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Hi Cam

Great to meet you last week, and thank you for taking the time to pass on your thoughts.

I have passed your email onto the team who will be considering feedback into the consultation process. Your email will be treated as a submission.

Should you wish to provide any further information through the Department's 'Have Your Say' page, you will find the details below.

Kind regards

[REDACTED]

[REDACTED]



Have your say on the next phase of
investment under the Future Drought Fund
haveyoursay.agriculture.gov.au/future-drought-fund

[REDACTED]

Sent: Tuesday, November 7, 2023 11:05 AM

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Subject: Thoughts from FDF public consultation in Melbourne Friday Nov 3

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Hi Kim,

Great to catch up with you, Laura and some of the other DAFF team in Melbourne on Friday. I really appreciate your willingness to be open to new ideas.

One suggestion I raised with you was for DAFF to consider an additional mechanism to fund large project applications. I would see it as an adjunct to the current funding approach rather than a replacement.

My experience with the Victoria Drought Hub (and 40 years in agricultural extension) is that it takes considerable time to develop projects that are likely to have real impact, in this case drought resilience. Building drought resilience is a complex challenge – it requires long term commitment (which the FDF provides), but this needs to be matched with the development of well thought out, often complex solutions. The planning takes time but too often we are keen to get onto implementing solutions.

Complex solutions require:

- A clear understand of the barriers and/or opportunities for a certain practice, rather than relying on superficial observations which often don't identify the root causes.
- undertaking significant due diligence to ensure an idea really does have strong evidence to support the proposed actions and the likely impact if implemented.
- contributions from many partners to be successful because the practice change is multi-dimensional e.g. the practice change may require advisors, retail, State agencies and banks to be on the same page.
- A strong level of evaluation to tease out the impact and attribution.

It is impossible to know how long it may take to build a solid proposal, but I do know it takes a big commitment. I believe the hubs already have resources to develop proposals for these complex solutions, through our consultations, pilot projects and investigations. In my mind this should be core business for the hubs.

Unfortunately the current funding arrangements do not work to foster this due diligence. There is limited incentive to 'take your time and get it right' because short timeframes around open calls means there may never be an opportunity to progress the idea again. I believe the current funding arrangements work against getting the best return for the money on offer. As we are seeking transformational change in farm, business and community practice, maybe we need to be innovative in our funding approach too? Meat and Livestock Australia do this with their Donor Company offering. You can submit at any time, it is scrutinised, feedback given, and you continue with the process if you wish until both parties are happy.

I accept the existing open call funding approach is used extensively and Government is comfortable with it. I would like to suggest there be an adjunct funding stream created for the next phase of the Future Drought Fund to accept proposals for consideration that have a strong business case but are out of the open call cycle. While not having considered the finer details, here are few of my thoughts:

- Invitations are open at regular intervals (e.g. Every 6 months) for complex long term project ideas. This regular timeframe allows proposers to know there will be another opportunity if the business case is not ready.
- The business case (project application requirements) could be set higher than the open call criteria (i.e. requires a stronger evidence base), which would deter those not willing to do the due diligence.
- DAFF can provide direct feedback on areas where a submitted proposal lacks information, insufficient partner involvement, cost sharing, analysis, evidence, impact etc. Proponents can, if they choose, to resubmit once these deficiencies are addressed.
- Proposals can only be put forward if they are 'sponsored' by the hubs. This means a hub (or hubs) take responsibility for the quality of the proposal (business case) by the proponent. This should ensure the proposal addresses a priority issue, is not duplicating other activities etc. Hubs need to appreciate they are putting their reputation in the eyes of DAFF at stake. This should improve the 'quality' of the applications, hopefully prevent DAFF being swamped by lame or incomplete proposals.

I believe this mechanism would give the hubs a clear sense of purpose by facilitating the development of large, first-class proposals.

Feel free to ignore this if it sounds a bit too left field!

Happy to chat if you wish to pursue it further.

Thanks again.

Regards,

Cam Nicholson

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