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# Submission to the Independent Review of Commonwealth Disaster Funding

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**Consent option:** Publish with name

**Submitted by:** East Gippsland Shire Council

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

East Gippsland Shire Council has had significant experience with disasters and disaster recovery. While the largest recent event was the 2019/20 Black Summer Fires (which has formed a significant part of the commentary in this submission), Council has responded to a large number of minor to major events including:

- \* 2003, 2006, 2010 Tostaree and Mt Ray and Goongerah 2014 fires and several smaller campaign fires.
- \* 2007, 2012, 2016 and several other flood events.
- \* Windstorms in 2011 which closed the Princes Highway for 5 days to clear fallen trees.
- \* Significant Blue Green Alae events which have caused the closure of the Gippsland lakes over the Christmas holiday period.

Since the inception of the Department of Treasury and Finance (DTF) creating Australian Government Reference Number (AGRN) numbers for each declared emergency event, Council has had 11 declared events (resulting in 238 individual claims).

However, since 2010, East Gippsland Shire Council has recorded 132 events. The significance of each event has varied. Significantly 121 of the 132 events have not met the financial threshold for reimbursement of costs. The 121 events that did not meet the threshold for reimbursement have been managed internally by Council, and rate payers have borne the cost of response and recovery.

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

Communities being better prepared for future events is significant in their recovery. Commonwealth funding can support communities to reduce disaster risk through improved infrastructure, community-led preparedness planning and investment in social infrastructure. These can then inform municipal emergency management planning. Key opportunities include:

Infrastructure

- \* Providing explicitly for betterment for disaster risk reduction as part of recovery funding arrangements e.g., in restoring infrastructure following an event, the following are not eligible for funding;





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increased/changed culvert size to reflect new/future modelled catchment flow data, culvert end walls, improved positioning of a bridge based on historical/future risk scenario.

- \* Updating design standards for infrastructure reflecting climate change to improve resilience. For example, enhanced drainage ensures road infrastructure can manage impacts of more extreme wet weather events. There is also a need for planning to locate infrastructure such as roads in climate resilient (or less climate vulnerable) corridors.
- \* Proactive co-investment across all levels of government to upgrade infrastructure at highest risk to mitigate natural hazard impacts – Example, improved bushfire ratings for facilities, upgrade drainage systems to better manage increased flows associated with storm events, upgrade priority access roads and upgrade coastal infrastructure. Disaster Ready Fund is an example of such co-investment.
- \* Ensuring risks to critical infrastructure are appropriately assessed and risk reduction plans are in place - Example, extended closure of Princes Highway East Gippsland following 2019/20 Black Summer Fires had a significant compounding effect on communities through isolation, in addition to industry supply chain costs through interruption of a key national transport route.

#### Planning/systems

- \* Supporting local governments to update planning schemes based on up-to-date natural hazard modelling, including climate modelling.
- \* Incentivising private landholders to proactively upgrade homes to improve disaster resilience like the renewable energy programs for householders through rebates.
- \* Incentivising private industry to build disaster risk into their business continuity plans that recognises the key role they play in the supply chain at all levels during a disaster, including their value chain and connection to community recovery.

#### Social infrastructure

- \* Investment in social infrastructure is proven to mitigate the effects of disasters and improve recovery by strengthening community resilience and reducing vulnerability at a local level. Example, 2019/20 Fires, Council harnessed local networks in Cann Valley that established 2 years prior through a previous community planning program (Building Better Regions Fund), helping Council to understand impacts and priorities for support of this community completely isolated by the Princes Highway closure.
- \* Council and community recovery committees in East Gippsland have taken advantage of recovery funding to invest in improved community resilience (Example, community disaster planning, bushfire resilient community facilities, building community connections and cohesion, supporting community leadership, community-led relief centre training). Future funding can embed this as common practice.
- \* Local government is the closest level of government to community and is well placed to work with their communities in building disaster risk knowledge, and also to invest to build resilience. There is an opportunity to accelerate community resilience by investing in communities through local government.





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

Council has a very good understanding of the arrangements as they apply to relief and immediate recovery and to restoration of impacted infrastructure. The arrangements for broader recovery funding are less clear.

Council is aware of the range of streams of disaster funding including:

- \* National bushfire recovery fund to support families and individuals access to support – often delivered through Services Australia.

Small business and primary producer support including immediate payments, tax relief, and concessional loans and tourism packages. These may be delivered through the State government.

- \* Lump sum payments to local government to assist with rebuilding critical infrastructure.

- \* DRFA funding for relief activities and restoration of critical infrastructure.

- \* A range of other grant and other funding programs supported under the different DRFA categories and administered through the State government.

- \* Direct Commonwealth funding programs such as Black Summer Bushfire Recovery Grants and the Disaster Ready Fund.

In practice understanding the range of funding programs and which of the funding programs administered by State government are also jointly funded by the Commonwealth government, is not clear. It is also unclear whether the conditions and criteria for the use of the funding are determined by the State or Commonwealth governments (Example, timelines for grant programs, end dates for completion of projects).

In particular, how, or the extent to which local priorities and needs in relation to recovery are reflected in arrangements between the State and Commonwealth governments is unclear.

Council is also aware of examples of funding in other portfolios that appears to be separate from the primary DRFA arrangements. Examples include the funding of mental health services through Primary Health Networks and funding for Strengthening Telecommunications Against Natural Disasters.

There are some significant challenges with accessing funding for restoration of critical infrastructure through the DRFA arrangements and it is unclear the extent to which this is a reflection of the State or Commonwealth requirements noting the scheme is administered through Emergency Management Victoria. The challenges relate to:

- \* the narrow definition of critical infrastructure (which does not include a range of infrastructure considered important by communities such as coastal infrastructure, footbridges etc)

- \* the inability to invest in betterment to reduce risk (and likelihood of damage recurring) and

- \* the onerous administrative and evidence requirements to substantiate claims.

Council officers are happy to provide detailed feedback in relation to the challenges associated with reimbursement of infrastructure restoration costs.





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With the likelihood of more frequent and severe events resulting from climate change, there is a critical need to address the challenges outlined above if recovery funding arrangements are to be effective.

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

The simple answer to this is no. Our experience of the 2019/20 Black Summer Fires was compounded by the changing arrangements for funding and on-ground action from State and Commonwealth Governments.

While the role and contribution of all levels of government was critical during the Black Summer Fires, the arrangements changed in the middle of the event with the establishment of new agencies at both a State and Commonwealth level.

The Commonwealth government also increased its direct, on ground engagement and service delivery, in addition to support through the State government. While such support was appreciated, it also resulted in a lack of coordination, duplication, and confusion in the community. This issue has been raised previously with senior Commonwealth disaster agency representatives.

While some Commonwealth agencies participated in the East Gippsland Recovery Committee, others acted independently.

Some examples from the 2019/20 Black Summer Fires are as follows:

- \* At one stage there were six different programs across Commonwealth, State and Local government working to support businesses impacted. Coordination and information sharing between these was an after thought and partial.
- \* Mental health and wellbeing services were separately funded by State and Commonwealth governments. There was no built-in coordination or information sharing about the issues arising in order to inform further action.
- \* Funding programs for recovery projects commenced being administered by the Victorian government using funds available through DRFA – for example, Local Economic Recovery Program (noting this covered community and economic recovery projects). Frustration with the state administered programs led the Commonwealth to by-pass the states and establish the Black Summer Bushfire Recovery Grant program. While the program was welcome it also added to the confusion and its administration was even more detached from an understanding of the recovery needs on the ground. This was a contributing factor to key recovery projects being deemed ineligible on a technical issue (that is, the community committee was constituted as a committee of management for a facility on crown land) further impacting communities.
- \* Responsibility for administration of funding for community activities commenced with State government and moved to local government. Each time there is a change it adds to the confusion and stress associated with changed processes.

While any specific local government will only respond to a very large event such as the Black Summer fires occasionally, the relevant State and Commonwealth governments will be responding more regularly





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and so it is critical that clear and streamlined processes for funding and support are set up and not changed in the middle of incidents.

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

There are several matters that deserve further consideration:

\* There is no disaster without people. As the closest level of government to community, local government has the local knowledge of community at a place-based level and is best placed to support community-led outcomes for disaster preparedness, risk reduction, response and recovery. Local government best understands the social capital and social infrastructure in communities and is best placed to harness strengths, understand where additional support is required and build capacity over time.

The administrative burden on Council's to complete claims under the DRFA is significant. Council has allocated an ongoing role simply to manage this task with additional support provided during peak periods. This is ongoing, not just in response to the 2019/20 Black Summer Fires. This reflects the administrative inefficiencies, stringent evidence requirements and systems that are not compatible requiring significant manual work. While it is recognised that Council's interface on this issue is with State government there is an opportunity for Commonwealth leadership.

\* As outlined in Council's covering letter, local governance arrangements, in particular the Municipal Emergency Management Planning Committee, needs to have a role directing funding to the highest priority disaster risk reduction activities. The Municipal Emergency Management Planning Committee (MEMPC) provides a unique opportunity for an all-agencies, tenure blind approach to investment priorities.

\* Data - its collection, sharing and analysis - is critical in effective investment in disaster risk reduction and in recovery. There is an opportunity for the Commonwealth government to exercise leadership in addressing long standing issues which reduce the effectiveness of action and investment. This may include data and modelling about climate and disaster risk, data about the impacts of disaster (currently different agencies use different systems which are not compatible) or subject to appropriate privacy arrangements, information about people who are affected to enable more effective services and reduce the need for retelling of stories.

