**<Name of Event>**

**<Name of Delivery Agency>**

**<Claim no. MC-xxxxx>**

**Reconstruction Works**

|  |  |
| --- | --- |
| Damage Assessment and Cost Estimation | |
| Step | Activity |
| 1 | Under the DRFA, the Australian Government will reimburse the states under an estimates-based model for the Reconstruction of Essential Public Assets (REPA) following an eligible disaster. The DRFA specifies that:  *“States must establish the estimated reconstruction cost for the reconstruction of an essential public asset through:*   1. *market response, or* 2. *cost estimation.*   *A critical step in this process is the estimate of the reconstruction cost of the essential public asset and identification of a total project cost. States must develop the estimated reconstruction cost for the reconstruction of an essential public asset comprising eligible state expenditure for construction, design and project management, contingency and cost escalation.” (DRFA 2018, Section 6.4.2–6.4.3* |
| 2 | **Damage Assessment**  Identification of damage, scoping of works, investigations and design and estimation of project costs should occur as soon as reasonably practical following an event.  Note that the Commonwealth auditors have raised the lack of damage in photographs in 2019 following an audit of natural disaster expenditure. Where damage is not evident, Assessors could undertake site inspections and detail this sufficiently across particular assets in their notes to ensure that damage has occurred following a disaster rather than general wear and tear.  Endeavours should be made to sufficiently design, quantify and mitigate project specific risks to provide greater confidence in the estimated project costs. Estimates must be submitted to the Assessing Authority **no later than 31 March in the financial year after the eligible disaster occurred, and prior to undertaking the reconstruction works**. REPA works must be completed within two (2) years from the end of the financial year in which the eligible disaster occurred. |
| 3 | **Primary Asset Function**  The Delivery Agency must identify and record primary asset function and classification that complies with the DRFA’s Essential Public Asset Function Framework. |
| 4 | **Projects**  Cost Estimates are to be based on projects. A “project” shall be considered one of the following:   * a single essential public asset, or * a group of related essential public assets which could be contracted jointly.   For the purposes of ongoing document control and audit, efforts should be made to align submissions with the intended packaging of works for delivery or contract.  All reconstruction projects within a given financial year should be included in a single claim to the Assessing Authority. |
| 5 | **Estimated reconstruction costs calculation**  The estimated reconstruction cost should be established by determining the base estimate on which contingency and escalation is applied as a percentage. The base estimate should include:   * direct costs * indirect costs (design and project management costs).   Estimates must be done by project. For the purpose of defining a project, a project shall be considered one of the following:   * a single essential public asset, or * a group of related essential public assets which could be contracted jointly.   For the purposes of ongoing document control and audit, efforts should be made to align submissions with the intended packaging of works for delivery or contract.  For further detail on direct and indirect costs please refer to Guideline 3 – Cost Estimation. |

**DRFA Cost Estimation Validation Form**

|  |  |
| --- | --- |
|  | VicRoads |
| **Date cost estimation received from Delivery Agency** | 00/00/0000 |
| **Has the Delivery Agency completed all the required fields on form VF-B-RW?** | Y  N |
| **Each asset is eligible?** | Y  N |
| **Each complies with the DRFA’s Essential Public Asset Function Framework?** | Y  N |
| **Will the estimated reconstruction costs for the proposed reconstruction works restore the asset to the pre-disaster function and within the scope of the works?** | Y  N |
| **Are the estimated reconstruction costs developed in accordance with the DFRA arrangements?** | Y  N |
| **Has the Delivery Agency provided sufficient supporting documentation outlining the basis for the:**   * **Unit rate;** * **Contingency; and** * **Cost escalation?** | Y  N |
| **Are key estimated cost assumptions ‘reasonable’ including contingency?**  **Reasonable is defined when the estimated reconstruction costs is comprehensive and addresses risks in a prudent manner. However, the principle of prudence should not be advanced as a reason to support deliberate and excessive caution that brings undesirable bias.** | Y  N |
| **Have photos been referenced uniquely and included in the form? (Note references such as “Refer to Sharefile” not appropriate. Where two or more asset types have been damaged on a particular asset i.e. road, if they are not located in the same vicinity, have further photos been provided and referenced appropriately?** | Y  N |
| ***Have all supporting documentation provided in Sharefile by the Delivery Agency been structured as per the following:***   * ***Damage sub folder*** * ***Pre-condition sub folder*** * ***Pre-condition reports – signed*** * ***Inspection*** * ***Estimate*** | Y  N |
| ***Pre-condition Assessment Report***   * + **Has the Delivery Agency provided the information (including identifying the document reference name), required to determine the pre-disaster asset function from either of the following:**      - **Asset register**     - **Certification reports**     - **Inspection reports**     - **Maintenance reports**     - **Visual data – photos, videos**   **Have all reports been verified and signed off by the Assessing Authority assessor?**  **Does the supporting documentation regarding the pre-condition of the damaged asset no older than four years before the eligible disaster for each asset?** | Y  N |
| ***Photo report – Post disaster damage***   * + **Damaged locations (latitude and longitude)**   + **Date photos taken**   + **Photos presented in a logical sequence for each asset with asset name and reference number (where available)**   + **For damage that is continuous, the frequency of the photos depict the damage is continuous and not intermittent.**   **Do damage photos demonstrate that damage has occurred?** | Y  N |
| **Have the estimated reconstruction costs been verified by an engineer or quantity surveyor with the appropriate level of expertise and experience?** | Y  N |
| **Declaration form VF-D-DEC signed by the appropriate council signatories** | Y  N |
| **Are the estimated reconstruction costs accurately recorded and allocated to a project and each project is linked to an AGRN?**  **Does the amount per Asset ID. no in V Form B-RW reconcile with the amount in the Job Estimate document?** | Y  N |
| **Have you sampled various estimated cost components against benchmark of costs (using other claims provided by this Delivery Agency or other Delivery Agencies) and material variances appropriately explained?** | Y  N |

**Assessing Officer Declaration:**

I hereby declare that the claim has been assessed for completeness and accuracy.

Signed: Date:

|  |  |
| --- | --- |
| Essential Public Asset Reconstruction Works Claims Validation Process | |
| Step | Activity |
| 1 | An essential public asset directly damaged by an eligible disaster event, or a re-damaged essential public asset, may be reconstructed to its pre-disaster function. The selected reconstruction treatment must be consistent with the DRFA Essential Public Asset Function Framework (DRFA Clause 6.3).  Essential public asset reconstruction works undertaken within playgrounds, parks, gardens, reserves, access tracks, fire trails and walking trails are considered ineligible.  Cost estimates for reconstruction of essential public assets must be submitted to the Assessing and Administering Authorities concurrently within **nine (9) months** after the end of the financial year in which the eligible disaster event occurred.  The State must approve and lodge to the Australian Government the estimated cost of reconstruction works within **twelve (12) months** after the end of the financial year in which the eligible disaster event occurred.  Essential public asset reconstruction works are to be completed within two (2) years after the end of the financial year in which the eligible disaster event occurred.  Where a claim or project is not lodged by the timeframes outlined above, these works may not be approved and cannot proceed under that eligible disaster event |
| 2 | **Extension of Time Requests**  Where the Delivery Agency has demonstrated that the delays to finalising works are a result of exceptional circumstances that are either unforeseeable or beyond the control of the Delivery Agency, they can make an Extension of Time (EOT request).  EOT requests are required to be lodged at least **two** (**2) weeks** prior to the end of the **three (3) month** time limit. Requests for extension of time received by the Assessing Authority after the allowable time limits have expired will not be considered.  Delivery Agencies are required to complete DRFA EOT Request Form – Emergency Works and Immediate Reconstruction Works.  The Assessing Authority will consider EOT requests, and then provide recommendations to the Administering Authority which has the authority to approve the extension. The Assessing Authority is to assess and complete the EOT Request Form for the Administering Authority approval.  DTF, following the Commonwealth’s approval, may approve an EOT.  The Commonwealth is currently working through the process for Emergency and Immediate reconstruction works EOT requests, however, has advised that the Administering Authority for the moment, can provide Delivery Agencies with approval to move into the Essential public asset reconstruction works phase using estimates based on actual expenditure for emergency and immediate works. |
| 3 | Before essential public asset reconstruction works are to commence, approval must be sought from the Assessing Authority and DTF.  As part of the essential public asset reconstruction works claim, the Delivery Agency must demonstrate that the reconstructed essential public asset will perform the same function as prior to the eligible disaster event.  To support this process, Delivery Agencies are required to lodge either a cost estimate or open tender price for each essential public asset reconstruction works project by **nine (9) months** from the end of the financial year in which the eligible disaster event occurred. |
| 4 | Claims for essential public asset reconstruction works is to be lodged to the Assessing Authority in the financial year that the expenditure is incurred. Regular claims are encouraged.  The Assessing Authority will consult with the Delivery Agency to ensure all available information has been appropriately considered as part of the claim.  Once a claim has been assessed by the Assessing Authority and approved by the administrating authority a notification to the Delivery Agency will be issued. Payment will be issued, subject to the payments already received to date by the Delivery Agency for that claim.  All acquitted claims may be subject to further review by the Australian Government for compliance, in accordance with the provisions outlined in the DRFA.  For the claim, the following components are to be provided   * + Claims lodgement declaration form (Form ID VF-D-DEC)   + Completed EPA reconstruction works claim template (Form ID VF-B-RW)   + Cost Estimate   + General ledger or transaction listing   + Payroll reports   + Invoices   + Pre-condition Assessment Report   + Photo Report – Post Disaster Damage   + Photo Report – Works undertaken   + Photo Files |
| 5 | If the claim from the Delivery Agency is complete and accurate, the Assessing Authority will endorse/approve the claim. |
| 6 | If the claim from the Delivery Agency requires corrective action, the Assessing Authority will return the incomplete claim form to the Delivery Agency for further action. When LGA returns completed claim form, the Assessing Authority will refer to Step 1 and 2 |

**DRFA Claim Validation Form – Essential Public Asset Reconstruction Works**

|  |  |
| --- | --- |
| **Date claim received from Delivery Agency** | 00/00/0000 |
| **Date Delivery Agency advised Assessing Authority of intent to undertake works** | 00/00/0000 |
| **All fields on form VF-D-DEC are completed correctly** | Y  N |
| * Delivery Agency internal reference number * Event * Type of claim * Summary details of claim * Delivery Agency contact officer name * Declaration and signature from LGA official |  |
| **Each line on form VF-B-RW represents an asset where works were undertaken** |  |
| * All fields on V Form B-RW are filled in and completed correctly | Y  N |
| * Each asset is eligible as an essential public asset | Y  N |
| * Each asset complies with the DRFA’s Essential Public Asset Function Framework (this cannot be verified if columns C to F are not filled in) | Y  N |
| * Assets have been restored to the Pre-Disaster Function and usage, adopting relevant technical standards | Y  N |
| * Have photos been referenced uniquely and included in the form? (Note references such as “Refer to Sharefile” not appropriate. Where two or more asset types have been damaged on a particular asset i.e. road, if they are not located in the same vicinity, have further photos been provided and referenced appropriately? | Y ☐ N ☐ |
| **Delivery Agency has provided required evidence to support claim** |  |
| * *General ledger/transaction listing*   + this must correlate to expenditure in VF-BR-RW   + must include minimum of date, invoice number, supplier and description of works undertaken | Y  N |
| * *Invoices/Purchase orders and all relevant Contracts*   + Must be verified against all works undertaken.   + All invoices must correlate to general ledger/transaction listing | Y  N |
| * *Payroll costs*   + Payroll reports for extraordinary payroll costs (overtime) and evidence of the additional resources required   + Position description for role(s) created for eligible activities (approved by the Assessing Agency in consultation with the Administering Authority) supported by payroll records.   + Payroll costs must correlate to general ledger/transaction listing | Y  N |
| * *Has the Delivery Agency provided monthly progress reporting to the Assessing Authority? Do these reports correlate to VF-BR-RW?* | Y  N |
| * *Project Accounting*   + Expenditure allocated to the correct essential public asset (YTD actual/certified estimate)   + A breakdown of the indirect costs, contingency and cost escalation been provided   + Where project contingency has been used, is it within the approved project scope and appropriately detailed as to the reason the project contingency was used. | Y  N |
| * *Procurement Practices*   Where requested by the Administering Authority   * + Has Council provided a Council Internal Audit function attest to compliance of the council’s procurement practices. | Y  N |
| * *Have all supporting documentation provided in Sharefile by the Delivery Agency been structured as per the following:* * *Damage sub folder* * *Pre-condition sub folder* * *Pre-condition reports – signed* * *Inspection* * *Estimate* | Y  N |
| * *Pre-condition Assessment Report*   + Has the Delivery Agency provided the information (including identifying the document reference name), required to determine the pre-disaster asset function from either of the following:     - Asset register     - Certification reports     - Inspection reports     - Maintenance reports     - Visual data – photos, videos   + Have all reports been verified and signed off by the Assessing Authority assessor? | Y  N |
| * *Photo report – Post disaster damage*   + Damaged locations (latitude and longitude)   + Date photos taken   + Photos presented in a logical sequence for each asset with asset name and reference number (where available)   + For damage that is continuous, the frequency of the photos depict the damage is continuous and not intermittent.   + Do damage photos demonstrate that damage has occurred? | Y  N |
| * *Photo report – Works Undertaken*   + Reconstruction works locations (latitude and longitude)   + Date photos taken   + Photos presented in a logical sequence for each asset with asset name and reference number (where available) | Y  N |
| * Representative evidence of each of the key treatments undertaken on an asset. | Y  N |
| * *Photos*   + Has the Delivery Agency provided photo files with meta data intact and time taken.   + Are the photo files grouped by asset and referenced uniquely? | Y  N |
| * *Site inspections undertaken by the Assessing Authority on a regular basis:*   *00/00/0000 Smith Street Goonawarra* | Y  N |
| **Are the nature of the works undertaken eligible to be claimed under an essential public asset reconstruction works claim?** | Y  N |
| **Have the works been completed and expenditure incurred within the allowable time period?** | Y  N |
| **Have key issues been brought to the attention of the Administering Authority**  **and resolved and appropriately documented?** | Y  N |

**Assessing Officer Declaration:**

I hereby declare that the claim has been assessed for completeness and accuracy.

Signed: Date: