



Disaster Recovery Funding Arrangements Western Australia

Frequently Asked Questions

Version 01

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1 Introduction and Basic Principles

1.1 Is the Disaster Recovery Funding Arrangements Western Australia (DRFA-WA) the same as the Western Australia Natural Disaster Relief and Recovery Arrangements (WANDRRA)?

The DRFA-WA is similar to WANDRRA in that it outlines what assistance is available following an eligible disaster event.

The DRFA-WA is based on the Commonwealth's DRFA. Similar to WANDRRA, which is based on the Commonwealth's Natural Disaster Relief and Recovery Arrangements (NDRRA), the DRFA is an arrangement between the State and Commonwealth.

Many of the measures available through WANDRRA are provided through the DRFA-WA. The most significant changes to the new arrangements are around the process and requirements for the restoration of essential public assets (REPA).

1.2 Can I ask the Commonwealth questions about these arrangements?

No.

The Commonwealth has a single point of contact, which is the Department of Fire and Emergency Services (DFES). Any queries, points of clarification or general discussion about how the arrangements apply in Western Australia must be directed to the DRFA-WA team. The contact details are as follows:

- drfawa@dfes.wa.gov.au
- *Graham Capper, Manager Recovery, Disaster Funding 9395 9973*
- *Terry Asher, Recovery Officer, Disaster Funding, 9395 9341*
- *David Budd, Recovery Officer, Disaster Funding, 0438 784 074*

1.3 Does the Commonwealth pay for all DRFA assistance?

No.

The arrangements are jointly funded by the State and Commonwealth. Over the past 7 years, the Commonwealth has contributed approximately one third of the total WANDRRA costs.

The amount of Commonwealth financial assistance is worked out based on:

- State expenditure and estimated reconstruction costs in that financial year,
- The extent to which the state expenditure and estimated reconstruction costs have exceeded the first and second thresholds.

Thresholds are calculated by the Commonwealth. For 2018/19 the first threshold is \$60.2 million and the second threshold is \$105.5million.

If the State does not spend more than the first threshold, then the Commonwealth pays 50% of any Category A measures (assistance for individuals) only.

If the State spends more than the first threshold then the Commonwealth pays for 50% of Category A measures and Category B measures, between the first and second thresholds, and 75% for any expenditure above the second threshold.

1.4 Does the DRFA-WA replace the need to insure my assets?

No.

As with WANDRRA, the DRFA-WA provides certain measures to support relief and recovery efforts following an eligible disaster. It is intended to complement other strategies, including insurance, mitigation planning and activities to prevent disasters. It is not intended to replace other actions and measures that should be taken to protect assets or prevent disasters from occurring. Assets that can be insured are not covered by the DRFA-WA.

1.5 What is the aim of the DRFA?

These arrangements enable the Commonwealth to provide financial assistance to States, to support certain relief and recovery measures following an eligible disaster.

Natural disasters or terrorist acts may result in large-scale expenditure by state governments in the form of disaster relief and recovery payments and infrastructure reconstruction.

These arrangements provide the guidelines for the Commonwealth to provide financial assistance. Usually, the assistance is in the form of partial reimbursement of state expenditure and estimated reconstruction costs.

1.6 What is an eligible disaster?

An eligible event is a natural disaster or terrorist act for which:

- A coordinated multi-agency response was required, and
- It must be estimated that the cost of emergency assistance to individuals and communities, or damage to essential public assets will exceed \$240,000

An eligible disaster is given an AGRN number by the Commonwealth, which stands for Australian Government Reference Number

1.7 What are the natural disaster events that are covered?

The natural disaster events that are covered may be one, or a combination, of the following rapid onset events:

- Bushfire
- Cyclone
- Meteorite Strike
- Earthquake
- Storm surge
- Tornado
- Flood
- Landslide
- Storm
- Tsunami

1.8 How is it decided if an event is a terrorist act?

The Commonwealth must determine whether an action or a series of actions committed in Australia is a terrorist act.

If the State believes there has been a terrorist act, DFES Disaster Recovery Funding Officers, will write to the Commonwealth to confirm if the Commonwealth determines the event to be a terrorist act.

2 Category A Measures

2.1 What is a Category A measure?

Category A measures provide emergency assistance for individuals. It includes

- a) Emergency food, clothing or temporary accommodation.
- b) Repair or replacement of essential items of furniture or personal effects.
- c) Essential repairs to housing, including temporary repairs and repairs necessary to restore housing to a liveable condition.
- d) Demolition or rebuilding to restore housing to a liveable condition.
- e) Removal of debris from residential properties to make them safe and liveable.
- f) Extraordinary counter disaster operations for the benefit of affected individuals.
- g) Personal and financial counselling.
- h) The employment of a Community Recovery Officer.

Detailed information about each of these categories is available in Schedule A – Category A measures.

If you are an individual looking to apply for emergency assistance, please contact:

Department of Communities – Emergency Services (1800 032 965)

2.2 What is a Community Recovery Officer?

A Community Recovery Officer is a person(s) employed to support a community recover following an eligible disaster. The Community Recovery Officer will spend time with the community and identify the specific recovery needs of affected individuals and families, and where possible may assist the local government and State in seeking additional assistance that may be available under the DRFA.

2.3 Can my community apply for a Community Recovery Officer?

Yes. Your community can apply if it meets the following requirements:

- an event has been declared an eligible disaster and is a recognised DRFA-WA event, having been allocated an AGRN number, and
- emergency assistance for individuals, including emergency food, clothing or temporary accommodation, repair or replacement of essential items of furniture and personal effects is being provided and essential repairs to housing are being undertaken to restore housing to a habitable condition.

2.4 How long can a Community Recovery Officer support my community?

DRFA-WA assistance can provide a Community Recovery Officer for 12 months on a full time basis. The State, in consultation with the local government, has flexibility in regards to this 12 month, full time employment. For example, a local government may decide that a Community Recovery Officer would provide better recovery support over a 2-year period, in a part time capacity.

2.5 What are extraordinary counter disaster operations (CDO) in Category A?

This covers costs associated with the activities to protect a community from the impacts of a disaster.

States must have budgeted for costs to protect communities, however in an extraordinary year, for example multiple events have occurred, the State may claim some assistance under the DRFA.

Examples of the CDO Category A activities include sandbagging, tree bracing to protect damage to properties, evacuation of threatened people.

2.6 Are the Category A counter disaster operations (CDO) costs the same as the Category B CDO costs?

No.

Category A CDO – this is for assistance directly to an individual, for example an activity being undertaken to protect residential properties from an eligible disaster and ensure affected residents can return home.

Category B CDO – this is for assistance aimed at protecting the general public and ensuring public health and safety in public areas. The community as a whole will benefit from the activity being undertaken.

Please refer to 'Guideline 2-Counter Disaster Operations' in the DRFA-WA resource library for more information.

3 Category B Assistance Measures

3.1 What are “Category B measures”?

There are three areas of Category B assistance measures:

- financial support provided to the State in the repair and reinstatement of damaged essential public assets,
- counter disaster operations for the protection of the general public; and,
- assistance for small business and primary producers.

3.2 What are essential public assets?

Essential public assets are transport or public infrastructure that is owned by a state agency and/or local government that provides services free of charge or at a heavily discounted rate (50% or less of the cost to provide those services). These groups are referred to as an eligible undertaking in the arrangements.

3.3 What are the Category B measures available in Western Australia?

The Category B measures available under DRFA-WA are:

- Emergency works and immediate reconstruction works that must be completed within 3 months from the time the essential public asset is accessible.
- Essential public asset reconstruction works for which the state agency or local government develops an estimated reconstruction cost within 12 months, after the end of the financial year within which the relevant eligible disaster occurred.
- Counter disaster operations for the protection of the general public.
- ‘Other’ Category B measures, including,
 - Interest rate subsidy to small businesses or primary producers whose assets have been significantly damaged as a direct result of an eligible disaster
 - Freight subsidy to primary producers whose assets have been significantly damaged
 - Professional advice subsidy for primary producers and small business
 - Fencing subsidy for primary producers who have livestock.

3.4 What are emergency works?

Emergency works:

- Are urgent activities that must be undertaken in order to *temporarily* restore an essential public asset, so that it can operate or be operated at a reasonable level of efficiency to support the immediate recovery of a community.
- Are activities that must be completed within three months from the date the essential public asset becomes accessible. E.g. once flood waters have receded enough to enable safe access.
- Do not fully restore the asset. It is a temporary repair only.

Examples of emergency works are repair of pot holes, replacement of rock and traffic management.

3.5 What are immediate reconstruction works?

Immediate reconstruction works:

- Are immediate activities carried out by the State/local government and which fully restore the essential public asset.
- Must be completed within three months from the date the essential public asset becomes accessible.

3.6 How are emergency and immediate reconstruction works different?

Emergency works are temporary only, they can be carried out prior to further reconstruction works being undertaken to fully restore and repair the asset.

Immediate reconstruction works will be carried out to complete the repair in situations where no additional work will be required.

You can undertake emergency works and immediate reconstruction works on the same asset. The relevant agency or local government may undertake activities such as pot hole repairs as emergency works, before fully repairing the asset under the immediate reconstruction works option.

Both emergency and immediate reconstruction works must be completed within 3 months from the date of access to the damaged asset.

3.7 What is the difference between immediate reconstruction works and essential public asset reconstruction?

Immediate reconstruction works:

- Must be undertaken within three months of a damaged asset becoming safely accessible,
- No pre-disaster information is required,
- All works must be completed within 3 months of the event, or from the date of access to the damaged asset.

Essential public asset reconstruction requires:

- A comprehensive Damage Report and Cost Estimate,
- A Pre-Disaster Function report

3.8 Do I need to provide evidence for emergency and immediate reconstruction works, when claiming the actual cost?

Yes.

Actual costs are paid for emergency works and immediate restoration works. This assumes that the damage is a result of an eligible event. You must be confident that the local government or state agency is undertaking works where an eligible event has been declared, if a claim is to be made.

There is an Emergency and Immediate Restoration Works Template which has been developed to capture a high level summary of the damage. As well as a high level damage summary, actual costs must be captured to ensure the claim can be paid. There is an area in the template for actual cost information to be recorded.

The spreadsheet also provides an optional area for estimated costs to be captured, if a local government wishes to keep all their information in one place.

3.9 What are counter disaster operations for the protection of the general public?

Category B Counter Disaster Operations (CDO) are activities that state agencies and/or local governments carry out to protect communities from eligible disasters and ensure public health and safety in public areas. The purpose of this measure is to carry out activities which reduce the need for other forms of assistance provided under DRFA-WA.

CDO activities are undertaken before, during or immediately after an eligible disaster event.

Examples of Category B CDO activities include sandbagging to prevent damage to communities e.g. to protect residential areas, public schools, public hospitals, fire suppression activities to protect the general public, establishment and operation of locally positioned Incident Management Teams and Incident Control Centres.

3.10 Can local governments and State Government bodies use their own resources in the repair and recovery of their essential public assets?

Yes.

Under the new arrangements, local governments and asset owners can use their own resources, including labour, plant and equipment, to repair assets that are damaged in an eligible event. That is, an event that has been declared an eligible disaster and has been allocated an AGRN.

A detailed process must be followed, regardless of whether you are undertaking the repairs with your own resource or through a contractor/consultant. This process involves undertaking the damage assessment and providing evidence of the pre-disaster condition and function of the asset as well as providing a cost estimate. Examples of these templates can be found at <https://www.dfes.wa.gov.au/recovery/Pages/DRFA-WA.aspx>.

If works being undertaken constitutes immediate reconstruction works or emergency works, your own resources can be used and a detailed invoice is required to substantiate the claim.

3.11 Will my organisation be financially responsible for discrepancies if reconstruction costs come in at above the estimated cost?

No.

Asset owners will be reimbursed based on the actual cost of repairs, not on the estimated cost.

3.12 If I underestimate the cost of reconstruction, will the benefits be spent on mitigation projects in my region.

Not necessarily.

The funds will be placed in a 'mitigation fund' where a variety of agencies and local governments can make an application for funding. Applications must be for new mitigation projects which fall into three major categories:

- Planning and Regulations,

- Public Infrastructure Projects, and;
- Education and Awareness Projects

The mitigation fund has not been established yet.

3.13 What are the variances, outlined in Section 7?

Variance is the difference between the estimated cost and the actual cost, for the restoration of essential public assets.

The State is responsible for reporting the variances to the Commonwealth. All asset owners are reimbursed based on the actual cost of repair. The DFES Disaster Recovery Funding team will be responsible for comparing the estimated cost with the actual cost, and reporting this to the Commonwealth.

Asset owners are required to provide their actual cost information in a way that can be compared with their estimated costs, so the difference can be calculated.

3.14 Do I need to do a special variance report for my project?

No.

All asset owners are required to provide a copy of their receipts and to ensure this can be compared with the estimated cost. It is the DFES Disaster Recovery Funding team's responsibility to provide a variance report to the Commonwealth.

3.15 What if my actual cost is going to be significantly different than my estimated cost?

There is a Cost Variance Template that must be completed.

If the project cost is likely to vary by more than 5% of the original estimated cost, a cost variation is required. The template is available through the Recovery Resources library.

3.16 Do the State assurance activities apply to me?

The State assurance activities are the responsibility of the DFES Disaster Recovery Funding team to manage.

However, all estimates and claims may be subject to audit. The templates provided for damage reports, cost estimates and variations ensure that all required information is being collected.

If you choose to use different templates, please use the template as a guide to ensure you are capturing all the necessary information.

3.17 Is betterment allowed whilst undergoing repairs of a disaster if the local government is paying?

Yes.

Betterment is allowed if funded by the local government (LG).

The LG would need to provide an estimate for the cost of reinstating the asset to its original form. This is the estimate that the State will use in its claim to the Commonwealth.

The LG would then, for their own reference and records from an audit point of view, need to have an estimate for the works including betterment. Where it gets tricky is with the claims. Obviously, costs against the original estimate can be claimed, however they will need to be clearly identified when the claim is made to DFES to ensure the cost for the betterment component of the works is not included.

4 Category C Assistance Measures

4.1 What is a Category C measure?

A Category C measure is a community recovery package that is intended to support a holistic approach to the longer term recovery of regions, communities or sectors severely affected by an eligible disaster.

It may include:

- A Community Recovery Fund aimed at supporting severely affected communities through community development funding focused on restoring social networks, community functioning and community facilities.
- Recovery grants for small businesses, where the small business sector is severely affected and the community risks losing essential businesses.
- Recovery grants for primary producers – to support the primary production sector when it has been severely affected by a disaster event and the community risks losing essential producers. Grants are aimed at covering the cost of clean-up and reinstatement but is not intended to compensate for loss.

There is a Category C Fact Sheet which provides a detailed summary of what is included.

4.2 Is Category C automatically activated when an event is eligible?

No.

The DFES Disaster Recovery Funding team will assist in the development of a business case, in partnership with the relevant State agency or affected local government area/s to progress a Category C application. The local government will play a critical role in developing the application to ensure it meets the needs of the community.

The Category C application must be endorsed by the Premier and then lodged with the Commonwealth to determine whether it is successful.

Not all Category C applications are approved by the Commonwealth.

4.3 What do I need for a Category C application?

The Category C application must provide information which identifies how the community/region has been affected.

In determining the severity of impact on the region, community or sector a Business Case must demonstrate the following impacts:

- the community is at risk of losing essential businesses as a direct result of the eligible disaster,
- there is measurable loss or reduction in essential services in the community,
- there is measurable loss or damage to essential public assets,
- more than five community facilities have been destroyed and/or damaged, and
- more than five community activities have ceased and/or been disrupted.

For some very small communities, there may not be the ability to demonstrate that five community facilities have been destroyed or damage.

The DFES Disaster Recovery Funding Team will work with the local government/s to determine the best way to progress the application.

4.4 Is there help available to develop a Category C application?

Yes.

The Category C assessment framework, outlined in Guideline 3, is quite complex.

Please contact the DFES Disaster Recovery Funding team for guidance and support, before you start work on the Category C Assessment Framework.

4.5 What funding is available if my community requires more than two years of recovery support?

Recovery is long-term and for major events it is very likely that local recovery efforts will be required for longer than the two years funded by DRFA. It is expected, however, that many community recovery supports will be absorbed into business-as-usual community development activities.

Exceptional circumstances or specialist support (such as counselling) will be addressed on a needs basis. Make contact with your DRFA-WA team member to discuss your needs.

4.6 Has WA had a Category C activation before?

Yes.

Category C has been activated for primary producers a number of times:

- 2010-11 for AGRN418, Monsoonal low and flooding in Carnarvon and the Gascoyne River catchment.
- 2014-15 for AGRN663, Severe Tropical Cyclone Olwyn and Associated Flooding in Carnarvon, Exmouth, Shark Bay and in the defined area west of the North West coastal Highway in the Shire of Ashburton.
- 2016-17 for AGRN743, the Flooding in Western Australia event.

5 Category D Assistance Measures

5.1 What is a Category D measure?

Category D is an Extraordinary Special Assistance measure.

It is an act of relief or recovery carried out to alleviate distress or damage in circumstances that are exceptional.

This funding may be requested to meet the particular circumstances of the event, and where a gap or need for special assistance above and beyond the standard suite of DRFA assistance arises.

5.2 How is Category D activated?

Activation is by joint agreement between the Prime Minister and the Premier.

All activations are managed by DFES Disaster Recovery Funding Team. An application for the activation of Category D extraordinary special assistance will be prepared by the team and managed through the appropriate channels to the Premier and Prime Minister.

5.3 Has WA had a Category D activation before?

No.

WA has not made an application for Category D previously. However, the team has an understanding of successful Category D applications in other States to assist in the future development and activation of Category D.