



3<sup>rd</sup> March 2023

Future Drought Fund  
Productivity Commission  
GPO Box 1428  
Canberra ACT 2601

[www.pc.gov.au/inquiries/current/future-drought-fund](http://www.pc.gov.au/inquiries/current/future-drought-fund)

Thank you for the opportunity to provide feedback on the effectiveness of Part 3 of the Future Drought Fund Act 2019.

NRM Regions Queensland (NRMQR) operates as the peak body for Natural Resource Management (NRM) in Queensland.

Queensland's 12 regional NRM organisations are community-based, with a very strong record in delivering significant outcomes for land and water management through a range of programs, including those delivered by the Queensland and Australian Governments. We work in partnership with Traditional Owners, Local Governments, farming groups, the Landcare movement, water utilities and the community, to deliver innovative and science-based solutions to challenges affecting the environment and primary industries. We have deep connections within Queensland's regional communities and work closely with the people who live and work in these towns to ensure their livelihoods are protected for generations to come.

Our diverse State-wide team of over 320 staff located in 27 rural and remote offices across Queensland includes scientists, ecologists, GIS practitioners, engineers, community engagement specialists, and support staff.

These 12 Queensland organisations support regional economies and livelihoods through employment, wages, procurement and encouraging growth in other sectors, while also supporting agriculture, construction, manufacturing, conservation, education, research and tourism sectors, and their local communities. The direct and indirect economic contribution from these regional NRM organisations is approximately \$183 Million per annum with over \$90 Million value add, and we support over 635 jobs in total across rural and regional communities (with a multiplier effect of 2.4).

Regional NRM organisations in Queensland and the Future Drought Fund share key attributes and priorities. Regional NRM organisations have a focus on integrated land management through community engagement and support, and a whole of systems approach. As a result, we have been closely involved in delivery of the Future Drought Fund through contributing to the development of the two Drought Hubs based within Queensland, establishing and delivering nodes throughout the state, participating in strategic planning activities, and the development and delivery of activities across the programs, at both the local and regional level.





Broadly speaking, NRM Regions Queensland is supportive of the Future Drought Fund and the Drought Resilience Funding Plan. The three strategic priorities within the Plan provide a comprehensive approach to supporting increased resilience within the agriculture sector and regional communities. Resilience across industry, the environment, and communities, is central to all NRM activities and the long history of NRM investment in Australia has evolved to meet the needs of commercial agriculture and other industries, while contributing to sustainable management of our natural resources.

Actions delivered on the ground by regional NRM organisation, relevant to the objectives of the Drought Resilience Funding Plan are delivered through a community engagement framework and based on comprehensive and integrated Regional NRM Plans that have been in operation across the regions for close to 20 years. As a result of this history and approach, regional NRM organisations in Queensland have productive and close relationships with a range of local and regional stakeholders including landholders, Governments, First Nations People, and communities. The role of regional NRM organisations as a trusted source of information and expertise has been independently identified and means we are uniquely placed to deliver place-based programs (at either a local or regional scale) identified through the Future Drought Fund.

Our response to the enquiry is provide within this context of community driven NRM and framed as a response to the questions posed in the call for submissions. The breadth of the response and evidence requested is restricted due to the current competing priorities facing all regional NRM organisations and we would welcome the opportunity to meet and discuss the content of our submission with the enquiry. Regular meetings involving all regions in Queensland occur regularly and a discussion of the detail in the submission could be easily coordinated.

**Are the funding principles, vision, aim, strategic priorities, and objectives of the Funding Plan (Attachment B) appropriate and effective?**

The funding principles, vision, aim, strategic priorities, and objectives are appropriate, and the strategic priorities provide a comprehensive approach. The recognition that drought impacts, and resilience goes beyond individual enterprise performance is to be applauded. Recognising both environmental and social resilience at each level of the funding plan provides the opportunity for an integrated approach (especially at a socio-ecological systems or landscape scale) that has the potential to provide enduring outcomes and is considered a major strength of the Future Drought Fund.

It is too early to tell whether many aspects of the Plan have been effective and for many aspects of the Plan, there is an opportunity to increase the evaluation and improvement approach to identify improvements, recognising the role of this review.

Early actions have identified some funding principles that provide greater opportunities for improvement particularly:



- 4) not duplicating or replacing existing Commonwealth, State, Territory, or local government funding programs, with the aim to improve the coordination or integration of existing Commonwealth Government policies, frameworks, and programs where they meet the Fund's purpose.
- 8) deliver programs through a user-based lens and, where possible, a community-led, co-design, and/or end-user approach.
- 11) where appropriate, use or collaborate with existing community networks, Indigenous organisations and communities, natural resource management organisations, industry, and farmer groups.

The specifics of these opportunities are outlined in the responses to the questions below.

**Do the programs, arrangements and grants focus on the right priorities to support drought resilience? If not, what should the programs, arrangements and grants focus on and why?**

The priorities as outlined in the Drought Resilience Funding Plan are appropriate and improvements are focussed more on delivery aspects of the program. Aspects of the delivery can be very specific to individual areas and while this can increase focus, it also creates potential to negatively impact on integration of responses and actions.

There are opportunities to improve arrangements through ensuring delivery against all the principles and priorities. The current funding levels are biased towards increased profitability and economic resilience, with a substantially reduced focus on environmental and social resilience. This imbalance limits the ability to achieve the vision and aims and negatively impacts on community engagement and participation.

The Australian Government commitment to the Future Drought Fund provides the opportunity for long term support for project delivery and this provides potential to achieve transformational change. The long-term commitment of funding also increases the opportunity to leverage additional investment to achieve multiple benefits, for example in Queensland investment through regional NRM organisations is known to provide \$4.20 from other sources for every dollar invested.

The long-term funding approach is a fundamental difference between the Fund and other programs and there is an opportunity to improve on this approach as many of the grants to date, have been called with short time frames for development and delivery of projects. Programs within the investment portfolio should be funded for a minimum period of five years, particularly those that have a regional or local delivery component. This style of project delivery is known to benefit from longer commitments. This will increase efficiency in delivery and confidence in achieving long term outcomes by providing certainty for landholders, security of employment for delivery staff and increased ability to leverage co-investment.

The natural resource management grants have been well coordinated and projects are delivering good outcomes in the early stages of delivery. The Australia Government has



already identified preferred delivery agents for NRM investment through an open and competitive tender process. Using these pre-existing contractual arrangements will increase the efficiency of the administrative arrangements, resulting in quicker implementation and increased funds for on-ground action.

Increasing the emphasis on the environmental resilience priority will achieve the longer-term outcomes of food security and landscape protection. A successful example in Queensland is the Drought Resilient Soils and Landscapes project being led by Healthy Land and Water which has brought together graziers and farmers, local Landcare groups and industry partners to promote and accelerate increased adoption of sustainable land management practices across the region. Activities have included grazing management to improve rotation, rest and recovery of pastures, improving effective groundcover and maximizing water infiltration and retention, trialling new legumes and multi-species cover crops to build soil organic matter and restoring riparian areas provides multiple benefits for soils at paddock and property level as well as across the broader landscape. Through this project, the regional NRM organisation has promoted and shared landholder learnings and experiences through field days, workshops, with a regional forum to be held in June 2024 along with a series of case studies and fact sheets developed from trials and demonstration sites providing an enduring resource for other landholders.

Early approaches to development and delivery of the programs, particularly regarding the innovation components of the fund, have discouraged some participants and reduced further involvement. There is an opportunity to clearly articulate the desired outcomes of specific funding rounds, ensure governance and decision making is transparent, provide meaningful opportunities for co-design and project development, and provide appropriate feedback on unsuccessful applications, to ensure ongoing participation and the development of the most effective projects.

Increased engagement and recognition of local and regional delivery networks will strengthen community engagement and participation in the activities of the fund. The (arrangements for delivery across the Fund do not currently maximise the benefits from working with pre-existing networks and activities. There is a significant opportunity to fully benefit from the experience, networks and planning of regional NRM organisations to drive priorities and the focus of grant programs to meet the needs identified by the community.

### **Should the scope of the Fund be broadened to support resilience to climate change? Why or why not?**

It is noted that the Vision of the Drought Resilience Funding Plan already includes climate change as does the detailed description of the economic resilience strategic priority. Regional NRM organisations in Queensland support the strengthening of the inclusion of resilience to climate change in the Future Drought Fund.

The perception of drought varies across Queensland and the distinction between drought resilience and resilience to climate change is purely academic in many situations. Regional





NRM organisations operate to deliver integrated NRM outcomes, working across all sectors of the community and this approach is essential to deliver true resilience. Many strategies designed to enhance natural capital and increase farming productivity will also enhance resilience to other impacts of climate change such as climate variability, biosecurity challenges and increased pest plants and animals. There is a high degree of overlap between the knowledge and tools needed and the actions required to ensure sustainable agricultural operations, regardless of whether the climatic driver is a period of sustained dry or other climate change driven impacts.

From a land manager perspective, management actions have become increased in complexity and many of the actions applied by land managers will increase resilience, regardless of the cause of the shock. Actions to prepare for everyday climate variability and conditions, aren't specifically dictated by drought alone and don't recognise the formal declaration of a drought. The impacts of 'drought' declaration is mostly due to the trigger for varying policy application, not on ground changes.

### **How could the Fund enhance engagement with and benefits for Aboriginal and Torres Strait Islander people?**

It appears that First Nations People's engagement with the different programs established through the Fund varies considerably. For example, there is evidence of the two Queensland based Drought Hub's working to engage with First Nations people, through meaningful relationships and specific program design. For example, the Tropical North Qld hub has the specific priority of "enhancing Sustainable Aboriginal and Torres Strait Islander resilience" and this is supported through action. Engagement with other programs of the Future Drought Fund is limited and in part this is due to the focus on the economic resilience and profitability of the agricultural sector as highlighted above.

Another significant impact is through the governance arrangements and implementation of the program. The timeframes and processes involved in establishing the Fund, Hubs and designing Hub programs, has made engagement challenging and implementing a true co-design model with First Nations People that recognises and values traditional ecological knowledge as well as enabling the development of appropriate, locally driven program priorities, will enhance engagement across the Fund programs. This co-design process must include the opportunity for First Nations People to determine how they want to be involved and the mechanisms that will work for their community or need.

It is likely that this approach will increase the scope for environmental and social resilience programs that will deliver greater benefits and increased engagement. Additionally, there will be a greater integration of delivery programs and expansion of alternative models and approaches to achieve economic resilience that is not disconnected from environmental and social resilience programs.



**What opportunities are there to enhance collaboration in planning and delivering drought resilience initiatives, including with state and territory governments?**

Coordination between National, State and regional organisations has improved over the short time that the Fund has been in operation through network involvement and effort at the enterprise, local and regional level. There is considerable opportunity to enhance collaboration and reduce overlap and inefficiencies both within the program and through greater integration with other Australian Government and State Government programs.

The creation and establishment of the Hubs has been difficult and, in many instances, has not capitalised on the pre-existing capacity within regions. The attempt to co-design Hub priorities was not well delivered and it is not clear why, however it is possible that this was due to conflicting timeframes for delivery and contractual negotiations with the Australian Government. As a result, the Hub priorities appear to be largely those that were pre-determined by the successful research institution, with an at times academic focus, embedding difficulties in on ground delivery within a community engagement model.

Despite the initial challenges, this is a model that is showing benefit and is developing with time. For example, the Tropical North Qld Hub delivered through James Cook University has demonstrated coordination and program design that has improved and is developing well. There has been recognition of existing networks, capacity and relationships within the region and the Hub has a structure whereby the six regional NRM organisations are the delivery partners and have established the regional nodes. The Hub project committee has a diversity of experience represented and there is regular interaction at the delivery staff level. Opportunities for improvement are recognised and changes made to strengthen the function of the model.

There has been successful engagement, often driven by individual relationships on ground, rather than through planned intent, and has required considerable volunteer input and unintended or unrecognised 'in kind from regional organisations, to fill the capacity gap of Hubs in community engagement and delivery. In some instances, the ongoing willingness to contribute in this way is impacted by the perception that the Hubs have appropriated and rebranded or included the unrelated actions and achievements of partner organisations, in the need to report progress.

There is a significant opportunity to increase recognition of pre-existing strategic planning activities and approaches across the community including, regional NRM plans, Working on Country plans, Regional Disaster Recovery Plans and industry development plans. While development of regional drought plans is a good intent, there is no inherent relationship with existing priorities. Formal recognition of the existing approaches is needed to ensure they are incorporated, and recognition of their relevance is not left to individual planning approaches.

There should be a strong connection between Drought Hubs and regional drought plans. Participants such as regional NRM organisations are well placed to drive this connection, and this should be a clear intent rather than being left to the various planning process. If

appropriately developed, the opportunity for funds to be directed to implement the regional drought plan will provide locally relevant, strategic actions and to achieve resilience, the plans need to recognise previous regional planning and address the three strategic priorities.

In terms of delivery, the disjointed availability and inconsistent design of multiple funding channels, has negatively impacted the ability to deliver integrated programs through collaborative models. There is an opportunity to improve coordination within the Fund to ensure consistency between approaches to funding programs and enable stronger project development that delivers across multiple strategic priorities. The impact of uncoordinated separate funding opportunities across the programs, prior to the development of the strategic direction through Regional Drought Resilience Planning, has resulted in confusion within the community and made cooperation across the program and partners more difficult.

The opportunity to coordinate across programs that are not seen to be within the drought program area has largely been missed, leading to duplication of activities being funded through both State and Australian Government programs, for example in the land sector domain, there is a lack of integration between the national Landcare program, soils, biosecurity and drought programs.

**Are there any other changes needed to improve the effectiveness of Part 3 of the Act?  
Who needs to do what to make those changes happen?**

This review is a timely opportunity to adjust the governance of the Fund. At the national level the governance model can be expanded to reflect the integrated nature of the program and its impacts. This would include expanding current ministerial arrangements to involve all relevant Ministers including the Ministers for Agriculture, Climate Change, Energy the Environment and Water, Indigenous Australians and Industry and Science.)

The governance and delivery model can also be adjusted at the Hub and regional level. In its establishment the application of the fund and the development of the priorities has been a largely top-down approach and to build true community resilience (including all aspects of the 3 strategic priorities) the program requires a strong commitment to local and regionally driven governance.

The Hubs were established with an initial remit that has been substantially increased without transparent process or consideration of whether alternative arrangements would be better suited to deliver the various program components. An academic and research focus and lack of recognition of pre-existing approaches, governance arrangements and connections has resulted in systems and processes being reinvented. This has negatively impacted implementation and value for money with substantial reduction in funds available for on ground delivery and engagement. As outlined in this correspondence, NRM organisations have strong connections with the landholders, and this needs to be utilised to achieve the level of change desired by the Fund.



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A review of the delivery model at the regional level and implementation of changes to clearly identify the most appropriate roles and responsibilities for coordination and delivery, will improve efficiency. NRM Regions Queensland supports a clear approach of Government setting the policy framework, Universities conducting the research to fill the knowledge gaps that then enables regional communities to undertake the actions identified by them through community driven planning, and supported by regional NRM organisations and industry bodies. Within this model everybody has a role that is appropriate to their expertise and motivations and collectively we will achieve drought resilience.

The Drought Resilience Funding Plan provides a comprehensive picture of the priorities and objectives at the program level, however due to the many funding streams and differing timeframes, this clarity is not carried through to the activity level. Ideally the Regional Drought Resilience Plans would have been completed as the first stage and then used to drive the priorities within the Hub and the funding program design. This opportunity is still available with a preparedness to adjust Hub and funding stream priorities as the regional planning is progressed, with the regional NRM organisations being a critical component of the delivery arm integrating productive agriculture and environmental protection to create resilient landscapes and farming systems.

As part of this approach there is a substantial opportunity to provide long term solutions and move away from the short-term funding cycle that negatively impacts on many sustainability related programs and projects.

To reiterate, NRM Regions Queensland is supportive of the Future Drought Fund and the Drought resilience Funding Plan. The three strategic priorities within the plan provide a comprehensive approach to supporting increased resilience within the agriculture sector and regional communities. We believe the improvements identified above will increase the effectiveness of Part 3 of the Future Drought Fund Act 2019.

Thankyou once again or the opportunity to contribute to the review and we will sincerely welcome the opportunity to discuss this further as the review progresses.

Yours Sincerely,

**Chris Norman**

CEO, NRM Regions Queensland

