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Submission to the Independent Review of Commonwealth Disaster Funding

Response ID: IRCDF_1341_98

Consent option: Publish Anonymously

Submitted by: Anonymous

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

The City of Coffs Harbour (City) has experienced six (6) natural disasters which have been declared since 2018/19, including 871 Bushfire, 898 Storm and Flood, 954 Storm and Flood, 960 Storm and Flood, 980 Severe Weather and 1012 Severe Weather and Floods. The experience with funding support was initially helpful and deemed beneficial over the previous natural disaster funding arrangements. Unfortunately, the experience has progressively deteriorated over time to a point now where it is exceedingly bureaucratic and seemingly driven by audit requirements rather than genuine disaster recovery support. The practicalities of the current funding arrangements and guidelines are grossly inadequate for the scale and nature of these repeated natural disaster events. This combined with a documented skills shortage within local government, construction and engineering inhibits the effectiveness of timely disaster recovery across the State.

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

The release of Commonwealth Funding is currently being constricted by unworkable audit requirements which dictate the release of natural disaster funding support. In earlier events it is understood that Transport for New South Wales (TfNSW) as the verifier of natural disaster funding claims were able to exercise some discretion and engineering judgement when approving claims for essential public asset reconstruction (EPAR). This resulted in a more streamlined process for Council's who may not have had the detailed pre-event, mid-event and post event supporting information such as video footage, still photographs or detailed condition assessment. It is our understanding that TfNSW would pay 100% of the total of the disaster recovery funding claimed, with 50% funded by the State of NSW. TfNSW would then seek to claim the remaining 50% from the Commonwealth through the National Reconstruction Authority (NRA). It is our understanding that the Commonwealth through the NRA have been withholding its 50% contribution due to a lack of evidence provided by local Councils through TfNSW. Consequently the State of NSW has been left to fund the entirety of the disaster claims where evidence has been insufficient in the determination of the NRA. TfNSW have since increased the level of scrutiny applied to disaster claims submitted by Council's so that they are not left out of pocket. The result is an overly bureaucratic process we have now which sees Professional Engineering and Technical Staff chained to desks chasing paperwork, emails from years ago and continually justifying themselves every step of the way. These are professional staff that could otherwise be delivering reconstructed assets on



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the ground. The colloquial statement around all of this is that the 'goal posts' are continually moving for Local Government who are the only agency delivering this work in most local government areas. Further to be better prepared in advance of disasters, the Commonwealth should support Communities through the provision and increase of more certain funding streams such as the Financial Assistance Grants to ensure assets are adequately maintained and resilient in the first place. The current funding model for local government in NSW where revenue is rate pegged by the Independent Pricing and Regulatory Tribunal (IPART) is not sustainable and does not allow Council's to sufficiently resource themselves to absorb and respond to the 'peak and trough' nature of disasters. Council's are not able to have organization resilience due to the ongoing cost shifting of the other tiers of government as well as constricted opportunities for generating own source revenue.

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

Following a natural disaster declaration, a local government authority can commence it's Emergency Work (EW) whereby the essential infrastructure assets the authority is responsible for can be made safe and includes activities such as clearing trees off roads, installing signs, reinstating guardrail and minor activities to return the network to a serviceable condition. The next phase is immediate reconstruction works (IRW). These are more substantial repairs than that completed under the EW stage and may include heavy patching failed pavements, heavy grading roads to make them trafficable, pothole patching, edge break repairs, etc. The time to complete IRW is 3 months from the date it's commences. The final phase Essential Public Asset Reconstruction (EPAR) is essentially reinstating the infrastructure asset to its pre-event condition. This includes works such as landslips, works that are not of an emergency nature and typically exceeding \$250k to repair such culvert replacements and bridge repairs. The time for EPAR completion is typically 12 months from when a claim is approved. Every step requires copious amounts of visual evidence, financial expenditure records, estimations and quotes as well time lost during the various approval stages.

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

They are somewhat clear but the number of administrating agencies and roles in itself is a constraint. The approval of disaster claims is too hierarchal having to be completed by local Council, reviewed by TfNSW, checked by the NSW Reconstruction Authority before issuing to the Natural Emergency Management Authority, ultimately for more information to requested at some stage in the process which then comes all the way back down the chain to the Council. The separation of the agencies from the coal face seems to result in a lack of common sense, trust and inconsistency in the information and direction being provided to Council's results in further inefficiencies. It also results in a lack of understanding of the timeframes for responses and/or approvals as the agencies don't know what each other are doing or prioritizing. It also makes it difficult to hold any one agency accountable or responsible for addressing the known issues.

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

The Essential Public Asset Reconstruction Guidelines are not pragmatic. There appears to be diminishing value and trust between the agencies physically delivering the disaster recovery with those that administer the funding. The process seemingly has been highjacked by audit requirements dictating





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impractical and unreasonable conditions before disaster funding can be released. The result is an overly bureaucratic process, which requires numbers of professional, technical and engineering staff strapped to desks seeking emails and photos for disaster events 3-5 years in the past, creates a big 'money go round' for consultants who have been able to make sense of the arrangements and are now capitalizing on the rigidity of those applying them. All seemingly to keep Commonwealth auditors satisfied that there is a pay trail between Commonwealth treasury and the potholes on the ground.



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