



Department of  
Primary Industries



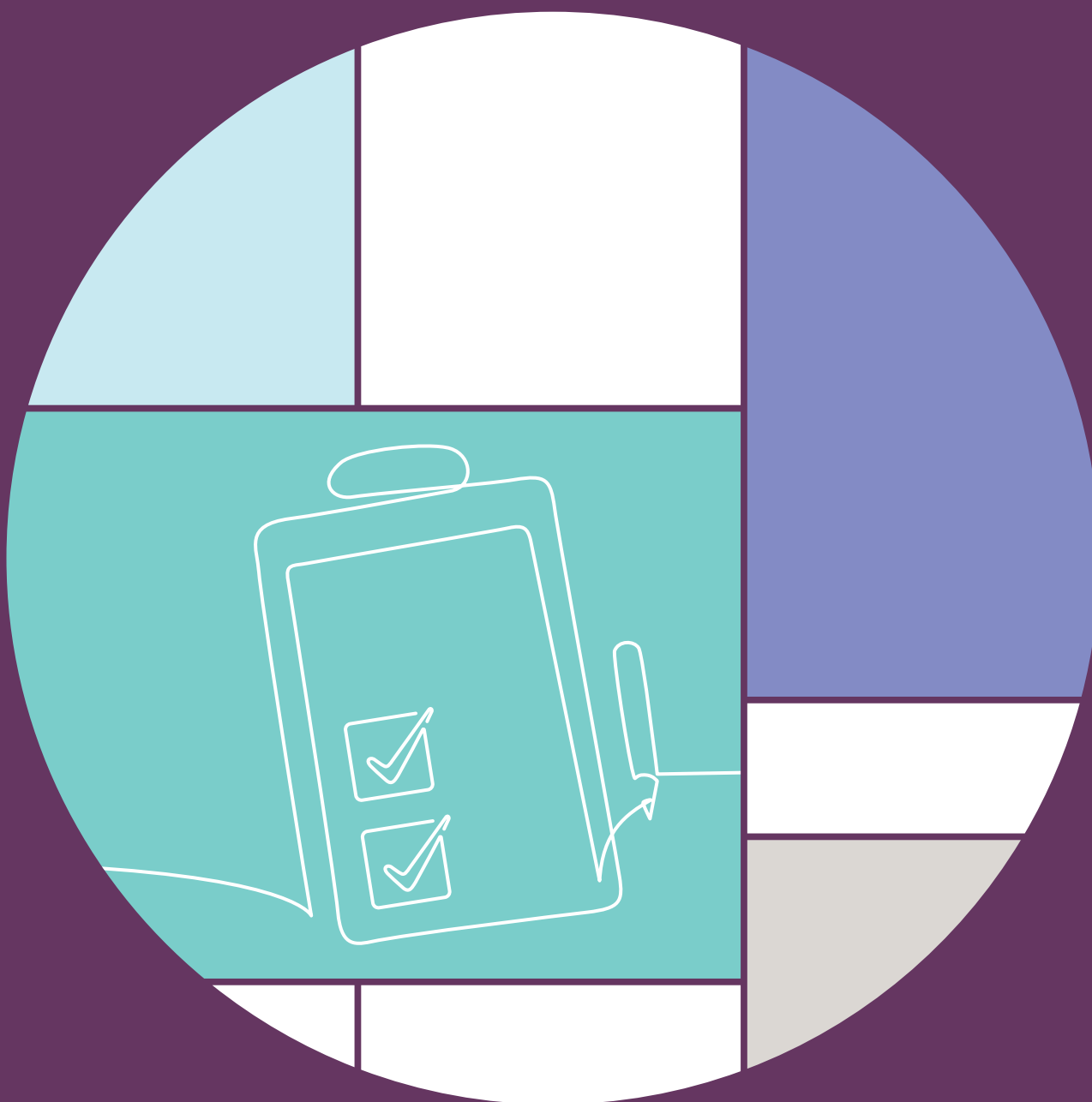
Future  
Drought  
Fund

# Farm Business Resilience Program

## Farm Fitness Checklist

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August 2021



## Partners

This Farm Fitness Checklist has been developed by Dairy Australia in collaboration with the NSW Department of Primary Industries and Agriculture Victoria. It will be used to support the roll out of the Farm Business Resilience Program, a key initiative of the Australian Government's Future Drought Fund.



Australian Government



Future  
Drought  
Fund



Dairy  
Australia



Department of  
Primary Industries

The checklist is designed to assist all Australian farmers to be more prepared and better planned, ultimately making them more resilient and able to meet challenges and grasp opportunities.

Dairy Australia would like to acknowledge the support of the Gardiner Dairy Foundation and DairyNZ.

The Gardiner Dairy Foundation has supported the development and roll out of the Our Farm, Our Plan program to all dairy farmers, reinforcing the value of the dairy industry working together. DairyNZ kindly gave permission to Dairy Australia to adapt their Farm Fitness Checklist for use in the Our Farm, Our Plan program, another example of Trans-Tasman collaboration providing benefit to Australasian dairy farmers.

GARDINER  
FOUNDATION



*Dairy*NZ

# Farm Business Resilience Program

## Farm Fitness Checklist

### Where are you and your farm at now?

A fit and healthy farm business provides the platform needed to achieve your goals (business and personal), and be profitable and resilient in the long term.

How well do you and your partners know your farm and your business, and its fitness for the future? Use this checklist to assess where you're at now and to help identify opportunities for improvement. It also suggests where to go to get the information, resources and support you need to make it happen.

### Now, where, how?

Completing the checklist will give you a good sense about where you and your business are at now. This is an important step in the planning process, followed by clearly identifying your 'where and how' and, preferably, getting it down on paper.



## How to use this checklist

Each section of this checklist is designed to prompt your thinking about different aspects of your farm business. It's a 'self-assessment' and there are no right or wrong answers. Your job is to identify areas that might be a priority for you by ticking the box that best describes where you are at for each question.

Yes, we've nailed it ✓	Ok, but we could do better ✓	No, and we should do something about it ✓	No, and it's not relevant to us ✓
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Try scanning through the checklist before you start ticking so that you have an idea of what's included. The aim is to identify and focus on a small number of areas that will move you forward significantly.

This process will help you to focus on what's achievable — none of us can do everything at once. After completing each section think about how you've rated yourself and list some goals and actions that you reckon will make the biggest difference in improving what you do.

# Our People

	Yes, we've nailed it ✓	Ok, but we could do better ✓	No, and we should do something about it ✓	Not relevant to us ✓
We know who our neighbours are and we help them in times of need	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We really enjoy what we're doing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We know what we want our life to look like in 5 years time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have considered our retirement needs and what it will take to get there	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have a plan to develop our skills, e.g. communication, people management, financial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have enough time to spend with family and friends	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Most days I am happy to go to work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have a healthy lifestyle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our team understands our business purpose, and their role in achieving that purpose	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our employees/contractors have been inducted and the induction process is recorded	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We are compliant with our legal obligations when employing staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have regular team meetings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We are involved in local groups and activities that strengthen the local community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have an emergency management plan in place	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Things we can do

Think about the ratings you've given yourself above. What areas do you want to focus on? Can you see opportunities? Write some goals and actions down here....

Things to think about (goals/actions)	Who is responsible	Priority level	Timeframe

## Notes

# Our Farm

	Yes, we've nailed it ✓	Ok, but we could do better ✓	No, and we should do something about it ✓	Not relevant to us ✓
The farm housing is suitable (family home and staff accommodation)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have a plan to improve our farm infrastructure to meet future needs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Farm fencing is adequate for livestock and we have sound boundary fences	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our grain and fodder storage capacity is sufficient	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We had sufficient on farm stock water supply in the last drought	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We had enough house water to get us through the last drought	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our investment in farm machinery and technology is well planned and suitably matched to the needs and scale of the operation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We monitor and record farm information on a regular basis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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Think about the ratings you've given yourself above. What areas do you want to focus on? Can you see opportunities? Write some goals and actions down here....

Things to think about (goals/actions)	Who is responsible	Priority level	Timeframe

## Notes

# Our Business

	Yes, we've nailed it ✓	Ok, but we could do better ✓	No, and we should do something about it ✓	Not relevant to us ✓
We have a written business plan and a list of goals that we are working towards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I feel we are in control of our business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have measures and targets for our farm production	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We are aware of our financial performance measured by profitability and net worth over time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We know our cash flow position and ability to pay the bills on a monthly basis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have a good handle of our costs of production and profit-making commodity price targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We develop an annual plan and budget and update it throughout the year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We look at other businesses for ways we can improve what we do	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have a documented succession plan which is regularly reviewed and discussed with family members	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have good relationships with our accountant, our bank and other service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have off farm income streams (eg rental income, day job, contracting)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We understand what the likely affects of climate change will be on our farm business and have plans (short/long) to adapt accordingly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



## Things we can do

Think about the ratings you've given yourself above. What areas do you want to focus on? Can you see opportunities? Write some goals and actions down here....

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## Notes

# Our Landscape

	Yes, we've nailed it ✓	Ok, but we could do better ✓	No, and we should do something about it ✓	Not relevant to us ✓
We have a whole farm plan and map identifying environmental risks e.g. water ways, wells, bridges, culverts, infrastructure, erosion areas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We apply sprays responsibly and fully understand the spray set up and environmental conditions required to avoid drift, run off and off target damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stock are excluded from waterways	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We are on track to leave an improved natural resource base for the next generation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our farm management strategies optimise soil water retention	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We monitor our soil health and our management strategies enhance our soil capability (i.e. ground cover preservation, reduced tillage)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We know our soils and what's needed to manage any constraints	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We strategically use and plant trees for multiple purposes such as stock shelter, erosion, salinity, timber capturing carbon and/or biodiversity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our community works together to improve/enhance the local landscape	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Things we can do

Think about the ratings you've given yourself above. What areas do you want to focus on? Can you see opportunities? Write some goals and actions down here....

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# Our Risks

	Yes, we've nailed it ✓	Ok, but we could do better ✓	No, and we should do something about it ✓	Not relevant to us ✓
Our business is robust and can withstand various 'shocks' such as commodity price drops, interest rate hikes, drought, floods, staff vacancies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In the event of these shocks, we have recovery plans and know where to access support information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have an appropriate business structure in place (eg sole trader, partnership, company or trust)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have effective insurance coverage (farm and life insurance)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have identified the major risks associated with our business and have risk mitigation strategies in place	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have access to finance that allows us to invest in development work or opportunities when they arise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have identified and documented the hazards on farm which are effectively managed to keep ourselves, our team and our visitors safe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In the last drought we had enough livestock feed on farm	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have a plan for managing the farm and animals during extreme weather eg droughts, fire, floods, storms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We have a biosecurity plan in place	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We are confident that all our animals are healthy and well fed, and meet animal welfare expectations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We are effectively managing chemical resistance for pests of crops and animals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our team has health and safety front of mind, the safety risks are identified and systems are in place to isolate or minimise these	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We use short and long term seasonal forecasts to make informed decisions and adapt our management practices and business plans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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## Notes

# SWOT Analysis

## **Strengths**

“Build on...”

INTERNAL

## **Weaknesses**

“Correct or avoid...”

FACTORS

EXTERNAL

FACTORS

“Take advantage of...”

## **Opportunities**

“Mitigate...”

## **Threats**



# Next Steps – Your plan on a page

Putting your goals and actions on a single page will help you to focus on the things that matter the most. It means you have taken the plans in your head and put them on paper, which also means you get the full picture of the things you'd like to achieve next in one place.

This gives all of the decision makers in your business the chance to see the plan and to make sure you're all on the same page.

Importantly it allows you to:

- Be confident that you have a shared view of what's next
- Communicate your plan with other people, either inside or outside your business
- Refer back to your plans and track your progress and achievements.

<div>  <div>Department of Primary Industries</div> </div> <div>Farm Business Resilience Program</div> <div>Plan on a page</div> <div>  <div>Future Drought Fund</div> </div>	
<p><b>FOCUS AREA:</b> Farm safety</p> <p><b>GOALS AND ACTIONS:</b></p> <p>Goal: the farm is a safe working environment, with relevant policies and procedures in place that everyone understands and carry out.</p> <p>Actions: Michelle to use DA Farm Safety Starter Kit to develop policies and procedures for our farm by 30 Nov 2019.</p> <p>John to put safety as a standing item on our weekly team meeting agenda to discuss how we work on our farm and get input from the team, starting next week.</p> <p>Team to use mobile phones to allocate tasks to staff, capture safety issues, track the completion of all jobs, get feedback and capture ideas - try WhatsApp as a team communication tool, starting 1 Sept 2019.</p> <p>Have a team dinner at the local pub once a month - our shout.</p> <p>First Tuesday of the month starting Sept 2019.</p>	<p><b>FOCUS AREA:</b> Growing our equity</p> <p><b>GOALS AND ACTIONS:</b></p> <p>Goal: grow our equity from \$1.5 mill to \$2.5 mill by 2030, so as to achieve financial freedom with enough equity to fund the lifestyle we want when we turn 55.</p> <p>Goal: generate an average \$70k cash surplus each year for debt reduction or future investments.</p> <p>Actions: Meet with our consultant by the end of Oct 2019 to agree the important measures of financial performance (KPIs) for our farm business and track our farm performance annually.</p> <p>Use DairyBase annually to track and benchmark financial performance, starting with last financial year - Michelle to register by 30/09/2019.</p> <p>Allocate specific regular time to investigate the next opportunity to grow equity - meet together every 6 months starting Dec 2019.</p>
<p><b>FOCUS AREA:</b> Lifestyle</p> <p><b>GOALS AND ACTIONS:</b></p> <p>Goal: to be healthy enough physically and mentally to undertake farm activities and enjoy family and leisure time - ongoing.</p> <p>Goal: to complete one significant exciting activity per year - every year.</p> <p>Goal: to be active in our local community and make a contribution that matters to us - ongoing.</p> <p>Actions: Michelle to book us both in for a check up with our GP by the end of October.</p> <p>Decide between going to the Grand Final or a week in Queensland and book it. Maybe book both! John to book by end of August.</p> <p>Invite the neighbours and new people to the area over for a bbq - do it after calving and before harvest starts. Michelle to make this happen.</p> <p>Be more active with the fire brigade, starting with the next training day - John to contact brigade captain by end of Sept re training days.</p>	<p><b>FOCUS AREA:</b> Feed</p> <p><b>GOALS AND ACTIONS:</b></p> <p>Goal: know our feed costs, including cost of growing and conserving the feed we grow on our farm (home farm, lease blocks, out blocks).</p> <p>Goal: we have clear strategies to deal with feed surpluses and periods of feed deficit.</p> <p>Actions: Plan our feed requirements annually and plan purchasing needs post harvest to meet requirements and manage risk - John by end of November each year.</p> <p>Ensure the farm is walked weekly, to generate a feed wedge, update grazing plan and discuss at weekly Monday morning meeting - Michelle to make this happen.</p> <p>Have a team meeting heading into spring to highlight the approach to growing, grazing and conserving as much feed as possible - Michelle to make this happen by end of August.</p> <p>Talk with grain suppliers about opportunities to lock in prices for a proportion of our grain supply - John to do this by end of September.</p>

<b>FOCUS AREA:</b> GOALS AND ACTIONS:	<b>FOCUS AREA:</b> GOALS AND ACTIONS:
<b>FOCUS AREA:</b> GOALS AND ACTIONS:	<b>FOCUS AREA:</b> GOALS AND ACTIONS:





## Notes



