Drought Measures – Strategic Evaluation

Evaluation Report and Response

September 2022

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Summary and Response Report

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Contents

Strategic Evaluation of Drought Support Measures and Initiatives

The evaluation looked at 36 short-term drought relief programs adopted between 2017 and 2021. The evaluation sought to understand how the package addressed recent drought impacts on NSW communities and primary producers.

From 2017-2020, NSW experienced a severe and prolonged drought. Many regions of NSW experienced precipitation deficits equivalent to the Federation drought, some of the worst over the last 100 years of recorded climate history.

> According to the Australian Government's Bureau of Meteorology *"The three years from January 2017 to December 2019 were the driest on record for any 36-month period starting in January, when averaged over the Murray–Darling Basin and New South Wales. Average rainfall for the Murray–Darling Basin was more than 100 mm lower than the second driest period (January 1965 to December 1967). New South Wales received around 170 mm less rainfall than the next driest period. That was recorded during the Federation drought, the 36 months from January 1900 to December 1902."*

As the drought evolved, the NSW Government monitored the situation closely, designing, developing, and adapting programs to help NSW regional communities to respond and recover. The Government's support for drought recovery was also integrated into bushfire and Covid-19 support, in a conscious effort to streamline outreach and reduce communication overload when communities were already under pressure.

The drought response supported NSW communities

As the drought conditions intensified across regions, the NSW Government responded with a comprehensive drought package offering a range of services and financial assistance to farmers and rural communities in their time of need.

Since 2017, the NSW Government has committed approximately $4.5 billion to drought response. This provided immediate support to farmers, families, towns, and businesses impacted by drought.

The NSW Government commitment to response and recovery programs during the drought was primarily directed to on-farm support, water security and supporting small businesses and communities.

The aim of the NSW drought relief package was to provide immediate relief, economic stimulus, and recovery measures to minimise social and economic disadvantage in regional communities, and foster self-reliance and preparedness for future droughts.

The evaluation captures key lessons from the most recent drought

In 2021, the Department of Regional NSW (DRNSW) released the Future Ready Regions (FRR) strategy to improve drought preparedness and resilience in NSW regional communities.

One of the Strategy's commitments included DRNSW leading a strategic evaluation of the NSW Government's drought response and recovery programs to enable an evidence-based

assessment of the initiatives. The evaluation will help to inform a more sustainable long-term investment approach to future drought support measures and initiatives.

The types of initial drought support ranged from financial, funding for infrastructure and programs to support for mental health and skills development in communities. Refer to **Appendix A** for a summary of NSW Governments drought response programs delivered between 2017-2021.

In 2021, seasonal conditions started to ease enabling many farmers to start restocking while some crop production started recovering slowly. However, the impacts of drought will remain in communities for years. NSW Government continues to support communities with recovery and pivoting many programs to focus on preparedness.

The Government is committed to learning from these recent experiences to improve community's preparedness and resilience to the shocks of drought.

The evaluation helps to prepare us for future droughts

In its response to the Interim Report of the Legislative Assembly's *Inquiry into support for drought affected communities in New South Wales*, the NSW Government committed to undertaking an independent evaluation of the 2017-2021 drought relief package to help understand if and how the response and recovery efforts can be improved.

The evaluation was designed to identify lessons to guide a sustainable long-term investment approach to drought preparedness. This included considering whether other forms of assistance, relief or change in policy settings may have been effective in helping communities and business to prepare for and respond to drought conditions.

The evaluation was independent and evidence-based

The evaluation was undertaken by program evaluation experts, supported by an advisory group with representatives from agencies that implemented drought response programs and were responsible for drought coordination activities and policy responses.

The independent evaluation provides an evidence base for the NSW Government to consider the design of drought programs in the future, noting the evaluation analysis relied on data provided from agencies delivering the response programs. The evaluation consulted extensively across program managers and teams and conducted desktop reviews of program documents to gather insights.

A strength of this evaluation was the rubric approach (below), used to assess the effectiveness of the measures and whether other interventions or policies could have been used to achieve similar outcomes.

Availability of resources	Design and engagement	Alignment to policy	Delivery of activities	Effectiveness of outcomes
Progressing	**Progressing**	**Fully realised**	**Progressing**	**Fully realised**
Resources were made available to deliver programs, with only minor gaps or negative impacts on design and delivery	Programs demonstrated evidence of appropriate design and stakeholder engagement, with some gaps	Programs were aligned with policies and were complementary to other programs	Programs demonstrated a degree of effective delivery, with only minor gaps or flaws	Programs had a positive impact, with few or no significant gaps or variation in outcomes

An economic analysis was also undertaken, using an ex-ante cost benefit analysis, identifying that limited data was available for post-hoc measurement of program benefits. This placed limitations on the insights about the collective economic impact of the programs. However, in a response to shocks such as drought, where community's wellbeing is front and centre, the insights can be less direct or intangible, but no less important.

Key Findings

The drought support package achieved its intended outcomes, supporting drought affected primary producers and communities to remain sustainable and productive. Programs also aligned well to the National Drought Agreement and the NSW Drought Framework.

The evaluation highlighted strengths to the NSW Government's program management approach. NSW agencies will continue to apply the following positive practices as a good foundation for designing and delivering future drought programs:

Aligning programs with state and national policy

Most programs aligned with the NSW Drought Framework and the current National Drought Agreement (NDA). The scope of these policies covered the programs and the state's programs complemented the Commonwealth's. The NSW Government is contributing to the Commonwealth's review of the NDA which is exploring how it can be strengthened to ensure that farmers and farming communities across the country are well supported before, during, and after drought.

Proactively developing programs to fill policy gaps

New community needs were identified during the response. These insights are being shared with the Commonwealth to help inform the review of the NDA. The NSW Government is looking at how to address other new areas identified. For example, some towns required emergency water provisions to be carted in, which is now being considered as part of the regional water strategies.

Coordinating programs to minimise duplication

Where agencies pre-empted the need to respond together, there was less duplication and better use of resources to deliver programs. Coordination between agency and non-profit organisations should continue. DRNSW will establish a Drought Community of Practice to support NSW agencies sharing information about drought, including preparedness programs across the state.

Intervening early is very effective

Using decision tools helps government to make proactive evidence-based decisions and to manage resources for fast delivery. The NSW Government is engaged with the Commonwealth to understand the tools for supporting state and local government drought decisions. NSW is investing to expand the Enhanced Drought Information System (EDIS) and developing a complementary Drought Signals Framework to provide important data on evolving drought circumstances and to support decision-making.

Building from existing programs

Most programs were well-resourced because resources were shared across existing programs, enabling surge capacity by using staff already in place. Where programs were redirected and/or extended, this increased the delivery speed of programs and reduced administration costs.

Maintaining the intent when delivering

Most programs kept to their scope and delivered the planned outputs and services to communities which meant the package did its job. Maintaining the scope of programs should continue, not withstanding the need for program delivery to be flexible to meet community circumstances and needs.

Dedicated resources improved delivery

Programs performed well when staff and resources for the delivery were planned with the right skills available by government and non-profits. The capacity of local governments and communities to deliver programs is being planned for and this should continue. For example, DRNSW's Regional Drought Resilience Planning Program is supporting councils and their communities to plan for future droughts.

Key Themes

Drought will happen again and while the rubric results showed the 36 programs rated well in terms of policy alignment but there were also areas for improvement.

While the drought package did its job, NSW Government is dedicated to listening, learning, and improving our approach to drought. The evaluation identified 17 recommendations that can be characterised into the following themes:

Improving the use of data and evidence could support drought decisions

Characterising and monitoring data indicators of drought could help state and local governments to identify communities at risk of drought and to guide the design and activation of programs before a crisis occurs. Analysing this data can also support decisions about where programs are most needed.

Improved use of data is most effective in supporting drought decisions and program evaluations where a consistent framework is set and applied for the type and quality of information to be collected.

Plan early and take steps towards resilience building

The drought response programs that were delivered made positive contributions to supporting regional NSW drought affected communities. The programs highlighted the need to better prepare communities to minimise the need for government support in future droughts.

Some programs addressed newly identified community needs which could be considered in community preparations for drought or by governments in future revisions to the National Drought Agreement and NSW Drought Framework.

Establish and maintain communications between agencies and with communities

Where agencies coordinated planning and shared information about existing programs (through NSW Government forums, led by DPI and then by DRNSW), lessons were learnt, and programs could adapt for effective delivery.

Where existing programs were used as a platform, in some cases this helped to rapidly deploy the response as the system and governance was already in place. Customers were also more likely to be aware of where to find information.

The design of response programs appeared most effective where the community was consulted. This meant a range of factors could be considered such as whether the demand existed, was the solution appropriate and how regional staff could support surge activity in the roll out.

Using regional communication channels that local people are familiar with to communicate, drought program information can help to reach those in need quickly, effectively, and equitably.

These key findings align with previous research on emergency responses to community shocks that emphasise the importance of early preparation to support social capital and cohesion in a crisis.

Recommendations

Based on the key findings, the evaluation report made the following recommendations:

1. **Implement project-level accounting approaches**

   Implementing project-level accounting approaches could assist with collecting better data on program spend. This could help to identify program efficiencies and their effectiveness in responding to drought in regions.

2. **Set baseline standards for administration data collection**

   Specifying minimum data sets for real-time and retrospective monitoring of programs could support more efficient data collection and consistent analysis of drought response impacts.

3. **Gather evidence of demand and of what program models are effective in addressing drought in communities**

   Program design and business cases need to demonstrate community demand for proposed solutions. This could be improved through greater community consultation.

4. **Adopt the IPART NSW Drought Evaluation Framework as a minimum compliance requirement for funding**

   Program design should include the IPART NSW Drought Evaluation Framework. This will provide a consistent minimum evidence base for program funding decisions.

5. **Develop business cases for programs and make these readily available for review and use**

   Program business cases should be developed and align to the IPART evaluation framework. This will support coupling a clear rationale to how a program will be delivered, improving response times.

6. **Enhance central coordination of drought support activities**

   An enhanced, permanent central coordination function with responsibility for engaging agencies on drought i.e., business cases, data collection and evaluation will ensure government support services are rapidly provided and relationships with communities maintained.

7. **Implement a common approach to program design, authorisation, and delivery**

   Program design, authorisation and delivery should be consistent, which could be managed by a central coordination function.

8. **Involve communities in design and delivery process**

   Program design should include targeted communities, supporting buy-in and tailoring solutions for more effective delivery.

9. **Develop improved DroughtHub resources**

   The DroughtHub site should be revised to improve access by communities to drought packages.

10. **Better align program communications with primary producer and community modes of access to information**

    A range of communication channels will support timely information flow to target regional communities. Greater balance between online and traditional media will improve more consistent access to program information.

11. **Improve supports to help people navigate programs**

    Improved guidance and support for staff to help those eligible to access programs.

12. **Adopt minimum requirements for program evaluations**

    Standardising program evaluation will provide access to assessment tools for assessing proposed support packages and accountability for ongoing program improvements.

13. **Develop an overall Monitoring and Evaluation framework for drought support**

    A standard framework adopted across agencies and guided by a central agency such as DRNSW would support collective monitoring to ensure drought support is functioning effectively and efficiently.

14. **Ensure that key decisions on program selection and support selection are transparent**

    The rationale for program decisions should be documented and readily available for transparency.

15. **Use existing base of decision making and evidence where possible**

    Program design should consider existing programs to streamline funding decisions and reduce process duplication by applicants. This will help applicants to access the funds in a more streamlined way. A central office for coordinating such programs may assist.

16. **Identify opportunities to build short-term drought responses on top of existing programs (surge capacity)**

    Preparedness and resilience programs and existing support services should be invested in and built on for 'surge capacity' that can be leveraged for fast program delivery to communities in a response.

17. **Expand the NSW Drought Framework pillars to explicitly address gaps in drought support**

    Consider other initiatives that should be included in the NSW Drought Framework that support communities in times of drought hardship.

Response to the key recommendations

The evaluation's findings are largely supported with some considerations. The findings were substantiated using a range of data that provided a logical conclusion and a clear path for improving government policy and practice decisions and approaches to better prepare communities for drought. The themed findings also align with findings from the *Inquiry into support for drought affected communities in New South Wales*, which NSW Government responded to in 2020-21.

Many activities are already being delivered by the NSW Government to address the key findings and recommendations which is further explained in **Appendix B table of recommendations and response**.

The FRR strategy will continue to drive long term preparedness initiatives for drought. DRNSW will also establish a Community of Practice that will bring agencies together to share information about drought issues and discuss best practice methods for communication, program development and management and evaluation. This will ensure agency relationships are maintained and awareness of best practice, that can be used in a response.

A long-term approach to drought resilience

The NSW Government refreshed the 20-Year Economic Vision for Regional NSW to guide future decisions to support communities to recover from successive shocks and build future resilience.

NSW continues to feel the impacts of the most recent drought, and we will take these lessons to be better prepared for next time. The research tells us that NSW will continue to have highly variable rainfall from year to year, making longer-term changes difficult to discern. This will challenge our people and the environment. [1]

Future droughts are likely to be more frequent and intense across NSW, so we need to continue to invest in preparing our communities. We continue to monitor drought conditions closely.

The NSW Government recognises the need for a coordinated, whole-of-government approach to better prepare for the next drought. In July 2021, the FRR strategy committed $64 million to drought preparedness through 14 commitments. These were selected to drive action to help regional communities prepare for the effects that drought can have on the economies, cohesion within communities, the mental and physical wellbeing of people, respecting cultural and economic rights of Aboriginal people, animal welfare, and the health of the environment. These preparedness actions are developed and communicated across agencies in a coordinated way to ensure funding decisions are more streamlined and programs are aligned to a common purpose, reducing the risk of duplication across NSW.

In 2022, the NSW and Australian governments are investing a further $14.2 million in regional drought planning across NSW over the next three years. This partnership will bolster support for NSW farmers and regional communities by expanding the Regional Drought Resilience Planning Program (RDRP). These funds will also support the fostering of best practice approaches to drought planning, as well as sharing and addressing drought learnings across agencies and communities.

https://www.regional.nsw.gov.au/

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[1] https://www.soe.epa.nsw.gov.au/all-themes/climate-and-air/climate-change#programs-

Appendix A: Drought Support Package 2017-2021

Program	Agency
Young Farmer Business Program	Department of Primary Industries
Rural Resilience Program	Department of Primary Industries
Donated fodder transport subsidy	NSW Rural Assistance Authority
Farm Business Skills Professional Development	NSW Rural Assistance Authority
Aboriginal wellbeing services	NSW Health
Connections Program	NSW Health
Farmgate Counselling Program5	NSW Health
Mental Health Sports Fund	NSW Health
Mental health training	NSW Health
Royal Flying Doctors Far West Drought Support	NSW Health
Rural Adversity Mental Health Program	NSW Health
Virtual mental health service	NSW Health
Peer Support Australia	NSW Health
National Association of Loss and Grief (NALAG)	NSW Health
Fish death mitigation program	Department of Primary Industries
Changes to kangaroo management	NSW National Parks and Wildlife Service
Western Division land rent waivers	NSW Crown Lands
Waiving annual fees for beekeeping permits	Forestry Corporation of NSW
Animal welfare and stock disposal	Department of Primary Industries
Waiving Local Land Services rates	Local Land Services

Drought Assistance Fund	NSW Rural Assistance Authority
Drought Transport Subsidy	NSW Rural Assistance Authority
Farm Innovation Fund	NSW Rural Assistance Authority
Farm Innovation Fund interest fee waiver	NSW Rural Assistance Authority
Agriculture vehicle registration fee waiver	Roads and Maritime Services
Heavy Vehicle Access Program	Transport for NSW
Fixed water charges	WaterNSW
Heavy Vehicle Registration Program	Transport for NSW
Local Sport Grants Program	Office of Sport
Sports and Recreation Drought Respite Centres	Office of Sport
Drought Break Holiday Program and the Drought Break Sports Roadshow to support drought affected children	Office of Sport
Drought support payments for preschools	NSW Dept of Education
Drought Stimulus Package - Fast tracking identified infrastructure projects	Dept of Regional NSW
Office of Drought Response	Dept of Regional NSW
Domestic water carting rebate	Dept of Planning and Environment
Emergency water carting	Dept of Planning and Environment

Appendix B – Response to Recommendations

Key Findings and Recommendations	Response
Theme 1 – Improve agency use of data and evidence	
Implement project-level accounting approaches (recommendation 1) The implementation of program project-level accounting approaches could assist with data collection on program spend. This could help to identify program efficiencies and their effectiveness to drought in regions **Set baseline standards for administration data collection (recommendation 2)** Specifying minimum data sets for real-time and retrospective monitoring of programs will support efficient data collection and consistent analysis of drought packages impacts.	***A standardised approach to collecting project data will be adopted.*** ***(Addresses Recommendations 1 and 2)*** During the drought, the NSW Government implemented a tracking system, providing quarterly reporting on the progress of drought support package projects and program spend to the NSW Government Delivery and Performance Committee. This Committee, responsible for assessing the data components of every new policy proposal, ensured the services were as seamless and uniform as possible. This approach will assist future drought response programs. The NSW Government commenced a reform of its budget outcomes framework in 2017-18. This reform was a direction for NSW Treasury to place greater emphasis on the outcomes and performance of programs. This reform has concluded with a new approach to investment decision making for NSW Government clusters, which is supported by the *Government Sector Finance Act 2018*. Clusters are now required to collect data and report quarterly against a set of agreed indicators. NSW has four State Outcomes, with 34 State Outcome Indicators and 62 Program Performance Measures. Project accounting information is collected and published annually in the Outcome Business Plan (OBP). This approach aims to improve alignment and effectiveness of NSW's budget and delivery of State Outcomes. The NSW Government conducted the Grants Administration Review in 2022. New processes will improve accountability and transparency of grants administration. The Good Practice Guide to Grants Administration was updated to support effective and consistent program management and administration across government. The revised Guide includes mandatory requirements to ensure accountability in grants administration with enhanced probity requirements including internal audits of data to monitor compliance. It follows legislative requirements of the *Government Sector Finance Act 2018* (NSW) and the Government

Information (Public Access Act) 2009.

A whole of government website will provide up to date information around grants such as expenditure data that will be presented consistently.

A cross agency community of practice will be convened by the Department of Premier and Cabinet on program management including data collection methods and monitoring of packages.

For existing drought response measures, the data collection mechanisms already in place will continue to be used in alignment with new policies. For example, the Rural Assistance Authority implemented a new enterprise resource program integrated with a customer relationship management system to better support records and financial management. The Department of NSW Health also has robust accounting in place that is overseen by an internal audit branch that will continue to be used.

Adopt the IPART NSW Drought Evaluation Framework as a minimum compliance requirement for funding (recommendation 4) Program design should consider the principles and standards set out in the IPART NSW Drought Evaluation Framework. This will provide a consistent minimum evidence base for program funding decisions.	***The use of IPART NSW Drought Framework will be adopted as a minimum compliance requirement.*** ***(Addresses recommendations 4 and 12)*** The IPART NSW Drought Evaluation Framework (IPART Framework) was published in 2016 and forms a key element of NSW Government best practice for drought program design. The framework allows for consistent assessment of the effectiveness, efficiency, equitability, and how complementary Commonwealth drought programs are. The IPART Framework provides a minimum standard which has key principles that agency programs can align to. NSW Government agencies have other reporting frameworks to comply with that provide rigorous requirements for program design, monitoring and evaluation. Agencies use the IPART Framework alongside other evaluation frameworks that apply the relevant NSW Treasury policies. The principles and standards of this approach provides flexibility in program design to account for local circumstances or specific areas of technical best practice, for example mental health.
Adopt minimum requirements for program evaluations (recommendation 12) Standardising program evaluation will provide access to assessment tools for assessing proposed support packages and accountability for ongoing program improvements.	The IPART Framework also supports the evaluation of the appropriateness of drought assistance programs (recommendation 12). Stage 1 of the Framework was designed with the consideration of the previous intergovernmental agreement on drought, and so would need to be reviewed against current and future National Drought Agreement (NDA) to ensure it remains fit for purpose. Where appropriate, the IPART Framework will be used to establish a consistent approach to the minimum data required to be collected for DRNSW funded drought programs. In addition, the NSW Government will draw on expertise provided by NSW Treasury's Centre for Evidence and Evaluation (CEE) which sets the standards for building evidence around government decisions. Two key guides provided by the CEE that will be used in program design and evaluation include the TC18-03 Program Evaluation and NSW Government Evaluation Guidelines. DRNSW will establish a Drought Community of Practice that will promote the use of best practice evaluation methods for application to drought response programs. This will include updates on the IPART NSW Drought Evaluation Framework and CEE products.

Gather evidence of demand and of what program models are effective in addressing drought in communities (recommendation 3) Program design and business cases should include consultation processes particularly with the relevant communities as rationale evidence.	***Continued and improved use of evidence to inform program design.*** The NSW Government uses community responses to help inform future programs, as well as other reliable evidence such as evaluations. Agencies recognise their obligations to respond to community needs. The NSW Government uses standard program logic and analytical review tools from the NSW Department of Premier and Cabinet to review the needs of programs through a consultative process with stakeholders. The NSW Government has adopted the recently reviewed grants administration processes in NSW. The new processes will improve accountability and transparency of grants administration. The Good Practice Guide to Grants Administration (C2010-16) was updated to support effective and consistent program management and administration across government. The Guide includes a Cross-Department Grants Planning Model that can be applied to ensure appropriate programs are designed, informed by data and evidence involving community consultation at all levels, from local non-government agencies to cluster CEOs. The NSW Government will continue to design programs and business cases that demonstrate community demand for proposed solutions. For example, the NSW Government used community consultation responses captured during the *Inquiry into Support for drought affected communities in New South Wales.* This consultation informed the Department of Regional NSW's design of the FFR strategy and several of its programs, including the Regional Drought Resilience Planning (RDRP). Program This program engages councils to consult their communities to plan and prioritise drought preparedness activities. Another example is the NSW Department of Planning and Environment leading the development of 12 regional water strategies that will inform future programs. The strategies are informed by a range of evidence including from consultation with local government, councils, communities and service providers. Some agency led programs also draw on specialist expertise to lead program design. This ensures the best possible outcome for communities. For instance, NSW Health draws on health experts to design mental health programs. The Drought Community of Practice that will be formed by DRNSW will also promote best practice program design models across NSW agencies that can be applied to drought.

Develop an overall Monitoring and Evaluation framework for drought support (recommendation 13) A standard framework adopted across agencies and guided by a central agency, such as DRNSW, would support collective monitoring to ensure drought support is functioning effectively and efficiently.	***A standard framework to monitor and evaluate drought programs will be adopted*** DRNSW will engage with NSW Treasury's CEE when developing a monitoring and evaluation framework for drought support programs for response and will adopt (where relevant) the 2016 IPART NSW Drought Evaluation Framework as a minimum compliance requirement for DRNSW drought funded projects. Under current NSW Government Evaluation Guidelines (C2016-01) (Guidelines) clusters are expected to monitor and evaluate programs in accordance with the Guidelines. Clusters are required to prepare an evaluation schedule for programs, for approval by the Cabinet Expenditure Review Committee. This ensures programs are being monitored and evaluated consistently. The Guidelines are being reviewed and due to be published in late 2022. These will set the evaluation requirements for NSW Government clusters going forward, providing a rigorous, systematic and objective process to assess programs, including their effectiveness and efficiency. The Guidelines will provide some flexibility to ensure the evaluation of sensitive programs, such as mental health support delivery, can be tailored and led by agency specialists. The Drought Community of Practice will promote best practice to agencies, encouraging additional rigour to agency led evaluations.
Theme 2 – Plan early, often and take steps towards resilience building	
Develop business cases for programs and make these readily available for review and use (recommendation 5) Program business cases should be developed and align to the evaluation framework. This will support coupling a clear rationale to how a program will be delivered improving response times.	***The NSW Treasury's Centre for Evidence and Evaluation (CEE) can support business case development for drought initiatives.*** NSW Government agencies use the CEE as an expert advisor to support evidence-informed decision making about programs and business case design. Agencies must be compliant with the NSW Government Business Case Guidelines (TPP18-06) and Program Evaluation and NSW Government Evaluation Guidelines (TC18-03). Agencies apply the CEE's program evaluation guidelines (TC18-03 Program Evaluation and NSW Government Evaluation Guidelines) to build a robust evidence-based business case for their programs to meet Treasury's requirements. Agencies recognise that the NSW Government Business Case Guidelines are best practice whilst flexible enough to account for each agency's objectives. DRNSW adopted this approach in 2021 to develop the FRRS business case with several agencies and will

	continue to adopt this approach when developing new drought business cases.

NSW Treasury is currently updating the Evaluation Guidelines with an outline of requirements and recommendations as well as advice on developing a monitoring and evaluation framework and ex-post economic evaluation. |
| **Identify opportunities to build short-term drought responses on top of existing programs (surge capacity) (recommendation 16)**

Preparedness and resilience programs and existing support services should be invested in and built on for 'surge capacity' that can be leveraged for fast program delivery in a response. | ***Drought preparedness programs continue to improve the resilience of communities***

The NSW Government's FRRS initiatives are improving the resilience of communities by supporting them to plan and prepare ahead of the next drought. These initiatives, along with other agency programs are being co-designed between state and local government with community stakeholders to identify and build the skills, capacity and social cohesion requirements of the regions. These preparations are intended to improve community's ability and capacity to respond to drought.

For example, under the FRR strategy, DRNSW is delivering the RDRP, which is supporting councils and their communities to plan and prepare for future droughts. This planning is community-led and owned, building on existing strategic planning. Planning is collaborative and evidence-based, recognising diverse regional knowledge and perspectives, and reflecting the region's unique social, economic, and environmental features. The Program is ensuring councils and communities reflect on the last drought and identify opportunities to build stronger resilience and leverage current capacity.

Intervention programs for early response are being identified. For instance, DRNSW's Local Land Services and Department of Primary Industries (DPI) have identified early intervention programs. These programs could be quickly implemented to address animal welfare issues in early stages of drought to minimise the number of Stock Welfare Panels, reduce fish deaths and enhance animal welfare outcomes through on-farm livestock management initiatives. |
| **Enhance central coordination of drought support activities (recommendation 6)**

An enhanced, permanent central coordination function with responsibility for engaging agencies on drought i.e., business cases, data collection and evaluation will ensure government support | ***Coordination across agencies will continue***
(Addresses recommendations 6 and 7)

DRNSW has established a Drought Coordination Team that is responsible for engaging with federal, state and local agencies on drought. The team oversees the FRR strategy including the Drought Signals project to design a framework and tool that summarises up-to-date data, indicators and analysis for local and state government to support evidence-based decision making around drought support. The tool could be used to inform earlier intervention and coordination of drought activities when drought encroaches. |

services are rapidly provided and relationships with communities maintained.	DRNSW will also establish a Drought Community of Practice as a forum for agencies to engage on drought matters. This partnership approach will encourage coordination between agencies on drought preparedness activities. This may include sharing insights about each agencies approach to program design and delivery, ideas for business case development, best practice approaches to program design, evaluation methods and community engagement.
Implement a common approach to program design, authorisation, and delivery (recommendation 7) Program design, authorisation and delivery should be consistent, which could be managed by a central coordination function.	The authorisation and delivery of programs will remain with the responsible agency and its funding, however where appropriate program information will be shared across agencies to enhance coordination. Agencies will continue to use and follow the NSW Premier and Cabinet and NSW Treasury tools and resources on Cabinet processes on business case development for the authorisation of programs. This includes following the Cabinet Practice Manual and Evaluation Toolkit and NSW Treasury CEE guidance.

Expand the NSW Drought Framework pillars to explicitly address gaps in drought support (recommendation 17) Consider other initiatives that should be included in the NSW Drought Framework that support communities in times of drought hardship.	***The NSW Drought Framework has expired, and a new framework will be identified*** DPI is developing an implementation plan to action the recommendations from the evaluation of DPI's Drought Relief Measures. This includes reviewing the future approach to drought and how to work with industry to identify gaps and needs using a contemporary framework validated by new data sources, program logic and robust business case development.

Key Findings and Recommendations	Response
Theme 3 – Establish and maintain communications with communities, and within government	
Involve communities in design and delivery process Program design should include targeted communities, supporting buy-in and tailoring solutions for more effective delivery **(recommendation 8)**	***Communities will continue to be involved in the design and delivery of drought programs*** The NSW Government will apply the findings from the 2022 Grants Administration Review and adopt a renewed Good Practice Guide to Grants Administration. The Guide includes a Cross-Departmental Grants Planning Model designed to provide evidence of the community need and drawing on the greater community for determining how needs of regions can be addressed to improve our service delivery. NSW is including relevant communities in the design and delivery of programs. For example: DRNSW's RDRP is supporting councils and their communities who are most vulnerable to drought, to plan and tailor solutions for their region. The Program's design was supported by community advice submitted to the *Inquiry into support for drought affected communities*. The RDRP planning is community-led and owned, building on existing strategic planning and technical studies and evidence collected from community consultation. The planning recognises the diverse regional knowledge and perspectives, and reflects the region's unique social, economic, and environmental features. DRNSW has supported councils to deliver the planning effectively by providing a suite of program guidance documents for stakeholder engagement, project management and drought planning with their communities. These materials were trialled by councils and tailored based on feedback. Our government is also engaging with a range of data sources to inform program design including the Subjective Wellbeing Survey and working with key program partners such as Commonwealth's Department of Agriculture, Fisheries and Forestry to review the applicability of their drought cycle market research findings on *Communicating with NSW Regional Communities*.

Develop improved DroughtHub resources (recommendation 9) The DroughtHub site should be revised to improve access by communities to drought packages.	***DroughtHub will be reviewed and improved*** The DroughtHub website will continue to be reviewed frequently as part of DRNSW's drought preparedness and response activities. When drought conditions occur, the website can be reviewed for broader content outside of the primary industries theme.

Better align program communications with primary producer and community modes of access to information (recommendation 10) Alternative (to website) communications will support timely information flow to target regional communities. This will improve more consistent access to program information**.** **Improve supports to help people navigate programs (recommendation 11)** Improved guidance and support staff to help those eligible to access programs.	***Communication strategies will use a range of communication channels for timely and targeted information (Addresses Recommendations 10 and 11)*** Connecting with communities on programs by using the NSW Government Communications Framework is helping to maximise how government communicates, supporting the coordination of consistent program information, tailored to the regional stakeholder. A program logic approach to planning programs has been broadly adopted. This is helping to clarify both government and community needs when setting communication objectives, including providing consistent program messages. The recent Grants Administration Review in NSW and the Good Practice Guide to Grants Administration will be applied to support effective and consistent program management and administration across government. This includes following advice about good practice for promoting programs. This includes the use of www.communitybuilders.nsw.gov.au to share grant programs details in a timely and consistent way for communities. Clusters have commenced applying these approaches. For example, DRNSW's RDRP Program, which is supporting councils and their communities to plan for future droughts is helping DRNSW to identify the drought preparedness needs of councils and communities for programs for future droughts. By engaging directly with primary producer stakeholders and the broader community through workshops, surveys and interviews the RDRP Program is finding out the best ways to communicate about drought programs to regions. NSW Government agencies will continue to use and expand existing communication networks to ensure the information is best targeted. For example, DRNSW primary industries has a Managing Drought Guide which is a critical resource for primary producers. This guide was provided to every

	Local Land Services rate payer during the recent drought and this approach was well supported by primary producers. DPI will continue to keep this guide updated with the latest information and technical advice. Beyond web communications, NSW Health has existing communication networks with primary producers and rural communities through programs such as the Rural Adversity Mental Health Program used to target regional communications.
	The NSW Rural Assistance Authority (RAA) is undergoing a customer centred transformation of service delivery with Digital Restart Funding, making it easier for producers to report damage and access assistance quickly through a streamlined, digitally enabled application process. The RAA is also reviewing the definitions used to assess eligibility to assistance programs to make them intuitive, equitable and future proof. The RAA also now has on-going evaluation of all programs that is used in real time to make program adjustments and improvements to the customer journey.
	DPI monitors and reports on climatic conditions across the state, distributing an objective assessment each month called the State Seasonal Update. Drought conditions are automatically monitored in NSW using the Enhanced Drought Information System (EDIS), providing planners, industry and stakeholders with up to date and targeted information about the droughts footprint across NSW, including its intensity and duration. EDIS is currently being upgraded to improve its accuracy and availability. These enhancements will not only help farmers make better decisions in the next drought but strengthen the information the Government can use to coordinate devise and target programs.
	DRNSW is also developing a complimentary Drought Signals Framework that will be web accessible to help councils with readily available information that signals the onset and potential impacts of drought. This will help local governments to target assistance and other policy and program measures to mitigate the impacts of drought the community. It may also provide our government with additional data analysis to support the determination of eligibility for programs.
Ensure that key decisions on program selection and support selection are transparent (recommendation 14) The rationale for program decisions should be documented and readily available for transparency.	***The NSW Government Business Case Guidelines are followed by clusters to inform evidence-based investment decisions*** NSW Treasury Business Case Guidelines (TFF18-06) are applied to all investment proposals, and they provide improved transparency and robustness of NSW Government clusters investment. Clusters are also supported by NSW Treasury on related guidelines including the NSW Gateway Policy (TFF17-01) for delivering value for money to NSW taxpayers and the Cost-Benefit Analysis Guidelines. DRNSW applied these processes when designing the NSW Government's FRR strategy to improve drought resilience in regional NSW. These Guidelines supported our investment decision making,

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particularly in understanding the benefits that the key actions would bring for regional communities. The outcomes of the decisions are publicly available in the strategy. The DRNSW prepared an update on the progress of the projects for greater transparency.

The NSW Government also applies the NSW Government Program Evaluation Guidelines which provides a rigorous, systematic and objective process for supporting evidence-based program decision making. The process includes use of a program logic to document a clear rationale for any business case. The NSW Government is accountable and follows the guidance of the Audit Office of New South Wales which provides robust frameworks and processes to ensuring program decisions are transparent.

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Use existing base of decision making and evidence where possible (recommendation 15)

Program design should consider existing programs to streamline funding decisions and reduce process duplication by applicants. This will help applicants to access the funds in a more streamlined way. A central office for coordinating such programs may assist.

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Organisational structures support consistent program design across agencies

The NSW Government uses established governance arrangements within agencies that support the coordination and sharing of program designs. For example, DRNSW has a dedicated organisational structure to centralise regional programs and grants management advice across its clusters and to the community. Additionally, a central Drought Coordination Team has been established with one of its functions being to establish a Drought Community of Practice for state agencies to share information about programs. This governance aims to identify existing and new programs, reducing the potential duplication of programs and to encourage collaboration and alignment of programs and communications to applicants.

The NSW Government also follows NSW Treasury Business Case Guidelines (TFF18-06) for all investment proposals, ensuring decisions about NSW Government cluster investment are evidenced based and robust. Clusters are also supported by NSW Treasury on related guidelines including the NSW Gateway Policy (TFF17-01) for delivering value for money to NSW taxpayers and the Cost-Benefit Analysis Guidelines.

NSW Government recently reviewed grants administration processes and the Good Practice Guide to Grants Administration will be applied to support effective and consistent program management and administration across government. This includes following advice about good practice for promoting programs such as the use of www.communitybuilders.nsw.gov.au to share grant programs details in a timely and consistent way for communities.

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