



BLUESALT
Consulting

Future Drought Fund Consultation
Australian Government
Department of Agriculture, Fisheries and Forestry

30 November 2023

Our submission can be made publicly available.

Submission to Future Drought Fund 2024-2028

BlueSalt Consulting is pleased to make a submission on the Future Drought Fund, to inform the next phase of funding from 2024 to 2028. Established in 2016, BlueSalt Consulting (formerly Anna Dixon Consulting) is made up of a team of professionals based across Western Australia's South West region and Perth metropolitan area.

Having lived and worked across regional Australia, we have a strong understanding of the regional context and a genuine commitment to supporting sustainable regional development. This experience is backed by our first-hand experience of drought resilience and the Future Drought Fund in Western Australia.

BlueSalt Consulting has undertaken related work including dry season stakeholder engagement, drought resilience research including demographic and economic analysis for drought vulnerability assessments, drought-related stakeholder engagement planning and preparation of Regional Drought Resilience Plans (RDRP) in Western Australia.

The recommendations in our submission are also informed by our team members' broad experience across the regional social services, scientific and economic development sectors.

Our submission focuses on four topics:

- Elevating the role of social services.
- Coordination to drive collective action.
- Climate change resilience.
- Funding considerations.

Our Submission

1. Elevating the Role of Social Services

We commend the Draft Drought Resilience Funding Plan 2024-28 for articulating a desired outcome of drought resilience as “improved economic, environmental and social resilience”. Sustainable development (at any scale) is underpinned by the need to harmonise the three interconnected elements of economic growth, social inclusion and environmental protection.¹

From our experience in Western Australia, while the Regional Drought Resilience Plan (RDRP) process was useful in bringing community stakeholders together to identify practical actions, the ongoing integration of social services has been a weaker focus. There are a range of contributing factors which are expanded on below for context and warrant close consideration when planning for phase two of the program.

Co-designing with locally operating social services is the ideal, however many regional services are operating in an environment of existing operational shortfalls in funding to provide adequate services. The 2022 Sustainable Funding Survey Report² undertaken by the Western Australian Council of Social Service found that “inadequate funding over successive years has driven the social services sector into unsustainability” in WA, and overall, “insufficient funding is reported more often and more severely by regional organisations than by those organisations based in Perth metro”. Of particular note were regional operators in the Pilbara, Kimberley, and single-region operators in the South West. Overall, the report found the “short- medium- and longer-term sustainability of social services is under threat in Western Australia due to a lack of appropriate commissioning approaches and inadequate indexation of contracts”.

Compounding this is the fact that regional communities already face poorer social determinants. The latest Dropping off the Edge report (2021) found that in general, disadvantage is experienced in regional and remote areas across Australia.³ A project initiated by UWA and the Western Australian Association for Mental Health to understand and document the need for mental health support across three regions of WA (published June 2023) found social determinants that are more pronounced in regional and rural settings include social isolation, loneliness, cultural disconnection, financial stress (including debt and market uncertainty among farming communities), un/underemployment or insecure employment (especially for young people), and housing shortages.⁴

Despite the predominance of these social determinants, the studied communities reported a focus on addressing the symptoms but not the causes of mental distress. Over one third of survey respondents (34%) indicated they were in either high or very high psychological distress, and generally participants did not see ‘resilience’ as an adequate solution to overcoming difficulties such as the changing climate and the destabilising effects of market dynamics on farming. This report also noted that those determinants lie outside the control of the community and therefore must be considered at a systems or policy level in relation to drought resilience across communities.

Some determinants can be influenced at a local level. Of note was the intervention that study participants felt would be most important in making a difference to their mental health and/ or wellbeing was connecting with others and gaining a sense of belonging (see figure 1).

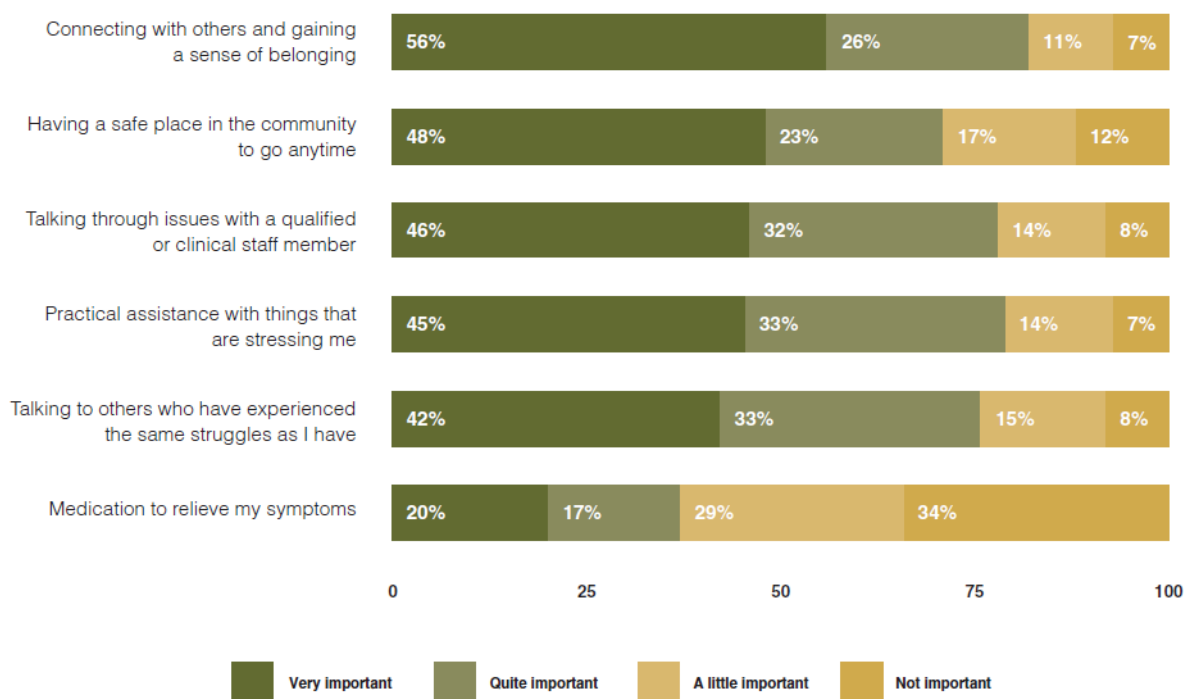


Figure 1: Interventions that survey respondents felt would make a difference to mental health and/or social and emotional wellbeing

A review of indexation in 2023 proposed a ‘rural adjustment’ additional indexing to account for disproportionate inflationary pressure in regional and rural service environments, noting the “incidence of under servicing or unmet need in these areas is increasingly becoming commonplace and the financial health of organisations is, thus, more prone to precarity”.⁵

In WA, systemic advocacy for regional areas in the social services is also hampered. Social services peak bodies generally do not have core funding to focus on regional areas, despite a desire to do so. Therefore, their ability to contribute meaningfully and on an ongoing basis at the regional or sub-regional level is hindered.

As of 2022, only three of the many social services peaks had specific regionally focused staff, being Shelter WA (1 FTE, statewide, concluded), the Youth Affairs Council of Western Australia (3 headcount short-term staff funded by Lotterywest) and the Western Australian Council of Social Service (1 headcount Pilbara staff member funded by a corporate). The remaining (and substantial) number of social service peaks have no staff dedicated to regional locations but may undertake discrete regional projects. This short-term approach also stymies work that requires a longer-term focus, or has long term outcomes, and creates a vicious cycle of employment instability leading to a loss of staff and organisational knowledge.

While we do not suggest it is the role of the Future Drought Fund to address indexation issues of state based peak bodies or social services providers, it is a very important consideration for participation and resourcing given the crucial social and health aspects of drought.

We agree with the Productivity Commission recommendation to continue a shift to place-based planning and action for social resilience (incorporating farm and non-farm segments of the community). A common theme expressed in existing studies is the need for community-led initiatives as well as low-threshold supports that provide opportunities for people to connect and participate, or a safe space where people can ‘hang out’ together informally.⁴

Further guidance on what may be funded could assist communities with plan development, noting the 2011 review of the pilot of drought reform measures in WA recommended the Stronger Rural Communities program be discontinued because it “more closely aligned with regional and rural community development policy than with national drought policy”, and the Draft Funding Plan requires that there are no unnecessary operational or maintenance dependencies.

We also note the proposal to prioritise community organisations with links to regional drought resilience plans for community grants in phase two. Going forward, we agree that greater integration of social services and their peak bodies should be a priority, however the program should be mindful that this participation does not create additional operational burden by ensuring it is appropriately funded and resourced. This consideration should also extend to avoiding unnecessarily onerous and detailed processes for small organisations to shape projects and obtain funding, including avoiding complex application, reporting and acquittal processes to secure time-limited funds that rely on additional operational resources.

Engaging with service providers at a local level and peak bodies at a more systemic level, to design a model that allows for access to their expertise, in a financially sustainable way, would be a win-win for the communities involved and would potentially deliver greater benefits than piecemeal grant funds.

2. Coordination to Drive Collective Action

As detailed above, effective drought resilience relies upon a coordinated approach across environmental, economic and social services. With this comes a need for coordination to ensure that knowledge is shared, duplication minimised, and to drive participation. We see this as an area of improvement for phase two of the program.

Based on our experience, the South-West WA Drought Resilience Adoption and Innovation Hub (operated by Grower Group Alliance and funded by the Future Drought Fund), is an effective model. It has strong grass-roots connections which allow for effective extension and adoption. The collaborative approach to projects, working with grower group members to roll out programs across broad regions to high effect, enables change. It also delivers value for money by creating strategic partnerships to deliver projects via grass-roots grower organisations. It incorporates 50 consortium partners, representing all sectors of the WA agricultural supply chain.

While a local approach is important, there are elements of overlap between regions and the Draft Drought Resilience Funding Plan 2024 to 2028 states that the Fund should support activities at different scales including “farm, community, regional, national”. Coordination would improve opportunities to map and identify linkages between regions and potentially create high impact projects. Examples of missed opportunities in knowledge brokering are both intrastate and between Drought Hubs and RDRPs. Identifying and brokering connections and collaborative opportunities requires resourcing, however the benefits from knowledge sharing and prevented duplication could cover this.

A possible opportunity in WA is to connect and collaborate with local governments with the dual purpose of delivering on their requirements (under the Public Health Act 2016) to have a local public health plan (either standalone or integrated) in place. These plans must integrate with the State Public Health Plan (due for review in/by 2024) which includes an objective of “empowering and enabling people to live healthy lives” and includes place-based initiatives.⁶

Other learnings on coordination can be gleaned from the approaches used in emergency management. While drought is not considered a natural disaster, a review of the Local Emergency Management Committee (LEMC) and District Emergency Management Committee (DEMC) in WA found that the preferred scale of implementation and coordination (local government, district, sub-district) was entirely dependent on the local context, such as:

- A district level approach risks losing important local knowledge as community led and community knowledge lies at the local level. An understanding of local context, including the vulnerabilities of the various sectors of the local community is vitally important.
- District plans/committees were considered “useless” for LGs that are hundreds of kilometres away from each other with very different risks, industries and demographics.
- District/subdistrict LEMA/LEMCs would be most suited to smaller LGs who share a similar risk profile with neighbouring LGs and who have similar populations, industries and infrastructure.
- District/subdistrict LEMA/LEMC model may be less suitable for LGs that are geographically isolated from neighbouring LGs particularly in the Kimberley, Pilbara and some larger Mid-West Gascoyne LGAs (e.g., Shark Bay, Exmouth).⁷

This suggests that coordination and collaboration within and between RDRP will need to be flexible enough to suit the local context, particularly in WA where there are vast distances between some population centres.

3. Climate Change Resilience

We are pleased to see the Draft Drought Resilience Funding Plan 2024 to 2028 recognise that more frequent and severe droughts are one of the many impacts of climate change. We also note the Draft Future Drought Fund Investment Strategy 2024 to 2028 states that building

drought resilience supports the broader ambition to build climate resilience. We believe the first round of the program had a gap in broader climate change-focused initiatives.

Climate change impacts have not been, and are not projected to be, the same across all areas, presenting the need for both individual and collaborative supports and actions. In keeping with our suggestion for coordination and collaboration (see section two), potential exists for sharing and coordination within similar climate systems. Western Australia has five climate zones under the building codes⁸ or four in the IPCC sixth assessment report – northern (NAU), central (CAU), eastern (EAU) and southern (SAU). As well as identifying changes in each zone, the IPCC outlined common changes across Australasia.⁹

While drought is considered an enduring feature of Australia,¹⁰ given the anthropogenic cause of climate change,¹¹ this is above and beyond the norm. As discussed in section one, regional participants in a mental health study in WA identified a common focus on the symptoms not the causes of mental distress and did not see resilience as an adequate solution for them to overcome difficulties such as climate change.

While adaptation is a heavy focus of both the Future Drought Fund Investment Strategy 2024 to 2028 and the Draft Drought Resilience Funding Plan 2024 to 2028, there is no mention of mitigation actions nor the potential for actions that deliver on both. There is expanding literature on the link between climate change and mental health, as well as the need for action on these health consequences to focus on both mitigation and adaptation.^{12 13} It has also been found that when individuals take action to address and respond to climate change, this may also be protective for their mental health¹³ with action fostering meaning and personal growth.¹²

4. Funding considerations

As identified in section one, the RDRP process was useful in bringing community stakeholders together to identify practical actions. We have identified that there needs to be a clearer link between actions identified and approved and pathways to funding. Otherwise, with hundreds of valid ideas generated, there is the potential to disillusion communities and hamper future and further engagement.

We believe that the coordination outlined in section two would assist with the identification of opportunities, brokering of partnerships and applications for funding. It would also allow for the cross-region mapping of issues and opportunities to take place, ensuring that large-scale projects are delivered along with smaller-scale, grassroots ones. Clear, pre-identified funding streams at various scales would assist with the development of RDRPs.

As identified elsewhere in our submission, we have also identified the need for:

- Multi-year funding for regionally based or focused social services organisations, initiatives and/or peak body policy expertise related to drought resilience, recognising that they are already operating in a highly constrained environment – see section one.

- Funding to implement and manage RDRPs, recognising that RDRPs need to be coordinated and delivered within in a geographic area, but cross-collaboration between areas is also important – see section two.
- Consideration for support of actions that have a dual purpose of climate mitigation to deliver resilience, not just adaptation, and support for broader initiatives that address the systemic issues beyond what is achievable at the local level – see section three.

Contact

Once again, thank you for the opportunity to make a submission on the Future Drought Fund, we look forward to hearing the outcomes of this consultation. For any enquiries we can be contacted via team@bluesaltconsulting.com.au

Yours sincerely



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