



Disaster Recovery Funding Arrangements 2018

Guideline 2 - Counter disaster operations

Counter disaster operations

1. *States* are responsible for responding to disasters. To protect a community from the impacts of a disaster a *state* may be required to undertake a range of disaster response activities, also known as Counter Disaster Operations (CDO). While *states* routinely budget for disaster response operations, additional funding may be needed if a *state* experiences an unusually high number of disasters and/or a particularly severe disaster within a financial year. In this situation, additional funding can be provided to the *states* under the Disaster Recovery Funding Arrangements 2018 (the *arrangements*) to assist with 'extraordinary' CDO costs.

Principles for CDO assistance

- The *arrangements* are primarily for the provision of relief and recovery assistance and are not intended to fund core disaster response activities which are the responsibility of, and are budgeted for, by the *state*.
- *States must* allocate an appropriate level of funding, in accordance with their disaster risk profile, to disaster response activities.
- In respect of Category A CDO costs, only when a *state* has exceeded normal funding allocations for CDO, is funding for CDO available under the *arrangements*. The *state* can only claim 'extraordinary' costs that are in excess of the costs which a *state* could reasonably have expected to incur for these purposes.
- In respect of Category B CDO costs, funding for 'extraordinary' CDO is available once a *state's* costs exceed established thresholds (see subclauses 9.3.1–9.3.5), noting that subclause 4.3.3 (b) applies and a similar methodology of exceeding normal funding allocations for CDO activities could be used to demonstrate compliance with this clause.
- Eligible CDO activities are undertaken immediately prior to, during or immediately after an *eligible disaster*.
- Eligible CDO activities *must* be intended to reduce the need for other forms of assistance under the *arrangements*.
- Funding for CDO is available in relation to the activities (and associated costs) specified in this guideline. Noting that this guideline is not exhaustive.
- *States must* be able to demonstrate that the above circumstances have been met.

Information in regard to minimum evidentiary requirements is at clause 10.4.

'Extraordinary' CDO costs

2. The method in which a *state* determines normal funding allocations for CDO activities is a matter for the *state*. However, to claim costs associated with Category A CDO, a *state must* be able to demonstrate that the costs:
 - a. exceed the costs which a *state* could reasonably have expected to incur for these purposes (for example, 'extraordinary' CDO costs may be demonstrated by a *state* disaster response agency seeking supplementary funding, over and above normal funding allocations, through *state* budget processes or if a local government is required to engage additional personnel to undertake eligible CDO activities), and
 - b. relate to eligible CDO activities.

Delivery of CDO activities

3. Eligible CDO activities can be undertaken by the *state* (e.g. a responsible *state* agency), a local government or a third party (e.g. a contractor) engaged by the *state* or local government. Assistance can be provided through the following delivery methods:
 - in-kind—for example, CDO activities being undertaken by a *state* agency, a local government or a private contractor engaged by the *state* or local government
 - cash payments—for example, payments provided by the *state* directly to an individual, either in the form of cash or as a direct deposit into a bank account, or
 - vouchers—for example, vouchers provided by the *state* or a local government to individuals so that they can have their water tested.

Eligible CDO activities and associated costs

4. Under the *arrangements* CDO assistance is separated into two categories:
 - Category A: CDO assistance directly to an individual—i.e. the CDO activity being undertaken is intended to protect residential properties from an *eligible disaster* and ensure affected residents can return home, and
 - Category B: CDO assistance aimed at protecting the general public and ensuring public health and safety in public areas—i.e. the community (as a whole) will benefit from the activity being undertaken.

Category A CDO activities (emergency assistance directly to an individual)

5. The following CDO activities are eligible under Category A:
 - search and rescue operations
 - evacuation of threatened/affected people (including companion animals)
 - sandbagging and/or the construction of portable temporary levees/flood barriers to prevent inundation of residential properties
 - tree bracing to protect damage to residential properties
 - rapid damage assessments on residential properties
 - residential water safety testing
 - cleaning and refilling residential potable water systems
 - cleaning and refilling residential septic tanks to make them operational
 - establishment of temporary access routes to allow individuals to return home, and
 - establishment of temporary access routes required to undertake the above activities.

Category B CDO activities (assistance to protect the general public)

6. The following CDO activities are eligible under Category B:
- sandbagging to prevent damage to communities (e.g. to protect residential areas, public schools and public hospitals)
 - sandbagging and/or the construction of portable temporary levees/flood barriers to prevent inundation of a central business district
 - fire suppression activities to protect the general public
 - construction of fire breaks or other fire containment activities to protect the general public, and
 - aerial firefighting in the immediate proximity of a community where fire impact is imminent (e.g. 'Emergency Warnings' are being issued to the community because the fire could impact a residential area within six (6) hours). Further information regarding aerial firefighting costs is available at Attachment A.

Associated costs (Category A and Category B)

7. The following costs, where directly associated with the above CDO activities, are eligible:
- engaging service providers—for example, a private company to undertake tree bracing activities
 - non-capital expenses incurred whilst undertaking eligible CDO activities including tarpaulins, ropes, chainsaw chains, fuel and fire retardant
 - transportation of labour, equipment and materials to perform eligible CDO activities
 - hire of additional plant and equipment for CDO activities, other than aerial firefighting aircraft
 - vehicle or equipment repairs and additional servicing required as a direct consequence of an eligible CDO activity
 - staffing costs, including for volunteers and interstate personnel, consistent with the definition of *state expenditure* outlined in the *arrangements*
 - restoring assets directly damaged during eligible CDO activities—for example, repairing fencing that was damaged when establishing bushfire containment lines
 - resupply of water on residential properties that have been used for eligible firefighting activities
 - cleaning up debris which resulted from an eligible CDO activity
 - establishment and operation of temporary locally positioned operational base camps used by 'front line' emergency services personnel to undertake eligible CDO activities, and
 - establishment and operation of locally positioned Incident Management Teams and Incident Control Centres within the immediate proximity of an *eligible disaster* to support eligible CDO activities.
8. States may also claim certain costs associated with the establishment and operation of State Operation Centres and Municipal Emergency Coordination centres where they can demonstrate that a particular operational function is directly associated with the delivery of an eligible NDRRA assistance measure.

Audit and acquittal requirements

9. Consistent with the minimum evidentiary requirements outlined in clause 10.4 of the *arrangements*, the *state must* be able to demonstrate and provide supporting evidence that the eligible costs being claimed under the *arrangements* are those directly related to undertaking eligible activities as outlined in this guideline.

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AERIAL FIREFIGHTING COSTS

1. This provides guidance on the eligibility of costs associated with aerial firefighting activities under the Disaster Recovery Funding Arrangements 2018 (the *arrangements*).

National aerial firefighting arrangements and funding responsibilities

2. The national aerial firefighting arrangements are primarily governed through the *National Aerial Firefighting Centre* (NAFC), which was formed by the states, with the support of the *Commonwealth*, to provide a cooperative national arrangement for provision of aerial resources for combating bushfires.
3. NAFC leases and coordinates a national fleet of highly specialised firefighting aircraft that are readily available for use by *state* fire service and land management agencies across Australia. Under the NAFC arrangements, the *Commonwealth* provides funding for the costs associated with the standing and positioning of the national fleet (known as ‘standing charges’). All other fixed and operational costs associated with the running of the national NAFC fleet are the responsibility of the *states*, except where outlined below. In addition to NAFC aircraft, *states* may have arrangements to use other specialised aerial firefighting resources. The *Commonwealth* will make no further contribution towards the ‘standing charges’ of aerial firefighting aircraft outside of the NAFC arrangements.

Application of the *arrangements* to aerial firefighting

4. In accordance with the national aerial firefighting arrangements, *states* are reasonably expected to fund the operational costs associated with aerial firefighting, including the national NAFC fleet. However, if a *state* exceeds normal costs associated with the NAFC fleet, additional costs relating to certain aerial firefighting activities may be eligible to be claimed under the *arrangements*.
5. *States must* apply the principles for CDO assistance outlined in the guideline to determine whether the aerial firefighting costs are eligible to be claimed under the *arrangements*. Further, the *state must* be able to demonstrate that costs being claimed are ‘extraordinary’ and relate to eligible CDO activities or associated costs.

Eligible aerial firefighting activities

6. In accordance with the principles for CDO assistance outlined in the guideline, eligible activities are undertaken immediately prior to, during or immediately after an *eligible disaster* and are intended to reduce the need for other forms of assistance under the *arrangements*. In the context of aerial firefighting, eligible activities are those undertaken to protect residential properties within the immediate proximity of a residential area where fire impact is imminent (e.g. ‘Emergency Warnings’ are being issued to the community because the fire could impact a residential area within six (6) hours).

Eligible aerial firefighting costs

7. The *state* can claim costs that are directly associated with undertaking an eligible aerial firefighting activity, including:
 - ‘flying hours charges’ once a *state* agency’s normal funding allocations have been expended
 - engaging additional aerial firefighting aircraft (‘call when needed aircraft’)—once all available resources under the *state*’s normal standing arrangements, including under NAFC, have been expended
 - transportation and standing costs associated with additional aerial firefighting aircraft that have been deployed to undertake eligible CDO activities
 - certain operational costs associated with additional aerial firefighting aircraft (such as additional fuel, oil, fire retardant and additional maintenance)
 - costs associated with engaging extra pilots to fly additional aerial firefighting aircraft, and
 - staffing costs consistent with the definition of state expenditure outlined in the *arrangements*.