



Commissioners Joanne Chong and Malcolm Roberts  
Australian Government Productivity Commission

## Response to the Review of Part 3 of the Future Drought Fund Act – Interim report

Dear Commissioners,

The Rural Economies Centre of Excellence (RECoE) is a major research collaboration focused on analysing opportunities to develop rural economies across Queensland. Our partners include four Queensland universities whose collective activity covers the state: The University of Southern Queensland (USQ), The University of Queensland (UQ), James Cook University (JCU) and Central Queensland University (CQU).

We provide high quality, independent research support and capacity building, focused on resolving the pressing problems facing Queensland's regional, rural and remote economies. Our centre fills a major gap in rural economic development as a solutions-focused, applied research and extension facility.

As part of the foundational round of the Regional Drought Resilience Planning (RDRP) Program, RDRP Plans have been developed for five regions in Queensland and are awaiting Australian Government approval. These plans have identified and prepared for the impacts of future drought, to build stronger connections and relationships within and between regions, and improve natural resource management across the region. The remaining nine are underway (to cover the state with a total of 14 regions) with the plans being locally led and owned by the community.

We are writing to provide feedback on the Productivity Commission's review of the Future Drought Fund (FDF). Our feedback relates to the findings and comments on the RDRP as outlined below.

### Interim report summary: Regional Drought Resilience Planning

The FDF funds Regional Drought Resilience Plans in partnership with the states and territories. Implementation has been affected by poor integration and sequencing, a lack of clear ownership and limited funding. In some cases, there are already existing/overlapping plans. Consequently, there is a high risk that the plans will not lead to tangible outcomes and could contribute to further confusion around regional priorities. We are considering how to improve the RDRP program through better integration with other FDF programs, stronger governance and public reporting.

RECoE does not support the interim report summary for Regional Drought Resilience Planning as the RDRPs have a multitude of benefits which greatly offset any risks identified. A summary of these key benefits include:

- Coherent regional focus on what drought means in the region or place.
- Bringing together diverse, cross-sector stakeholders with a focus on drought.
- Taking an evidence-based approach in relation to addressing drought in the region (a more granular approach).
- A regional approach to drought with key regional priorities for action in the short, medium and long term.
- Alignment of the RDRP Plans with other supporting regional initiatives for greater impact and outcome.

Integration is complex and we believe the Queensland-based Round 1 RDRP Plans are well integrated with regional priorities and initiatives. Issues with integration sit outside of the specific RDRP Plans and can be seen as a challenge in the design of the overall Future Drought Fund (FDF) initiatives. There are multiple streams of programs which have not been well integrated, posing an overall challenge for the FDF.

We believe the key risks identified by the Commission for the RDRPs can be managed, that is:

- **Integration issues:** Ensure that the Future Drought Fund framework is integrative, especially at the state and federal government agency level.
- **Consultation fatigue:** The RDRP Plans are owned (via a Memorandum of Understanding) with key regional bodies. As such, the consultation fatigue occurs due to multiple short term funded projects. This can be rectified by addressing how different sub-programs under the FDF are integrated. This action does not require the RDRP project to cease and is in fact a major point RECoE outlined at the outset and were able to mitigate somewhat with our place-based Universities in Northern, Central and Southern Queensland.
- **Implementation:** The initial RDRP funding did not consider implementation funding. RECoE and DAF Queensland agreed to addressing this shortcoming in Round 2 of Queensland's RDRP project and this is being addressed in the current process to develop guidelines and deliver funding to the Round 1 regions. The FDF also agreed to implement in a timelier manner.

Having now engaged, facilitated, and researched the RDRP project across all 14 Queensland regions, something other states do not yet seem to have come close to achieving, the RECoE collaboration of four universities believe the benefits of continuing the RDRP project outweigh the risks. These risks were born from the design of the FDF, notably with multiple guidelines and the inability take and action feedback directly from project leaders. Having completed a highly successful pilot round of the project under a less than ideal timeline constraint (including and comprehensive lessons learned exercise), we believe these issues can be addressed.

#### **Interim finding 8: Regional Drought Resilience Plans could be improved**

The Regional Drought Resilience Plans can help communities prepare for drought. However, plans are often affected by poor integration and sequencing with other Future Drought Fund programs, lack of ownership over who is responsible for their delivery and minimal funding to implement the identified initiatives. There is a risk that plans will not lead to tangible outcomes and could result in confusion and consultation fatigue.

RECoE agrees there is a lack of integration across other FDF programs and there is a need for better collaboration and engagement between these initiatives. However, this does not mean we support cessation of the RDRP project. Significant changes to the existing RDRP model that was successfully piloted in the foundational year of the program (Round 1) would undermine progress made to date and negatively impact the goodwill of stakeholders currently delivering regional engagement and drought planning in the remaining regions.

The mechanisms to support implementation need to be incorporated at the outset as planning at the regional level brings significant benefits to the community. The RDRP Plans are community-owned, driven, and align with supporting local actions for resilience – bringing together a diverse cross sector of stakeholders.

The Queensland RDRP Program Framework requires the project “partner, collaborate and consult widely with relevant regional, community and industry stakeholders, and organisations who undertake relevant planning processes”.

The Queensland RDRP project has involved planning at all levels, covering the ‘elements of resilience’. This is a term developed by the project to explain the process of adaptation to transformation to drought resilience – the ‘elements of resilience’ as: people, culture and community; infrastructure and built environment; economy; landscape and natural environment.

In the pilot round, an engagement model was developed with five stages aligned to meet the engagement requirements of the program, while allowing opportunities for stakeholders to connect multiple times throughout

the project. The first stage was making initial contact with key stakeholders, including local government, to introduce the RDRP project and RDRP Plan template. The second stage involved the identification of an appropriate regional partner to 'own' the plan, co-design an engagement plan and seek a level of commitment to proceed with the project at a regional level. The third stage comprised the core engagement activities (over a period) to enable stakeholders to gain 'first impressions' on drought impacts and resilience outcomes, provide 'analysis and feedback' from their first impressions, as well as 'learning' from other stakeholders and experts. This stage was essential to providing an opportunity for stakeholders to engage in reflective thinking developed over time, as opposed to short one-off engagement activities. The fourth and fifth stages related to the development of the RDRP Plans, including consideration of potential scenarios and setting priorities, with appropriate steps for approval aligned to the governance arrangements.

Each of the five regional teams, led by a RECoE Partner University and their Regional Facilitator, delivered the engagement model in their region with stakeholders as mapped out in the planning phase. More than 350 engagement activities were delivered with over 200 unique organisations throughout the project as monitored through dashboard reporting. In short, cessation at this juncture or in the near term future would create more issues for Queensland regions and their respective drought preparedness pathways.

#### **Information request 11**

The Commission is seeking views on how the Regional Drought Resilience Planning program can be improved, including through better integration with other Future Drought Fund (FDF) programs, stronger governance and public reporting. The Commission is also seeking views on whether the Australian Government should reassess the value of the program and consider options for reallocating funds to other FDF activities.

RECoE does not support this conclusion as the benefits (mentioned in this response) have not been given adequate weight. Furthermore, regional planning benefits and coordination outcomes are critical and cannot be undertaken by the Drought Hubs or other FDF programs (in their current operational format) however Queensland's RDRP process is unique in that two of the drought hubs are hosted by two RECoE University partners (JCU and UniSQ). It cannot be understated how beneficial this process and the outcome (a regional drought resilience plan) has been for the communities.

As part of the Foundational Year Report developed by independent Monitoring Evaluation and Learning (MEL) consultants (Coutts J&R), interviews concluded *"external stakeholders were satisfied with their overall engagement. It was felt that there had been ample opportunity and time for regional input and they had the ability to communicate community needs"*.

Throughout the project, external stakeholders were interviewed with MEL consultants reporting they were *"generally satisfied with the draft plans, their usefulness, ease of understanding and relevance in terms of potentially contributing to a coordinated response to drought resilience"* concluding *"stakeholders in some regions gained a new understanding of drought related impacts"*.

Despite the challenges of combined disruptions of COVID-19 and disaster events, the effective stakeholder management strategies ensured the RDRP project achieved a level of buy-in from appropriate regional entities, including Regional Organisations of Councils (ROCs), partnerships of individual councils and Regional Development Australia (RDA) committees.

The submission from the Queensland Department of Agriculture and Fisheries notes the RDRP explicitly includes Indigenous communities as part of the regional planning process. In Queensland, the first Regional Drought Resilience Plan, for the Cape and Torres Strait region had as its major partner the Torres Cape Indigenous Council Alliance (TCICA). There are several other Indigenous engagement points across the 14 Queensland

RDRP regions too numerous to list here and are the result of much energy and coordination within these regions and often with the help of indigenous programme leads at the Drought Hubs.

The Queensland RDRP Plans provide an opportunity to hear from local stakeholders on where the priorities lie in building further resilience to drought events. They also represent a collaborative process from many parties to identify where drought is impacting on people, businesses, services and infrastructure, and what the priorities are to improve planning, responses and resilience in the future.

This project has involved (and continues to engage with) a unique and powerful collaboration between all levels of government (local, state and federal), industry, higher education sector, private organisations and the community. The RDRP project won the Australian Institute of Project Management's (AIPM) 2022 National Government Project award, as well as the Queensland Project of the Year and Government Project Winner (Queensland).

The RDRP program has brought together strengths at all levels – local, state and federal – to develop key strategies for regional growth and resilience. It is critical that the program continues for both Round 1 (implementation) and Round 2 (delivery and implementation). To mitigate potential risks as well as improve processes moving forward, a few key areas need to be addressed.

The current RDRP Plan review and approval processes are extremely long and in many cases the most elongated part of the RDRP project. Queensland's Round 1 plans were finalised and delivered in June of 2022, reviewed by CSIRO, then mentioned and approved at Queensland state cabinet level in March 2023 and are yet to receive final Australian Government approval (to be published). This post RDRP review and approval process whilst important has significantly affected the ability to engage in key deliverables (planned actions) and impacted negatively on stakeholder relationships. It is suggested the RDRP Plan review and approval process is fast-tracked to ensure currency with action plans and the ability to engage in relevant implementation deliverables.

Suitable governance mechanisms to address drought as part of disaster resilience and provide timely funding for delivery are a critical factor for progressing effectively with the implementation stage. Round 1 regions are yet to receive guidelines and funding of implementation grants. For relevant and efficient delivery on planned actions, the timing between final plan delivery (and approval) and receipt of implementation funding must be decreased. This delay in approval and promised funding arrangements represents the most significant risk the RDRP process must mitigate.

Drought poses a significant risk to regional communities' economies, health, landscapes and infrastructure. The RDRP Plans provide a pathway for establishing a risk management approach to building drought resilience for regional communities. They have established the context, identified impacts and confirmed related risk management activities and requirements – such as risk assessment, management, recording, reporting, monitoring and review. This approach establishes the current risk drought presents and what action is required in future to ensure that ongoing impacts of drought are managed appropriately to reduce the impact on regional communities.

The co-design approach used in developing the plans aims to continue in the next phase of Round 1 (implementation) with stakeholders involved in determining the best implementation mechanisms for strategic and more specific local actions.

The Queensland RDRP Plans create the chance to change the national narrative about drought and to deal with what it means for people in the regions.



We urge the Productivity Commission to consider RECoE's experience having worked with five Queensland regions to complete the pilot RDR plans and our current engagement with the remaining nine regions to develop their RDRP Plans. We strongly support the continuation of the Regional Drought Resilience Planning project and do not believe this level of engagement and ownership can be achieved through other FDF programs.

Please contact us should you wish to discuss or require further information. It should be noted that each partner University within the Rural Economies Centre of Excellence partnership will most likely submit individual feedback to this draft feedback process relevant to their specific RDRP region.

Yours sincerely,

**Ben Lyons**

Assoc. Professor  
*Director, Rural Economies Centre of Excellence*  
University of Southern Queensland

**Professor Hurriyet Babacan**

*Research Director, Rural Economies Centre of Excellence*  
James Cook University

**Professor Allan Dale**

*RECoE Board Director*  
James Cook University

**Professor John Rolfe**

*RECoE Board Director*  
Central Queensland University

**Professor Brent Ritchie**

*RECoE Board Director*  
The University of Queensland

**Professor John McVeigh**

*Chair, RECoE Board*  
University of Southern Queensland

**Professor Delwar Akbar**

Central Queensland University