

Hort Innovation Levy Payer Workshop Outcome

Italian Sports Club, Werribee, VIC

Thursday 28 January 2016

Background

Horticulture Innovation Australia (Hort Innovation) has held Levy Payer Workshops nationally to assist with the development of the company's inaugural Strategic Plan, setting the strategy to 2018. The purpose of the workshops was to consult with horticulture levy payers to gain their input in shaping the company's strategy and its implementation. The strategy is also underpinned strongly by Hort Innovation's constitution and the Deed of Agreement with the Commonwealth.

Presentations were delivered at each workshop regarding company operations, particularly in relation to levy investments (Pool 1) and the Strategic Co-investment Funding Pool (Pool 2). Feedback was received at each workshop and collated into a summary. All workshop summaries will contribute towards the compilation of the company's inaugural Strategic Plan.

The summary below outlines the feedback received from attendees at the Werribee workshop.

Main discussion points

Hort Innovation in general

It was noted that the company Strategic Plan should include a plan for the marketing area as well as R&D.

The question was raised – “How do we get more ideas into the system?” There is concern that there isn't a 'call' for ideas and not a high level of awareness that the concept form is on the website for people to use. Hort Innovation further explained the new innovation concept pipeline and its function within the new company structure. The presenter also agreed that a higher level of transparency and initiatives to raise the level of awareness of Hort Innovation's portal would benefit growers and industry.

The view was proposed that there have been transitional issues between Industry Advisory Committees and new Strategic Investment Advisory Panels and that Hort Innovation's challenge is to bring 'all of us back into the shed'. This was acknowledged by the presenter as a key challenge for Hort Innovation.

Further, it was noted that levy payers are looking for value for money, and it seems that “a lot of money has been wasted in the transition”. This comment was noted by the presenter.

The comment was made that “in the last 18–20 months there has been no new R&D within the Vision 2020 program”. Specifically, it was stated that there has been no feedback on Vision 2020 in last 18 months, and concern that it is losing momentum. Hort Innovation acknowledged this comment and advised there would be an undertaking to look into this matter.

Feedback was provided that if the same people are involved the whole way through from concept to contracting, there may be people with too much ownership over projects. This was noted as a potential issue, though it was also noted that it is important to ensure that the meaning of the project is not lost as it moves through the process, so continuity can be helpful as well. Again in relation to projects, the comment was made that speed in getting a project up and running is important. However, a contrary view to this was provided, that Hort Innovation is not expected to be super-fast, that’s the job of the grower – rather, it should be addressing the long-term issues in a considered way that brings people along.

A belief was shared that the Hort Innovation vision and Strategic Plan should follow the Voice of Horticulture’s Strategic Plan as the two are complementary. Hort Innovation noted this suggestion as feedback for consideration whilst also noting that Hort Innovation has an obligation to government to develop its own Strategic Plan as stipulated in the Deed of Agreement. Also, the view that “we can’t determine a Hort Innovation plan until we have our own industry Strategic Investment Plan (SIP)”. Hort Innovation noted that individual industry SIPs were at various stages of implementation, some were mid-term and not in need of full review. It was explained that developing Hort Innovation’s overarching SIP did not necessarily require all Pool 1 levy industry SIPs to be completely refreshed first as this is not feasible, however there may be a need for those plans to be amended in the short term.

The view was shared that multi-industry programs should be encouraged. Examples of these are leadership and education, soils, and pollination. Further, it was proposed for across-industry seminars on these types of issues as well as possibly broader, national, all-of-horticulture conference/symposiums. This was acknowledged by the presenter and will be considered when planning for future Hort Innovation events.

Advisory mechanism

The question was raised as to who selects the people to go on the panels after the Strategic Investment Advisory Panel, with concerns raised that Hort Innovation may dismiss good ideas. A further question was asked as to whether the advisory panels have terms of reference. The belief was provided that the panels should also have the responsibility of transferring the information (communication) and consulting with fellow levy payers. It was noted that the expression of interest process was open and transparent and allowed any grower to apply to participate on the panels. Although the panels are skills based, the selection process also aims to ensure that there is good representation of different sectors and geographic areas. The evaluation panels that occur later in the procurement process

will be selected by Hort Innovation and will often include a grower for Pool 1 projects. It was confirmed that the SIAPs will have terms of reference.

The point was made that it is critical that growers have confidence that the process of project conceptualisation through to contracting is effective and efficient. The nursery sector is disappointed that the Industry Advisory Committee (IAC) structure was disbanded as it was working well and the industry had great confidence in the process. This led to concern that there may not be enough continuity from the old to the new panels. An opposing view was provided that the HAL IACs were not transparent, in that no-one knew what was going on or being discussed at the IACs. It was noted that continuity from the IAC's to the new panels is a consideration when forming the new panels.

A concern was shared regarding the continuity within the new advisory mechanism and that having differing people on the three levels of panels could create its own challenges. The presenter acknowledged the importance of continuity and transparency and noted these were important principles the new panels would be governed by.

There are concerns around the 'checks and balances' from industry regarding ideas coming through the innovation concept pipeline, specifically that people making decisions may not understand what the idea is about (Hort Innovation and industry representatives). Advice or people may not be correct. This led to discussion that there must be transparency on the advisory panels, ideas and what happens to them with decisions recorded and reported. Hort Innovation explained the process for the new innovation concept pipeline and how each concept is considered and how advice is sought. Hort Innovation acknowledged the importance of traceability, accountability and feedback around all concepts that progress through the pipeline.

It was reported that there has been no call for projects, leading to the question of who is calling for the ideas. It was asserted that no information is being provided by Hort Innovation. Hort Innovation explained the ideas portal is now open all year rather than just during the limited time of the HAL call. It was also acknowledged Hort Innovation needs to ensure awareness is raised around the new process.

Communications

The comment was made there is not one single way to communicate – multiple touch points are required. That said, growers receive multiple communications from everyone so there needs to be a filter to reduce the number of communications and avoid duplication. Hort Innovation acknowledged that communications to industry can be more tailored in future.

It was proposed that Hort Innovation operate at an 'upper level' and then allow the Industry Representative Body (IRB) to carry the message through to their own growers with comment made that IRBs are better placed to communicate with growers (although it was noted that not all growers are members of IRBs).

It was requested that Hort Innovation communicate about research that is being undertaken on a regular basis. Further, it was requested to communicate the projects that are underway and keep growers updated (GRDC's 'Ground Cover' is a good example).

Further feedback was given to ensure that growers have early awareness of projects and receive communications throughout the project.

Hort Innovation acknowledged these suggestions and they will be taken into consideration for future Hort Innovation communications.

It was specifically noted that the garlic industry (potential levy industry) wants to be sure about the transparency, trust and efficiency – they want to be shown that it is worth being involved.

There was a request for credible data from Hort Innovation that includes success indicators, metrics, return on investments and grower success stories. Also, specifically, it was raised that there is a lack of data on production across the horticulture sectors and this needs to be addressed for industries (e.g. area planted, tonnage produced etc.). Hort Innovation acknowledged and agreed that tailored information and data is desirable and is possible in the future. It was noted that one of the potential Pool 2 funds focuses on industry data.

Strategic Co-investment (Pool 2)

A process was undertaken in which each participant 'invested' a nominal \$100 across the five established and further 14 proposed funds under 'Pool 2' (the Strategic Co-investment Fund Pool). The results were as follows:

Theme/Fund	'Investment'
Building capacity	
Leadership and people development (established)	\$65
Industry data	\$70
Discovery research	\$20
Contingency research	\$5
Driving growth	
Asian markets (established)	\$85
Health, nutrition and food safety (established)	\$60
Consumer and market insights	\$100
New product development	\$25
Stimulating productivity	
Intensive and protected cropping	\$0
Emerging and advanced technologies	\$45
Genetic improvement and breeding	\$20
Food waste	\$10
Managing risk	
Fruit fly (established)	\$15
Pest and disease management	\$65

Chemical access and registration	\$35
Enabling sustainability	
Green cities (established)	\$40
Pollination capacity	\$10
Land, soil, water and climate	\$30
Northern Australia	\$0

After the voting, the group discussed the results. Some points/questions were:

- 'Transport' is missing as a potential fund – this would attract investment from large transport operators.
- Fund descriptions are too fuzzy – e.g. Asian markets – this is important but what does it include exactly?
 - It would help to have salient points under the heading.

The results of this prioritisation will be collated with those of the other workshops and taken into account by the Hort Innovation as decisions are made regarding the establishment of further funds.

Key takeouts for the Strategic Plan

Company operations

- The transition from HAL to Hort Innovation was not well communicated and in general, communication from Hort Innovation needs to enhance transparency, including R&D outputs in general and individual projects.
- Hort Innovation needs to increase awareness of the innovation concept pipeline/suggestion portal.
- Growers require communication that targets multiple touch points, while at the same time is filtered to reduce the number of communications and duplications.
- Communication needs to be about research and issues that are important to growers and projects and value.

Levy investment (Pool 1)

- Hort Innovation should be more transparent around the advisory panel process, the decision making, and each panel's recruitment.
- There is demand for multi-industry programs to provide further education and leadership on issues key to growers.

Strategic Co-investment (Pool 2)

- Consumer and market insights, Asian markets and Industry data received the most support, the latter unsurprising given the discussion during the meeting about the lack of production data available and the limitations this imposes on industries.

Attendees

Seven

Industry sectors represented

Apple and Pear, Garlic, Nursery, Vegetable