

DROUGHT RESILIENCE CASE STUDY

Financial Clarity Builds Resilience

How the Rural Financial Counselling Service Builds Drought Resilience

Drought doesn't happen suddenly or as a result of a single event. It gradually builds, drying out the landscape, depleting water reserves, and diminishing stock feed slowly over time. For many farmers, the financial stress caused by drought also builds slowly, with many reaching a point of overwhelm and uncertainty as time goes by. This is where the Rural Financial Counselling Service (RFCS) steps in. They provide free, confidential, one-on-one support to help farmers and small rural businesses face hardship with clarity and increased confidence.

For Vicki Hall, Rural Financial Counsellor for Cowra, Hilltops & Weddin LGAs, helping farming families build drought resilience is more than a job, it's part of her identity. Raised on a mixed farm near Young, Vicki brings a life-long agricultural background together with qualifications in psychology, professional counselling, and financial counselling.

The RFCS works with farming families and rural businesses to strengthen their financial resilience before, during, and after times of financial hardship. Vicki describes her role as helping clients understand "exactly where they sit financially. Many farmers are excellent operators but hold most of their financial knowledge in their head." When drought hits, this hidden knowledge becomes a major risk.

RFCS counsellors help clients to look at historical financial performance, to map and understand income and expenses, understand their accountant's reports, identify pressure points and to forecast years ahead and plan for scenarios like drought.



Rural Financial Counsellor Vicki Hall

Preparing for Drought - Planning, Budgeting, and Infrastructure

One of the most valuable contributions RFCS makes is in drought preparation - a stage that Vicki says must happen "in good times, when stress is low and thinking is clear". RFCS helps clients with planning early and sticking to it.

"We push back against the 'wait one more month just in case it rains' mindset", Vicki says, "Decisions made early in the good times, save businesses".

Vicki tells clients that drought preparation is knowing:

- When to start feeding stock
- What feed reserves they have
- The rainfall trigger points
- When to reduce stock numbers
- Which stock to sell first
- Water supply risks
- Having budgets that can hold through 12–24 months of hardship

Accessing Drought Loans and Assistance

RFCS also helps farmers navigate concessional loans such as the Drought Ready and Resilient Fund run by the Rural Assistance Authority (RAA). These low-interest loans allow families to invest in things such as silos for on-farm grain storage, hay sheds, water infrastructure, feed pads or confinement feeding areas and other drought-proofing improvements.

In challenging times, understanding options and completing applications can be daunting. Vicki guides clients through eligibility, prepares documentation, and advocates for them when required.

Business Planning Tools

RFCS has many tools and resources at their disposal which they pass on to clients for no cost. One such tool is a detailed Business Review Template, "it's got 12 tabs and goes through everything like assets and liabilities, production schedules, enterprise performance, three-year financial history, cash flow forecasts, and a dashboard of indicators", says Vicki.

Guiding Rural People Through Their Hardest Months

Once drought hits, RFCS helps clients manage rapidly tightening budgets. Feed and water expenses take top priority, as do cash flow and debt management. RFCS counsellors help clients prioritise essential expenses, monitor cash flow, maintain realistic expectations, revise budgets and forecasts, negotiate with banks, seek support arrangements, and avoid isolation.

For some clients, RFCS becomes the only place they can speak openly. One client told Vicki that having someone to "bounce things off" without burdening employees or family was a lifeline.

Recovery After Drought & Bringing Businesses Back to Stability

When drought breaks, the relief from stress can be slow to follow. Families wait months, sometimes a whole season, for income to return. RFCS supports businesses as they plan how to reduce debt accumulated during drought, manage delayed or staggered income, rebuild cash flow buffers, evaluate whether to diversify income and revisit long-term business goals.



Advocacy at Vital Times

Although RFCS cannot give direct financial advice, they play a vital advocacy role. When loan or grant decisions don't seem right, they step in, "We're the conduit," Vicki says.

One farmer applied for a flood recovery grant before he knew RFCS existed. He thought he only qualified for a \$10,000 payment. After reviewing the figures, Vicki identified missing information that changed the outcome completely. She re-lodged the application, advocated with the RAA, and the client ultimately received \$75,000, making a life-changing difference to his recovery.

When asked what her message is for farmers and rural businesses, Vicki's advice is simple:

"Have a plan made in the good times, and stick to it when things get tough".

Planning early creates confidence, that confidence reduces stress, and reduced stress leads to better decisions. This strengthens families, businesses, and also helps the next generation of farmers.

RFCS support is free, confidential, and completely independent.
For more information, visit rfcsnsw.org.au



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