

# Submission to the Independent Review of Commonwealth Disaster Funding

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**Submitted by:** Our Future Northern Rivers

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

(a) The Northern Rivers Resilience Initiative (NRRRI)

The original funding for this study was \$10.4 million and post February 2022 flood and change of government was increased to \$11.6 million to include the Clarence Valley catchment and the Pacific Highway Class Action data in the research.

The program consists of two phases:

1. Rapid review and assessment phase
2. Detailed Catchment-wide modelling for Regional Mitigation solutions

The final report is due December 2025.

(b) \$150 million Northern Rivers Disaster Funding

In November 2022 the CSIRO Rapid Review and Assessment was delivered from the NRRRI funding. Recommendations were used to guide the first tranche of \$50 million from the \$150m. The criteria used applied to standard pre-disaster planning guidelines and a flawed Australian Disaster Resilience Index that did not take into consideration that our region was in a catastrophic post disaster recovery situation with very different needs.

A lack of "shovel ready" projects led to most of the funding being directed towards items that had failed to be funded by NSW Department of Planning and Environment for many years as the total NSW annual budget for flood mitigation was approximately \$10 million and processes require each local government to compete against one another for funds when catchment wide solutions should be investigated.

Since the 2022 flood there has been no discussion regarding a future viable mitigation solution for the catchment. This would enable governments and private enterprise to plan a way forward for the protection of thousands of impacted homes and 3100 businesses with 12,000 employees throughout the Lismore LGA alone.

The risk for the remaining \$100 million of North Coast 2022/23 funds is that standard pre-flood criteria will be used once again leading to more outcomes that are not inline with the needs of the Community in the post disaster reality.

### (c) Resilient Homes and Resilient Lands Programs

In October of 2022 the Federal and NSW government co-funded \$800 million as the first of two tranches of the Resilient Homes (\$700m) and Resilient Land Programs (\$100m) across the Northern Rivers.

There was no discussion with the directly affected local community to see if this would be an effective, workable, program and/or priority, raising the question: "Is funding of the removal of houses from the floodplain to be standard national government policy in every future major flooding event?"

Unrealistic community expectations have been raised by government announcements" and now dashed. Very few impacted families have the financial capacity to move off the flood plain under the current terms being offered.

The original narrative for the program was that due to Climate Change the 2022 catastrophic flood event would happen again. As of July 2023 the program narrative has flipped 180 degrees with all maps and program design based on "normal floods" and totally unrelated to the February 2022 flood event.

#### RECOMMENDATION:

1. That Disaster Funding criteria be made relevant to issues being experienced by the community dealing with post disaster reality and inline with critical needs.

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

Currently funding allocation for risk reduction is ad hoc and reactionary; driven by political imperative and timing; what is easy for bureaucrats; follows the theme of current period eg climate change; and based on the machinery of government instead of the needs of the community and taxpayer.

The magnitude and damages of the February 2022 event demonstrated the failure of many government decision making systems in risk reduction funding related to emergency management, recovery, reconstruction and mitigation. Local knowledge is ignored and centralised systems utilised with no flexibility.

If the Commonwealth is serious about changing the 97% - 3% reparations to mitigation ratio then, going forward, there needs to be a complete review of how decisions are made. This will require a change of approach. If the government is serious about climate resilience and adaptation planning with the "building back better" and/or "doing it differently" mantra across all aspects of disaster management, then it will require focused intervention and the assistance of the nation's most experienced system intervention specialists to work with relevant bureaucrats to bring about the required change and avoid "disaster paralysis" currently being experienced. (See <https://publications.csiro.au/publications/publication/PIcsiro:EP205289>)

There has been considerable government fanfare regarding the national Climate Resilience and Adaptation strategy and the need for all federal and State government agencies to have a Plan. Unfortunately the level of enthusiasm becomes greatly reduced when funding is requested for resilience plans and research.

Adaptation + Mitigation = Resilience. Fixed political party positions and ideology have no place in resolving natural disaster issues. Funding decisions should be based on best quality research with outcomes in the best interest of the consulted community.

Already within government departments there is a clear division and funding battle between adaptation and mitigation camps. The two components should be coordinated and working together to effectively demonstrate the genuine whole of system resilience needs in the disaster affected community.

In our post disaster environment no government department is prepared to seriously engage in a mitigation conversation let alone fund the initial required feasibility studies that would benefit all the towns and villages on the catchment floodplain and provide data for a Northern Rivers Vision and Masterplan for the region's future.

The failed Resilient Homes program demonstrates the reality of "Adaptation" meeting what is actually feasible and fundable in this location. Community financial capacity must be included when calculated against the other government realities.

Following the most expensive natural disaster in the nation's history in the most flood affected postcode in the nation there is a very real risk there will be no effective risk reduction outcome.

#### RECOMMENDATIONS:

1. That new funding strategies are developed to maximise resilience benefits based on the needs of the community including consultation and coordination and inclusive of both Adaptation and Mitigation.
2. That System Intervention policies and procedures are developed for funding decisions to assist decision makers in a post disaster environment
3. That reparations are seen as an investment in the future as opposed to a cost

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

Our understanding is that the Commonwealth has a range of programs from which disaster funds are allocated. For large projects most of these funds are directed to the States for distribution and many require co-funding by the state. For smaller projects there are opportunities for local government and NGO's, or community organisations, to make application directly to the Commonwealth for grants allocated directly from a specific fund through a Commonwealth agency.

Disaster funding covers complex issues, at times new paradigms without existing Government Agencies dedicated specifically to these issues. This makes the disaster funding process very challenging and or simply impossible.

For the past 6 years our group has been been investigating all aspects of decision making processes and funding regarding flood and drought mitigation solutions for the Richmond Wilson's catchment area. Senior bureaucrats and politicians at the State and Commonwealth level show no interest in discussing resilience complexity including benefit/cost analysis issues despite the 2017 Northern Rivers flood experiencing an estimated \$5 billion damages and the February 2022 flood estimated to cost the private and public sectors approximately \$16 billion.

When the Commonwealth jointly funds programs with NSW funding processes revert to the standard NSW government processes which start with funding requests from local government. Few regional local governments have the financial capacity to bring large infrastructure projects to "shovel ready" stage, let alone to deal with all the immediate clean up requirements and repair of damaged assets

following a natural disaster like the February 2022 flood which Lismore Council reported to be \$1.3 billion.

#### RECOMMENDATIONS:

1. That co-funded Federal and State disaster funding processes and procedures be reviewed and synchronised to expedite allocation
2. That the challenged financial capacity of regional councils to finance major resilience Infrastructure projects to "shovel ready" stage be recognised
3. That processes for detailed benefit/cost analysis of all options include "like for like" criteria, timeframe and ongoing maintenance for comparison
4. That local government post disaster funding be allocated to meet immediate and ongoing recovery needs at multiple pre designated intervals
5. That processes for community grant funding are streamlined to acknowledge the challenges of a post disaster environment.

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

From a community point of view there is little knowledge or interest regarding which government department or program the funding comes from. The community just wants to know that "the government" has their back and will step up quickly with recovery funding for programs that will meet immediate and ongoing needs. As those directly affected go through the three phases of Rescue, Recovery and Reconstruction, the post disaster reality is emotionally charged and the needs of the community are heightened through loss and forced change.

There is an expectation level within Australia that we have the capabilities and resources to create a genuine safety net. Although expectations are challenging to meet, Australia has all the ingredients required to be successful in each step of the process. However, at a certain point the community rightly asks the question "is it even possible for us as a nation to get disaster funding right?"

Whilst there has been some progress in Commonwealth Government approaches in the streamlining of funding, application systems and procedures are still not inline with the needs of the Community. This outcome plagues the post disaster recovery zones.

In a post disaster environment making application for funding is an added stress particularly for members of the community. If you have lost everything, including all identification and relevant paperwork and have only your telephone to make application on line, how can you fill in a 25 or 36 page form and provide all the required information? Additionally, with each new "case manager" in each department the same story has to be told over and over again.

As Government systems continue to evolve the implementation and execution of current approaches continue to have serious question marks around them. The consequences of State based systems and procedures, particularly in NSW does not make it any more straight forward.

## RECOMMENDATIONS:

1. That post disaster individual and Community group funding opportunities are clearly articulated by all government agencies
2. That funding applications for community members are simplified and coordinated in recognition of the extenuating disaster related circumstances of the impacted community (understanding verification is required)

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

Four years ago the Insurance Council of Australia presented to the commonwealth government case studies of the twelve known "most at risk" communities nationally. Until some resilience solutions are developed for these communities there will be little reduction in the 97% reparation 3% mitigation equation.

The national resilience response is inadequate and those directly affected, and the broader Australian tax payer who ultimately funds it all, are frustrated with the repeated failure to implement effective solutions. Funding alternatives such as Disaster Bonds should be investigated.

New government departments such as NEMA and the NSW Reconstruction Authority have the opportunity to independently and jointly develop the processes required for the allocation of resilience funding to specifically apply to the risk situation communities face in pre or post disaster environments.

From March 2017 to March 2022 the Northern Rivers region has been declared a natural disaster zone on 6 occasions across flood, drought, fire, pandemic and then flood again twice.

Unless a "Doing it Differently" approach to resilience and recovery is made, there is a very real risk that the Northern Rivers will end up with no beneficial risk reduction resulting in economic and social dislocation with all the subsequent financial ramifications for all levels of government.

Program funding announcements that are directly connected to Commonwealth funding such as the Resilient Homes and Lands Program have been hailed as a landmark initiatives with little consideration of the requirements for successful delivery.

Recent undesirable announcements regarding this program have been made at a critical time where 18 months into the recovery process there is decision paralysis in government agencies and the directly impacted are starting to suffer the very real consequences of the "new normal".

Suicide is on the rise and over 80% of those surveyed have stated they are "not coping". The community has lost faith in "the government" and the social contract has been broken. As a result public protests are taking place, national headlines are negative and the spiral and trajectory of the disaster recovery continues to be downward.

Throughout the Northern Rivers the community fears that with the slow progress of bureaucracies and ineffective/challenging manner in which post disaster funding is allocated, by the time the second anniversary of the event comes along, the government will move on leaving behind no solutions and a decimated ghetto environment with a community fending for itself.

## RECOMMENDATIONS:

To reduce reparation costs to the taxpayer

1. That Disaster bonds be considered as a funding mechanism for major mitigation/resilience infrastructure works
2. That Adaptation and Mitigation projects in known disaster regions across the nation be prioritised, researched and solutions funded.
3. That the announcement of a disaster initiates:
  - (a). funding allocated immediately for an experienced disaster specialist communication team to work in situ with the affected community and local government to enable their voice to be heard from the outset.
  - (b). funding to evaluate the social, economic, environmental and built impacts
  - (c). funding for resilience planning for the future as recovery progresses