MURRAY DARLING BASIN PLAN
EVALUATION FRAMEWORK

Project terms of reference

Prepared for the Murray Darling Association
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1. BACKGROUND

The Murray Darling Association, MDA, is a membership based peak representative organisation representing local government and communities across the Murray Darling Basin. The Basin covers 14 percent of the land mass of Australia. There are 181 local government organisations across the Basin who derive their wellbeing from the resources of the Basin. Eighty-two of these organisations are currently members of the MDA.

In 2012, the Murray Darling Basin Plan came into effect, with a planned staged implementation of major reforms over a 12 year period. The Murray Darling Basin Authority, MDBA, has been tasked with the implementation of the Plan.

The MDA supports the purpose of and need for the Basin Plan, while noting that the Plan will benefit from the application of adaptive management principles and practices. In its Strategic Plan 2016-19, the MDA commits to:

“work constructively with the MDBA, and other stakeholders using our collective engagement and influence for the overall benefit of the Murray Darling Basin and the communities reliant upon its resources, via the implementation of the basin plan.”

However, the MDA hears from its members, individuals, local government and business communities who are experiencing significant impacts to their towns, their lives and their livelihoods. These impacts are largely attributed to the Basin Plan, with acknowledgment that some other factors may be contributory.

Members are frustrated with the lack of consistent, rigorous and repeatable monitoring and evaluation of the social and economic impacts of the Plan, and consequent gaps in any efforts to mitigate and address these impacts.

What is needed?

In order to address the concerns of its members and ensure that the Plan delivers the best outcomes for the Basin communities, the MDA aims to develop a rigorous and repeatable basin plan evaluation framework and methodology against which the social and economic impacts of the plan can be measured and assessed. The MDA has stipulated that such an assessment tool must be able to identify and distinguish short term, unrelated, and one-off impacts from the underlying performance of the Plan.

Through this assessment tool, the MDA aims to:

- identify social and economic impacts to rural and regional communities as a result of the Basin Plan
- distinguish short term and one off impacts from the underlying performance of the Basin Plan
- identify and develop targeted solutions
- enable better region-wide decision making and the development of regional solutions
- identify and clarify stakeholder responsibility
- strengthen the credibility and efficacy of its advocacy through evidence based decision making and
- improve engagement with its membership base.
2. OBJECTIVES

The two key objectives of this project are:

1. To develop a rigorous and repeatable Basin Plan evaluation framework and methodology that can distinguish the one-off and short term impacts, on communities, from the underlying performance and structural impacts of the Plan. Fundamental to this objective is the production of a consistent set of evaluative data across the twelve Basin regions.

2. To implement the evaluation framework and methodology developed in 1 above at a regional level:
   a. to capture the required regional data
   b. to interpret the data and
   c. to produce user friendly reporting which provides the information required to improve decision making, to identify problems and to shape regional solutions to mitigate and address impacts being experienced.

3. AUDIENCE

The audience for the project outputs will be:

- MDA members
- Local government
- Murray Darling Basin Authority
- State and Federal Government departments and agencies
- Industry groups
- Agricultural primary and secondary producers
- Rural and regional communities.
### 4. PROJECT STAGES

The recommended project stages are outlined below.

<table>
<thead>
<tr>
<th>Project stage</th>
<th>Expected outcomes</th>
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</thead>
<tbody>
<tr>
<td>1. Develop evaluation framework</td>
<td>Approved evaluation framework</td>
</tr>
<tr>
<td>2. Develop generic implementation methodology</td>
<td>Approved implementation methodology</td>
</tr>
<tr>
<td>3. Promote to MDA membership to identify a single Pilot region</td>
<td>Secured interest in framework implementation in a single region</td>
</tr>
<tr>
<td>4. Plan implementation of framework in the Pilot region</td>
<td>Customised implementation plan</td>
</tr>
<tr>
<td>5. Execute Pilot implementation</td>
<td>• Draft regional evaluation report</td>
</tr>
<tr>
<td></td>
<td>• Draft regional evaluation report</td>
</tr>
<tr>
<td></td>
<td>• Feedback from regional stakeholders</td>
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<tr>
<td></td>
<td>• Revision of framework if necessary</td>
</tr>
<tr>
<td></td>
<td>• Final regional evaluation report</td>
</tr>
<tr>
<td></td>
<td>• Development of actionable recommendations</td>
</tr>
<tr>
<td></td>
<td>• Decisions made and solutions developed are informed by the Evaluation report</td>
</tr>
</tbody>
</table>

It is expected that once the Pilot implementation has been completed and assessed, implementation will extend to other regions.
5. STAKEHOLDER ENGAGEMENT

Indicators of social and economic impacts will need to be determined and confirmed through consultation with regional stakeholders, therefore, active stakeholder engagement will be required and encouraged throughout the entire project.

The following mechanisms for engagement are recommended:

1. Steering Committee for the project to include:
   a. MDA Executive + two or three Regional Chairs
   b. MDBA representatives – 1 x Executive and 1 x Board
   c. Western Research Institute, WRI.

   **All project stages**

2. Broader reference group to be involved in the process of selecting the indicators to capture/measure. The reference group could include:
   a. MDA chairs from every region
   b. MDBA representatives
   c. Representative from Regional Wellbeing Survey authors, Canberra University
   d. Representative from CSU/Institute of Land, Water and Society, ILWS
   e. Representative from Australian Institute of Health and Welfare, AIHW
   f. Representatives of Local Government/Regional Business Chambers
   g. Representatives of the Indigenous communities across the regions
   h. Key local, state and federal Government representatives
   i. Local champions with relevant expertise.

   By involving a broader reference group, we’d hope to build ownership and credibility, and therefore improve the chances that the framework will be utilised in a meaningful way.

   **Project stage 1**

3. Regional reference groups, to be determined as the framework is implemented at a regional level.

   **Project stages 4 and 5**
6. KEY ISSUES FOR INVESTIGATION

Impacts on communities can be categorised as:

- Social
- Cultural, linked to social
- Economic
- Physical, infrastructure
- Environmental, natural/systemic/built.

Social and cultural impacts are very closely linked. There is a considerable body of work capturing community sentiment, especially through the Regional Wellbeing Survey, RWS. The MDA supports the efforts of the RWS to capture regional sentiment, however, notes some significant limitations in terms of the hard data that it provides on change occurring in the communities.
Feedback from the Basin communities suggests that they want to understand what the impacts look like and what the outcomes are for rural and regional communities, small towns and local government in terms of community structure, cohesion and function, in order to develop effective and targeted solutions.

The economic indicators selected for monitoring by the MDBA have focused primarily on agricultural impacts with limited extension to other areas of industry or flow-on impacts. Much of the data assessed is sourced from the ABARES farm survey, with in-depth qualitative interviews also undertaken with farmers across the Basin.

Feedback from the Basin communities suggests that they want to better understand:

- the flow-on impacts of reduced agricultural production, on agricultural service providers and the overall economy and
- changes in non-agricultural industry which may be expected to take the place of agriculture as the key sector in some communities.

An understanding of the physical impacts occurring in the Basin, in the form of the hard infrastructure available to communities, will likely be uncovered through discussions of the consequences of social and economic impacts.

Considerable work has been undertaken to date or is underway to capture measures of environmental impact across the Basin communities. The MDBA framework for evaluating environmental change is comprehensive and sits outside the scope of this project.

In response to the concerns raised by its members, in 2014 the MDA partnered with the MDBA to assess the information available from local government organisations within the Basin to assist the MDBA to analyse the trends and drivers of economic change over time. The project identified that local government does collect information that is useful to the ongoing monitoring of impacts, however, there is a lack of consistency of information across jurisdictions and much of the information collected does not directly align to the questions that need to be answered.

For the reasons identified above, the evaluation framework to be developed will focus on the Social and Economic dimensions of impact. It will seek to capture both positive and negative impacts being experienced; and to identify the degree of linkage of the impacts to the Basin Plan, i.e. it will seek to distinguish short term, unrelated, and one-off impacts from the underlying impacts of the Plan.

The selection of the specific indicators to be captured is the subject of Stage 1 of the project and the types of information that will be considered in each dimension are described in the tables overleaf.
**Economic Indicators**

The focus of data collection for this dimension is to source metrics that can track changes occurring in industry and economic health across the Basin, as well as the probable causes of the changes occurring.

<table>
<thead>
<tr>
<th>Impact area</th>
<th>Potential indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall community and business confidence</td>
<td>• development applications&lt;br&gt; • construction certificates&lt;br&gt; • land valuations&lt;br&gt; • estimates of business confidence survey&lt;br&gt; • employment data</td>
</tr>
<tr>
<td>Farm/agricultural industry viability</td>
<td>• profitability&lt;br&gt; • farm sales and trends&lt;br&gt; • water availability and pricing, affordability, across irrigation districts, including trends in the cost of water delivery&lt;br&gt; • overall productivity levels - dairy, fruits etc.&lt;br&gt; • private investment in irrigation and other infrastructure&lt;br&gt; • trends in farming practice i.e. moves from cropping to permanent plantings; food to fibre etc.&lt;br&gt; • intergenerational farming trends, succession&lt;br&gt; • exit statistics</td>
</tr>
<tr>
<td>Other industry</td>
<td>• growth and decline in different industry sectors&lt;br&gt; • linkages to other sectors and the associated flow-ons&lt;br&gt; • productivity</td>
</tr>
<tr>
<td>Generic business</td>
<td>• constraints/barriers to running your business in the community, hard/soft infrastructure issues, population and skills issues&lt;br&gt; • support for business innovation/entrepreneurship in the community</td>
</tr>
<tr>
<td>Linkages to the MDBP</td>
<td>• Has the MDBP had any impact on:&lt;br&gt; - investment in an industry&lt;br&gt; - profit levels&lt;br&gt; - employment&lt;br&gt; • Has the MDBP had any effect on:&lt;br&gt; - industry diversity in the community&lt;br&gt; - overall business confidence in the community&lt;br&gt; - employment opportunities in the community&lt;br&gt; - income levels across the community</td>
</tr>
</tbody>
</table>
Social Indicators

The focus of data collection for this dimension is to source metrics that can be used to identify the:

- impacts and outcomes of specific social conditions and
- the probable causes of the specific social conditions.

Key areas of concern have been selected for exploration from the definition below:

*By social impacts, we mean the consequences to human populations of any public or private actions that alter the ways in which people live, work, play, relate to one another, organise to meet their needs and generally cope as members of society. The term also includes cultural impacts involving changes to the norms, values, and beliefs that guide and rationalise their cognition of themselves and their society.*

The objective will be to uncover impacts on and outcomes for rural and regional communities, small towns and local government.
Many of the potential indicators listed could easily fall into a number of categories.

<table>
<thead>
<tr>
<th>Impact area</th>
<th>Potential indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>The ways in which people live</td>
<td>• demographic changes and the consequences of in/out migration on the community&lt;br&gt;• Meeting aged care needs&lt;br&gt;• Estimates of health and community wellbeing</td>
</tr>
<tr>
<td>The ways in which people work</td>
<td>• Unemployment&lt;br&gt;• Ability to find enough hours of work&lt;br&gt;• Ability to find work that matches my skills and education&lt;br&gt;• Ability to fit work around other life priorities&lt;br&gt;• Noticeable changes to business income e.g. are people spending more, less or about the same locally?&lt;br&gt;• For those entirely or partially dependent on agricultural conditions for work/income: ability to diversify&lt;br&gt;• Retirement, affordability</td>
</tr>
<tr>
<td>The ways in which people and communities organise to meet their needs</td>
<td>• Key people leaving the community/new arrivals taking on leadership roles etc.&lt;br&gt;• Ongoing viability of schools, attracting/retaining staff, numbers of students etc.&lt;br&gt;• Having somewhere to get help/support if life suddenly became very difficult e.g., death of spouse, serious illness, loss of employment&lt;br&gt;• Access to welfare services&lt;br&gt;• Access to specific health services&lt;br&gt;• Level of unpaid care being performed&lt;br&gt;• How often/far people have to travel to necessary services&lt;br&gt;• Availability of key government services e.g. Medicare, Centrelink&lt;br&gt;• Availability of not-for-profit welfare&lt;br&gt;• Homelessness/access to housing&lt;br&gt;• Level of volunteering</td>
</tr>
<tr>
<td>The ways in which people think of their society</td>
<td>• Crime and safety profile including family violence and other forms of less visible crime/safety issues, changes in types of crime/safety issues occurring</td>
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</tbody>
</table>
| Linkages to the MDBP                                  | • What are the most significant changes that have occurred in a community, positive and negative, over the last few years?<br>• What have been the major drivers of these changes?<br>• What are the most significant issues facing a community?<br>• What have been the major causes of these issues?
related need

A related project to map stakeholder, departmental and agency responsibilities specifically in the water delivery and management sector across the Basin and its various jurisdictions will be undertaken separately. The output of this project will be a navigable map of agencies and stakeholders that will equip community members to efficiently access the appropriate people and information as required.
7. PROJECT STEPS

The expected project steps for Stages 1 and 2 are outlined below.

Stage 1: Develop evaluation framework

The aim of this framework is to produce meaningful information that can be assessed at regular intervals to inform decision making and solution development.

The basis for developing the framework will be analysis performed according to the MDA regional structure, however, it is expected that the framework could be implemented at a much lower level.

The proposed project steps are outlined below.

1. Establish Steering Committee for the project to include:
   a. MDA Executive + two or three member Councils
   b. MDBA representative – 1 x Executive and 1 x Board
   c. WRI.

2. Build a profile of the key social and economic characteristics in each region of the MDA.

   This task will involve:
   a. Identifying and briefly reviewing existing studies that have either described the social and economic characteristics of regions across the Basin, or have attempted to document the impacts of the Basin Plan; and determining the overall gaps in knowledge that exist.
   b. Collating data from a range of additional current sources, which may include:
      - Regional Wellbeing Survey
      - SEIFA index data
      - ABS Census data relating to social and economic conditions
      - ATO data
      - Data held by Local Governments
      - Health data
      - Population data and projections
      - Regional economic data
      - Regional agricultural production data
      - WRI data that has identified industrial change occurring at the SA4 level regionally.
3. Develop a list of economic and social indicators along with options for sourcing the data either from secondary or from primary sources. This task will involve:
   a. Developing a list of indicators
   b. Evaluating the list of indicators by asking the following questions:
      • How useful is the data, what does it tell us? Perhaps identify specific examples of what it can tell us.
      • How often is the data published or how often would it be collected?
      • Is the data consistent across state boundaries?
      • How costly will it be to obtain i.e. will this require a costly household survey?
      • Is the data a useful complement to information already being captured, does it fill a gap in our knowledge, or does it replicate information we already have?
      • How reputable/credible is the data?
      • How are outcomes for this indicator linked to the Basin Plan, if at all? Or how can we assess the linkage?
   c. Iterative discussion with the Steering Committee to identify focus areas for measurement in the social and economic dimensions, to rationalise to a subset that they think will meet their needs, and that they would like to take to a broader reference group for discussion and eventual selection of indicators.

4. Conduct meetings with the broader regional reference group. The aim of these meetings will be to:
   a. explain the objectives of the project
   b. discuss the indicators for consideration and gain consensus on which ones to collect/measure and
   c. outline the process going forward, to develop the framework and the eventual outputs of the framework.

By involving a broader reference group, we’d hope to build ownership and credibility, and therefore improve the chances that the framework will be utilised in a meaningful way.

The output of this task will be a finalised list of indicators to be collected/measured including data sources.
Stage 2: Develop generic implementation methodology & report template

This stage develops a generic methodology for collecting and analysing the data to produce usable information. It is expected that this generic methodology will be customised for each region in which it is applied.

The proposed project steps are outlined below.

1. Develop a detailed data collection methodology, including:
   a. For primary data: sampling methodology, target interest groups, key stakeholders, mode of survey/interview, questionnaire/interview guidelines, analysis needs, resourcing required, cost
   b. For secondary data: data sources, timing of data collection, analysis needs, resourcing required, cost
   c. Data collection schedule
   d. Development of specifications for a data repository/portal to house the data collected, such that it is accessible to the MDA community and can be used to fulfil a range of needs. Extending the use of the data collected will increase the returns on the initial investment.

2. Develop a reporting template which will identify:
   a. how the data elements captured will be assessed to formulate overall findings for each region
   b. how recommendations will be developed and
   c. how the information will be presented.

Next steps

Once stages 1 and 2 of the project are complete, the MDA will be in a position to test the framework through implementation in a pilot region. Conducting a pilot will allow the project steering committee and regional stakeholders to:

• assess the value of data captured and
• allow for refinement to the framework to optimise processes going forward.

It is expected that this process will deliver an evaluation framework that is pragmatic and repeatable, and produces meaningful data to inform the decision making process.