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# Submission to the Independent Review of Commonwealth Disaster Funding

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**Consent option:** Publish with name

**Submitted by:** Wingecarribee Shire Council

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

In recent years, Wingecarribee Shire Council has experienced and been significantly impacted by several significant disaster events, such as the 2019/20 bushfires, the COVID-19 global pandemic, and the storms and floods that occurred across NSW in 2020, 2021 and 2022.

Council applied for the joint Australian, state and territory governments' Disaster Recovery Funding Arrangements (DRFA) which provided financial assistance to natural disaster-declared areas. For each successful funding application, Council had put in place appropriate arrangements to monitor and report on its performance in administering the Disaster Recovery Funding Arrangements. Council has managed the DRFA funding process under both the current and previous guidelines through several natural disasters.

For the NSW storms and floods which commenced on 15 January 2020, Council successfully applied for the available assistance measures for the Restoration of Essential Public Assets that were damaged as a direct result of the floods.

Additionally, in 2022, the Wingecarribee Local Government Area (LGA) was one of the 76 LGAs subject to a natural disaster declaration due to ongoing flooding across New South Wales. Council was successful in its application of Commonwealth-State Disaster Recovery Funding of \$1 million to help with disaster recovery efforts. As part of the funding, Council enacted repairs across flooded areas of the Wingecarribee Shire for its various Essential Public Asset Restoration (EPAR) projects and completed the required funding reporting.

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

Commonwealth funding currently provides disaster risk reduction packages to help support community safety, reduce disaster risk, and support community resilience. For example, the Commonwealth's Disaster Ready Fund (DRF) is providing up to one billion dollars over the next five years, from 1 July 2023, to improve Australia's resilience and reduce risk to natural disasters. Additionally, the Government has budgeted for \$9.3 million over 4 years for a Commonwealth Climate Risk and Opportunity Management Program.

Wingecarribee Shire Council welcomes this emphasis on climate action and disaster mitigation. It is of Council's opinion that this funding should support the development of local government infrastructure





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resilience strategies and/or asset planning programs that are aimed at addressing impacts of climate change.

Commonwealth support is also needed in the form of grant programs that enable Local Government recipients the flexibility of choosing infrastructure projects on which to spend their funding, based on their local priorities. For example, the Roads to Recovery program whereby funding is paid directly to local Council to develop more resilient infrastructure under simple administrative procedures and where spending decisions are made locally.

It is also recommended that Commonwealth disaster funding measures adapt to complement those of states and territories regarding support of local government. In the current arrangement, State Government provides financial support to local councils to implement management plans to reduce flood risk to the community through a range of property, flood, and response modification measures. For example, State Government provides assistance through the provision of \$2 for every \$1 provided by councils for approved projects as part of the Floodplain Management Program, an initiative that Council has previously utilised and fully endorses.

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

Under the joint Commonwealth-State Disaster Recovery Funding Arrangements (DRFA), assistance is provided to alleviate the financial burden on states and territories. The DRFA determines the eligibility and other conditions for the Commonwealth's financial assistance related to state governments' disaster recovery expenditure on certain types of disaster relief and recovery measures. The state or territory government then determines which areas receive assistance and what assistance is available to individuals and communities.

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

Wingecarribee Shire Council has reviewed the efficacy of current national natural disaster funding arrangements, taking into account its own experiences with these arrangements as well as its perceived roles of the Commonwealth, states and territories, and local government during disaster events. Council had an unfavourable experience with the DRFA (Disaster Recovery Funding Arrangements) during and after the 2022 flood disasters. This was mainly regarding the application process undertaken when compared to the application process prior to 2022, mostly attributed to the complexity and constraints associated with the new funding processes. Council felt that these new processes hampered its ability to manage flood recovery efficiently and effectively.

A common occurrence during the 2022 floods was that Council experienced disruptions to its provision of essential services for some of its communities in flood-affected areas. The processes for facilitating coordination and information sharing between Council's essential infrastructure operators and government did not necessarily work as effectively as it needed to be. For example, there was significant confusion over what could and could not be claimed in the event of emergency recovery. Council did not have the initial funds to repair transport infrastructure at a whole-of-network scale during these LGA-wide disaster declared events; therefore, it was difficult to know whether these essential repairs could commence or not.





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Information on the differentiation between government roles in regards to funding for hazards and risk exposure has improved in recent years, but there remains an opportunity for governments to do better in terms of information consistency, sharing and communication that enable Commonwealth, state and local government roles - as well as communities - to understand natural disaster risks and also to give them the incentive to manage the risks effectively. For example, local councils need to know they can operate with confidence by claiming costs associated with infrastructure and asset repairs. A recommended reform would comprise a coherent policy across all recovery and mitigation funding where state and territory governments would provide a base level of support to local government with disaster recovery funding, along with an option for local governments to purchase additional fiscal support from states and territories if required. This support would free up local governments in how they pursue disaster recovery and mitigation by providing them with the autonomy to claim costs for various infrastructure and assets repair following a disaster event. Any reforms would be supported by process-based accountability mechanisms that embed good risk management, but not to the detriment of conducting the essential work at hand.

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

The recent increase in resourcing within Transport for NSW (TfNSW) for the administration of Disaster Recovery Funding Arrangements (DRFA) has been noted by Council and appreciated accordingly. However, Council has since identified that the standard and rigour of the administrative processes now required by TfNSW due to this increased resourcing does not equate with the extent of resourcing that a regional local government institution such as Wingecarribee Shire Council has traditionally allocated itself.

Additionally, Council believes it would be beneficial if a degree of betterment can be included within standard DRFA programs given the financial constraints of this Council and most other local government councils.

