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# Submission to the Independent Review of Commonwealth Disaster Funding

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**Consent option:** Publish with name

**Submitted by:** Foodbank

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

Whilst Foodbank Australia has been a member of the Trusted Information Sharing Network Food & Grocery Sector Group since its inception, and Foodbanks have been called upon to assist in the response to disasters for decades, it was not until the Black Summer bushfires of 2019/20 that Commonwealth funding was provided to Foodbank Australia to assist with disaster relief efforts. In this instance, funding to the tune of \$2m was provided via the Department of Social Services, with a key focus of this investment being replenishing the stock diverted away from everyday food relief to disaster relief throughout the crisis phase of the response. A further \$2m was provided to Foodbank Australia in response to the serious flooding across SEQ and large parts of NSW in early 2022, again via the Department of Social Services.

Whilst this funding was enormously helpful and gratefully received, the last-minute, ad-hoc nature of this funding meant we could not maximise the benefits of the gearing we are able to achieve via our long-established relationships with the Australian food and grocery industry. The longer the lead time for funding, the further we can stretch every dollar. We would also not be placed in the unenviable position of deploying essential food and grocery items to disaster relief at the cost of everyday food relief, particularly given the challenges confronting so many communities at present, arising from the ongoing impacts of the cost of living crisis.

It should also be noted that funds provided by DSS to assist with our natural disaster response efforts are made via a variation to our existing base funding, which stipulates that funds should be prioritised to Commonwealth-funded Emergency Relief providers, of which there are almost 200 nationally. For context, Foodbank distributes food relief via a network of approximately 3,000 charities, which means that we are limited in our potential impact given the grant requirements.

As noted below, Foodbank plays a critical role across multiple Commonwealth-convened working groups and committees but receives no direct base funding to support our efforts in this regard.

From a preparedness perspective, Foodbank Australia greatly appreciates attending and/or being involved in the annual Severe Weather Season Preparedness Briefings for Industry, hosted by the Department of Home Affairs and Bureau of Meteorology. The combination of long-range forecasts and multi-stakeholder scenario-planning exercises is invaluable both from a planning perspective and from a peer support perspective. These forums have assisted in identifying key government, industry and NGO





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stakeholders who can be contacted during a crisis, streamlining existing processes and enabling targeted responses. It has also allowed state/territory Foodbanks to pre-deploy emergency relief hampers in key locations in advance of road closures, which saves valuable time and resources and ensures community-led solutions can be activated promptly.

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

Foodbank's work is not focused on reducing the risk of a disaster happening but reducing the impact of additional issues such as hunger, malnutrition and sporadic long-term food supply when disaster events occur.

Foodbank has called for more meaningful food relief funding, both in the context of everyday food relief, as well as disaster preparedness and responsiveness. This has been outlined in detail in our most recent pre-budget submission<sup>2</sup>. It is noted that at present, there is no standing arrangement or program to allow the food relief sector to promptly 'draw down' on a dedicated emergency food relief fund to facilitate rapid response locally or at scale.

We would welcome NEMA's support for our request for the establishment of rapidly disbursable standby funding of \$20m per annum for emergency food relief following a crisis or natural disaster, as well as for mitigation, preparedness and resilience.

The Australian Government already has such a mechanism for disasters overseas. The Australian Humanitarian Partnership is a \$10 million a year pre-approved funding envelope that can be rapidly deployed to a pre-selected agencies with Ministerial approval. Australia also donates \$11 million a year to the United Nations Central Emergency Response Fund, which has the same function. In Australia, natural disasters are a regular occurrence. We need to expect, prepare and plan for these times at home, as we do overseas. It is important that this program or fund consider not only the emergency response and recovery phase, but also the important preparedness phase, as highlighted above.

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

Unfortunately, funding for everyday food relief -including times of natural disaster and the global pandemic -has not been adequate or fit for purpose. With more than a million people per month now in need of food relief, it is important that the sector be adequately resourced, with multi-year funding agreements in place to ensure the maximum efficiency of taxpayer funds by supporting programs and activities capable of delivering food relief year-round.

Via the new Disaster Ready Fund (DRF), the Commonwealth is investing one billion dollars over the next five years for natural disaster resilience and risk reduction across Australia. Foodbank understands that each jurisdiction was responsible for its own application processes and timelines, which made it challenging to maintain oversight of nationally. We understand that projects mostly require a 50 per cent co-contribution from the applicant.

It is evident from DRF Round 1 successful applications that there has been a strong emphasis on 'disaster aversion' projects such as levee building and alert systems with much less support awarded to community organisations working to support affected people. It is also clear that there remains no mechanism for national charities or national peak bodies to make direct DRF applications, which Foodbank Australia considers a major deficiency.





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Foodbank is strongly supportive of the DRF and indeed several Members (state/territory Foodbanks) made applications in Round One (successful in SA and NT). However, delegating the decisions of funding decisions exclusively to State and Territory governments meant that national organisations such as Foodbank Australia were not able to apply for funding of projects of national scale that could have seen essential food and grocery items and much-needed transport support secured ahead of the next disaster season to help bolster the supplies of State/Territory Foodbanks.

Foodbank asserts that it should not be the sole responsibility of DSS to facilitate Federal funding for food relief in times of disaster. If we are to be genuinely resilient, there must be a standalone fund made available to the food relief sector to enable appropriate preparation and immediate and ongoing uplift in the provision of essential food relief services. Please refer to the pre-budget submission referred to above for further detail on this.

We would welcome NEMA's support in a meaningful percentage of DRF funding rounds being allocated to 'programs of national significance' with funds routed to national scale community sector organisations such as Foodbank, Red Cross, St Vincent de Paul and others who are able to achieve national impact through their disaster work.

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

Foodbank believes the roles and responsibilities, including funding, are not clear within levels of Government and there is an additional challenge in terms of intra and inter departmental clarity.

**Commonwealth Funding Arrangements**

The inadequacy of base funding for the national food relief sector to be able to meet the rapid increase in demand for food relief arising from the global pandemic was recognised by the Federal Government, with additional funds provided during COVID 19 to facilitate an immediate uplift in food relief volumes, reach and impact to meet the needs of local communities. Almost \$20m of the \$200m Community Support Package was shared between Foodbank, OzHarvest and SecondBite to support Commonwealth-funded Emergency Relief providers through increased food and grocery supplies and alternate distribution mechanisms.

The Department of Social Services (DSS) National Coordination Group (NCG) established in April 2020 continues to provide an excellent avenue for advice on how Emergency Relief, Food Relief and Financial Counselling can assist individuals in need across Australia. Foodbank Australia's experience as a member of this group has been an overwhelmingly positive one, and the outcomes and outputs are reflective of a truly collaborative and effective structure.

However, the group's remit - and related funding - is specific to Commonwealth-funded Emergency Relief. The challenge for the food relief sector is that the distribution of food relief, including during times of crisis, is not limited to the 196 Commonwealth-funded Emergency Relief providers. Foodbank alone works with a network of 2,625 charities, the majority of which do not form part of the Commonwealth-funded Emergency Relief network. Whilst the Department has been as flexible as possible around the need to prioritise this funding to Commonwealth-funded ER providers, the funding





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arrangements are simply not fit for purpose in an environment increasingly reliant on frontline charities outside this network.

#### State/Territory Funding Arrangements

Foodbank Members are variously involved in State/Territory level emergency management / crisis response forums and plans, but opportunities for involvement vary across the country. It is Foodbank Australia's observation that State/Territory Foodbanks with a formal role on state/territory disaster relief committees (or equivalent) are able to distribute food relief more easily and efficiently, as priority communities are agreed upon and communicated promptly and communication, collaboration and activation efforts are streamlined.

Those State/Territory Foodbanks without a formal role on government committees are reliant on local relationships, intelligence and communications (including via emergency services) and the existing Foodbank network, as well as any local intelligence reported from industry or government via the TISN Food and Grocery Sector Group or other forums. Foodbank would be supportive of the inclusion of Foodbank in all state/territory disaster plans (or equivalent) to reduce systemic disaster risk and facilitate collaboration.

It must be said that the resourcing of state/territory Foodbank to assist with disaster preparedness, the crisis response and the lengthy recovery period varies markedly, with some completely reliant on public and/or corporate donations to conduct essential food relief activities, despite there appearing to be an expectation from governments that Foodbanks form part of the emergency response.

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

##### Foodbank-Specific Challenges

Foodbank's exposure to climate and disaster risks must be considered from both a supply and demand perspective given our ability to source sufficient volumes of in-demand products, especially fresh produce, is seriously affected by climate, and demand for food relief increases markedly during times of crisis, noting that food relief clients are disproportionately vulnerable<sup>3</sup>.

Natural disasters of increasing frequency and intensity are not only driving increased demand for this alternative food system, but also impacting supply. Flooding in recent years has impacted some of the most productive growing regions of our country, impacting both yields as well as 'quality' (noting that Foodbank does not view blemished or misshapen fresh produce as lower quality).

Food relief is not immune to inflationary pressures, with the cost of sourcing, transporting and storing food and grocery items increasing dramatically in recent months, significantly increasing the cost of foodbanking. Not only have we seen an increase in the cost of sourcing, transporting and sourcing food and grocery items, but Foodbank operations are also being impacted by the very same cost of living challenges that individuals are, including increased rental and energy costs. Pre-COVID, Foodbank was able to secure \$5-7 worth of product (retail value) for every dollar invested. At this stage, it is likely that we will only be able to secure \$3-5 worth of product (retail value) this year, at a time when we have never needed greater volumes of food relief.

Recommendations:





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That 10% of each round of the Disaster Ready Fund (\$20m) be allocated specifically to emergency food relief, to be facilitated by national food relief organisations, with half of this funding to be used for pre-purchase and storage of emergency hampers and related goods for immediate deployment when disaster events occur. The remaining 50% of funds would be drawn down during disaster events to cover additional costs such as chilled and ambient transport, storage, labour, additional product sourcing etc.

That the DRF be hard coded to guarantee a proportion of the fund is used to support community service organisations (at least 30% but ideally 40%)

That dedicated food relief funding within the DRF be agreed ahead of DRF Round 2 in July 2024.

That any Foodbank support received via future grants from NEMA to eligible for use in supporting all charities within the Foodbank network involved in disaster related work, not limited to the Commonwealth-funded Emergency Relief providers.

That a proportion of DRF funding be distributed to community sector organisations with national scale and impact to allow for their centralised investments and efficiencies to be utilised.

That funding be made available for long-term preparation and recovery work, noting current DRF rounds are for one year only, and longer term support will have an outsize impact on effectiveness.

