



# EXTENSION 350

FARMERS LEARNING FROM FARMERS



Annual Report 2021/22



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## CHAIRMAN'S REVIEW

Kia ora tatou

As we draw to the end of the last year of project it is a time of reflection of what we have achieved and the people who have made it happen.

Our focus over the last year has been three-fold.

- **Getting the work done:**

The project team, consultants combined with DairyNZ Consulting Officers and Beef and Lamb NZ Extension Manager have been focused on finishing the project strongly. While it has been challenging at times with the ongoing covid disruptions we have boxed on and largely achieved what we set out to. Thanks to all involved.

- **Evaluation:**

We have had a strong focus on collecting information, learnings, and data to support the work Scarlatti are undertaking to analyse the financial returns to the farmers and industry. We expect their report to be available as part of our final report to funders over the next few months. It is worth pointing out at this stage that while we will model the financial returns, we are not attempting to financially quantify the considerable benefits from wellbeing and environmental sustainability.

- **Delivering the project within the confines of scope, time, and budget:**

Over the project lifetime, and more within the last year, we have done what we set out to do. There have been pressures on budget, people, delivery, and timelines, however we have got there, and we have mostly achieved what we intended to.

It has been great getting out and attending a few field days. There has been great feedback from farmers sharing how E350 has been a catalyst for not only the three planks but also accelerating career moves such as farm purchase or farm succession. Likewise, hearing the anecdotes from farmers attending the recognition dinners has been rewarding and we hope to share some of these stories in our final report.

### **Changes in people:**

We farewelled Tareen Ellis and Sharon Morrell from Dairy NZ, also leaving was Veronica Gillett and Corina Jordan from Beef and Lamb. We welcomed back Alison Whiteford, this time as Dairy NZ regional leader, and Katrina Stead who replaced Veronica as Northern North Island Extension Manager.

To those who have left, thanks for your time and contribution.

To the Project team, consultants, and funders thanks for your continued support.

We are looking forward to our independent evaluation and final report, which is due in October, that will share the E350 journey, learning and reflections.

In closing, I am proud to have been part of this project over the last seven years. It has left particularly those directly involved in a better space environmentally, personally, and financially and the benefits have spread through wider Northland through indirect investment and knowledge dissemination. It is amazing how many farmers watch over the boundary fences successful initiatives and somewhat replicate in part on their own farmers. After all that is what this project has been all about

“Farmers learning from farmers”



Ken Hames – Independent Chair



## PROJECT LEAD OVERVIEW

In a reprise of 2021 consistent themes continue around change, uncertainty and a more recent sense of a level of farmers cautious optimism of strong revenue tempered by a wariness of wider sector, economic and geopolitical events

Change continues at pace across the pastoral sector, Tai Tokerau and Aotearoa as a whole with the impact of this change accentuated by uncertainty, COVID-19, looming economic clouds and the heightening geopolitical turmoil which we all operate in. Change that includes central and local government legislation, industry regulation, and evolving farmer, societal and consumer expectations across economic, environmental and wellbeing fronts. Change that is both immediate and that will continue well into the future.

This can be a potent brew for those immersed in it and looking to find a way through can sometimes be a daunting challenge for those involved. Farmers continue to deal with this uncertainty, this changing, often conflicting, and invariably opaque multi-dimensional environment, not as an abstract academic or philosophical exercise but in real time whilst continuing to manage their businesses, look after animals, profitability, the environment as well as themselves and their whānau's well-being.

While we continue to observe an underlying level of cautious farmer optimism regarding revenue streams overall confidence remains somewhat underwhelming and appears to be tempered by uncertainty, on farm workloads (as always), looming economic clouds with rapidly accelerating on farm inflation pressures and rising interest rates along with the uncertainty of covid and wider environmental direction. Farmers general sense of wellbeing while typically underpinned by a robust level of resilience is impacted by feeling of a level of fatigue, frustration, and lack of control they feel - again noting the ongoing positive impact E350 has had with farmers involved in the project. Nevertheless farmers cautious optimism remains and they continue to look towards the future with both hope and expectation.

While the journey has not been without challenge and has proven to be something of a rollercoaster ride, independent evaluation along with farmer feedback and internal analysis collectively combine to paint a picture of an effective, well delivered project that has delivered on its objectives, and that has also contributed to wider New Zealand Inc learnings. Indeed E350's relevance and applicability has arguably been further reinforced over the year with its farmer led and farmer focused approach, triple bottom line lens of improved profitability, environmental sustainability and farmer wellbeing as well as its region wide cross sector and agency collaboration.

The year saw a number of significant project milestones achieved including continued project delivery that is on time, in scope and within budget, numbers of farmers actively involved exceeding expectations, evaluation approaching completion, and project resourcing reviewed. Combined with Groups One, Two and Three all completing their respective project journeys along with the projects ongoing adaptation and flexibility required to navigate COVID-19 disruptions.

It's once again been something of a rollercoaster of a year with momentum and engagement fluctuating as we have moved through covid 19 lockdowns and alert levels. The challenge of this has played out across the project and the results E350 has thus far achieved are arguably an ongoing testament to the resilience of the farmers and consultants involved. The teams relentless drive to execute and the enduring strength of project design and flexibility, along with the willingness and ability to adapt to our changing environment and ensure delivery remains consistent and on target must be recognised.

In closing I would like to acknowledge the ongoing support from the project team, our stakeholders, Northland Inc, our funding partners and steering group members alike; without your commitment,

responsiveness and often relentless focus through to the end, E350 would not be the successful project that has been. Again, attribution must go to all the farmers involved - to our Targets, Mentors and Associates, thank you for your involvement, support and trust in us.

The relevance of E350's farmer focused approach, farmer to farmer-based learning and three plank focus of wellbeing, environmental sustainability and profitability remains current, critical, applicable and worth striving for.



Luke Beehre - Project lead



## PROJECT BACKGROUND

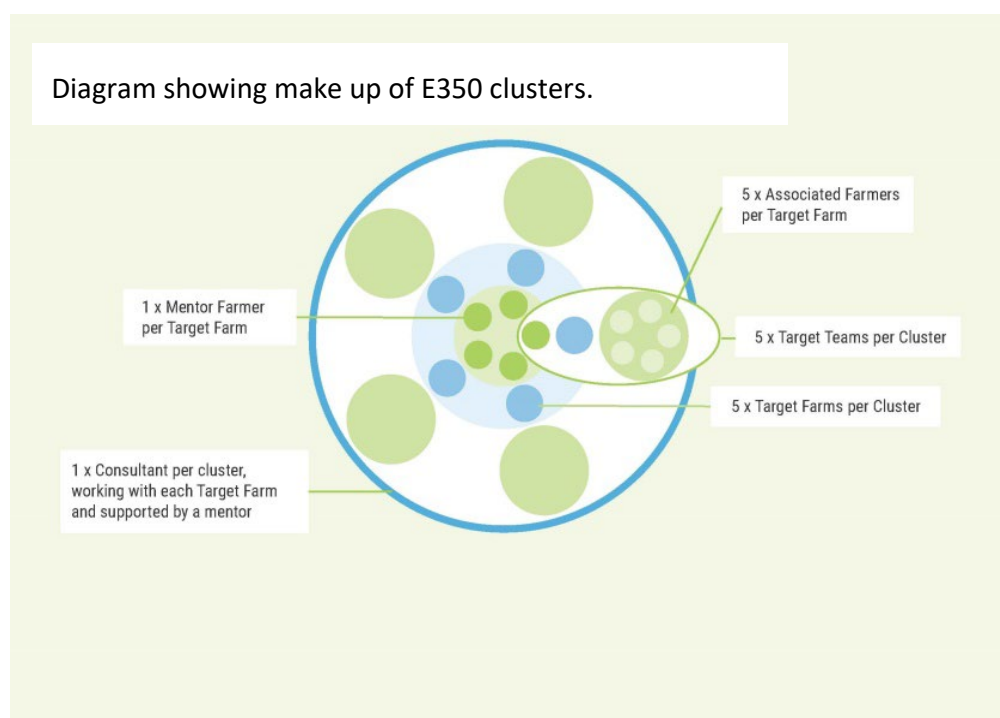
Agriculture is a major economic and social contributor to Tai Tokerau and New Zealand and, if anything, its importance has again been highlighted with the economic turmoil of the past twenty-four months. With the industry as at 2019 accounting for 31.8% of Northland's exports and contributing \$720.82m to Northland's GDP<sup>1</sup>, the investment in the project can bring significant sector and regional change.

Below is the E350 delivery model. With seven dairy clusters and three sheep and beef clusters spread across the Northland region, the project is working with farmers from the Far North to Southern Northland.

The project is based on 10 clusters of around 35 farms, with each cluster made up of five target teams - one Target farm, one or two Mentor farmers and five Associate farmers. An agri-consultant works closely with the Target and Mentor farmers of each target team and the learnings are passed on to the Associates at meetings throughout the year and via online farmer reporting. E350 is a five-year project, with three intakes. G1 (2017-20), G2 (2018-22) and G3 (2019-22).

At the heart of Extension 350 is a farmer-led, farmer-focused approach and a farmer-to-farmer learning ethos supported by our three planks, or focus areas: increasing farm profitability, improving farmer wellbeing, and increasing environmental sustainability. The project uses these to ensure a triple bottom-line approach is followed, which recognises farming is not only, and farmers are not just about, production or profitability.

While this approach brings an additional level of complexity and at times requires a different skill set from traditional agri-consulting, we believe it is essential. For our farmers to recognise the changes that are coming, to both the sector and farms, we need to learn, change, and adapt at an ever-increasing pace. Collaboration and interconnectivity continue to be crucial to E350 across the agri-industry and our relationships with Fonterra and Scarlatti, along with funding partners DairyNZ, B+LNZ, MPI and NRC, are an ongoing focus.

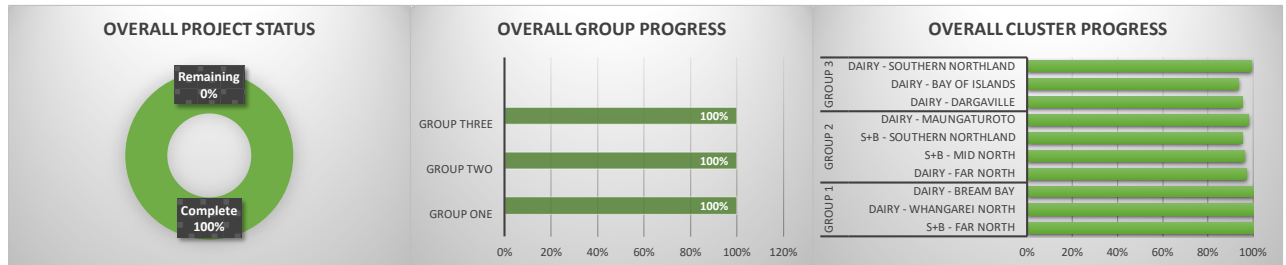


<sup>1</sup> Source Infometrics

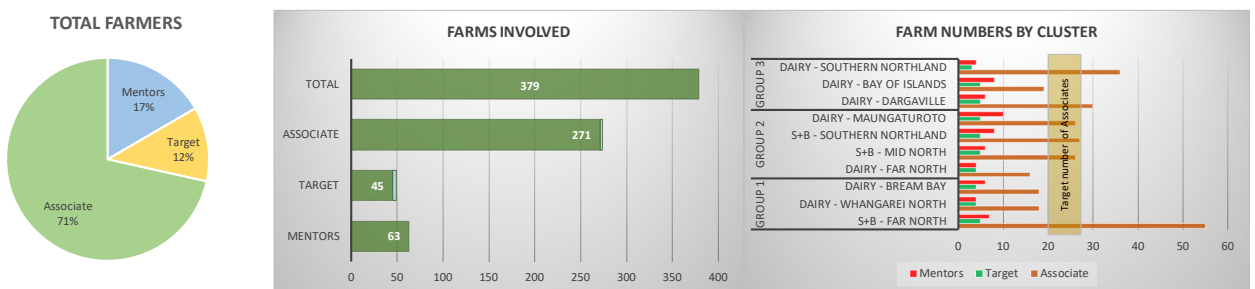
# PROJECT DASHBOARD

The dashboard is a snap shot of the project progress as at the end of the financial year 2022. Participation has reduced as expected in 2021/22 with group two and three farmers finished.

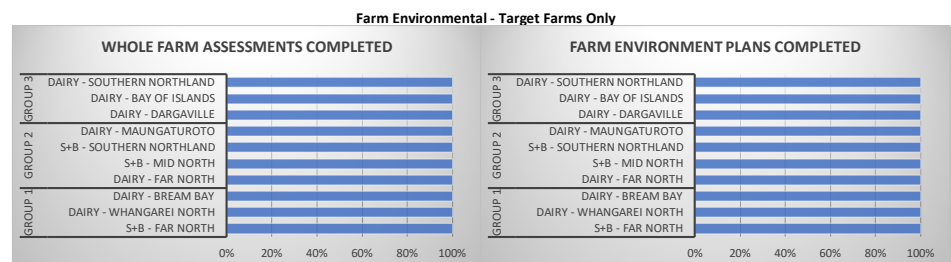
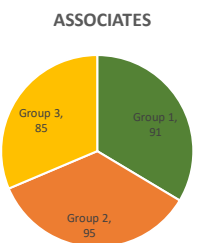
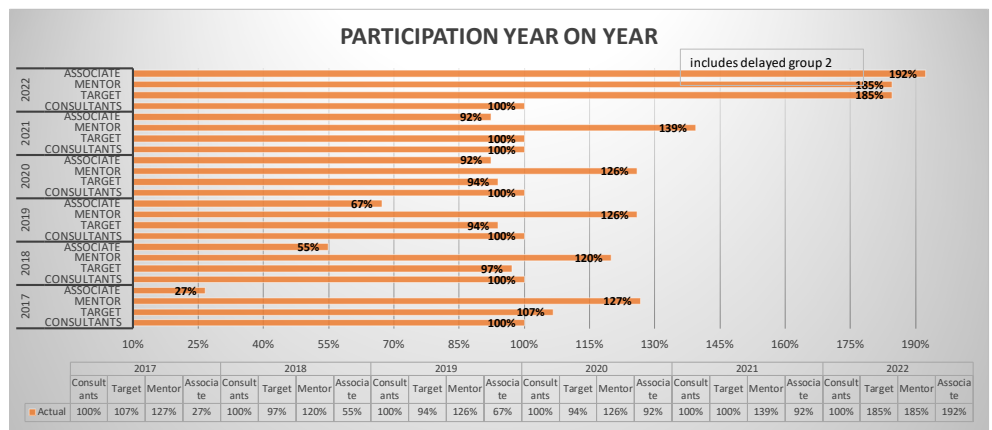
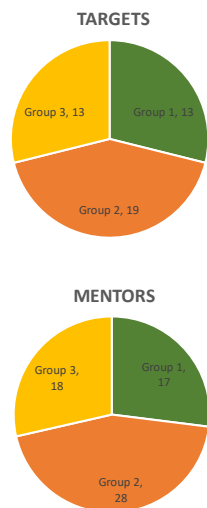
## PROJECT DASHBOARD



Progress and current farms participating in E350



Some clusters have more associates than required





## PROJECT PROGRESS

Now at the end of our fifth and final year, has seen the remaining seven clusters working well and now finished their E350 journey together

The project peaked with a cumulative total of 379 farmers that have participated in the project as either target, mentor or associate farmers, exceeding our original target of 350 farmers.

While arguably well mitigated the ongoing effects of Covid-19 have continued to impact the delivery of Group Two and Three farmers along with associate farmer engagement across the project.

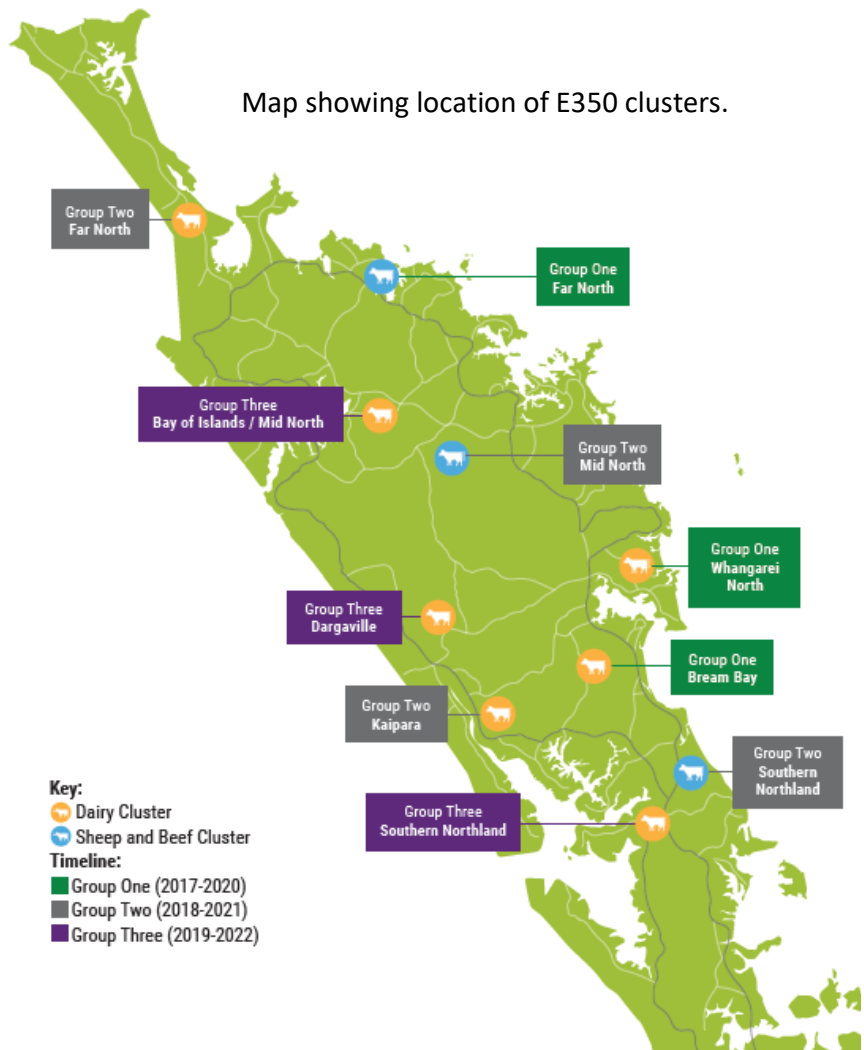
### Climatic conditions, farmer confidence and COVID-19

The seasons climatic conditions remained variable across the region and typically difficult to summarise, nevertheless the region as a whole experienced a relatively challenging early spring followed by reasonably sound summer/autumn for the Mid to Far North and East Coast while the Lower North and West coast have again been relatively dry (for now the fourth year in a row), and the beginning of a wet winter now appears to be settling in across the region.

While we continue to observe an underlying level of cautious optimism regarding revenue streams on balance overall farmer confidence remains somewhat underwhelming and appears to be tempered by uncertainty, on farm workloads (as always), looming economic clouds with rapidly accelerating on farm inflation pressures and rising interest rates along with the uncertainty of covid, geopolitical events and wider environmental direction. Farmers general sense of wellbeing while typically underpinned by a robust level of resilience is impacted by feeling of a level of fatigue, frustration, and lack of control they feel - again noting the ongoing positive impact E350 has had with farmers involved in the project.

COVID-19 Alert Levels and associated lockdowns have continued throughout the year and across the region (and in particular the Auckland region), and this has impacted farmer engagement, and momentum and delayed some key project activities. Nevertheless, on balance the project has continued to perform strongly and deliver as expected.

**Farmer goals:** While farmers were at times frustrated that they were unable to achieve all of their goals, greater planning skills and discipline developed through their E350 journey has seen them



better prepared in facing this season's challenges, and overall helped them capture opportunities and achieve better outcomes.

**Farmer Facing events:** While parts of project delivery faced delays as farmer facing events were postponed and farm visits deferred due to COVID-19 restrictions, revised plans delivered with vast majority events delivered by the end of the year. There has been a level of frustration around the postponed Field days, Recognition events and farm visits, the rework involved and the impact on sense of momentum nevertheless commitment to deliver these events remained intact.

**Associate Farmers:** There has again been positive progress with associate farmers over the past 12 months, however, there remains a higher than desired level of variability of effectiveness, impact, and depth of engagement across the project, within clusters and between target teams. This variability was again further compounded by the impact of COVID-19 on engagement, momentum and delivery.

SFFF funding saw a greater level of support continue and 2021/22 saw the continuation of the targeted process to help build momentum, engagement and delivery. While momentum and engagement hasn't been consistent across all clusters or target teams, it is building, and learnings are being developed regarding the level of resourcing and energy required for these groups build their own momentum and lifecycle.

Particularly pleasing were the examples of the impact, effectiveness and innovation of delivery that were seen across a range of activities as consultants, industry and farmers identified opportunities and drove the focus and delivery of these activities. Specific examples included succession workshops, regional and inter regional farm tours, along with wellbeing and on farm management events.

**Group One:** Covering the Far North, Whangarei North and Bream Bay finished structured involvement in the project at the end of year three, now some 24 months ago. It has been encouraging to observe that a number of target groups have continued to meet for a mix of social and business catchups, which has again demonstrated the enduring nature of E350 relationships and networks.

**Group Two:** This group consists of two dairy and two sheep and beef clusters in the Far North, Mid North, Kaipara, and Southern Northland areas of the region. Group Two farmers finished their structured involvement in the project at the end of this year, while this was later than initially planned due to delivery delays arising from COVID-19 lockdowns and consultant resourcing, this timing has helped ensure the most appropriate delivery for the cluster.

**Group Three:** The farmers in Group Three from the Mid North, southern Northland and Dargaville regions all completed the final stages of their E350 journey at the end of this year.

Across all clusters the benefit of robust planning has helped deliver on improved farm results and strategic focus embedded. All groups have continued to join wider E350 networks for a range of events including field days and recognition evenings.

The project team acknowledge the many successes and challenges that have been met along the way, wishing these farmers well post-E350 and will watch their ongoing journeys with interest.

As farmers finish E350, planning and discussion is underway on how they continue post-E350 with a range of approaches from structured management teams through to a more informal continuation of relationships and developed networks.

**Consultants:** E350 consultants have continued to work above and beyond their contractual obligations and their at times significant pro-bono contributions are acknowledged and warmly welcomed.

The effect of repeated lockdowns and disruptions is evident and has impacted on momentum and delivery. Nevertheless, throughout this time, consultants have consistently demonstrated their engagement and agility as they responded to the changing needs of a new and different environment.

**Evaluation:** Scarlatti are undertaking the E350 project evaluation, and since beginning work in September 2020 they have developed a strong working relationship across project stakeholders and have proven to be a valuable addition to the project. They have brought a high level of rigour, perspective, objectivity, along with a specialist skill set and focused delivery.

Milestones have consistently been achieved and in addition to contractual commitments, Scarlatti have provided significant pro-bono resourcing. They remain on track for delivery of final report at end of August in line with milestones.

As part of the wider evaluation, Scarlatti have conducted a series of deep dives into specific areas of interest which have provided some great insights and the value of E350 for those involved. The evaluation working group, representing partner organisations, continued to meet on a quarterly basis to review progress and ensure direction and reporting aligns with project vision.

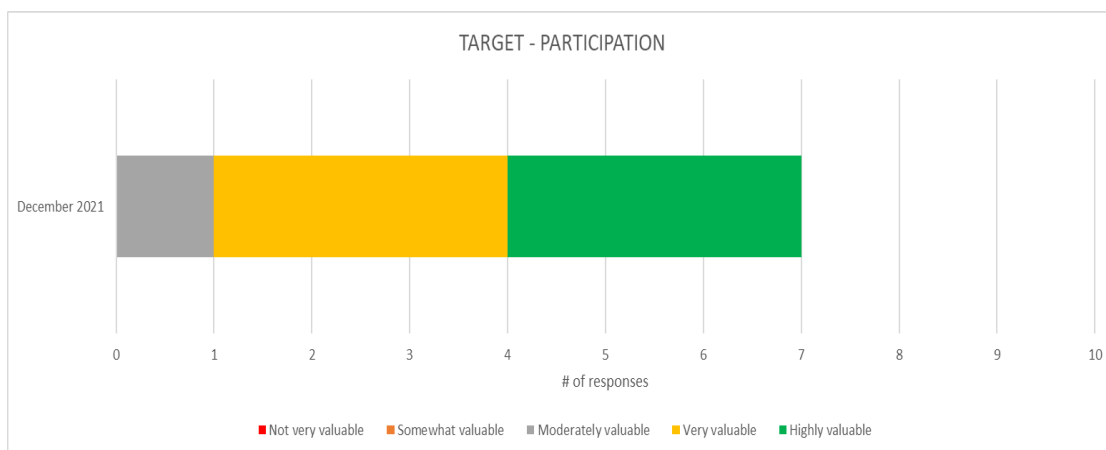
One question we ask our farmers as part of the biannual survey is related to how valuable they see their participation in E350. The data below shows us that, as farmers move through the project, they view their participation as increasingly valuable.

**Target farmers:**

The data shows a marked increase for “very valuable”, in relation to how our target farmers find being involved in E350 as they further progress on their journey within the project.

Farmer comments:

“Very valuable”, “re focused and re-evaluated everything going forward”, “Implemented a system that works for our specific farm that is repeatable therefore reducing stress” and “I needed to make the next step”



## **Participation and Engagement of Māori Farmers and Incorporations**

We continue to work with the target, mentor and associate Māori farmers who are part of E350.

As a project, we have continued to look for opportunities to extend the reach and depth of our Māori engagement, encouraging others to address opportunities identified (where these sit outside our scope and resourcing), and intentionally collaborating with other agencies involved like Te Puni Kōkiri.

### **Project Team Update:**

In June 2022 we farewelled project support Sarah Selkirk. We would like to say thank you and acknowledge Sarah's significant contribution over her time with E350 and wish her well for the future.

Project team resourcing was progressively reviewed as the year progressed with additional resourcing approved for project end/year six to ensure the project finishes strongly and delivers against expectation. The project team is on track to finish at the end of September.

### **Project Update:**

2021/22 saw familiar themes repeated with covid uncertainty and lockdowns impacting on farmers project and community engagement and to a somewhat lesser degree their operational and strategic management 2021/22 saw familiar themes repeated with covid uncertainty and lockdowns impacting on farmers projects and community engagement and to a somewhat lesser degree their operational and strategic management.

While arguably not always easy, collaboration remained a central tenant of project delivery throughout the year and this support, engagement and collaboration of funders and key stakeholders has enabled the project to achieve significantly more than otherwise would have been able to.

While now fading into the haze of a distant memory the ongoing implications of COVID-19 and Alert Level lockdowns (and subsequent traffic light system) on the project, management team and wider industry have also been significant with alert level 4 in place across the region in spring 2021 with Auckland experiencing both longer periods and a repeat in late summer 2022.

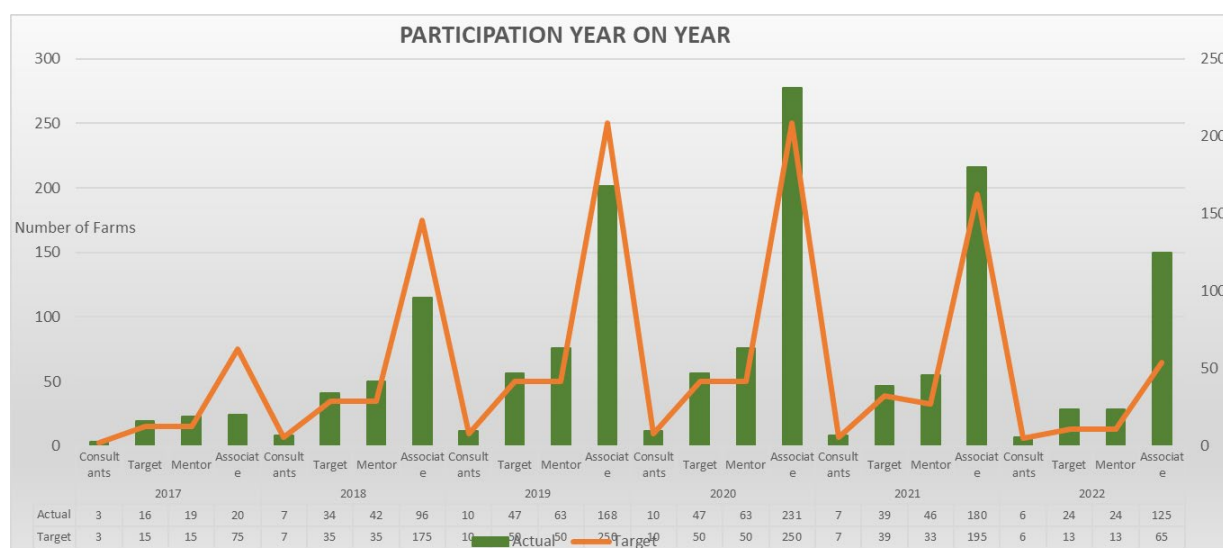
Business continuity plans were again implemented, the project management team, along with the rest of Northland Inc again successfully transitioned to a work from home environment. While there has been disruption to project plans, operational delivery and farmer events, the project responded strongly to effectively manage key risks. Anecdotal evidence would support the group most impacted by covid constraints have been associate farmers with both their engagement and momentum impacted time and time again as the start stop restart nature of covid constrained engagement played out.

As a project we continued to work through the key challenges of momentum, with both farmers and consultants under pressure, along with the consistency of associate farmer engagement. Throughout the year E350 continued to be well supported, nimble, and robust enough to respond, realign and deliver against our project objectives.

While COVID-19, variable weather and ranging farmer confidence have brought a continued level of uncertainty to Tai Tokerau, to farmers and to the project itself, there remained a strong sense of resilience within E350, along with a sense of cautious optimism within farming communities.

SFFF funding has continued to play a significant role and supported the delivery of the refocused and resourced associate farmer engagement strategy and the in-depth project evaluation.

## E350 participant figures to date



Figures show actual numbers vs target.

- All groups have now finished their journey with E350
- All target farmers have at least one mentor farmer, across all clusters

## OUTCOMES AND ADDITIONAL EXPECTED BENEFITS

### Increasing Farm Profitability

#### Raising on-farm performance of Northland farms

Notwithstanding regional variances and local challenges the 2021/22 season has delivered relatively sound environmental conditions across Te Tai Tokerau. Sound climatic conditions have supported milk production and stock growth rates combined with a strong dairy pay-out (Fonterra's on track for a record 2021/22 pay-out) and sound schedules have seen strong corresponding revenue streams across the pastoral sector and region. This sense of improved business strength is further supported by rising asset values and overall capitalisation.

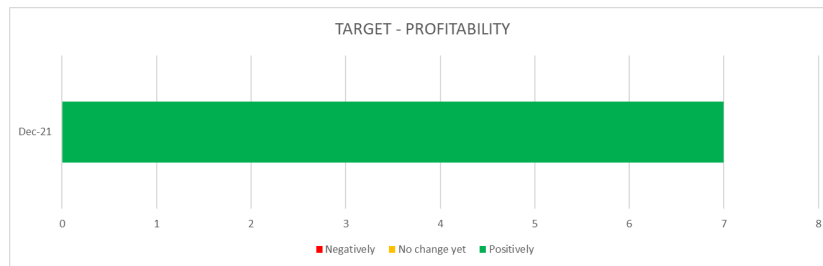
Farm working expenses have been under accelerating inflationary pressure and concern is building that these higher cost structures will become locked into the sector with rising costs have been across the board with key protagonists being labour, supplementary feed and fuel. While farmers cautious optimism is now being tempered by the looming economic clouds, geopolitical uncertainty rising interest rates and a softening international dairy market antidote evidence supports the strong profitability of the 2021/22 season.

While a slow and challenging process to change long term practice, the structured and disciplined approach to budget planning and forecasting that E350 has brought to the table is delivering strong results to both overall profitability and effective use of this capital.

## Survey Results 2021-2022

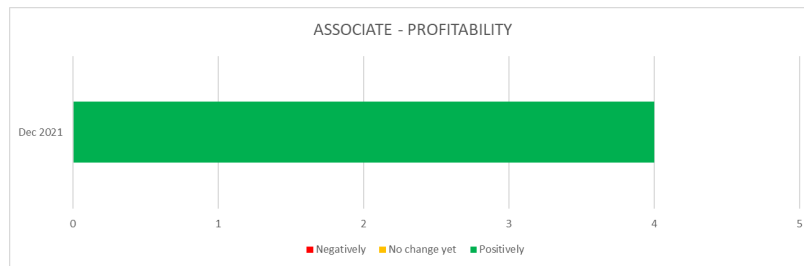
“How has being involved in E350 impacted on the profitability of your farm?”

Farmer comments



“More proactive with budgeting”  
 “We now calculate feed needed versus supplement price per DM kg Spring rotation planner for pasture management”  
 “Gave us the direction and refocused us for going forward”

No Mentor survey responses for this period



“Willingness to attend more learning days”

### Improving Environmental Sustainability

Across the board we have consistently seen a positive long-term change in attitudes and paradigms towards environmental sustainability across our farmers. Where initially this focus felt like a demanding task and may still not be most enjoyable job, it is now becoming much more like business-as-usual entering into management practice and strategic focus.

As part of the FEP consultation process, our farmers have been encouraged to apply for funding through the NRC Environment Fund. To date, 28 of E350’s 47 Target farms have accessed \$242k of funding to erect almost 2000 metres of fencing through the scheme. We anticipate ongoing uptake from all groups in the coming year’s funding support as the projects farmers continue with their work programmes and KMR engagement accelerates.

Reporting continued to support that there is a receptive attitude to the integration of environmental considerations into farm systems and associated plans amongst E350 farmers, particularly to fencing and planting with farmers seeing management benefits in carrying out these works. Recognising changing legislation will make waterway fencing mandatory and the opportunity to undertake this work while support is available is a strong driver.

Quarterly environmental snapshot workshops for a wider industry group have continued throughout the year. These were facilitated by E350 in conjunction with DairyNZ and Northland Regional Council and concentrated on topical issues along with any impending changes or new information of relevance to the sector.

In addition, environmental sustainability rural professional webinar delivered in collaboration with NRC, DNZ and B+LNZ in November (as on farm workshop re-envisioned in response to covid

constraints) broadly titled as bringing coherence to environmental sustainability conversation) this was then followed by an in person environmental sustainability workshop in July.

Over the last four years we have observed and experienced a significant shift in both farmer’s and consultant’s attitude and approach to the importance and integral nature of sustainability to their long-term business. This change has been built into operational and strategic management discussions and decisions and is evidenced by FEP completion and NRC environmental funding uptake. Furthermore, it is of particular note to observe the marked shift in collaboration that has occurred over this period.

<b>Survey Results 2021-2022</b>									
Survey results in response to “How has being involved in E350 impacted on the environmental sustainability of your farm?”	Farmer comments								
 <p style="text-align: center;">TARGET - ENVIRONMENTAL SUSTAINABILITY</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <caption>Data for Target - Environmental Sustainability</caption> <thead> <tr> <th>Response Category</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>Negatively</td> <td>0</td> </tr> <tr> <td>No change yet</td> <td>1</td> </tr> <tr> <td>Positively</td> <td>6</td> </tr> </tbody> </table>	Response Category	Count	Negatively	0	No change yet	1	Positively	6	<p>“Being aware on what needs attending to”</p> <p>“Being involved in this group meant we were informed about law changes giving us time to put solutions in place”</p> <p>“We have fenced off swamp/stream areas of the lease block with funding from the council”</p>
Response Category	Count								
Negatively	0								
No change yet	1								
Positively	6								
<p>No Mentor survey responses for this period</p>									
 <p style="text-align: center;">ASSOCIATE - ENVIRONMENTAL SUSTAINABILITY</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <caption>Data for Associate - Environmental Sustainability</caption> <thead> <tr> <th>Response Category</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>Negatively</td> <td>0</td> </tr> <tr> <td>No change yet</td> <td>1</td> </tr> <tr> <td>Positively</td> <td>3</td> </tr> </tbody> </table>	Response Category	Count	Negatively	0	No change yet	1	Positively	3	<p>“Seeing possibilities, contact with knowledgeable people”</p>
Response Category	Count								
Negatively	0								
No change yet	1								
Positively	3								

## **Improved Farmer Wellbeing**

### **Strengthened farmer networks and lifting farmer interactions and enhanced farmer wellbeing and engagement**

Both internal reporting and anecdotal feedback from across the sector supports the continued underlying sense of cautious optimism. However, given current and forecast revenue streams overall farmer confidence arguably remains somewhat underwhelming and appears to be tempered by uncertainty, on farm workloads, looming economic clouds with rapidly accelerating on farm inflation pressures and rising interest rates along with the uncertainty of covid and wider environmental direction. Farmers general sense of wellbeing while typically underpinned by a robust level of resilience is impacted by feeling of a level of fatigue, frustration, and lack of control they feel - again noting the ongoing positive impact E350 has had with farmers involved in the project.

During the year it appeared to be something of a hard slog with farmer fatigue evident through this period despite strong revenue from strengthening pay out and schedules. While variable relatively sound environmental conditions with covid again impacting.

Farmer facing events continued throughout the period with our Mark and Measure workshop, recognition evenings and public field days held. While a number of events were again postponed due to covid lockdowns effective planning enabled the delivery of the vast majority of events by the end of the year.

While not an easy space for farmers and many of our consultants to work in, our collective approach to wellbeing has changed significantly over the project's lifecycle. Wellbeing scoring and kitchen table conversations between target farmers, mentors and consultants are now accepted practise as is the recognition of the importance of wellbeing. Farmer conversations, feedback, independent DairyNZ research and field day discussions all reflect and support this.

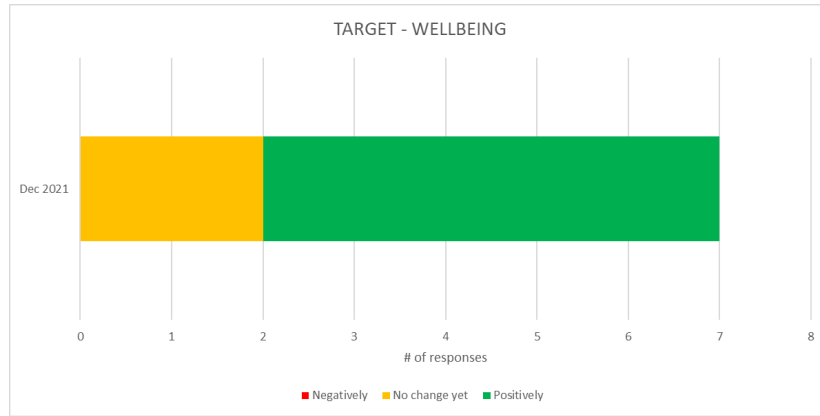
Thanks to our consultants, farmers, B+LNZ and DairyNZ for the work they do to make the projects public field days a success. Thanks also to FarmSource and FMG for this past year's contributions of barbeque lunches - these provide a great opportunity for people to catch up socially, share ideas and discuss the days learnings.



**Survey Results 2021-2022**

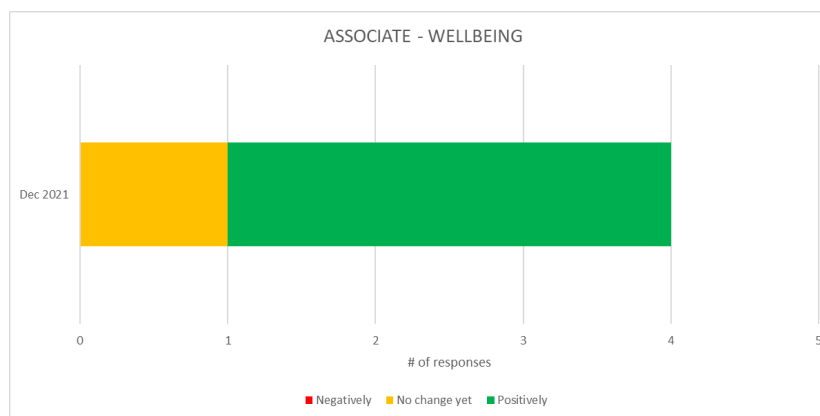
Survey results in response to “How has being involved in E350 impacted on your wellbeing?”

Farmer comments



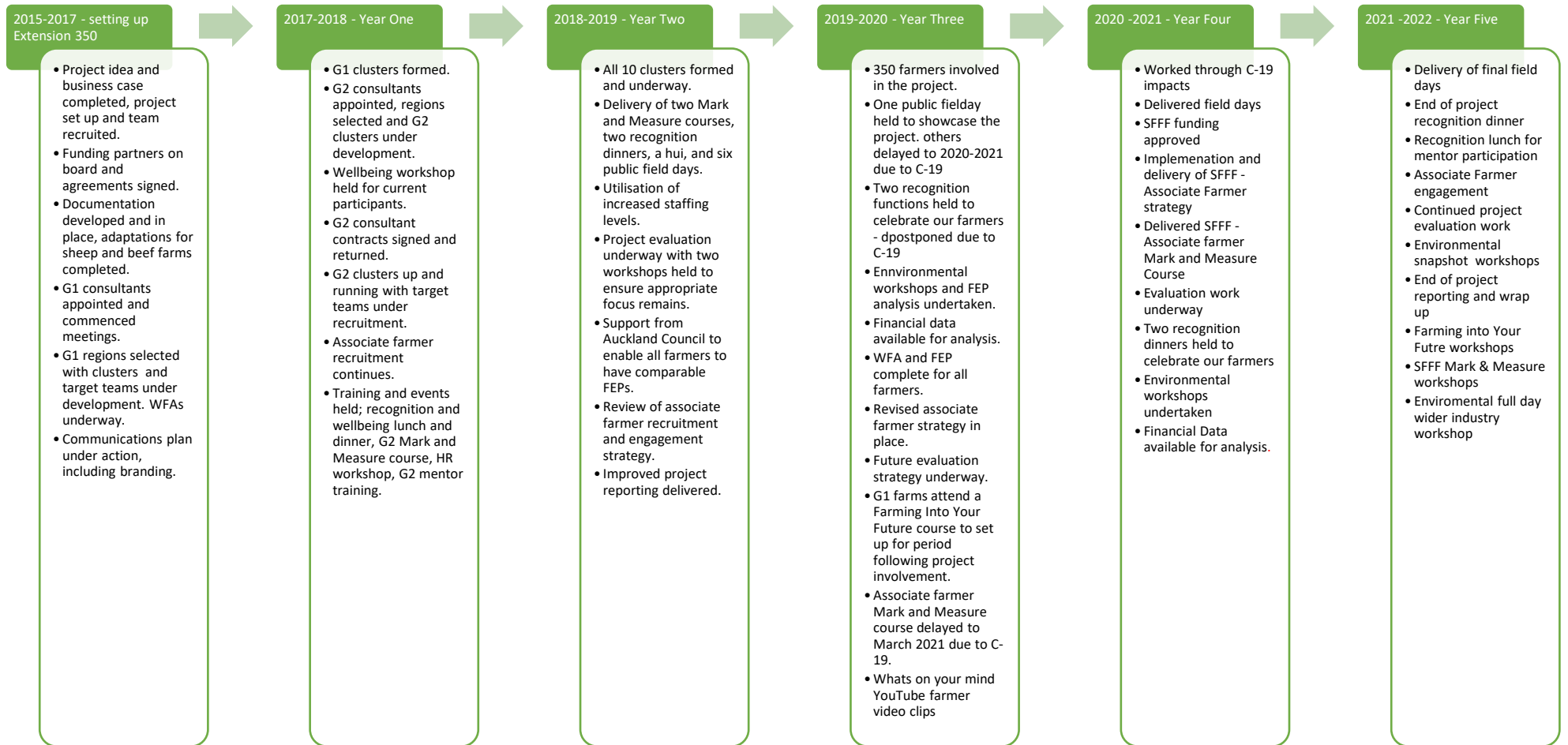
“Repeatable farm system not so concerned about the weather events “  
 “Being around positive people”  
 “Really hard to say as had a heart attack in year 2 but all good now and implementing changes for next 2 years”

No Mentor survey responses for this period



“Getting off-farm and talking with other farmers is always good”

## MILESTONES



## FINANCIAL OVERVIEW

Significant savings this year in communications have been carried over to year 6 approved budget for 3 months of project windup which includes project management, communications (farmer interview videos, end of project report) and Governance Group costs. This will see a balanced end of project budget.

	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Actual	2021/22 Actual	Comments	2022/23 Forecast
<b>Income</b>								
Actual	\$357,000	\$550,811	\$685,400	\$557,900	\$437,670	\$246,828		\$94,180
Annual Budget	\$289,500	\$547,500	\$661,500	\$590,590	\$433,500	\$244,100		\$10,000
Variance	\$67,500	\$3,311	\$23,900	-\$32,690	-\$870	-\$2,278	Reduced farmer invoice	
<b>Total Income</b>	<b>\$357,000</b>	<b>\$550,811</b>	<b>\$685,400</b>	<b>\$557,900</b>	<b>\$437,670</b>	<b>\$246,828</b>		<b>\$104,180</b>
<b>Operating Expenses</b>								
Actual	\$78,953	\$100,355	\$193,033	\$215,496	\$178,858	\$208,107	Overpend due to catch up from delivery delays caused by Covid, investigating whats next beyond E350	\$52,104
Annual Budget	\$87,000	\$80,000	\$183,450	\$199,295	\$182,596	\$170,933		
Variance	-\$8,047	\$20,355	\$9,583	\$16,201	-\$3,738	\$37,174		
<b>Communications and Farmer Events</b>								
Actual	\$2,669	\$30,367	\$41,074	\$5,032	\$41,506	\$27,052		
Annual Budget	\$17,000	\$25,000	\$53,000	\$71,000	\$86,000	\$34,500		\$38,000
Variance	-\$14,331	\$5,367	-\$11,926	-\$65,968	-\$44,494	-\$7,448		
<b>Steering Group Costs</b>								
Actual	\$10,000	\$23,107	\$20,624	\$25,951	\$25,886	\$24,234		
Annual Budget	\$15,000	\$26,000	\$22,250	\$27,000	\$27,000	\$27,000		\$3,000
Variance	-\$5,000	-\$2,893	-\$1,626	-\$1,049	-\$1,114	-\$2,766		
<b>Project Development and Evaluation</b>								
Actual	\$21,950	\$3,168	\$72,081	\$59,033	\$3,118	\$1,056		
Annual Budget	\$115,000	\$45,000	\$77,000	\$60,443	\$5,000	\$0		\$10,000
Variance	-\$93,050	-\$41,832	-\$4,919	-\$1,410	-\$1,882	\$1,056		
<b>Project Farmer Costs - Consultants, Target and Mentor farmers</b>								
Actual	\$55,988	\$274,844	\$437,115	\$280,936	\$156,064	\$123,771	Overpend due to catch up of farm visits due to Covid delays	
Annual Budget	\$120,000	\$362,500	\$500,800	\$432,285	\$179,747	\$70,650		\$0
Variance	-\$64,012	-\$87,656	-\$63,685	-\$151,349	-\$23,683	\$53,121		
<b>Total expenses</b>	<b>\$169,560</b>	<b>\$431,841</b>	<b>\$763,929</b>	<b>\$586,448</b>	<b>\$405,432</b>	<b>\$384,220</b>		<b>\$103,104</b>

	2016/2017	2017/2018	2018/2019	2019/2020	2020/21	2021/22	2022/23 Forecast
<b>Annual overspend/ delayed spend</b>	\$187,440	\$118,970	-\$78,529	-\$28,548	\$32,238	-\$137,392	
<b>Total project overspend / delayed spend</b>	\$187,440	\$306,410	\$227,881	\$199,333	\$231,571	\$94,180	\$1,076

In Kind Contributions	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Comments
MPI	\$16,400	\$10,240	\$1,500	\$0	\$0	\$0	In kind data is provided by each funding partner on a quarterly basis.
NRC	\$3,000	\$22,860	\$34,740	\$20,240	\$6,110		
Beef + Lamb NZ	\$10,800	\$19,740	\$5,940	\$5,060	\$13,200	\$1,760	
DairyNZ	\$112,763	\$136,500	\$109,523	\$92,371	\$135,461	\$95,533	
Northland Inc	\$15,000	\$66,240	\$62,430	\$80,000	\$60,000	\$80,000	
<b>Total In-Kind</b>		\$241,880	\$210,993	\$213,671	\$228,901	\$183,403	

Additional contributions	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Comments
DNZ - In Kind			\$32,632	\$32,501	\$41,240		Outside contractual in kind contribution
Beef + Lamb NZ		\$10,000	\$20,000	-\$9,125			Additional cash contribution, less 2019/20 contract neg delays

\$94,180 surplus from 2021/22 into 2022 which finishes with the final project wrap up 3 September 2022 with a surplus of \$1,076-\$0

## SUSTAINABLE FOOD and FIBRE FUTURES (SFFF)

*This project is in addition but complimentary to the existing E350 project.*

### **Project**

Extension 350 – Enhancing Associate Farmer Engagement and Project Evaluation

### **Current Extension Model**

A group of associate farmers following the journey of the target farmer, applying learnings that they have observed, in their own farming systems. The current approach to recruiting and engaging with associate Farmers has had mixed results.

### **Project goal**

The project aims to achieve deeper and more consistent engagement with associate farmers and to provide more value to them through facilitated workshops and additional associate group meetings. Evaluation will be used to inform improvement.

### **Outputs**

A series of facilitated workshops to develop and test a more effective farmer engagement and improvement model.

Evaluation report including final quantitative return on investment analysis of Extension 350 and farmer interviews.

### **Outcomes**

Enhanced Associate Farmer engagement and improved farmer performance, with a focus on increased profitability, environmental sustainability, and farmer well-being.

### **Associate Farmer Meetings**

This year saw an increase with 100 associate farmer meeting occurring over and above the E350 meetings. Some of these meetings were combined to increase resources to hold workshops on succession, goal setting, effluent planning, Mark and Measure, Good Yarn, S&B stock systems and policy workshops along with field trips to the Waikato and Northland.

## **Associate delivery - Study trip to Waikato**

### **Day one – travel**

### **Day Two – Ngatea**

### **Visit to a non-dairy business**

**Mark Townshend** who owns several farms in NZ and Chile.

12 commandments to grow wealth according to Mark • Partnerships - Importance of having a clear structure and rules to minimize conflict • Strengthen bank relationships by having a no surprises policy • Toys less than 5% of capital • Have your return on investment and return on cash as two separate businesses • Consider non-banking funding and its ok to pay a small premium for it • importance of having a pressure relief valve just in case

### **Buttercup dairies**

Neil, Glenda and daughter Tegan Gray 170ha milks 540 cows 1050MS/ha • Involved in P3 project for 6 years (similar to E350) • Have been a demonstration farm for that time • Good performing grass system • Importance of having a pressure relief valve as your escape route • reasons for setting up

the raw milk business to improve public perception of dairy • Raw milk business twice as profitable as conventional dairy (small scale 20 cows on 7ha) 170 litres/day \$2.50/litre



### Day Two - Te Awamutu

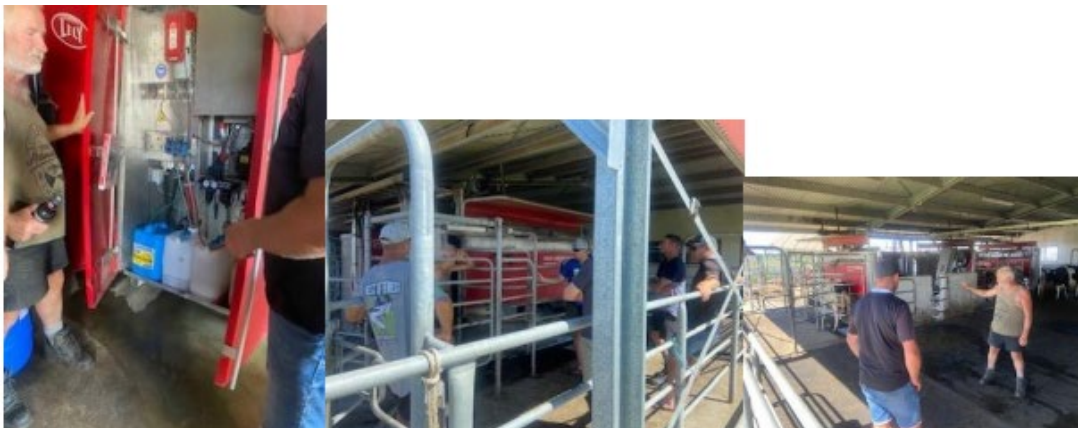
**Morgan's farm visit** - Peter and Ann Morgan in Te Awamutu - Halter system

- See stock shift • Assessment of the technology fit for the business • Other technology the farm is using and its benefits • Briefing question to hosts will be - How has the technology improved wellbeing, profit and sustainability



**Paul Tyacke 150 cows 55ha 70,000kgMS through 3 robots**

- Paul's comment was the addition of the robots increased production from 340 milk solids a cow to 420 - the difference was the cows dictated when they did things: more settled • Land was purchased by Fletcher's and will go into housing after Paul's lease finishes



## Northland Field Trip

### Day One

#### Te Tai Tokerau Water Trust - Te Kopuru

Te Tai Tokerau Water Trust was created in mid-2020 and its vision is to establish two working water schemes in Northland. The construction of Matawii the water storage project near Kaikohe is part of a scheme that will allow up to 3,000ha of new horticultural development in the region. Work on the Kaikohe reservoir itself - which will be 750,000 cubic metres over 18ha and service approximately 250ha horticultural land. It is hoped that Matawii will be operational by summer 2022/23.



#### Ngawha Innovation and Enterprise Park

The vision for the Ngawha Innovation and Enterprise Park is to support economic, and consequently social development, in the district for the next 25-30 years.



### Day Two

#### Breakfast Awanui Café

Wellbeing breakfast

**Dave and Heather Gray** - 690 cows: 231 ha: Owner operator: System 3-4.

Dave and Heather have been farming in the Far North for over 14 years. They have an addition 100 ha effective support block 15 km from the milking platform.

- 680 cows on 231ha effective producing 292,000kgMS - farm system 4
- The focus on our dairy farm is to maximise grass growth and pasture quality and to get it down the road in the milk tanker.
- A very good friend says “look after your grass and it will look after your cows, it doesn’t work the other way round”.
- For the last fifteen years we have measured our grass with a plate meter every

ten days and used the information to make our grazing decisions and set our round length.



### **Just Avocados Waiharara**

Just Avocados is a family-run business established in 2010 by Andrew and Jo Darling. They are involved in all aspects of the industry from growing to packing, to exporting, industry governance and development. Their commitment is to drive continuous development of a profitable and sustainable New Zealand avocado business – for the long term. 300ha under crop and this is about 12-14% of NZ production of which 60% product comes from Northland. We will visit their 90ha development in waiharara which has artificial shelter, crop is 6 months old on clonal rootstock, electronic moisture probes, set up for robotic grass mowing.

Just avocados ships to >30 countries



### **Project Evaluation**

The evaluation working group - with representatives from our funding partners – has continued to meet on a regular basis to help ensure the evaluation work both meets partner needs and that the direction and depth of the evaluation process remained on track and relevant.

Overall Scalatti’s evaluation work continues to meet contractual milestones