



Australian Government

National Emergency
Management Agency

Submission to the Independent Review of Commonwealth Disaster Funding

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Submitted by: Sean Fletcher, CEO - Shire of Victoria Plains

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

I have had extensive experience regarding Commonwealth disaster funding support across a number of local governments in Western Australia. Some of this has been good, but in more recent times, the experience has been poor. At present, as the CEO at the Shire of Victoria Plains, we have been trying to resolve funding for AGRN962 – a flood event, which occurred in March 2021.

It needs to be pointed out (and respected) that Local Governments in Western Australia have a significant role in emergency management, supporting their communities to prevent, prepare for, respond to and recover from emergencies (i.e. statutory responsibility for the latter). Both Commonwealth and State Government policy identify Local Government as a key player in community disaster resilience, preparedness and response. Local Governments face a number of challenges in addressing their emergency management responsibilities, and these challenges differ greatly across the State.

In short, what we have found at the Shire of Victoria Plains is the following:

- * The administrative process for making DFRA claims has placed a high cost on the Shire;
- * Collecting evidence and establishing systems to meet the DRFA claims process requirements are not typically the highest priority when seeking to provide an immediate response to a natural disaster e.g. we need to make roads, bridges and drainage safe as quickly as possible;
- * DRFA guidelines have proven in the end to be vague, and we have in essence denied payment;
- * Further to the above, we cannot support the cashflow nor absorb the risk of completing work which may not be reimbursable;
- * We believe we are an example where a legitimate claim is not accepted due to inflexible and bureaucratic evidentiary requirements;
- * Delays in the initial cost-estimation process prior to works approval, which is now at 28 months months, is unacceptable given funding is for the reinstatement of essential public assets. For the Shire of Victoria Plains, \$4.2M is not something to sneeze at;
- * Delays in reimbursement for costs incurred in advance have impacted on the Shire's finances.





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

We support WALGA's request for the implementation of the following measures to improve the capacity of Commonwealth Funding to support communities to reduce their disaster risk:

- * Provide guidance and a clear mandate for States to include betterment funding (i.e. build back better), and funding for community infrastructure as eligible items under DRFA;
- * Increase the funding available to support Local Government risk reduction projects (i.e. substantially increase the funding pool for Western Australia);
- * Ensure adequate support is provided to Local Governments to support disaster risk reduction planning and to access Commonwealth Government Funds to implement disaster risk reduction projects. As a small WA Local Government, we have limited capacity or resources to understand complex Commonwealth Disaster Funding grants and developing detailed project briefs that meet the required funding criteria;
- * Provide clear guidance and greater flexibility around the co-contribution requirement for Local Governments applying for Commonwealth Disaster Funding grants. The Shire has not found it easy with recent applications for the 50/50 co-contribution requirement to minimise its disaster risks. A current project waiting approval requires the Shire to make a contribution of \$91,000 which is equivalent to 2.5% of the rates it raises each year.

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

The Commonwealth disaster funding grant programs are often administered wholly (e.g. National Disaster Risk Reduction Grant) or partly (e.g. Disaster Ready Fund) by the state government. The arrangements vary, and the process for accessing funding can be challenging for many Local Governments. This has been the experience for the Shire of Victoria Plains re AGRN962. Processes for applying for funding need to be streamlined. It is unclear what support is available to assist with developing a successful application. There is a distinct lack of adequate process for clearly communicating requirements, and the current processes are way too slow and convoluted. Here we are 28 months later still waiting on an outcome.

The Shire of Victoria Plains notes and supports in the WALGA submission to this review, the following comments: "Recent experience with the DRF was that limited information and guidance was available up until the time that the grant round was released. Once released, there were different timelines and information available on the NEMA and the WA Government website, due to the different process requirements of the Commonwealth and State governments. Communication to date regarding round two of the DRF suggests similar issues will occur, with the guidelines and timelines still unavailable. Further, the Department of Fire and Emergency Services (DFES) who is responsible for administering DRF applications and supporting / communicating the funding opportunity also applies for DRF funding. Given limited resources within State as well as Local Governments, there is a need for Local Government specific and targeted support to ensure equitable access to Commonwealth disaster funding grants."

"DRFA funding needs to be easily and quickly accessible, with flexible guidelines and application forms to meet the recovery needs of the diverse LGs and communities who need to access it. However this is not currently how the DRFA works in Western Australia. The administrative requirements that must be met





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by Local Governments to gain approval for infrastructure expenditure, and obtain reimbursement from the State Government are onerous. These requirements are in turn driven by Commonwealth administrative requirements, which must be met by the State for the Commonwealth Government to reimburse the State its 50% co-contribution. Given the administrative burden of the DRFA, administrative support, including when delivered in house by a Local Government, should be an eligible expense under the DRFA."

"The State urgently requires a financial delegation to provide DRFA funding for Category C and D, Community Recovery and Exceptional circumstances funding."

I need to point out once more that the Shire of Victoria Plains experience with event AGRN962 has been substantially frustrated by constant restructuring and personnel changes within DFES. This has seen us restructure our application at least twice now that has incurred costs of over \$100,000. On top of this, current arrangements are now being applied retrospectively to AGRN962. In other words, the Shire believes it met the AGRN962 requirements, but is now told the requirements of that time will not meet the current Commonwealth audit requirements applied under the current program. We are, in essence, speechless.

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

In short, no. Local Governments make a substantial contribution during disaster events, including direct financial contributions as well as in-kind support and assistance. However, there is a mismatch between the needs of local governments and their communities and the financial support that is available at both the State and Commonwealth to respond and recovery from disasters.

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

The Shire of Victoria Plains supports the recommendations of the Royal Commission into National Natural Disaster Arrangements.

