

Future Drought Fund Drought Resilience Adoption and Innovation Hubs review: issues paper

September 2024



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Acknowledgement of Country

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

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Background

The Australian Government is committed to enhancing the public good through building drought resilience across Australia's agricultural sectors and communities through the Future Drought Fund (FDF). The Drought Resilience Adoption and Innovation Hubs (the hubs) are one of several FDF programs that work with producers and their communities to prepare for drought.

In 2021, the Australian Government established 8 hubs to help overcome information barriers and coordination failures, and enhance the drought resilience of farmers and rural communities through place-based activities. \$89 million was provided to support the hubs under the first FDF funding plan (2020 to 2024).

The hubs' key function is to provide regionally focused information and support to develop, extend and encourage the adoption of drought resilient technologies. The hubs enhance collaboration between governments, research institutions and local communities, and build the capacity of farmers and communities to better prepare for drought. Every hub has a Knowledge Broker who helps translate science into practice for their region.

Each of the hubs span different agricultural and climatic regions and use local co-design processes to identify priorities and guide the projects they deliver. This results in varied operating models and governance arrangements accommodating the unique needs and opportunities of each regional community.

About the review

In September 2023, the Productivity Commission presented their <u>Inquiry Report on the FDF</u>. The report found that there was scope to improve the accountability of the hubs and clarity of their role in place-based engagement, including with First Nations people, and their links to other FDF programs. The report recommends (Recommendation 7.4) that a mid-term performance review of the hubs be undertaken.

As part of the budget decision in 2024, \$28 million over 2 years from 2024–25 was provided to continue on-ground activity through the current hubs while a review is undertaken. The review will inform any longer-term opportunity, with \$104 million over 6 years available from 2026-27.

Purpose

The review will evaluate the performance of the hubs since their establishment, as well as the governance and operation of the hubs program. The review will also assess the appropriateness of the program into the future.

See the review's terms of reference at Appendix A.

Process

A panel has been appointed to conduct the hubs review, chaired by Daryl Quinlivan and assisted by Charlie Tulloch, Evaluation Expert, with the support of a review team from the department.

Make a submission

The review panel wants to hear from stakeholders who interact with the hubs. This includes producers, state agencies, industry bodies, agribusinesses and partnering organisations. Your input is sought on the performance of the hubs and suggestions for improvements.

The panel has prepared a list of questions to help make your submission.

In 2023, organisations made submissions to the Productivity Commission Inquiry into the FDF, and to the public consultation process to develop a new FDF Funding Plan for the period 2024–2028. Some submissions received through these processes included feedback on the hubs and the review panel will consider this information. However, stakeholders are encouraged to provide further feedback as part of this review.

A separate consultation process is underway on the new Australian Government Drought Plan. Where relevant, this review will take into account any public submissions made as part of the drought plan consultation.

How to make a submission

Stakeholders are encouraged to share their views via the <u>Have Your Say</u> platform. Written submissions can be:

- uploaded to the Have Your Say website
- sent via email to fdfhubsreview@aff.gov.au, or
- sent by post to GPO Box 858, Canberra ACT 2601 (addressed to FDF Drought Hubs review).

The submission process opens on 4 September 2024.

All submissions received will be published online unless otherwise requested to remain confidential.

The closing date for submissions is 2 October 2024. It is intended that the review will be finalised in March 2025, with an initial evaluation report in late 2024.

Contacts

Email <u>fdfhubsreview@aff.gov.au</u> to learn more about the review or see <u>Drought Resilience Adoption</u> and <u>Innovation Hubs</u>.

Questions

Evaluation of the hubs

The first part of this review will evaluate the efficiency and effectiveness of each hub's performance to date.

The review panel is seeking your responses to questions that are relevant to your situation. This will inform our understanding of the regionally focused drought resilience support provided by each hub. Please include comments on any other matters you wish to raise with the panel.

Hub performance in your region

- 1) What do you see as the hub's role?
- 2) How would you describe the local or regional awareness of the hub?
- 3) What have been the main benefits of the hub?
- 4) What challenges has the hub experienced?
- 5) How effectively has the hub worked with other agencies and organisations?
- 6) How does the hub engage with producers? How effective is this?
- 7) How does the hub engage with First Nations people? How effective is this?
- 8) What are the most important skills and capacities the hubs require for success in advancing regional drought resilience?
- 9) How effectively do the hubs collaborate with each other to share products, information and knowledge?
- 10) How effective has the hub been in building drought resilience across your region?
- 11) Which factors do you think most improve drought resilience? For example, changed practices, or investments in new infrastructure, equipment and technology.
 - a) How has the hub focused on these factors to achieve effective change in your region?

FDF drought hubs program

If your organisation interacts with the hubs program as a whole, you may wish to consider the following questions:

- 12) Which gaps in drought resilience services have the hubs program helped to fill?
- 13) Has the hubs program duplicated other available services or supports? If so, how?
- 14) How effective has the governance and management of the hubs program been?
- 15) How effective has the hubs program been in building drought resilience across regional Australia?
- 16) How effective has the hubs program been in building drought resilience across sections or cohorts in regional communities?

Future enhancements

- 17) How could the hubs program be enhanced?
- 18) How could the hubs program work more effectively with other government programs, including the FDF? A list of FDF programs can be found at <u>Appendix B</u>, and further information is available on the <u>department's website</u>.
- 19) What support should the hubs program provide to help producers prepare for and recover from drought?
- 20) Should the hubs program support drought response and, if so, what form could that take?
- 21) The Productivity Commission Inquiry recommended the FDF and hubs program encompass climate change adaptation needs. This might include adapting to higher temperatures and changed rainfall patterns in some regions but exclude natural disasters such as floods and bushfires. How could the hubs best promote climate resilience in addition to drought resilience?
- 22) Is there value in retaining a flexible local approach to hubs activities across each region, or:
 - a) Should greater nationally consistency be sought?
 - b) Would more consistency across hubs be desirable for some hub functions but not others?

Appendix A: Terms of Reference

Focus and scope

The review will:

- 1) Evaluate the efficiency, and effectiveness of each hub's individual and collective performance since establishment, as well as the governance of the broader hubs program, including:
 - the extent to which each individual hub meets the expectations of their contract, the intended outcomes of the Monitoring, Evaluation and Learning Framework, and the objective of the FDF Act 2019 'to enhance the public good by building drought resilience'.
 - b) existing governance, administration, operations and delivery structures (both of the hubs and government agencies). This could include:
 - i) reporting on activities, including consistency of reporting across hubs, and how reporting reflects the activities on the ground.
 - ii) governance committees, including the role of the Drought Hubs Directors Steering Committee, the Hubs Advisory Committee, the FDF Consultative Committee and the department in providing appropriate oversight of the hubs.
- 2) Assess the appropriateness of the Drought Hubs Program into the future, and recommend a new statement of expectations, with consideration of:
 - the key issues raised by the Productivity Commission in the inquiry and prior FDF consultation
 - b) how the hubs interact with other FDF programs (e.g. their role in administering FDF grants, or as delivery partners)
 - the hubs performance in driving a step change in the application of effective drought resilience practices and technologies
 - d) a new statement of expectations, with consideration for the role and purpose of the new program, and related funding model.

Out of scope

This review will not:

- re-prosecute the 2020–21 decision to create Drought Hubs or consider alternative drought related uses for these funds, or
- duplicate the development of a new FDF Monitoring, Evaluation and Learning (MEL)
 Framework.

Appendix B: FDF programs

Table B1 Phase 2 of FDF programs 2024 to 2028

| FDF focus | Program |
|---|---|
| Partnering for Local Solutions | Drought Resilience Adoption and Innovation Hubs |
| | FDF Communities |
| | Regional Drought Resilience Planning (Implementation) |
| Partnering with First Nations Initiatives | First Nations initiatives |
| Building Knowledge, Skills and Capability | Farm Business Resilience |
| | Climate Services for Agriculture |
| | FDF Scaling Success |
| Innovating for Transformation | FDF Long Term Trials |
| | FDF Resilient Landscapes |
| | FDF Innovation Challenge Pilot |
| Measuring Progress and Knowledge Sharing | FDF National Enabling Activities |

Phase 1 of FDF programs 2020 to 2024

- Drought Resilience Commercialisation Initiative
- Extension and Adoption of Drought Resilience Farming Practices Grants
- Drought Resilient Soils and Landscapes Grants
- Drought Resilience Innovation Grants
- Drought Resilience Self-Assessment Tool *
- NRM Drought Resilience Program (Grants and Landscapes) *

^{*}Program now closed