 445 businesses were supported with funding of approximately \$60 million. The smallest amount a business was approved for was \$800 and the largest was \$8,296,369. Figure 3 shows that most businesses received \$20,000 or less.

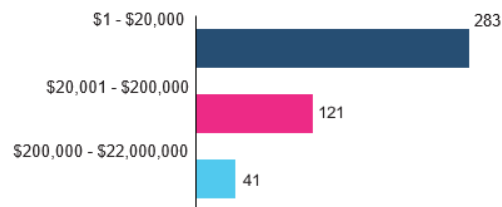


Figure 3: Number of funds distributed across three levels of funding

3.2.1 Geographic distribution

The distribution of BIRP funds across LGAs by grant amount and proportion of funds disbursed is shown in Figure 4.

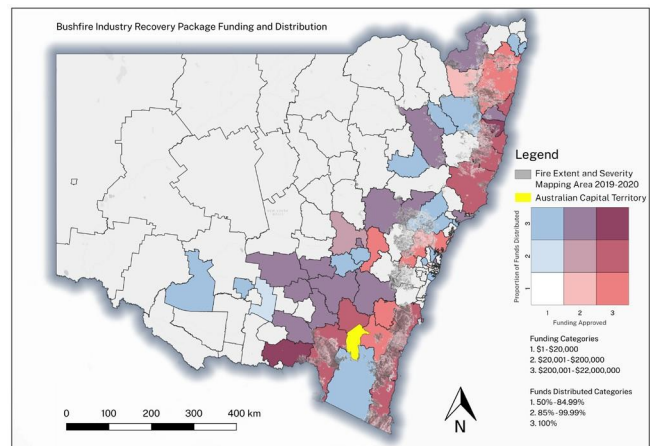


Figure 4: Distribution of grant funds by funding amount, proportion disbursed and LGA

The large proportion of colours from the top row of the matrix legend in Figure 4 shows that most of the grants have been fully disbursed in most of the LGAs.

3.2.2 Across seven key industries

Table 2 shows the total amount of funding requested and awarded broken down by industry.

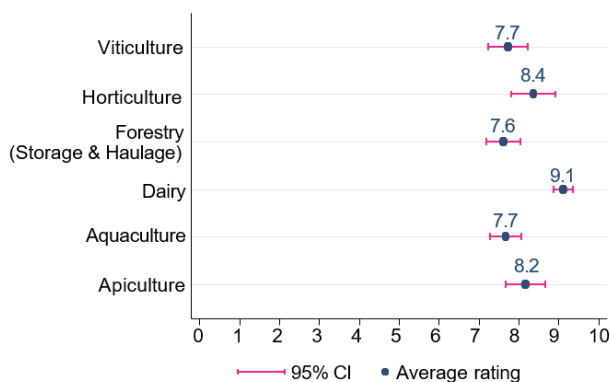
Table 2: BIRP funding requests and approvals by industry

Industry	Total Amount requested	Total Amount awarded	Proportion of amount requested (%)
Apiculture	\$1,259,280	\$1,088,092	86.4
Aquaculture	\$3,017,579	\$2,952,116	97.8
Dairy	\$10,899,814	\$12,074,013	110.8 ³
Forestry – Storage	\$23,042,344	\$8,895,073	38.7
Forestry – Haulage	\$16,575,515	\$13,122,394	79.2
Horticulture	\$28,951,247	\$19,990,738	69.0
Viticulture	\$11,820,502	\$1,509,935	12.8

3.3 Funding supported recovery

Overall, the grant recipients felt that the scope of the funding supported their business economic recovery, rating this at 8 out of 10 (data not shown). When comparing this across industries, Figure 5 shows that the dairy industry grant recipients rated this the highest (9.1 out of 10), which was statistically significantly higher than recipients from the viticulture, forestry (storage & haulage), aquaculture, and apiculture industries, but not statistically significantly higher than horticulture recipients.

Funding supported our businesses economic recovery




n=160 Rating: 0 - Completely disagree; 10 - Completely agree

Figure 5: BIRP grant recipients ratings of how the grant supported their recovery by industry

³ The then Deputy Premiers Office had the ability to approve additional funds for the dairy industry over the \$200,000 funding cap if there was seen to be a significant impact from the fires. 6 applicants were approved for more than \$200,000.

4. Program design elements

Finding	Evaluation questions	Evidence
	To what extent are program design elements and processes aligned with the program objectives?	The scope of the grants was designed in consideration of the immediate recovery needs of each industry. Disbursement mechanisms were also designed to facilitate speedier support to grant recipients.
	To what extent have funding arrangements and governance structures supported effective implementation of the program?	

4.1 State and Commonwealth

BIRP Stream 1 funding was provided by the state Government. The forestry (storage & haulage) grants were co-funded with Commonwealth under a separate partnership agreement.

4.2 Early support

Consistent with the objective to assist those highly impacted industries to recover from the bushfires, the BIRP Stream 1 grants targeted immediate recovery activities for each industry (while Stream 2 funding targeted longer-term job retention). Program team interviewees forecasted, for example, that a great deal of the recovery activity would center around repair work and infrastructure for the dairy industry. This informed the scope of activities that could be funded under the program.

The way the grants were disbursed was also designed to quickly facilitate support. For example, upfront payments without milestones were provided to the apiculture and aquaculture industries to ensure they could expend the funds on their recovery needs as soon as possible. The forestry (haulage) grant was a reimbursement model; a maximum allocated amount was approved and grant recipients claimed against each job as it was completed.

4.3 Follow on from the Special Disaster Grant

Grant applicants from the apiculture, aquaculture, dairy, horticulture, and viticulture (excluding smoke taint) industries were eligible for the Special Disaster Grant (SDG), which preceded the BIRP Stream 1. A qualifying condition for grant recipients from this sector was that businesses had received and fully expended the SDG (\$75,000). The distribution of grant recipients responses to a question about whether they had expended all of

their SDG funding is shown in Figure 6. Only two-thirds (68.9%) of grant recipients from sectors that were eligible for the SDG reported spending all of the SDG funding despite it being a pre-requisite for BIRP funding.

Had you spent all of the Special Disaster Grant (distributed by the RAA) before accessing BIRP funds?

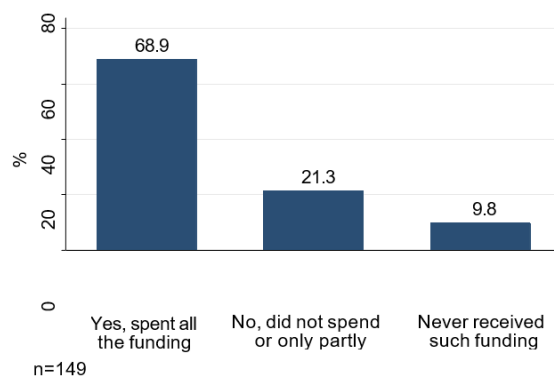


Figure 6: BIRP grant recipients' responses to whether they spent the Special Disaster Grant

Table 3 displays the responses of eligible SDG recipients by industry. It shows that 85% of dairy industry recipients reported having fully spent their SDG funds. It also shows that only 56% of the viticulture industry recipients (excluding smoke-taint grant recipients) and 48% of the horticulture industry reported having fully spent their SDG funds.

Had you spent all of the Special Disaster Grant (distributed by the RAA) before you applied for BIRP? (n=149)

Table 3: BIRP survey responses regarding expenditure of the SDG by industry

Industry	Yes – spent all the funding (%)	No - did not spend or only partly spent (%)	Never received such funding (%)
Apiculture	71	25	4
Aquaculture	73	18	9
Dairy	85	7	9
Horticulture	48	37	15
Viticulture (excluding smoke-taint grant recipients)	56	28	15

4.4 Industry-specific design elements

The design of the BIRP grants (scope and funding amounts) was adapted to the needs of each industry. In-scope activities were developed in consideration of each industry's most pressing recovery needs. In the case of horticulture and viticulture, for example, this involved replanting damaged crops, and rebuilding netting and infrastructure.

The forestry (storage & haulage) component of the BIRP illustrates how grant design was tailored to each industry. The BIRP forestry (storage & haulage) fact sheets were developed collaboratively by DRNSW and DPI Forestry, and stakeholders were consulted around industry needs and potential funding amounts. These grants were designed to work in tandem to ensure that as much as possible, burnt timber would be salvaged and processed, rather than left to rot. The forestry (storage & haulage) grants funded local processing and storage of the wood, while haulage grants aimed to move the wood out of area so some processing could occur outside the immediately affected regions. Thus, a key concern in administering these grants was to avoid double-paying for the processing of the same timber. A program staff interviewee noted:


“We could not pay the mill and then the contractor and then the forestry owner for the same piece of the activity. We had to make sure that each of them was individual.”

Forestry (storage & haulage) grant recipients noted that the impact of COVID-19 responses had rendered the storage activities that could be funded under the forestry (storage) grants as less relevant. The Commonwealth government's response to COVID-19 increased demand for timber because they had a policy designed to stimulate the building industry. This was so successful that there was a significantly reduced need to provide funding for timber storage projects leading to this being undersubscribed in BIRP.

4.5 Grant governance and management systems

Different grant administration systems are used by RAA and DRNSW. DRNSW Regional Programs use SmartyGrants and RAA use a combination of Salesforce, SAP, and CM9. Salesforce is the front-end system used to link applications lodged through the website with other information stored in other platforms. One consequence of working across multiple platforms is that while a lot of information was collected about each project, it was often difficult and labor-intensive to collate and compare across programs.

5. Application

Finding	Evaluation question	Evidence
	How well was the grant application, assessment, and disbursement process implemented?	The majority of grant recipients experience with the application process was satisfactory, as is evidenced by their rating of 7.4 out of 10 for completing the application form and 7.2 out of 10 for using the online system. Making small improvements to application design and processes so that the process is less cumbersome and user friendly would be beneficial.

5.1 Process

Businesses were required to apply using an online application form. Applicants could request personal support with the online application process or for access to paper application forms.

Demonstrating fire damage was specific to each industry. Business details required for applying included:

- relevant permit numbers
- details and evidence of loss suffered as a result of the fires
- evidence of active production at the time of the fires
- ability to match contribution (excluding the dairy industry).

Most survey respondents (30) said that they were satisfied with the grant application process and experience. Several of these respondents provided additional comments highlighting that they felt positively about the grant process and the grant itself.

“To be honest, it was a very stressful time for us and everything was quite a blur. All I can confidently say is that it was extremely helpful, and we were able to continue to operate. The process was easy to follow. I cannot think of an improvement.”
(Horticulture industry respondent)

Some respondents commented that they felt there was a need to judge each application on a case-by-case basis. Being able to talk to an officer or using the free text field at the end of the application enabled applicants to describe their unique situation.

“I think the guideline or the interpretation of it need a bit of adjustment. Must be judged by each individual situation.”

5.1.1 Better design of application and reporting process

Six respondents said improving the design of the application and reporting process would make the process simpler and less cumbersome. Two respondents suggested, for example, existing data be used to help assess claims and reduce administrative burden.

“I think for existing RAA clients where the RAA already holds up to date tax returns the process could be made a lot smoother and quicker, particularly if a Rural Financial Counselor is involved with the application process, the application forms sometimes can be a bit daunting and require assistance from a Rural Financial counselor to complete.”
(Aquaculture industry respondent)

Eleven respondents said the application process was overwhelming, complicated, repetitive or superfluous.

“The grant process was very overwhelming and stressful after the 2019 bushfire disaster. There is a need for "one on one" guidance for businesses to know what grants they can apply for.”
(Apiculture industry respondent)

Ten respondents said the scheme needed to have a nuanced understanding of the needs and challenges faced by each industry.

“We were affected by smoke rather than fire. We lost our entire wine grape crop. The Government was very slow in acknowledging this loss and applied for a maximum grant of \$10,000 only. Our loss would have been over \$1 million.”
(Viticulture industry respondent)

5.2 Eligibility and dates for applications

5.2.1 Eligibility

The BIRP was developed to support private industry producers in the forestry (storage & haulage), horticulture and agriculture industries to rebuild and recover, with a focus on retaining jobs and enabling future production.

Overall, a business needed to be pre-existing, viable and affected by the fires to be eligible. Specific eligibility was outlined for each industry through associated fact sheets.

Although not outlined in publicly available fact sheets, grant applicants from certain industries were required to have applied for, and received, a \$75,000 Special Disaster Grant to be eligible for BIRP. Staff noted that this requirement resulted in a pre-identified pool of potential applicants in certain industries.

Viticulture did not originally include those businesses that were outside the bushfire affected area. Lobbying by industry saw a specific funding for \$10,000 be available to those vineyards that could demonstrate smoke taint to their crops that were located outside of the declared disaster LGAs.

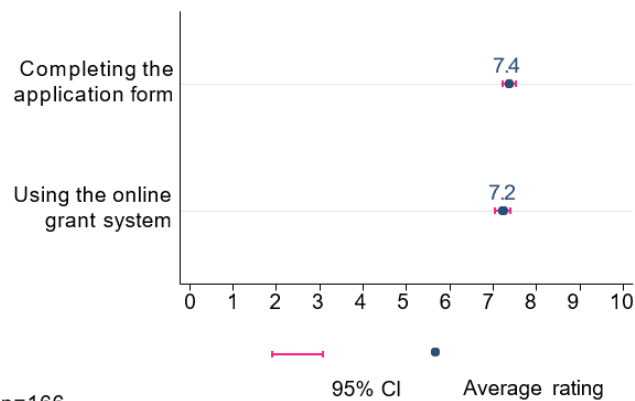
5.2.2 Dates

Supply Chain Support Grants applications were open from 19 May 2020 to 12 June 2020. The guidelines noted that the opening period would be longer for out of area haulage in the forestry (haulage) sector. In practice, all sectors received and approved applications beyond 12 June 2020 as program staff at DRNSW said that applications could be lodged at any time and were permanently open.

Applications for all industries except haulage were received within days of the program being opened. While all industries received applications beyond 12 June 2020, apiculture and viticulture were the only industries to have received their last application in June 2020. Forestry (haulage) is the only industry to have received applications in 2021 because the 2021 NSW floods meant that many of the forests were inaccessible; 5 of the 6 applications in 2021 were approved.

Grant recipients rated both completing the application form (7.4 out of 10) and using the online grant system (7.2 out of 10) reasonably high, indicating that a majority of grant recipients were happy with this aspect of the grant (Figure 7).


Please rate the ease with which you found the following aspects of the BIRP?



Rating: 0 - Extremely difficult; 10 - Extremely easy

Figure 7: BIRP grant recipients' ratings regarding the application process

6. Assessment and approvals

Finding	Evaluation question	Evidence
	How well was the grant application, assessment, and disbursement process implemented?	The use of industry knowledge specialists seems to have worked really well in the assessment process. Given the volume of approvals, it was an efficient process.

6.1 How were projects assessed?

Each project was assessed against criteria that was published in the guidelines and assessments were saved in SmartyGrants. For the projects administered by RAA, to ensure that project assessments within each industry could be easily compared, assessors with specialist knowledge in areas of the targeted industries in BIRP were involved in the process.

There were some discrepancies at times between requested amounts of funding and what was approved. Program staff explained that this was likely to be the result of uncertainty around costings and revenue by grant applicants, rather than applicants looking to maximise funding allocations, and may be an indication of a lack of clarity in the Guidelines or capacity to provide accurate information.

6.1.1 Timeliness

Grant guidelines stated that applicants would be informed of their approval within 10 days of their application. The data provided for RAA industries did not include the decision date or any dates other than the application date. As such, this report is not able to talk to the timeliness of these industries.

The timeliness for forestry (storage & haulage) industry applications is outlined in Table 4.

Table 4: Timeliness forestry (storage & haulage) grant approvals

Forestry	Decision	Min	Max	Median days to decision	Applications with a decision within 10 days
Storage	Approved	2	61	5	17 of 25 (68.0%)
	Not Approved	4	12	4	8 of 9 (88.9%)
Haulage	Approved	4	124	14	8 of 20 (40.0%)
	Not Approved	1	213	8	5 of 9 (55.6%)

Decisions on half of the forestry (storage) applications were made in 5 days or less, and 25 of 34 were made within 10 days. Forestry (haulage) applications took longer to process to the point of the decision being made. Half of the forestry (haulage) applications had decisions made within 12 days. Less than half were either approved or declined within 10 days. The longer times for forestry (haulage) are likely because the grant was a reimbursement model where the grant recipients claimed only when the job was completed. Thus, verifying the expenditure sometimes required the grant recipients to provide additional evidence after the claim was made.

There are two applications for forestry (haulage) that were received in June and July 2020 that are still marked as 'Undecided'. However, this is an anomaly in the program data, as those applications were re-opened to allow grant recipients to revise and resubmit, but were never resubmitted.

6.1.2 Approvals

Table 5 shows the number of BIRP contracts held by businesses. While businesses were eligible to apply for more than one grant under RAA programs, the majority of businesses were approved for only one contract (93%). Of the 29 businesses that received more than one grant, 18 of them were in the dairy industry.

Table 5: Number of BIRP contracts held by businesses

Number of contracts with RAA	Businesses approved	Total amount approved	Mean amount approved	Min amount approved	Max amount approved
1	383	\$30,394,336	\$79,359	\$800	\$3,909,181
2	27	\$6,078,324	\$225,123	\$3,200	\$742,374
3	1	\$480,000	\$480,000	\$480,000	\$480,000
4	1	\$662,234	\$662,234	\$662,234	\$662,234

Multiple projects were also approved under the Forestry (storage & haulage) industry program, managed by DRNSW. Table 6 shows that in the haulage industry grants, 10 of 19 successful projects were run by two businesses. It also shows that two businesses received funding through both the forestry (storage & haulage) industry packages.

Table 6: Number of BIRP contracts in the forestry (storage & haulage) industry

Number of contracts with DRNSW	Total businesses approved	1 contract	2 contracts	5 contracts
Forestry – Storage	23	19	2	nil
Forestry – Haulage	10	7	1	2

6.2 Approval rates by industry

6.2.1 Apiculture

Commercial apiarists suffering a loss of hives and access to floral resources as a direct impact of the bushfires were eligible to apply. Grant funding was available for the purchase of pollen, pollen substitute or sugar for honeybee colonies. Section 15.1.1.1 in Appendix D outlines the activities that were funded. The most widespread resource was the purchase of sugar, requested by 85% of applicants. Table 7 shows the requested and approved amounts by month for the apiculture industry recipients. Apiarists had the smallest date range of applications across the industries.

Table 7: Apiculture applications in May and June 2020

Month applied	Businesses approved	Amount requested	Accumulative amount approved
May 2020	20	\$399,487	\$398,287
June 2020	47	\$862,993	\$1,192,087

6.2.1.1 Eligible amounts and limits

In the application forms, apiarists were able to request 50% of costs to the value of \$16/hive. A total of 34 businesses were approved to the value of \$16/hive reported. However, 21 businesses were approved for less than \$16/hive reported (value of \$146,691). A total of 11 businesses were approved for more than \$16/hive reported (value of \$48,331). Table 8 displays the average, and the minimum and maximum values of approved grants in the apiculture industry.

Table 8: Apiculture grants key statistics

Industry	Average grant size approved (\$)	Min approved (\$)	Max approved (\$)
Apiculture	\$16,001	\$496	\$128,000

6.2.2 Aquaculture

Aquaculture businesses affected by ash and fireground runoff from the bushfires were able to apply for a grant. This included both oyster and mussel farmers as well as land-based aquaculture permit holders. Section 15.1.2.1 in Appendix D outlines the activities that were funded. Most businesses requested funding for equipment (84%), with 63% looking to replace lost stock. Table 9 shows the requested and approved amounts by month for the aquaculture industry. All businesses except one submitted their first application in May and June 2020.

Table 9: Aquaculture applications May to September 2020

Month applied	Businesses approved (applied)	Amount requested	Accumulative Amount approved
May 2020	81 (83)	\$1,670,991	\$1,610,991
June 2020	74 (77)	\$1,348,390	\$2,912,460
July 2020	1 (1)	\$20,000	\$2,932,460
September 2020	1 (1)	\$20,000	\$2,952,460

6.2.2.1 Eligible amounts and limits

The guidelines stated that aquaculture businesses were eligible for up to \$20,000 per business, which was to be matched by co-contribution. One hundred and eighteen businesses were approved for \$20,000 and 37 businesses were approved for less than \$20,000. Table 10 displays the average, and the minimum and maximum values of approved grants in the aquaculture industry.

Table 10: Aquaculture grants key statistics

Industry	Average grant size approved (\$)	Min approved (\$)	Max approved (\$)
Aquaculture	\$18,567	\$3,480	\$20,000

6.2.3 Dairy

Dairy businesses directly impacted by the bushfires were eligible for grants. The guidelines referred to compounding issues in the dairy industry partly as a result of previous droughts. In response to this, no co-contribution required. Section 15.1.3.1 in Appendix D outlines the activities that were funded. Table 11 shows the requested and approved amounts between May and October in 2020 for the dairy industry. All businesses had submitted at least one application by the end of June 2020.

Table 11: Dairy applications May to October 2020

Month applied	Businesses approved (applied)	Amount requested	Accumulative amount approved
May 2020	11 (11)	\$2,561,712	\$2,561,712
June 2020	43 (44)	\$8,068,861	\$10,430,573
September 2020	4 (4)	\$469,241	\$10,899,814
October 2020	1 (1)	\$200,000	\$11,099,814

6.2.3.1 Eligible amounts and limits

Dairy farmers were able to claim up to \$200,000/dairy farm. Co-contributions were not required. Of the 54 businesses that were approved, 15 businesses were allocated \$200,000 exactly and 21 businesses were allocated more than \$200,000 (a combined value of \$10,319,715; all across multiple contracts). Nine businesses were approved for less than \$200,000, which was equal to the amount they requested. Two businesses were approved for less than \$200,000, which was more than they had requested (combined value of \$67,984 extra). Seven businesses were approved for less than \$200,000, a combined total of \$474,626, which was less than what they had requested (combined value of \$556,258). Table 12 displays the average, and the minimum and maximum values of approved grants in the dairy industry.

Table 12: Dairy grants key statistics

Industry	Average grant size approved (\$)	Min approved (\$)	Max approved (\$)
Dairy	\$155,752	\$10,040	\$662,234

6.2.4 Forestry (storage)

Businesses that had experience in the forestry (storage & haulage) industry could submit projects that related to the haulage or storage of burnt timber from areas affected by the bushfires for funding. Projects could also support nurseries to produce pine seedlings or contribute to road and snig track stabilisation. Section 15.1.4.3 in Appendix D outlines the activities funded. Most businesses were funded to contribute to road and snig track stabilisation. Table 13 shows the requested and approved amounts by month. All businesses except one had submitted their forestry (storage) application before the end of June 2020.

Table 13: Forestry (storage) applications May to July 2020

Month applied	Businesses approved (applied)	Amount requested	Accumulative amount approved
May 2020	3 (3)	\$610,600	\$610,600
June 2020	21 (32)	\$22,426,744	\$8,890,073
July 2020	1 (1)	\$5,000	\$8,895,073

6.2.5 Forestry (haulage)

Forestry (haulage) applications were received over a longer period of time as was allowed for in the supply chain grant guidelines. Table 14 shows the month by month requested and cumulative approved funding.

Table 14: Forestry (haulage) applications April 2020 to 2021

Month and year	Businesses approved (applied)	Amount requested	Accumulative amount approved
May 2020	0 (1)	\$6,633	\$0
June 2020	7 (15)	\$10,876,783	\$10,618,075
July 2020	5 (8)	\$598,882	\$10,742,020
August 2020	1 (2)	\$1,596,000	\$11,361,220
September 2020	1 (2)	\$150,817	\$11,404,952
October 2020	1 (1)	\$251,156	\$11,881,532
March 2021	3 (3)	\$379,444	\$12,206,588
April 2021	1 (1)	\$20,000	\$12,226,594
May 2021	1 (2)	\$2,695,800	\$13,122,394

6.2.5.1 Eligible Amounts and limits

Forestry (storage & haulage) businesses were able to claim up to:

- \$10 per tonne related to storage of burnt timber, up to a maximum of \$6,000,000 per applicant
- \$0.10 per tonne for every kilometre hauled which exceeds 100 kilometres from the harvest site to processing facilities located in NSW, up to a maximum contribution of \$30/tonne
- \$0.50 per seedling capacity up to a maximum of \$500,000 per applicant, or \$250 per hectare related to the road, snig track and ground cover stabilisation up to a maximum grant of \$5,000 per fire damaged Private Native Forestry (PNF) Plan area.

Decision data and reasons for rejection were available for forestry (storage & haulage) grants. Under forestry (storage) activities, five of the grants were not approved as the proposed projects were out of scope. Three applicants were ineligible as they were not involved with the funding industry.

Under forestry (haulage) activities, seven applicants were ineligible, five of which were contractors, one because they received assistance with their application, and one as they were processing the timber. Table 15 displays the average, and the minimum and maximum values of approved grants in the forestry (storage & haulage) industry.

Table 15: Forestry (storage & haulage) grants key statistics

Industry	Average grant size approved (\$)	Min approved (\$)	Max approved (\$)
Storage	\$386,375	\$4,000	\$4,500,000
Haulage	\$1,312,239	\$25,000	\$8,296,369

6.2.6 Horticulture

Horticulture businesses in active production immediately preceding the bushfires and were directly impacted by the fires were able to apply for grants. Section 15.1.5.1 in Appendix D outlines the activities funded. Table 16 shows the requested and approved amounts by month. All but two businesses had submitted their application by the end of June 2020.

Table 16: Horticulture applications May to July 2020

Month applied	Businesses approved (applied)	Amount requested	Accumulative amount approved
May 2020	15 (16)	\$8,824,881	\$8,774,881
June 2020	53 (56)	\$21,079,142	\$28,104,023
July 2020	1 (2)	\$142,406	\$28,236,429

6.2.6.1 Eligible amounts and limits

Maximum contributions available per hectare varied depending on the type of orchard or perennial tree crop:

- Apple / pome orchards - \$120,000
- Stone fruit orchards - \$60,000
- Tree nuts – chestnut, walnuts, hazelnuts, etc. - \$6,000 to \$40,000, depending on the system
- Berries - \$20,000 to \$45,000 depending on the system

Grant management data does not include the number of hectares to be able to assess this. Table 17 displays the average, and the minimum and maximum values of approved grants in the horticulture industry.

Table 17: Horticulture grants key statistics

Industry	Average grant size approved (\$)	Min approved (\$)	Max approved (\$)
Horticulture	\$283,630	\$1,683	\$3,909,181

6.2.7 Viticulture

Viticulture businesses directly damaged by fire were able to apply for support to repair and replant, while businesses that were not in disaster declared regions could apply for a limit of \$10,000 to contribute to loss of produce due to smoke taint. Section 15.1.6.1 outlines activities that were funded. The vast majority of businesses were covered for smoke taint recovery cost. Table 18 shows the requests and approved amounts per month.

Table 18: Viticulture applications May to June 2020

Month applied	Businesses approved (applied)	Amount requested	Accumulative amount approved
May 2020	22 (27)	\$672,810	\$622,810
June 2020	47 (68)	\$11,147,692	\$1,560,452

6.2.7.1 Eligible amounts and limits

Viticulture businesses were able to request \$20,000 / hectare if in a declared LGA, or \$10,000 for smoke taint outside declared LGAs. Grant management data does not include the number of hectares. Fifty-five of the 68 approved businesses received exactly \$10,000. Table 19 displays the average, and the minimum and maximum values of approved grants in the viticulture industry.

Table 19: Viticulture grants key statistics

Industry	Average grant size approved (\$)	Min approved (\$)	Max approved (\$)
Viticulture	\$22,089	\$8,000	\$286,260

6.3 Approvals by business size

A closer look at the size of the businesses that received funding provides some insight into why the majority of BIRP grants were \$20,000 and below. Business size information prior to the bushfire, using full time equivalent (FTE) staff and pre-bushfire revenue, was only available for grants supported by the RAA. This includes the apiculture, aquaculture, dairy, horticulture, and viticulture industries.

6.3.1 Full time equivalent staff

Figure 8 shows that businesses that received BIRP funding had a small workforce between one and five FTE employees. It also shows that more than 90% of businesses in all industries employ no more than 10 employees. Horticulture businesses are the most likely to have more than 20 employees.

Staff	Api-culture (%)	Aqua-culture (%)	Dairy (%)	Horti-culture (%)	Viti-culture (%)	Overall
1 to 5	89.4%	92.2%	87%	80.6%	88.4%	88.5%
6 to 10	6.1%	5.2%	11.1%	11.9%	7.3%	7.6%
>10	4.6%	2.7%	1.9%	7.5%	4.4%	3.9%

Figure 8 (shown as a table): Percentage of full-time equivalent staff by industry

6.3.2 Pre Bush-fire Revenue

BIRP recipients represent a broad distribution of pre-bushfire revenue. Table 20 shows that the dairy industry has more than twice as many businesses than all other industries with revenue exceeding \$1 million. It also shows that the horticulture and aquaculture industries have a higher proportion of businesses with a turnover less than \$100,000, and that the apiculture, viticulture, and horticulture industries have a similar proportion of businesses with pre-bushfire revenue exceeding \$1million.

Table 20: Businesses pre-bushfire revenue by industry

	Apiculture (%)	Aquaculture (%)	Dairy (%)	Horticulture (%)	Viticulture (%)
0-100K	28.8	(%)	1.9	49.3	20.3
101-150K	10.6	17.5	1.9	6.0	5.80
151-200K	4.6	10.4	0.0	0.0	11.6
201-500K	27.3	19.5	20.4	13.4	27.5
510-1MK	12.1	9.7	37.1	13.4	18.8
More than 1MK	16.7	4.6	38.9	17.9	15.9

7. Communication and support

Finding



Evaluation questions

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

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

Evidence

The majority of grant recipients felt supported and well informed about the BIRP. Whilst it has been acknowledged that some grant recipients experienced difficulties with the program guidelines and eligibility criteria, on balance, this program has provided good levels of support to its grant recipients. Furthermore, the delays and variations experienced in this program were largely driven by external factors.

7.1 Awareness of BIRP funding opportunities

7.1.1 How they heard about it

Figure 9 shows that the majority of grant recipients found out about the BIRP grants via an industry publication. Email and direct contact were also cited and interviews with DRNSW staff revealed that industry participants in forestry (storage & haulage) were contacted and invited to a subscribed website webinar. Social media was not a strong source of awareness for grant recipients (mentioned by 14 of the 173 survey participants). Twenty-two respondents cited an 'other' way of finding out, with the two most popular responses being rural assistance/financial counsellor (6) and word of mouth within the industry (6). Government websites was another source of awareness (2), whilst two respondents couldn't recall.

How did you hear about the BIRP ?

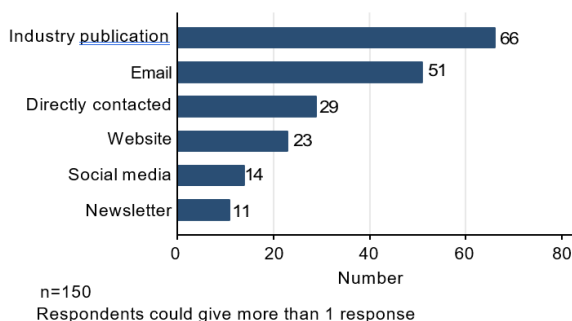


Figure 9: How BIRP grant recipients were made aware of the BIRP grant

7.1.2 How easy was BIRP to navigate?

Guidelines were available at the beginning of the grant programs. This included general guidelines as well as

separate fact sheets for each industry that outlined their eligibility and how much funding they could apply for. Program staff at DRNSW noted that the applicants for this package included first-time grant recipients, e.g. mum and dad businesses. They also commented that a lot of the documentation was not written to the intended audience. These have subsequently been adapted and in place with future program guidelines to follow a similar user-friendly style.

When asked about what could be improved in the BIRP grant process, 9 survey respondents cited that eligibility criteria could have been clearer:

“Some of the guidelines were not clear on who the various grants were targeted to and therefore some time was spent on grant applications that we were not actually eligible for. Stating the target audience from the start would have been beneficial.”
(Forestry (storage & haulage) industry respondent)

“Without the help of someone to navigate the grant process paperwork, you are "flying blind" and can spend hours applying for a grant you are not entitled to.”
(Apiculture industry respondent)

Some respondents said that communication about requirements could be improved:

“Needed to be able to add areas after the close date, as supply was so uncertain and was hard to estimate. Did not realise the application could be amended after the closedown date.”
(Forestry (storage & haulage) industry respondent)

Other respondents spoke about instances of ineligibility because of other income, despite suffering genuine loss and damage on the property that was covered by the grant scheme:

“...it is the company that suffers, yet the criteria is based on the individual income? The Grant needs to just apply to the company, without restriction.”
(Aquaculture industry respondent)

Figure 10 shows how grant recipients rated the support they received accessing grant information and gaining assistance throughout the grant application and funding process at a similar level (7.5 and 7.2 out of 10 respectively). They gave a similar rating to the timeliness of being notified of their grant success (7.3 out of 10 – data not shown). Activities requiring grant recipients to re-engage after the application process attracted the lowest ratings. Submitting variations rated very low (3.6 out of 10) and was significantly lower than using the online system for submitting variations (6.5 out of 10) and other processes requiring support. Whilst submitting variations is not directly related to engaging with staff, it is still an important process engaged in by the grant recipients via a DRNSW communication and support channel.

Please rate the ease with which you found the following aspects of the BIRP?

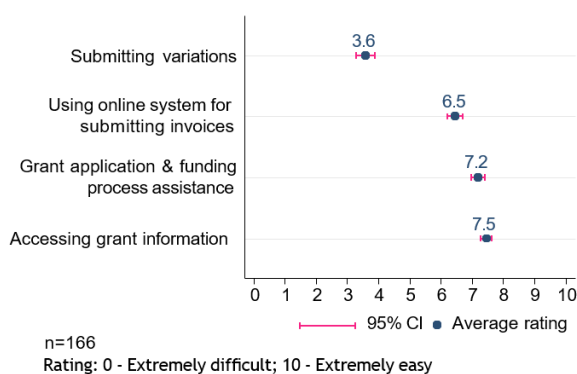


Figure 10: BIRP survey response of BIRP grant recipients around engaging with grant management staff

Some survey respondents reiterated positive ratings of support, with one respondent stating:

“I think the whole process was well conceived, the guidelines for applications were clear and the support of the Regional Development NSW team was excellent. We had the ability to seek help with our grant application and the Smarty Grants portal was very user friendly. Additionally, we were invited to participate in an online discussion that walked us through some of the technical parts of the application (Excel data sheets, etc.)”.

Program staff at DRNSW discussed the importance of having a Grant Advisor as a success factor of the grant. They would often contact individual grant recipients about variations and milestones as well as the application process and provided them with valuable support when submitting their applications.

7.2 Variations and delays

Approximately 11% of recipients across all industries requested variation(s) to their project(s) (data not shown).

Reason(s) for requesting variation(s)

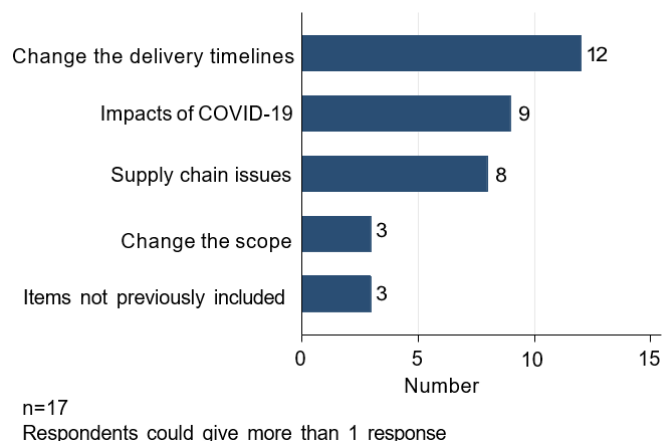


Figure 11: BIRP survey respondents' reasons for requesting project variations of their BIRP grant

Figure 11 shows that changing the delivery timelines was the most common variation requested (reported by 12 of the 17 respondents as reasons for needing a variation), followed by COVID-19 and supply chain issues (reported by 9 and 8 of the 17 respondents respectively). Seven respondents selected 'other', with flooding, weather conditions, and issues with cleaning up flood debris (4) the most prominent. A shortage of available contractors and slow council approvals were also cited as reasons for requiring a variation.

Administrative data for why variations were necessary is only available for forestry (storage & haulage) grant recipients. This is detailed in 7.2.1.

7.2.1 Forestry (storage and haulage)

Two variations were submitted. Both projects sought to extend their completion dates. Both cited the impacts of Covid-19 and/or flooding events as the reason(s), with one of the 2 grant recipients also requiring a change the project scope .

Between the application for grant and execution of the funding deed, 3 grants applied to change the haulage destination, and 4 applied to increase the number of tonnes hauled. The changes to tonnage and distances hauled required variations to the amount of funding originally requested. After execution of the funding deed, 2 projects submitted variations to change the end location. Interviews of haulage industry participants revealed that it was a requirement of receiving the grant that recipients nominate the region where the burnt timber was coming from and the amount of burnt timber they required. This has led to inefficiencies in this grant. Firstly, overestimates occurred when flooding rendered the burnt timber as no longer feasible, and to business owners not receiving any funding as they failed to indicate what they would require.

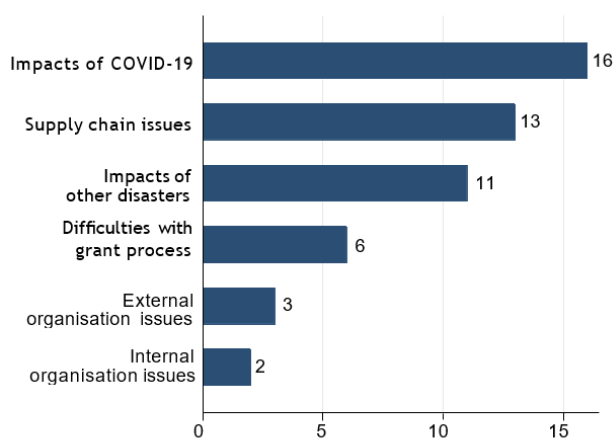
The progress reports detailed the following variations:

- Progress report 1: One grant recipient submitted changes to the tonnage in their four approved grants as these had been miscalculated at the point of application, tonnage changed in two grants because more wood was available.
- Progress report 2: Four grant recipients increased their tonnage because of increased availability of wood.

7.3 Not all projects finish within agreed timelines

A minority of grant recipients (15.5%) reported that they did not finish their project in the timeline agreed to in the funding agreement (data not shown). Whilst this is a slightly larger number than the percentage of projects requiring variations, it is most likely due to the overall extension of timelines due to Covid-19 and the NSW 2021 floods. Figure 12 shows that the impacts of COVID-19, supply chain issues and 'other' were the top-cited reasons for the delays. Ten survey respondents listed other reasons, including a lack of contractors and machinery to do the work (3), unavailability of stock/equipment (2) and various other reasons like flood damage, and mental health issues related to the bushfires.

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




n=23

Respondents could give more than 1 response

Figure 12: BIRP survey respondents' reasons for not being able to deliver their BIRP grant project within agreed timelines

8. Funding Deed

Finding	Evaluation questions	Evidence
	<p>To what extent are projects being delivered according to approved deeds?</p> <p>How appropriate has planning and resourcing been for program delivery?</p>	<p>Administrative data from SmartyGrants and grant recipients survey responses demonstrate a broad consensus that the amount of funding provided was adequate for them to deliver their projects successfully and that they were satisfied with the speed of receiving the first payment. However, survey responses indicate that grant recipients are less pleased with follow up payments and processes around the payment of invoices.</p>

8.1 The process

All applicants were required to enter into a funding deed once funding had been allocated.

Grants administered by RAA required their applicants to nominate how they would like their milestones and payments broken up. This meant that milestones and payment conditions were different for every applicant even though the Terms and Conditions were consistent across projects. This created challenges for managing the agreements and has led to changes to this process to make future grants more customer friendly. Although the program was due to be wrapped up by May 2023, an extension of the finalisation of the program was approved. Interviews with RAA staff indicate that several large grants are not yet acquitted. Subsequently, two full time staff have had their positions extended to collect invoices, validate milestone payments and make disbursements for the remaining projects.

For grants administered by DRNSW, staff confirmed during interviews that forestry (storage) grant recipients generally followed the schedule in the funding deed and that there were no major challenges in administering the funding deed. As the Forestry (haulage) grants were claim when needed, grant recipients were not bound by a milestone schedule in their funding deeds.

A total of \$59.6 million in funding was approved to 445 businesses with \$48.9 million being disbursed to 445 businesses as at 27 July 2022. Table 21 shows the funds disbursement rates for each industry.

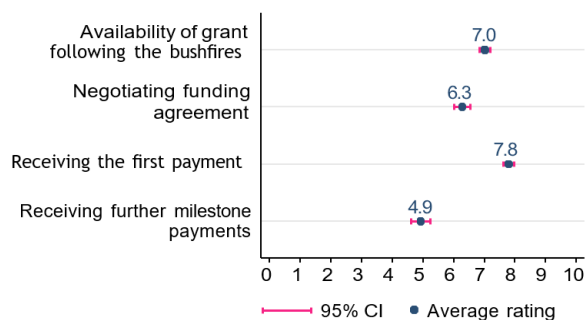
Table 21: Disbursed funds by industry

Industry	Businesses approved	Amount approved	Amount disbursed	Proportion of amount approved that has been disbursed (%)	Proportion of disbursed program funding by sector (%)
Apiculture	67	\$1,088,092	\$1,071,212	98.4	2.2
Aquaculture	155	\$2,952,116	\$2,932,116	99.3	6.0
Dairy	54	\$12,074,013	\$11,180,819	92.6	22.8
Forestry (Storage)	23	\$8,895,073	\$8,567,073	96.3	17.5
Forestry (Haulage)	10	\$13,122,394	\$8,074,871	61.5	16.5
Horticulture	67	\$19,990,738	\$15,701,891	78.5	32.1
Viticulture	69	\$1,509,935	\$1,400,735	92.8	2.9
Total	445	\$59,632,361	\$48,938,717	82.1	100.0

8.2 Timeliness of BIRP

Figure 13 shows that grant recipients were happy about the BIRP grant becoming available after the bushfires (rating it 7 out of 10) and the speed of receiving their first payment (giving it a rating of 7.8 out of 10). Negotiating the funding agreement was rated at 6.3 out of 10. Interviews with RAA staff revealed that it was the first time the RAA had used a funding deed for assistance. Larger businesses and companies were comfortable enough with the new process, but smaller family businesses found it more difficult to understand. This was amplified as most businesses received grants of less than \$20,000.

Please rate the timeliness of the following:



n=165

Rating: 0 - Extremely slow; 10 - Extremely fast

Figure 13: BIRP grant recipients' ratings of funding related to their BIRP grant

Grant recipients were neither pleased nor displeased with the scope of the grants, giving it a rating of 6.1 out of 10 (data not shown) regarding the sufficiency of the funding for them to deliver their projects.

8.2.1 Timeliness of the provision of funds


Figure 13 also shows that grant recipients rated receiving further milestone payments far lower (4.9 out of 10) than the other processes around payments and contracting. Open-ended responses in the survey shed additional light on this. Eight respondents spoke about the length of time it took to receive the funds. A few people spoke more specifically about the time lag between applying and receiving funding while others spoke about spending their own money first and then being reimbursed by the grant funding later.

"Having to come up with payments before funds would be released made life difficult in a period when dealing with natural disaster. Surely if evidence is provided to demonstrate that the funds had been spent where stated, this would be enough to satisfy payments."
(Dairy industry respondent)

"Not having to pay for invoices up front. If the invoice has been submitted and you can see the work has been completed, payment should be made on these. We really struggled to get invoices paid upfront and then claim the money back as we were already under significant financial stresses."
(Dairy industry respondent)

"The need to make the co-contribution placed a great strain of available funds because it had to be spent before funds were compensated. The result was the need to raise capital ahead of budgeted expenditure to cover items in the recovery program. This placed great stress on management before the co-contribution was recompensed."
(Horticulture industry respondent)

9. Monitoring and reports

Finding	Evaluation questions	Evidence
	<p>To what extent are programs actively and consistently collecting and managing data for monitoring and evaluation purposes?</p> <p>How effective has this been?</p>	<p>A review of the administrative data and evidence from program staff demonstrate that aspects of data collection are well-designed. The collection of monitoring data is not too onerous and is used accordingly. However, the data would be more useful for monitoring and evaluation purposes if it focus more on progress against the grant's objectives, and better alignment between the data collected by DRNSW and the RAA.</p>

9.1 Monitoring projects and ongoing data collection

Funding contracts for all BIRP grants included standard clauses covering grant recipients reporting requirements, including data required for audit purposes.

The RAA described their approach to collecting data from grant recipients as relatively efficient. The RAA has an established process to collect information via the claims process to validate milestone payments as per the applicant's funding deed. Through the validation process the RAA can ascertain how the applicant's recovery work is progressing, including any delays or changes to recovery plans. This approach is used to reduce the amount of information that the applicants need to supply as well as reduce the need for unnecessary data collection. Additional information is sought from applicants on a case by case basis.

The reporting process was described by DRNSW program staff as occurring relatively smoothly, particularly for the forestry (storage & haulage) grants. As reporting for the forestry (storage & haulage) grants was attached to claims for payment, grant recipients generally reported on time. Grant recipients were aware of the due dates of each reporting period, and that they were to contact the Grants Advisor if they were unable to report by the relevant deadline.

9.2 Improving data focus and consistency

While data collection generally occurred smoothly, interviewees identified 2 areas where data collection could be improved. The first was the scope of data collected. Grants management officers noted that data collection tended to focus on administrative aspects of the grants such as invoices and milestones. They acknowledged that

there was scope to collect more data on the objectives that are being achieved by the programs. This has already been actioned by DRNSW, who are considering other relevant fields to collect for future grants.

The second aspect was consistency in data collected by the RAA and DRNSW. Grants management officers interviewed suggested that there were some perceived grey areas between what each party would do. This was evident as well in the administrative data provided for this evaluation. Aligning data collection would enable better analysis across the industries.

It may be worth developing a data collection strategy at the outset for future programs that are administered in collaboration with other agencies. This could assist in clarifying each agency's obligations and consider how data from disparate systems could be brought together periodically to monitor key indicators of progress towards each grant's objectives.

10. Outputs and early outcomes

Finding	Evaluation questions	Evidence
	How effectively are the programs being delivered?	The BIRP has delivered on the implementation outcomes of supporting sectors and businesses to recover from the impacts of the bushfires and that damaged infrastructure is repaired.
	What are the enablers, barriers, and areas for improvement for the grants?	Evidence also suggests that the program is on track to meet its medium-to-longer-term outcomes.

10.1 Early outcomes

Stream 1 of the BIRP had two main early outcomes:

- Sectors and businesses are supported to recover from the impacts of the bushfires
- Damaged infrastructure is repaired.

Figure 14 shows that 87.4% of recipients believed that the BIRP funding had achieved the aim of supporting them to recover from the impacts of the bushfire. Furthermore, almost half (49%) of grant recipients reported the BIRP funds contributed to their business recovery to a 'large' or 'great' extent.

To what extent has your business recovery from the bushfires been aided by the BIRP funds?

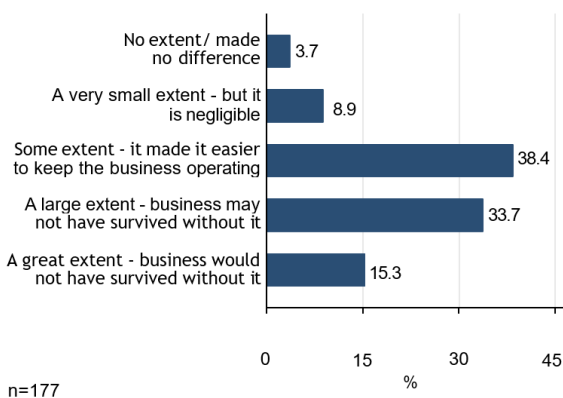


Figure 14: BIRP grant recipients' opinions on the extent of the benefit the BIRP grant provided their businesses recovery

Figure 15 shows that grant recipients from the horticulture (71%) and dairy (66%) industries reported that the BIRP funding helped them to survive to a 'large' or 'great' extent. When analysing the open-ended survey data about what worked well with the BIRP, the overwhelming theme was how BIRP funds helped their business survive. For example:

"after continued drought effects on our businesses productivity, followed by extensive fire damage, I don't think we would be in business anymore if not for the grant"
(Horticulture industry recipient)

"The funding was instrumental is assisting us to re-establish our business operations and begin to function effectively again"
(Dairy industry recipient)

"without these grants a lot of our industry would not be here now"
(Aquaculture industry recipient)

Figure 15 (shown below as a table): BIRP grant recipients' opinions on the extent of the benefit the BIRP grant provided their businesses recovery, by industry

Industry	No extent, it made no difference to our recovery	A very small extent, but it is negligible	Some extent, it made it easier to keep the business operating	A large extent, business may not have recovered without it	A great extent, business would not have recovered without it
Aquaculture	5%	2%	51%	34%	8%
Apiculture	2%	19%	30%	36%	13%
Viticulture	7%	31%	29%	25%	8%
Forestry (Storage & haulage)	0%	4%	58%	23%	15%
Dairy	4%	0%	30%	44%	22%
Horticulture	0%	3%	26%	36%	35%

The BIRP has also been effective at restoring/replacing bushfire damaged infrastructure as well. Most recipients (88.5%) reported the BIRP funds had either partially, mostly, or fully restored/replaced their bushfire damaged infrastructure (data not shown). This indicates that the BIRP funds had been successful in enabling applicants to meet the second outcome of restoring and repairing damaged infrastructure. However, Figure 16 shows that 35% of viticulture and 16% of apiculture grant recipients reported that their damaged infrastructure was 'not' or was 'barely' restored/repared. This was much higher than grant recipients from other industries, with aquaculture recipients (6%) being the next closest. Respondents from the viticulture industry suffering from the effects of 'smoke taint' were upset that they did not initially qualify for the BIRP because they were in a non bushfire declared LGA. Even though a subsequent change in criteria made them eligible to receive a maximum grant of \$10,000, respondents said that this amount was not enough to fully compensate them for the damage caused by smoke taint.

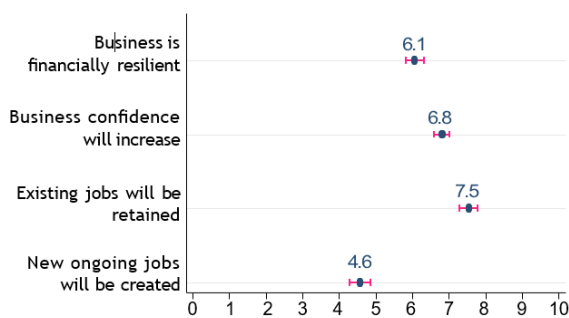
Figure 16 (shown as a table): BIRP grant recipients' responses regarding repair and restoration of damaged infrastructure, by industry

Industry	Not restored/replaced at all	Barely restored/replaced	Partially restored/replaced	Mostly restored/replaced	Fully restored/replaced
Apiculture	4%	12%	51%	20%	13%
Viticulture	18%	17%	23%	23%	19%
Forestry (Storage & haulage)	0%	5%	59%	31%	5%
Aquaculture	0%	6%	42%	36%	16%
Dairy	3%	0%	34%	44%	19%
Horticulture	0%	4%	42%	50%	4%

10.2 Medium to longer term outcomes

Grant recipients were asked to rate their confidence of the four medium-to-longer term outcomes of the BIRP being achieved in the next 12-18 months. Figure 17 shows that grant recipients were most confident about existing jobs being retained (7.5 out of 10), with these ratings statistically significantly higher than all other outcomes in Figure 17. Similarly, grant recipients were secondarily most confident about business confidence returning in the next 12-18 months (6.8 out of 10). This result was also significantly higher than businesses becoming more financially resilient (6.1 out of 10) or the creation of new ongoing jobs (4.6 out of 10). Grant recipients are least confident that new jobs will be created in the next 12-18 months (4.6 out of 10) and this result is significantly lower than the other three medium-to-longer term outcomes. These results are a positive endorsement of the BIRP funding, and it is not surprising that recipients were most skeptical about new jobs being created given it is the outcome most removed from their current situation.

How confident are you that the following will occur as your business continues its bushfire recovery in the next 12-18 months?



n=170

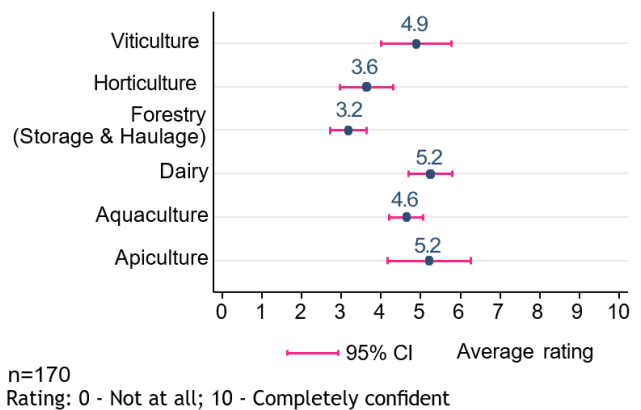
95% CI Average rating

Rating: 0 - Not confident at all; 10 - Completely confident

10.3 Industry comparisons: are there differences based on industry?

In this next section, we examine whether the views on the medium-to-longer term outcomes are similar across all industries. We look at them one at a time, starting with whether new ongoing jobs will be created in the next 12-18 months. Figure 18 shows that grant recipients from most industries rated this outcome the same, with the exception being dairy industry recipients, with their responses being statistically significantly higher than recipients from horticulture and forestry (storage & haulage) industries.

How confident are you that new ongoing jobs will be created in the next 12-18 months?



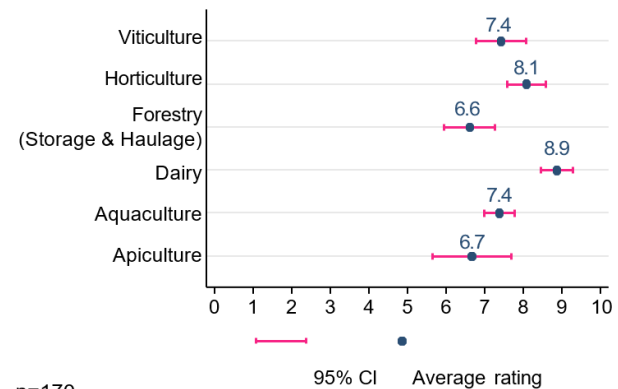
n=170

Rating: 0 - Not at all; 10 - Completely confident

Figure 18: BIRP grant recipients' ratings of whether new jobs will be created in the next 12-18 months, by industry

As for existing jobs being retained, Figure 19 shows that dairy industry recipients rated this outcome statistically significantly higher than recipients from the viticulture, forestry (storage & haulage), aquaculture, and apiculture industries, but not statistically significantly higher than horticulture recipients. Horticulture recipients rated this outcome significantly higher than recipients from the forestry (storage & haulage) industry.

How confident are you that existing jobs will be retained in the next 12-18 months?



n=170

95% CI Average rating

Rating: 0 - Not confident at all; 10 - Completely confident

Figure 19: BIRP grant recipients' ratings of whether existing jobs will be retained in the next 12-18 months, by industry

Figure 20 shows that there are no statistically significant differences amongst industries when it came to business confidence improving.

How confident are you that our business confidence improves in the next 12-18 months?

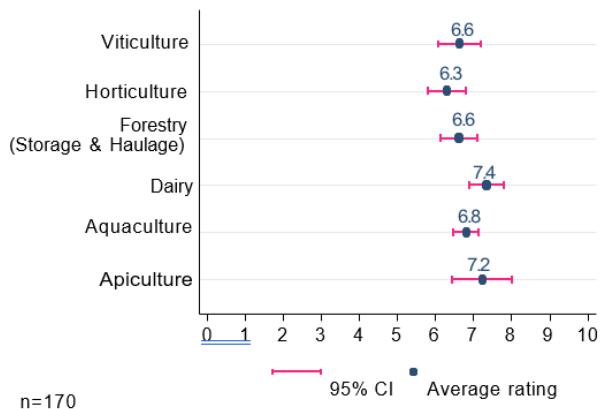


Figure 20: BIRP grant recipients' ratings of whether business confidence will increase in the next 12-18 months, by industry

Figure 21 shows there are no statistically significant differences amongst industries when it comes to businesses becoming more financially resilient in the next 12-18 months, except for aquaculture recipients, with their rating (5.6) statistically significantly lower than recipients from the apiculture industry (7.5).

How confident are you that business diversifies and becomes more financially resilient in the next 12-18 months?

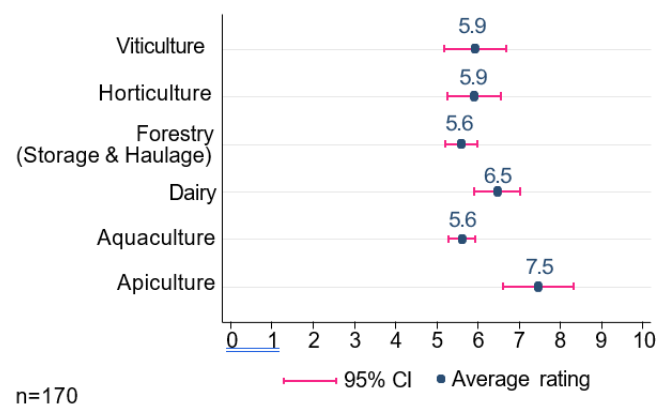


Figure 21: BIRP survey respondents' ratings of whether business will diversify in the next 12-18 months, by industry

In summary, recipients across industries differ most when it comes to their confidence in the creation of new jobs or the retention of existing jobs. They have similar levels of confidence regarding improving business confidence, and have mostly similar levels of confidence regarding business diversification, apart from aquaculture recipients being less confident than apiculture recipients.

10.3.1 Funding and business recovery

Grant recipients who were interviewed were able to clearly make the link between the funding they received and what it meant for their business recovery. Irrespective of industry, most industry recipients interviewed were strident in their belief that the provision of the BIRP funding was critical to their business's recovery after the bushfires. The funding allowed them to purchase inputs, repair damaged infrastructure, and maintain staff that allowed their business to continue operating. In the dairy industry


this meant that they could replenish their herd and rebuild farming infrastructure. One dairy farmer said it was 'critical' to their recovery. Beekeepers were able to purchase sugar and pollen, which prevented their bees from dying. One of the two interviewees in the forestry (storage & haulage) industry said that the money prevented them from having to reduce staff members.

Differences in the opinions held across industry recipients were mainly based on the type of business and stage of business maturity. For example, the interviewee from the horticulture industry was essentially a hobby farmer that was left frustrated by the criteria that he believed failed to consider his circumstances contextually. Since opening his farm 10 years ago, it has failed to turn a profit because of the time necessary for productive output and years of drought which led to failed crops. Compounding this was that earning a part-time income outside of his business initially made him ineligible for funding. However, he suffered extensive losses in the bushfires. Another example is that one of the oyster farmers explained that there was indirect damage that was unknown at the time of applying for the grant that he was subsequently not compensated for as he could not accurately estimate these costs as the true fatality rates only became known months later. In the forestry (haulage) industry, they were required to nominate the amount of timber and the location it was to come from in advance. However, the area nominated in their application was flooded and so they had to purchase timber from another location that they could not receive funding for.

10.3.2 The impact of other disaster events

Interviews with grant recipients highlighted how continued flooding events after the bushfires slowed business recovery. One dairy farmer said that without the floods, the funding provided would have had them “all the way back”. In the aquaculture industry, continued flooding meant that businesses were prevented from selling their oysters, as they can only sell oysters when the river is declared ‘open’. In the apiculture trade, one of the interviewees explained that bees do not leave their hives when it is wet, and ultimately starve to death. Surprisingly, COVID-19 did not hamper their business recovery. Firstly, because their occupations were classified as essential services, they were not subject to as many restrictions as other community members. One participant said he was able to get more things done quickly as there was less traffic on the road. The only complaint relating to COVID-19 was the supply chain issues leading to longer than usual wait times for orders to arrive.

11. Findings: Emerging themes and recommendations

Finding	Evaluation questions	Evidence
	<p>How effectively are the programs being delivered?</p> <p>What are the enablers, barriers, and areas for improvement for the grants?</p>	<p>Evidence of the BIRP achieving its early outcomes and positive ratings across industries for the medium-to-longer term outcomes demonstrate that the BIRP is being delivered effectively.</p> <p>Still, there are barriers to overcome regarding the application stage, monitoring of projects, and alignment between DRNSW and RAA.</p>

11.1 Key findings and recommendations

This report examined the implementation and early outcomes of Stream 1 of the BIRP. This evaluation examined grants of between \$800 and \$8,296,369, with a value of approximately \$60 million. This was a complex grant distributed across multiple industries at a time of great distress for many of the grant recipients.

Therefore, it was important to ensure that there was good communication and support for grant recipients. The evaluation found that this was the experience for a majority of grant recipients, as they reported positive ratings around accessing grant information (7.5 out of 10) and receiving assistance from grant management staff regarding the grant application and funding processes (7.2 out of 10).

The BIRP has achieved some of the anticipated early outcomes. Most (87.4%) grant recipients believed that the BIRP funding had achieved the aim of supporting them to recover economically from the impacts of the bushfire. Almost half (49%) of grant recipients reported the BIRP funds contributed to their business's recovery to a 'large' or 'great' extent. Additionally, grant recipients felt that the scope of the funding supported their economic recovery, rating this at 8 out of 10. When comparing this across industries, dairy industry grant recipients rated this the highest (9.1 out of 10), which was statistically significantly higher than recipients from the viticulture, forestry (storage & haulage), aquaculture, and apiculture industries, but not statistically significantly higher than horticulture recipients. Dairy industry grant recipients also rated their confidence in existing jobs being retained in the next 12-18 months significantly higher than all industries except for horticulture.

The BIRP was successful in meeting the second early outcome of restoring and repairing damaged infrastructure. This is evidenced by most grant recipients (88.5%) reporting the BIRP funds had either partially, mostly, or fully restored/replaced their bushfire damaged infrastructure.

While the majority of grant recipients reported being well supported when applying for the BIRP, there were others who thought the eligibility criteria could have been clearer. Many of the grant recipients receiving BIRP were small businesses who were relatively inexperienced at engaging with government grant offices. Some grant recipients reported that the process was almost impossible to complete on their own. However, DRNSW has since responded quickly to this feedback, as interviews with program staff revealed that the program guidelines had already been adapted to be more user-friendly and are in place for future programs.

Recommendation: It is recommended that all future grant programs targeted at businesses contain clear guidelines that are easily interpretable and are written in plain English to improve accessibility by members of the business community.

Another important finding involves having a more nuanced understanding of different industries. This was highlighted by the smoke taint experienced by viticulture grant recipients, whose losses far exceeded the maximum grant amount available. Additionally, open-ended survey responses indicated that the need to co-contribute and/or pay invoices before being reimbursed created a financial burden on many of these small businesses.

Recommendation: It is recommended that funding arrangements align with the practical challenges faced by businesses such as tight cash flow positions by making a part payment upfront, with evidence of expenditure required to access the following payments. This could potentially ease some of the financial burden for grant recipients. Risks associated with making upfront payments can be mitigated by collecting taxation details of the applicants.

12. Appendix A – Evaluation strategy

12.1 Evaluation plan

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

Table 22 (4 in total): Evaluation questions, directions of inquiry, and key stakeholders

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

Evaluation Question	Directions of Inquiry	Key stakeholder(s)
a. How appropriate has planning and resourcing been for program delivery?	<ul style="list-style-type: none"> Did the program design i.e., non-competitive grants round facilitate immediate access to funding? 	Document review
	<ul style="list-style-type: none"> Were there enough resources to stand up and implement the program in a timely fashion? Are there enough resources to continue to support the ongoing administration of the program? 	Document review GMO/Programs team
b. Was the scope of the grants appropriate to support recovery objectives?	<ul style="list-style-type: none"> How likely were grant recipients to re-cover without the grant? 	Grant recipients
	<ul style="list-style-type: none"> Did the scope of the grant cover grant-ee recovery needs? 	Grantee interview
c. To what extent have funding arrangements and governance structures supported effective implementation of the program?	<ul style="list-style-type: none"> What are the project support mechanisms within the program? 	Programs Team/ RAA
	<ul style="list-style-type: none"> Are there clear structures in place to support the ongoing administration of the program? 	Programs Team/ RAA
	<ul style="list-style-type: none"> Is the point of contact clear to grant recipients? 	Grantee

2. How effectively are the programs being delivered?

Evaluation Question	Directions of Inquiry	Key stakeholder(s)
a. How well has information about the program (i.e., program objectives, eligibility, assessment criteria and process) been communicated to the target audience? To what extent has this affected grant take-up?	<ul style="list-style-type: none"> What was the documentation provided to grant recipients about funding allocation and requirements? 	GMO/RAA Document review
	<ul style="list-style-type: none"> Did all eligible businesses access the fund (after SDG expenditure) – if not why not? 	Data RAA
b. How well was the grant application, assessment, and disbursement process implemented?	<ul style="list-style-type: none"> What grants portal was used? Did this simplify things for applicants? 	GMO/RAA
	<ul style="list-style-type: none"> What was the assessment criteria? 	Document review
	<ul style="list-style-type: none"> To what extent was assessment made on the criteria? 	Document review GMO/RAA
	<ul style="list-style-type: none"> How long did the application/ assessment process take? 	Data
	<ul style="list-style-type: none"> To what extent were grant recipients aware of reporting and acquittal re-responsibilities before the funding deed was executed? 	PMO staff Grant recipients
	<ul style="list-style-type: none"> How quickly were grants distributed? 	Data
	<ul style="list-style-type: none"> What is the variation process? 	GMO/RAA
c. To what extent are programs actively and consistently collecting and managing data for monitoring and evaluation purposes? How effective has this been?	<ul style="list-style-type: none"> What are the programs performance measures? 	Document review GMO/RAA
	<ul style="list-style-type: none"> To what extent has the data captured been 1. Purposeful, 2. Easy for grant recipients to provide, 3. Stored and organised on a fit-for-purpose plat-form 4. Useful for grant recipients and for monitoring and evaluation purposes 	Programs team GMO/RAA

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

Evaluation Question	Directions of Inquiry	Key stakeholder(s)
What are the enablers, barriers, and areas for improvement for the grants?	<ul style="list-style-type: none"> What enabled the successful delivery of the program? 	GMO/RAA Grant recipients
	<ul style="list-style-type: none"> What are the barriers hindering the successful delivery of the program? 	GMO/ RAA Grant recipients

4. What was delivered by the program?

Evaluation Question	Directions of Inquiry	Key stakeholder(s)
a. To what extent are projects being delivered according to approved deeds?	<ul style="list-style-type: none"> Do programs have milestones/ project plans? 	Document review GMO/RAA Grant recipients
	<ul style="list-style-type: none"> What processes occur to ensure grant compliance with the funding deeds in place? 	GMO/RAA staff
	<ul style="list-style-type: none"> Number and scope of variations 	Data GMO/RAA
b. How do project outputs (thus far) indicate progress towards short- and medium-term recovery outcomes?	<ul style="list-style-type: none"> Have results been observed so far in terms of outputs or early outcomes? To what extent do these observed outputs or outcomes suggest longer-term recovery benefits will be realised? 	Data Grant recipients
c. Did the programs represent administrative value for money?	<ul style="list-style-type: none"> Has progress and milestone reporting against agreed performance measures or milestones by the funding recipient aided in ensuring the projects could deliver value for money? 	PMO staff GMO
	<ul style="list-style-type: none"> How can the project outputs and outcomes from this program be compared with other similar programs to appreciate the extent of displacement and substitution costs? 	Research

13. Appendix B – Evaluation data and analyses

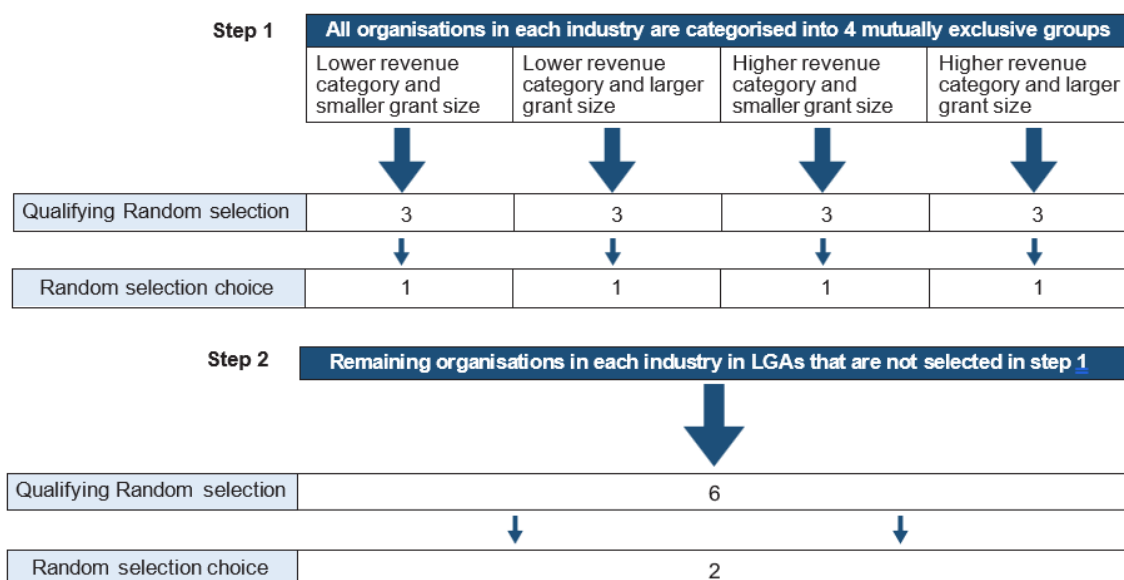
The following data sources were used in the evaluation.

1. Administrative data was collected and stored by DRNSW in their SmartyGrants system. Grant recipients accessed an online portal to submit their applications, variation requests, progress reports, completion reports, and invoices.
 - a. The data was shared with Spillover Data Consultancy via SECURE? online cloud storage.
 - b. Each of the different data processes (e.g., applications, completion reports etc.) were stored on separate spreadsheets.
 - c. The evaluation team combined these spreadsheets to form a single dataset for analysis.
 - d. Each variable field was given a separate name to ensure that the variables would not be misidentified.
 - e. We undertook descriptive statistical analyses of multiple fields of the data and we presented the results in the evaluation report.
2. BIRP grant recipients survey
 - a. A survey consisting of 15 questions was developed and administered on SurveyMonkey.
 - b. The survey was sent to all 431 businesses with 182 responses (a response rate of 42.3%).
 - c. The survey was weighted for non-response bias by fitting a logistic regression model on three factors that had the potential to affect the responses:
 - i. the size of the grant
 - ii. industry representation
 - iii. local government area.
 - d. STATA 16 was used to download and analyse the survey responses.
 - e. We undertook descriptive and inferential statistical analyses of the data and we presented the results in the evaluation report.
3. Online interviews with PMO and GMO staff were conducted
 - a. The interviews were recorded using Microsoft Teams.
 - b. We conducted a thematic analysis of the interview transcripts and interview footage and presented the results in the evaluation report.
4. Interviews with industry participants
 - a. The interviews were recorded using a digital recorder and responses were analysed thematically.

14. Appendix C – Industry comparisons

Table 23: Key details of industry interviewees

Industry		Case 1	Case 2	Case 3	Case 4
Apiculture	Location	North-Coast	North-Coast	North-West	Non applicable
	Years	30	8	12	
	Grant size	Large	Small	Small	
Aquaculture	Location	South-East	Mid-Coast	North-Coast	North-West
	Years	40	5		Non applicable
	Grant size	Small	Large	Large	Small
Dairy	Location	South-East	Mid-Coast	South-East	Non applicable
	Years	27	7	150	
	Grant size	Large	Small	Large	
Forestry (storage & haulage)	Location	North-Coast	South-Coast	Non applicable	
	Years	70	4		
	Grant size	Small	Large		
Horticulture	Location	Western-Sydney	Non applicable		
	Years	10			
	Grant size	Small			



Selection method

Four organisations from each industry are selected in Step 1. Then, two organisations from each industry are selected in Step 2 Step 1 industry participants locked in before moving to Step 2

If the random selection choice does not wish to participate, we move to the next choice until all slots are filled in Step 1 and Step 2.

15. Appendix D – Industry spending intentions

This section outlines the activities the grant recipients intended undertaking with the BIRP funds. It is important to note that no activities were recorded for the forestry (haulage) grants due to the subsidy/reimbursement nature of the program.

15.1.1 Apiculture

The honeybee industry was heavily impacted by bushfires, with thousands of hives destroyed. It is estimated that there will be up to a 30% decline in honey production over the next 5 to 10 years due to the bushfires. For this reason, funding was made available through the BIRP⁴ for this industry. Eligible costs under the BIRP for the apiculture industry included:

- pollen
- pollen substitutes
- sugar.

15.1.1.1 Approved Activities

Just under 85% of all apiculture business intended to spend their funds on purchasing sugar with more than 9 out of every 10 apiculture businesses approved for the activities they applied for (Table 24).

Table 24: BIRP activity funding in apiculture

Resource	Businesses applied	Businesses approved
Purchase Pollen	45 (61.6%)	42 (93.3%)
Purchase Pollen Substitutes	35 (47.9%)	32 (91.4%)
Purchase Sugar	62 (84.9%)	57 (91.9%)
Purchase Pollen Total	73	67 (92%)

15.1.2 Aquaculture

The bushfire season had severe impacts on oyster businesses due to wind-blown ash and debris and sediment from fires running into oyster producing estuaries and catchments. Interviewees from this industry described how the ash and sediment caused poor water quality, leading to the suspension of harvesting in some areas. Activities covered under BIRP for aquaculture industries included the following:

- the purchase of oyster spat to replace oysters that died
- stock loss on land-based farms

- repair or purchase of critical infrastructure such as shellfish cultivation equipment, pipes, pumps
- tanks to support business recovery.

15.1.2.1 Approved Activities

The majority (84.4%) of aquaculture businesses applied for funding to repair and purchase shellfish equipment (Table 25). Few businesses were unsuccessful in obtaining funding for either activity.

Table 25: BIRP activity funding in aquaculture

Resource	Businesses applied	Businesses approved
Repair and Purchase Shellfish Equipment	135 (84.4%)	130 (96.3%)
Replacing Lost Oysters	101 (63.1%)	97 (96.0%)
Total	160	155 (97%)

15.1.3 Dairy

The bushfires exacerbated already difficult conditions faced by the dairy industry; drought conditions had greatly increased fodder costs and a reliance on bought-in feed. Farm gate milk prices have been insufficient to offset the cost of feed and many farms have recorded losses in recent years⁵. Activities covered under BIRP for dairy industries included the following:

- re-establishing pastures
- purchasing and/or replacing lost fodder
- accessing technical and business advice
- repairing and/or installing critical infrastructure (including internal fencing)
- clearing fire-damaged paddocks including trees and other debris
- herd rebuilding
- providing veterinary supplies/services for fire-affected herds
- providing technical and business advice
- replacing or repairing damaged non-insured or under-insured equipment.

15.1.3.1 Approved Activities

The dairy industry had multiple activity options. The three most popular activities were:

⁴ [Bushfire Industry Recovery Package Supply Chain Support Grants – Apiculture](#)

⁵ [Bushfire Industry Recovery Package Supply Chain Support Grants – Dairy](#)

- repairing and installing critical infrastructure (81.8%)
- re-establishing pasture (80%)
- replacing lost fodder (72.7%).

One of the 55 businesses that applied was rejected. The activities were funded at a rate of 100% (Table 26).

Table 26: BIRP activity funding in dairy

Activity	Businesses applied	Businesses approved
Clearing paddocks	23 (41.8%)	23 (100.0%)
Herd rebuilding	30 (54.5%)	30 (100.0%)
Re-establishing pasture	44 (80.0%)	44 (100.0%)
Repairing and and/or installing critical infrastructure	45 (81.8%)	44 (97.8%)
Replacing or repairing equipment	30 (54.5%)	30 (100.0%)
Replacing lost fodder	40 (72.7%)	40 (100.0%)
Providing technical and business advice	16 (29.1%)	16 (100.0%)
Providing veterinary supplies/services	15 (27.3%)	15 (100.0%)
Total	55	54 (98%)

15.1.4 Forestry (storage & haulage)

The BIRP provided financial assistance to forestry businesses to assist with the cost of:

15.1.4.1 Storage

- burnt timber storage
- haulage of burnt timber from out of area forests
- nursery expansion and measures to improve soil stabilisation
- road construction
- groundcover recovery in fire-impacted Private Native Forests⁶.

15.1.4.2 Haulage

The BIRP provides funding for haulage of burnt timber out-of-area to processing facilities within NSW:

- Funding is provided in arrears, for \$0.10 per ton per kilometre excess of 100kms
- Haulage is limited within NSW only
- Applicants fund the cost of haulage up to 100kms
- Up to \$20m was available to support the haulage of burnt timber

15.1.4.3 Approved Activities

Forestry (storage) grants totalled \$8,567,073, averaging \$237,974.30 per grant. The median grant amount was \$5,000. The lowest grant was for the 14 road and snig track projects, which averaged \$5,000 per grant. The largest grant was for \$4.5m, constituting 57% of the 9 grants funded in that category.

Forestry (haulage) grants totalled \$13,122,394, averaging \$656,119.70 per grant.

The number of projects that were approved under each activity are shown in Table 27. Forestry (storage & haulage) administrative data for specific activities was only available only in the Funding Deed and not in the application.

Table 27: BIRP activity funding in forestry (storage & haulage)

Resource	Projects approved
Road and snig track	14
Seedlings	2
Storage burnt timber	9
Haulage of timber	20
Total	45

15.1.5 Horticulture

The BIRP provided financial assistance to horticulture businesses to assist in the recovery of production. Grants were made available on a per hectare basis, depending on the extent of damage, orchard style, or type of perennial tree and berry crop⁷. There was a grantee-matched equivalent commitment, either financial or in-kind. Funded activities included:

- clean up damaged infrastructure and other site preparation
- replacement stock (i.e., trees)
- replacement of damaged irrigation infrastructure
- replacement poles, trellises and netting.

15.1.5.1 Approved Activities

Replacing stock and irrigation infrastructure (90.4%) were the two most popular activities applied for by grant recipients in the horticulture industry (Table 28).

Table 28: BIRP activity funding in horticulture

Activity	Businesses applied	Businesses approved
Clean up infrastructure	54 (74.0%)	50 (92.6%)
Replace irrigation infrastructure	66 (90.4%)	63 (95.5%)
Replace poles, trellis, netting	55 (75.3%)	52 (94.5%)
Replace stock	66 (90.4%)	62 (93.9%)
Total	73	67 (92%)

⁶ Bushfire Industry Recovery Package Supply Chain Support Grants – Forestry

⁷ <https://www.nsw.gov.au/sites/default/files/2021-06/DPC%20A3609857%20%20FACT%20SHEET%20%20HORTICULTURE%20-%20Supply%20Chain%20Support%20Grants.pdf>

15.1.6 Viticulture

The bushfires of 2019-20 saw grape growers in key wine industry regions in NSW such as the Hunter, Tumbarumba and Shoalhaven Coast experience direct property damage, with other key regions also being impacted from the extended exposure to smoke. This caused taint in the grapes and rendered much of the 2020 vintage unsuitable for commercially released wine⁸. Funding was available through the:

- Repair and Replanting Grant: Capital and other costs directly related to the re-establishment and repair of damaged vineyards.
- Recovery Grant (non-disaster declared areas): Capital and other costs directly related to the smoke taint impact on vineyards

15.1.6.1 Approved activities

The main funding activity was overwhelmingly business recovery for viticulture businesses using the repair and replanting grant (94.7%) (Table 29).

Table 29: BIRP repair and replanting grant activity funding in viticulture

Activity	Businesses applied	Businesses approved
Business Recovery Costs	90 (94.7%)	64 (71.1%)
Repair and Replant	16 (16.8%)	12 (75.0%)
Total	95	69 (73%)

Smoke taint recovery costs were the most common activity in the recovery grant (non-disaster declared LGAs) in viticulture (Table 30).

Table 30: BIRP Recovery Grant (non-disaster declared areas) activity data in viticulture

Resource	Businesses applied	Businesses approved
Repair and Replant Vineyards in non-disaster declared LGAs	14 (14.7%)	13 (92.9%)
Smoke Taint Recovery Costs	81 (85.3%)	56 (69.1%)
Total	95	69 (73%)

Grant recipients were asked whether they spent their BIRP funds as they intended in their application. Table 31 shows that 84% of recipients in the apiculture industry spent their funds as originally proposed, which was significantly lower than the other five industries⁹.

Table 31: BIRP grant recipients' responses regarding whether they spent the grant funds as originally proposed

Did you spend your funding as originally proposed? (n=170)		
Industry	Yes (%)	No (%)
Apiculture	84	16
Aquaculture	94	4
Dairy	96	4
Forestry (storage and haulage)	95	5
Horticulture	90	10
Viticulture	98	2

Survey respondents who did not spend their funds as originally intended were asked an additional question about why they hadn't spent their funds as originally planned. Having to spend additional funds because of underestimating the initial cost of recovery and using the money on the day-to-day business operations like paying wages, rent, or other bills were the two most cited reasons for the funds not being spent as originally planned.

⁸ <https://www.nsw.gov.au/sites/default/files/2021-06/DPC%20A3609864%20%20FACT%20SHEET%20%20VITICULTURE%20-%20Supply%20Chain%20Support%20Grants%282%29.pdf>
⁹ A Chi-Square Test of Independence was performed to assess the relationship between planned spending and industry. There was a significant relationship $\chi^2(170, 169) = [3.94]$, $p = [p < 0.01]$.