



Australian Government

National Emergency  
Management Agency

# Submission to the Independent Review of Commonwealth Disaster Funding

**Response ID:** IRCDF\_1364\_112

**Consent option:** Publish with name

**Submitted by:** Kimberley Regional Group of Local Governments

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

We have had experience seeking and implementing DRFAWA. In our experience:

- \* Commonwealth funding , in partnership with the State, is critical to support local government.
- \* As we have been advised that there is no betterment, we repeatedly fix the same road segments, and consequently materials and water become scarce. Over time these repair costs cost more than betterment.
- \* Within the approval process works regarded necessary by engineers has been excluded – i.e., a recommended re-sheeting material for a graded access road was not approved. When the next event occurs this section of road will incur significantly more damage.
- \* A high cost of the administrative claim processes; substantial effort is required to prepare a project for funding and success is uncertain.
- \* Collecting evidence to meet the claim requirements is difficult when responding to a disaster.
- \* Legitimate claims have not been accepted due to bureaucratic evidentiary requirements
- \* Delays in the initial cost-estimation process prior to works approval, can be more than 12 months.
- \* Potential legal issues with contractors' due to delays caused by administrative processes
- \* Lack of timeliness of reimbursement impacting on finances and financial risk as there is no guarantee of being reimbursed - i.e., a two year or longer turn around on repayment of funds, and the lack of any guarantee of full repayment on works completed.
- \* No consideration of the impact of remoteness and weather to commence works by the funding or auditing process. The Kimberley has two seasons, a wet and a dry. Due to weather cycles, asset remoteness and the inability to mobilise in the wet and late in the dry, time frames to undertake road work is limited. In some locations water access is scarce or non-existent toward the end of the dry. Delays to works means damage and costs increase. There is no flexibility to do works when the weather, staff and contractors align. The inability to take this into consideration means the auditing process is considerable. Our members have to provide an audit





of assets before and after an event; then obtain an approved infrastructure auditor to agree the difference and the costs. When we get approval, we may need to audit again due to seasonal delays. A major problem with disaster recovery works, in this situation, is that you can often get an exemption to do works immediately following a major event, potentially 90 days for emergency works on essential public assets. However, many sites can't be accessed within this time window, which means Shires have to go through a whole justification and auditing program.

- \* Community assets are not eligible for DRFAWA.
- \* The requirement to fund 25 percent of restoration is a significant financial impost.
- \* An inability to recover staff wages and equipment costs. Due to location we often have to divert our staff resulting in a deferral of planned works, and we cannot recover these costs. If we use a contractor, costs can be recovered.

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

We recommend for DRFAWA claims

- \* Shorter assessment period for DRFAWA claims
- \* Immediate access to funding to commence works.
- \* Staff from State or Federal government placed in the affected local authority to assist with a response to a natural disaster
- \* Eligible costs to include Local Government staff wages and equipment, and the associated ordinary use of Local Government plant and equipment.
- \* DRFAWA to include a focus on betterment and resilience

To reduce disaster risk

- \* A process to coordinate similar applications across a range of local governments to reduce regional disaster risk
- \* Betterment funding to make assets more resilient at the time of repair or restoration
- \* Funding for local government to assess their level of resilience and for activities in line with the National Disaster Risk Reduction Framework
- \* A specific funding pool for Aboriginal communities to build their resilience
- \* DRFA WA funding for Category C and D and activation of this funding
- \* Ensure that the cost-sharing ratio between the Commonwealth and the States does not become an impediment for States to seek Category D cost sharing arrangements.

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

- \* The Disaster Recovery Funding Arrangements (DRFA) is an arrangement, not an agreement, between the Commonwealth and states and territories (states). It is each State's choice whether or not they wish to adhere to the arrangements and apply for funding in the event of a disaster.





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- \* The process between the State and Commonwealth is outlined in the Disaster Recovery Funding Arrangements Western Australia produced by the WA Government and the Department of Fire and Emergency Services - <https://www.dfes.wa.gov.au/recovery/funding>.
- \* The Department of Fire and Emergency Services carries responsibility for the overall administration of the arrangements in Western Australia.

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

The roles appear Inconsistent across jurisdictions:

- o We understand betterment is integrated into the Queensland DRFA. It is not in WA.
- o In some States local government contributions are capped at a certain threshold above which the State government fully funds restoration.

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

We have provided a case study via the WA Local Government Association to illustrate points made in our submission.

