

NATURAL DISASTER FINANCIAL ASSISTANCE FOR LOCAL COUNCILS

Frequently Asked Questions (FAQ)

Q: What are the requirements for access to financial assistance for community rehabilitation?

A: Victorian State Government financial assistance for municipal emergency expenditure by Local Council's is only available for 'Natural Disasters' as defined under the Commonwealth Government's Natural Disaster Relief Arrangements (NDRA).

"The NDRA applies to any one of, or a combination of, the following natural hazards: bushfire; earthquake; flood; storm; cyclone; storm surge; landslide; tsunami; meteorite strike; or tornado. These arrangements *do not* apply to disasters where poor environmental planning, commercial development, personal intervention (other than arson) or accidents are significant contributing factors to the event."

The definition can be found on the Department of Transport and Regional Services website below:

<http://www.ema.gov.au/naturaldisasters>

The Bureau of Meteorology definition of a severe storm is used to determine eligibility of storm damage.

"A Severe Thunderstorm is a thunderstorm that produces one or more of the following: A tornado, hail of diameter 2cm or greater, wind gusts of 90 km/h or greater, and/or very heavy rain leading to flash flooding."

It can be found at the website below:

<http://www.bom.gov.au/catalogue/warnings/GSTW/graphicalproductsvic.shtml>

VicRoads use media, State Emergency Service and Bureau of Meteorology reports to assess the extent of storm damage.

Councils should ensure that their application meet these criteria before submitting an application for financial assistance.

Q: Does there need to be a declaration from the State or Commonwealth Government for Councils to access Natural Disaster Financial Assistance?

A: No declaration is required for Councils to seek assistance, as declarations are typically only announced for the most extreme situations where normal emergency administration practices have failed. Councils should note that only the criteria discussed in the previous question is applicable to financial assistance claims.

Q: Can councils claim the Council Contribution for asset restoration from any other authority?

A: Councils can apply to the Victorian Grants Commission for the provision of special payments where there is a shortfall between the approved restoration costs and the DTF contribution. Please visit:

Victorian Grants Commission
Department for Victorian Communities
<http://www.dvc.vic.gov.au/vgc>

Q: Where can Councils find the guidelines for making a Natural Disaster financial assistance claim?

A: Councils can visit <http://www.dtf.vic.gov.au/CA25713E0002EF43/pages/bfm-natural-disaster-financial-assistance>, select 'Council Claims', to obtain the guidelines in PDF format that outline the following points:

- What are the arrangements for access to Natural Disaster financial assistance?
- What is Natural Disaster financial assistance available for?
- How much is the financial assistance?
- How do Councils apply?
- What should be included in the claim?
- How long is the claim process?

Q: Is there a time limit as to when a claim must be lodged after an event?

A: Consistent with the Commonwealth NDRA, all expenditure must occur within a period less than two years after the end of the financial year in which the relevant emergency occurred. Councils should note that any claims for financial assistance must be submitted within this timeframe.

It is also recommended that Councils notify and involve VicRoads at the time of the emergency as this involvement will assist in substantiating the claim.

Q: Is there a timeframe as to when Emergency Protection works become Asset Restoration?

A: As a general rule, Emergency Protection works would occur within the first 24/48 hours and up to two weeks after an event to ensure community assets are protected and to restore essential public services within the affected region.

Only works that fall under the *Emergency Management Manual Victoria* definition of Emergency Protection Works are to be included in this section of your application.

For the Emergency Management Manual Victoria, see:

<http://www.oesc.vic.gov.au/wps/wcm/connect/OESC/Home/Policy+and+Standards/OESC+-+Emergency+Management+Manual+Victoria+%28PDF%29>

Q: What salary or wage costs can Councils claim?

A: Ordinary standard time that would have been incurred by employees in the ordinary course of business cannot be claimed by councils. This is consistent with the terms in the Commonwealth-State NDRA.

Councils may claim any extraordinary salaries, wages or other expenditure which would not have been incurred had the emergency not occurred.

Employment costs for temporary staff in the office, contractors or costs of staff seconded from other councils borne by the council can also be included where employees have been deployed to assist with the Council response to the emergency (i.e. backfilling). Councils can also claim overtime undertaken by their staff when assisting Council efforts during an emergency.

Q: Can Councils submit separate claims for the one event?

A: If additional work has been completed after a claim has been assessed and approved by VicRoads, it is recommended that the Council submit a separate claim for the additional expenditure.

Councils may also wish to separate emergency protection work and asset restoration claims depending on their financial requirements, although this is not mandatory.

Q: Can a Council vary a claim after it is lodged?

A: Councils may vary the content or amount of a claim where appropriate up until the time that the claim has been assessed and approved by VicRoads.

Councils should advise their local VicRoads NDR representative of any changes to their initial claim. Alternatively, Councils could contact:

Business Manager
Road System Management
9854 2087

Should further costs be incurred after the assessment is finalised, it is recommended that they submit a new claim for the additional works.

Q: How long is the claim process?

A: Upon receipt of the claim, VicRoads carries out a formal assessment of any damage to roads, bridges and other physical assets.

Once the assessment has been completed and approved, the Department of Treasury and Finance will notify the council. This process can take between six-eight weeks to fully complete, however this can vary depending on the size of the claim or emergency and the volume of claims being assessed by VicRoads.

Councils may, and are encouraged to, submit a copy of their claim directly to VicRoads when lodging their formal claim with the Department of Treasury and Finance in order to shorten the processing time.

Q: Can Councils lodge claims with expected costs/Forecasts?

A: In exceptional circumstances, and where a Council can demonstrate financial hardship, a request can be made to the Treasurer for an advance payment of asset protection and restoration costs based on an estimate of likely costs.

The decision to lodge a claim based on expected or actual costs for asset protection and restoration costs is up to the Council. Claims should only include costs that are expected to be incurred, and should therefore not include any contingency costs.

VicRoads will determine if the forecast amount is appropriate for asset works within the affected area and issue an assessment to DTF indicating their analysis of the claim. This will be used as the basis for providing financial assistance.

Should the actual cost of emergency protection or restoration works be higher than that estimated and initially paid, Councils will need to submit a new claim for the additional costs. Any difference between the advance provided and the final expenditure will either be provided to the council as an additional grant or returned by the council.

DTF will advise an individual council if their claim was successful and the amount of the advance that has been approved. Councils are required to submit within one year the actual invoices once works have been completed

Q: Can betterment costs be included in a claim?

A: As a basic principle, the replacement assets should be designed to provide the most cost-effective solution. Where this requires different materials or technology than the pre-existing assets this will not be considered as betterment. Cost sharing for upgrading essential damaged infrastructure to more resilient standards is also available, and can be included with a claim.

Where there has been an increase in functionality, beyond that which existed prior to the emergency, this will be considered betterment (eg. additional lanes on a bridge). The proportionate increase in functionality of assets where betterment has occurred can not be included as part of a claim.

The betterment portion will be assessed by VicRoads calculating the increase in functionality as a percentage of the functionality of the new facility.

Q: Can Councils claim the cost associated with the provision of Municipal Emergency Control Centres (MECC) and alternatives?

A: Under the current Natural Disaster financial assistance guidelines, the costs incurred from establishing and/or operating a MECC or alternatives are not automatically eligible for reimbursement. However, the Treasurer can determine, on a case-by-case basis, that such costs be reimbursed and will invite individual Councils to submit claims for any MECC establishment and operational costs incurred.

Q: How do Councils get paid? Should the invoice include GST?

A: Once a claim has been approved, Councils will receive a letter from DTF outlining the total amount of financial assistance that has been approved. Councils should then invoice the VicRoads regional office within their region for the approved amount including GST to receive payment. Note that the initial claim for financial assistance should exclude GST from the application.

Please contact the VicRoads Finance Team Leader in your region should you have any queries regarding payment of the financial assistance.

Region	Contact	Phone
Eastern Region	Team Leader- Finance	517225621
Metro North-West Region	Team Leader- Finance	93131205
Metro South-East Region	Team Leader- Finance	98818810
Northern Region	Team Leader- Finance	54345031
North-Eastern Region	Team Leader- Finance	576115828
Western Region	Team Leader- Finance	53815403
South- Western Region	Team Leader- Finance	522525529

Q: Who are the other administrative bodies for Post Emergency Financial Assistance in Victoria?

Personal Hardship & Distress Grants/Employment of Community Development Officers
 Emergency Management Branch
 Department of Human Services
<http://www.dhs.vic.gov.au/emergency>

Recovery of Council Contribution on asset restoration
 Victorian Grants Commission
 Department for Victorian Communities
<http://www.dvc.vic.gov.au/vgc>

Concessional Loans for primary producers, small business, principal residences, churches & voluntary organisations

Rural Finance Corporation of Victoria

<http://www.ruralfinance.com.au/>

Disposal of dead or maimed stock

Department of Primary Industries

In conjunction with municipal councils

<http://www.dpi.vic.gov.au>

Disaster Relief Payment/Income support, Pensions, Benefits & Allowances

Centrelink

<http://www.centrelink.gov.au>

The *NDFA Guidelines for Council Claims* and *Municipal Claim Form* spreadsheets used to assist Councils with their claims are also available from:

<http://www.dtf.vic.gov.au/CA25713E0002EF43/pages/bfm-natural-disaster-financial-assistance>