



Australian Government

National Emergency
Management Agency

Submission to the Independent Review of Commonwealth Disaster Funding

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Submitted by: Ken Clarke

Q1. What experience have you had with Commonwealth disaster funding support?

I was the part time Chief Economist for what is now NEMA for close on 2 years, ending in Sept 2022 and continue to be interested in the work of the agency. My overarching role was to advise the Coordinator General and the agency of risks and, more importantly, opportunities to enhance the agencies objectives. Over the period I was with the agency in its various forms, I was involved in many opportunities, some of which were progressed while others were not taken on board, at least as far as I am aware. I still believe the ideas will help with disaster risk reduction (DRR), which is my focus here, so thought these should be considered as part of this review.

[Redacted content]

Q2. How could Commonwealth funding support communities to reduce their disaster risk?

I suggest there be a more structured approach to DRR related activities, something akin to the response and recovery related activities which have evolved over time to be quite highly structured.

This would also be an evolving task for DRR. The following are some suggestions.

The overriding objective should be to identify actions in both the narrow (eg a type of construction) and broadest (eg a policy) senses of the word that are effective and value for money. Over time, there would be a library of strategies and actions that work (and don't work) in definable situations and a means to identify where these strategies make sense.





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A structured approach needs an accepted and used common language in as many aspects of DRR as possible to facilitate understanding and measurement of the problems and outcomes of actions. For example,

- (a) differentiate and categorise the types of DRR; eg prevention (ie stops the impact); mitigation (lessens the impact); preparedness (plan and train for capacity enhancement).
- (b) At a more detailed level, the CSIRO's ERI and RIA processes (see later)
- (c) Definitions and elaborations of value creation, identification and capture (the key elements that need to be considered in DRR investment decisions)
- (d) Standard definitions and identification of physical environment issues such as climate; physiography

The actions that are effective and value for money need to be made accessible in a way all stakeholders, including government agencies, academics and the wider community, can find and understand for their situation. Users need to know what options are available to improve a particular situation and how to perform the necessary task. Artificial intelligence has a key role to play, particularly as it is suited to situations where there are standard definitions. The agency could fund the development of appropriate AI processes both to obtain information from Australian (and overseas) sources and to facilitate easier access by different levels of user capability.

Hopefully, all jurisdictions and organisations that are involved in DRR, especially State, Territory and Local Govts would allow their data to be accessed and made available to researchers and users. For example, past recovery actions could have avoided cost techniques applied to them to ascertain the extent and nature of any betterment actions that may have produced long term cost savings. These learnings would then form a part of the library of actions that are effective and value for money.

A final comment here. The then Advisory Board investigated Revenue Contingent Loans but the government of the day chose not to proceed with them. While more oriented to recovery than resilience, they could be used to fund some DRR expenditures as well. An even broader RCL type concept would be to establish a fund for DRR expenditures that are repaid from estimated savings calculated after a future disaster event. This would force appropriate data to be kept to calculate the savings. This could be done conceptually at least.

Q3. Please describe your understanding of Commonwealth disaster funding processes.

No response provided.

Q4. Are the funding roles of the Commonwealth, states and territories, and local government, during disaster events clear?

No response provided.

Q5. Is there any further information you would like to provide?

NEMA doesn't need /couldn't hope to do everything itself but is ideally across who does what and has the capacity to influence others to take action that enhances DRR, including, but not only, by providing funding.





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NEMA's grants funding is one means of achieving that outcome. Most of NEMA's DRR grants programs were, and I presume still are, open competitive grants for "shovel ready" type projects and while these readily comply with the rules for grants, they suffer several deficiencies that limit the effectiveness of the funding. I wrote a paper on the options for enhancing these processes that is worth considering. It proposed a continuous application process, with expert assistance in their development, to encourage more innovative solutions, including allowing projects not yet proven to be viable or "shovel ready" to be taken to the next level of assessment.

The Commonwealth agency DISER runs these types of programs and have successfully found a way to navigate the grants rules processes (within the principle that "probity is your friend" as advised by my DISER contact).

Another suggestion. From all the work I did at what is now NEMA, the CSIRO initiated Enhanced Resilience Investment (ERI) and the broader Resilience Investment Assessment (RIA) processes were the best prospects I saw for Aust to make a real difference to DRR. ERI's focus was on place-based initiatives where the local representatives were guided by technical experts on the best options to address DRR in that community. RIA focus was more on developing a systematic nation-wide approach, with standard definitions, data needs and obligations. The RIA processes appear to be a means by which the more structured approach to DRR is implemented or at least commenced.

Both projects were initially supported by NEMA and approved for significant funding via ACS but subsequently abandoned in a bureaucratic brawl between NEMA and ACS. The ERI processes were important enough to be one of only two Australian initiatives NEMA highlighted at an international DRR conference in 2022. (A related CSIRO Impact and Consequence project was also shelved at about the same time and that too had good prospects for enhancing DRR.)

In all these CSIRO initiated projects, obtaining proper data and later applying sound evaluation processes, (and NEMA is building strong evaluation skills), is fundamental to building the library of actions that are effective and value for money.

A final comment. The former Coordinator General Shane Stone initiated the policy "locally led, locally understood and locally implemented" and one part of that strategy was the creation of the Recovery Support Officer network throughout Australia. It is understood this is being abandoned. I urge its continued operation. As with the Indigenous Voice issues, this RSO approach is a key means of ensuring communication both to and from the people on the ground experiencing the problems. It facilitates attitude change both by the policy makers and the local community ie it is two way communication. It would be tragic if NEMA became an inward looking Canberra centric organisation.

