

# Disaster recovery funding - Guidelines

31 January 2019

Provisional guidelines

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## Acronyms

You will find the following acronyms in this document.

<b>Acronyms</b>	<b>Full form</b>
NT	Northern Territory
DRFA	Disaster Recovery Funding Arrangements
DLGHCD	Department of Local Government, Housing and Community Development
NDRRA	Natural Disaster Relief and Recovery Arrangements
EMA	Emergency Management Australia
DIPL	Department of Infrastructure, Planning and Logistics
DTF	Department of Treasury and Finance

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# 1 Overview

- When a natural disaster occurs local governments are required to take certain disaster recovery measures for the protection of the public and to restore local government service delivery and infrastructure.
- Some of the expenditure for those measures may be eligible for funding from the Northern Territory (NT) Government, through the **Department of Local Government, Housing and Community Development (DLGHCD)** and may either be in the form of an upfront payment based on cost estimates or on a reimbursement basis.
- Disaster preparedness, mitigation and efforts to safeguard assets (including obtaining insurance) is a responsibility of local government, however, the **reconstruction of essential public assets** and some **exceptional counter disaster operations** are classified as eligible activities under the **Australian Government's Disaster Recovery Funding Arrangements (DRFA)**.
- In assessing whether DLGHCD is able to fund councils for these eligible activities, decisions are influenced by the NT's ability to claim financial assistance from the Australian Government under the DRFA.
- It is for this reason that eligibility for funding is primarily determined by the terms of the DRFA, which is available at [www.disasterassist.gov.au](http://www.disasterassist.gov.au). The DRFA is an Australian Government initiative that provides partial reimbursement for state and territory disaster-related expenditure.
- Eligibility is also determined by any additional requirements as specified by DLGHCD in these guidelines.
- DLGHCD's capacity to fund councils for disaster recovery remains subject to budget processes and constraints. It may not always be possible that costs eligible for reimbursement under DRFA can be met by DLGHCD. There will be instances where councils will need to incur costs upfront without certainty of funding reimbursement.
- The underlying principle of eligibility, as expressed in the DRFA, is that disaster recovery is a shared responsibility of all levels of government and federal assistance should not replace the core responsibility of the NT and local governments to safeguard their communities. Local governments have a responsibility to mitigate risk through disaster preparedness measures, which reflects an efficient management of financial risk across all levels of government.
- Before November 2018, the DRFA was called the Natural Disaster Relief and Recovery Arrangements (NDRRA). For events prior to 1 November 2018 councils should refer to previous NDRRA determinations.

## 2 What is disaster recovery funding for?

Once an eligible event is declared, councils may apply for funding to assist with the following eligible measures.

Please note this is a summary of eligible measures for local governments in the NT. Information on the eligibility of each measure is outlined in greater detail in these guidelines. Although the DRFA may include other eligible measures, only those listed in this table are eligible activities for local governments in the NT.

Eligible measure	DRFA Reference	Time frame for works to be done	Summary
Emergency works for essential public assets	4.3.2 (b)	Within 3 months of gaining access to the asset.	Expenses incurred for eligible work to an essential public asset to make it safe or enable other essential activity relating to the wellbeing of the community (i.e clearing roads to allow public access).
Immediate reconstruction works for essential public assets	4.3.2 (c)	Within 3 months of gaining access to the asset.	Eligible work to fully restore an essential public asset in the required timeframe.
Essential public asset reconstruction costs	4.3.2 (d)	Within 12 months of the end of the financial year after the event occurred.	The estimated costs of reconstruction of damaged eligible assets (including geospatial evidence confirming location, nature and extent of damage) for the period up to 12 months from the end of the financial year in which an event occurred.
Counter disaster operations for the protection of the general public	4.3.2 (a)	Within days of the event.	Expenses incurred to protect communities and ensure public health and the safety of the general public immediately before, during and after an eligible event.
Removal of debris from residential properties to make them safe and habitable	4.2.2 (e)	Within days of the event.	Debris removal that is required to make individual residential premises safe and habitable and to prevent displacement of residents immediately after an eligible event.

Funding is **NOT** available for the restoration of any public asset that is reasonably capable of being insured to an appropriate value, or for any improvements to existing essential public assets (betterment).

Contact [lg.grants@nt.gov.au](mailto:lg.grants@nt.gov.au) for more information on funding programs for asset upgrades.

### 3 How is the availability of funding determined?

- Disaster recovery funding is quite different from other local government grant programs because there is no annual funding pool. Disasters are by their very nature unpredictable and financial assistance to councils is always subject to budget capacity and funding availability.
- Councils submit claims to DLGHCD for eligible expenditure (including actual and/or estimated costs) based on the DRFA and these guidelines.
- Once DLGHCD has verified the eligibility of all expenses or cost estimates under a claim and determined if there are funds available, councils will be advised if all or part of their claim will receive financial assistance. DLGHCD may impose conditions in addition to the DRFA determination on any funding granted to councils.
- Claims will not be considered for funding unless all reported expenditure or cost estimates meet all the eligibility requirements of the DRFA and these guidelines.

### 4 New requirements for councils in the DRFA determination

There are some key changes in the DRFA that are different to the previous NDRRA. For eligible events after 1 November 2018, councils will be responsible for providing:

- a **damage assessment**, conducted or verified by a 'suitably qualified professional', for every essential public asset that was directly damaged by the event.  
Damage assessments will not be accepted unless all areas of damage to the asset are supported by evidence of the pre-disaster and post-disaster condition of the asset and evidence that the damage was directly caused by the event. Any evidence older than four years will not be accepted.
- an **outline of the pre-disaster function of every essential public asset** within a claim, according to the Essential Public Asset Function Framework described in the DRFA determination.  
This requires a council to outline the pre-disaster function of an essential public asset according to the framework outlined in the DRFA determination. This also requires a council to confirm that each asset within a claim is an essential public asset within the meaning of the DRFA determination.
- **cost estimates** for all reconstruction work, verified by an engineer or appropriately qualified quantity surveyor.  
The verifying engineer or quantity surveyor is not necessarily responsible for preparing the cost estimates, but they must provide written assurance that the information being provided in the cost estimates is accurate and meets all the requirements of the DRFA determination.

To capture these new funding requirements, councils must submit their claims in the required funding application templates.

## 5 DLGHCD Responsibilities

DLGHCD, as the agency responsible for managing local government funding claims, has additional responsibilities under the DRFA determination. It must comply with an internal assurance framework that assures claims from councils only include eligible expenditure. Part of this assurance is ensuring council's claims meet all the requirements of these guidelines.

The Australian Government have set 14 'control objectives' that DLGHCD is responsible for providing assurance for. This means that DLGHCD must have and must follow detailed procedures for reviewing all claims to verify that all damage assessments and cost estimates prepared by councils meet the 14 control objectives.

For **damage assessments** DLGHCD must have clear procedures showing how it verifies:

- the exact location of every essential public asset is recorded in a claim (D1);
- all assets meet the DRFA definition of an 'essential public asset' (D2);
- for every essential public asset included in a claim, the presence and quality of the supporting evidence clearly shows:
  - pre-disaster condition (D4);
  - post-disaster condition (D5);
  - the connection between the damage and the event has been assessed and recorded (D3), and
  - that all damage assessments are conducted or verified by a 'suitably qualified professional' (D6).

For **cost estimates** the DLGHCD must have procedures showing how it verifies that:

- every essential public asset included in a claim has details on its:
  - function, which requires information confirming the category (transport or other public infrastructure) and sub category (i.e. road, bridge, causeway) (C1); and
  - classification (for example if it is a road is it arterial, sealed or formed; its capacity; layout and materials) (C2).
- a qualified engineer or quantity surveyor has verified that all the cost estimates are developed in accordance with the DRFA determination (C3);
- all procurement under a claim follows the *Local Government Act* and Regulations (C4);
- actual costs are recorded against every project under a claim (see definition of project below) (C5);
- councils are aware that any cost overruns and efficiencies greater than 15 percent are notified to DLGHCD because this may require the engagement of an Independent Technical Review; (C6);
- councils are aware of the DLGHCD policy that no variations will be tolerated except in exceptional circumstances (i.e. re-damage by a subsequent eligible event) (C7); and
- total estimated costs claimed reconcile with the totals claimed for each project (C8).

DLGHCD must ensure guidelines for councils, application templates and internal processing procedures and checklists adequately assure that all these control objectives are monitored for every council claim. Councils will also need to have their own internal systems set up to assure these requirements. DLGHCD relies on these systems and processes to provide this assurance to the Australian Government. If DLGHCD cannot give this assurance, no claims can be accepted.

## 6 Who is involved in disaster recovery funding?

The **Department of Local Government, Housing and Community Development** manages all local government grants for disaster related claims. The process for assessing disaster recovery funding assistance includes that DLGHCD:

- receives and processes funding requests from councils
- reviews council claims for completeness and eligibility
- determines the availability of funding; and
- advises councils whether their funding requests will be supported in whole or in part.

The **Department of Treasury and Finance** (DTF) is responsible for the overall administration of DRFA on behalf of the Northern Territory. If a disaster occurs and it appears to be an 'eligible event', the DTF is responsible for seeking approval from the Australian Government of its declaration.

**Emergency Management Australia** is the agency responsible for administering DRFA on behalf of the Australian Government.

The **Department of Infrastructure, Planning and Logistics (DIPL)** is responsible for the Northern Territory Government's road network. Their suitably qualified technical expertise is engaged by DLGHCD to review all asset reconstruction claims from councils to confirm:

- the strength of the evidence basis of the damage
- whether the proposed reconstruction approach is appropriate for restoring an asset to its pre-disaster function
- that any cost estimates are appropriate to the works proposed; and
- that the proposed repairs are only what is required to reinstate the asset to its previous function.

## 7 What are eligible events?

There is no requirement for a State of Emergency or Disaster to be declared, however, eligible events must be approved by Emergency Management Australia, (EMA), who issue each event with an Australian Government Reference Number (AGRN).

A natural disaster event is considered to be a serious disruption to a community or region caused by the impact of a naturally occurring event that threatens or causes death, injury or damage to property or the environment.

Eligible expenditure by the Northern Territory (territory and local governments together) must:

- exceed the small disaster criterion of \$240 000; and
- require a multi-agency response.

When an event is declared, specific DRFA assistance measures are activated within affected Local Government Areas, based on advice collected by DLGHCD about where local governments have incurred damage.

See flowchart on p18-19 for more information on the process of event declaration. If an event has been declared and a council believes it has incurred damage by the eligible event that is outside the affected area, they should advise DLGHCD immediately.

## 8 What types of works are eligible?

### 8.1 What are 'emergency works' to an essential public asset?

'Emergency works' are urgent activities following an eligible disaster to temporarily restore an **essential public asset** in order for it to be acceptably used to support the immediate recovery of the community.

#### 8.1.1 Timeframes

These works must be completed within three months of when the asset becomes accessible. For example, if a road asset is damaged in a weather event in February, but only becomes accessible at the end of the wet season in April, then council has three months from the later date to undertake emergency works.

The date of accessibility of every eligible asset **MUST** be appropriately documented and evidenced.

#### 8.1.2 Examples of emergency works

For all roads, this would involve the clearing of flood or cyclone debris.

On sealed roads, this might involve:

- urgent pot-hole repair (where required to open a road to traffic)
- identifying, marking and signposting hazards such as shoulder scours
- installation of any temporary road safety signage or flood markers; and
- installation of temporary traffic management.

On unsealed roads this might involve any immediate works to enable a road to be opened with traffic restrictions, including:

- scour or drainage repairs
- road sheeting/grading; and
- replacement of rock at floodways.

These costs are claimed on an actual expenditure basis. Councils incur these costs because they are required for restoring service delivery. Councils will then submit a claim to DLGHCD which, subject to budget capacity may be fully, partially or not reimbursed.

No actual costs for works undertaken after the expiry of the three month timeframe are claimable under this category. DLGHCD would only consider applying for an exemption on a council's behalf for emergency works outside this timeframe in exceptional circumstances.

### 8.2 What are 'immediate reconstruction' works?

If an essential public asset can be **fully** restored within the three months after it becomes accessible after an eligible event and **no further reconstruction is required**, the expenditure is eligible to be claimed under 'immediate reconstruction works'.

These works can be undertaken at the same time as or after emergency works but must be completed within the three month timeframe. As with emergency costs, these costs are claimed on an actual expenditure basis.

### 8.2.1 Examples of 'immediate reconstruction'

In relation to local government roads, immediate reconstruction might involve:

- patching, grading, drainage and pot-hole repair where it fully restores a road
- permanent replacement of guideposts, floodway markers, advisory signage.

### 8.3 What is the significance of the three month time limit?

The three month time limit is intended to guide councils in how they determine their scope of works for restoration activities.

If the damage to a road is extensive, it may not be possible or appropriate to fully restore the asset within three months. In this case, the works should be classified as 'essential public asset reconstruction', which has a longer timeframe to complete. This is a different category of claim because it must be claimed on a cost estimation and not an actual expenditure basis.

Councils must be aware of the different categories of claim and make decisions about which works will fall under each category. If a council commences works that are intended to fully restore an asset in the three month timeframe but, at a later point, determine that these works will not be completed in that timeframe, they should contact DLGHCD for advice.

### 8.4 What is a 'project' for the purposes of emergency and immediate works?

For all works to essential public assets claimed, a damage assessment must be prepared per asset. However, it is often the case that a council will engage a contractor to do work on a group of related assets together. For example, a group of roads in a particular area will require tree removal for public safety or the immediate filling of pot-holes.

Where it is not practical to obtain a cost breakdown for each of the assets involved, the assets can be grouped together as a project. However, all evidence associated with expenses (invoices, work orders etc.) must still clearly particularise the group of assets to which they relate.

For example, an invoice must clearly state 'tree removal from W, X, Y and Z Roads in Alawa to allow for restoration of local traffic' or 'pot-hole repair on Flinders, Leichhardt and Thorne Streets in Jabiru'.

Particular care should be taken to distinguish where an activity by a contractor includes both eligible and ineligible expenditure. For example, where trees are removed from roads and verges, these costs may be eligible for inclusion in a claim. However, if the contractor is also removing green waste from an adjacent park, these costs are not eligible and should be differentiated in the invoice.

Where eligible and ineligible costs cannot be differentiated in invoices, DLGHCD may consider accepting invoices where there is a robust methodology for distinguishing the eligible portion. For example, large volumes of green waste from a number of sources may be chipped and stored at the same depot. If, in this example, the council had a robust methodology for calculating the costs associated with green waste removed under an eligible measure, a claim for costs would be considered on the strength of the supporting evidence.

## 8.5 What is 'essential public asset reconstruction'?

If an **essential public asset** has been damaged by an eligible event and it has not been restored by 'immediate reconstruction works' (see above), it is claimable as essential public asset reconstruction. This category of claim relates to larger essential public asset restoration activities.

These costs are claimed on a cost estimation basis and relate to the costs to restore an asset to its **pre-disaster function**.

The following information covers the major DRFA rules that relate to essential public asset reconstruction claims.

### 8.5.1 What is an essential public asset?

Essential public assets are those which the Northern Territory Government considers and the Australian Government agrees are '**an integral part of a state's infrastructure and normal functioning of the community**'.

They include **transport infrastructure**: roads and road infrastructure (paths, bike lanes, and pedestrian bridges), bridges, tunnels, and culverts.

They also include **public infrastructure** such as hospitals, community health centres, schools, prisons, levees, local government offices, storm water infrastructure (noting that any public assets that should, reasonably, be insured by a local government are not claimable).

The following are examples of what are **NOT** considered essential public assets:

- sporting, recreational or community facilities (for example, playgrounds, ovals, showgrounds, skate parks, swimming pools and associated facilities)
- religious establishments (for example, churches, temples and mosques), and
- memorials.

### 8.5.2 Remote roads

The Northern Territory Government does not automatically consider all local government roads reported in the Northern Territory Grants Commission roads return as essential public assets. An essential public asset must be listed on the asset register of the local government and have the function of connecting members of the community with services. Very remote roads or flat bladed tracks may not be eligible, as most reconstruction works to flat bladed tracks are likely to constitute betterment.

If a council is not clear on whether a damaged asset is an essential public asset, they should contact DLGHCD. This may necessitate a formal 'eligibility enquiry' to EMA.

For more information see the [Disaster Recovery Funding Arrangements 2018 Guideline 1 – Essential Public Assets](#)

## 8.6 What is required in a damage assessment?

A damage assessment must be completed for every essential public asset included in a council's claim. The purpose of a damage assessment is to prove that the asset was damaged by the eligible event. A damage assessment **MUST** be completed or verified by a **suitably qualified professional with the appropriate level of expertise**.

### 8.6.1 What does 'suitably qualified' mean?

Suitably qualified is not defined in the DRFA. DLGHCD deems 'suitably qualified' local government employees to include civil works, asset and infrastructure managers with a combination of:

- appropriate qualifications (for example: Degree in Engineering (all types), Diploma in Engineering, Engineering Surveying or Drafting, Cert in Engineering, Cert in Materials Engineering); and
- significant experience in road construction or road maintenance.

Where a manager has no formal qualifications, more than fifteen years' experience in road construction or road maintenance would be appropriate.

The damage assessment template requires the person completing the damage assessment to outline their qualifications and expertise. This person does not necessarily need to be an employee of the council.

### 8.6.2 What evidence of damage is required?

Sufficient evidence is required to **prove** that an essential public asset was directly damaged by the eligible event. The evidence must demonstrate the following:

- location
- pre disaster condition
- nature of the damage/post disaster condition; and
- that it was the disaster/event that caused the damage.

The evidence can be from one or more of the following:

- geospatial data including satellite images
- visual data including photos and video
- maintenance records
- asset registers; and
- inspection reports or certifications undertaken at the time of the damage assessment (as soon as practicable after the event), by a suitably qualified person, that confirms the damage was caused by the event.

The evidence of pre-disaster condition must be no more than four years old. A combination of different types of evidence may be required for each damage assessment, depending on the asset and the circumstances. For local governments, this evidence cannot be older than four years.

## 8.7 What is ‘pre-disaster function’?

Eligible expenditure is only what is required to restore an asset to its **pre-disaster function**. The framework below is required to be completed to show the pre-disaster function of an essential public asset being claimed.

Category	<i>Transport or other public infrastructure</i>
Sub-category	Eg. road, bridge, drain, public school
Type	For example if the asset is a road, the type of road could be: <ul style="list-style-type: none"> <li>• arterial/major</li> <li>• sub-arterial</li> <li>• sealed local road</li> <li>• unsealed road linking remote communities to service centres</li> <li>• outstation road</li> </ul>
Capacity	For example: “one lane in each direction” “two lanes of traffic in each direction with pedestrian traffic along pathway”
Layout and materials	This should include dimensions, layout and materials used (gravel, granular with seal, concrete, asphalt); the presence of any other infrastructure (barriers, signage, lighting, paths); and the presence of road markings.

A pre-disaster function template is required to be filled out for every essential public asset claimed.

## 8.8 Establishing and verifying cost estimates

Estimated reconstruction costs are required in order to identify the total project cost to reconstruct an asset to pre-disaster function.

Cost estimates can either be determined by:

- requesting pricing from the market (‘market response’) (following all relevant procurement processes under the Local Government Act, Regulations, and any relevant Guidelines and Ministerial Directions); or
- using either an internal engineer or quantity surveyor or engaging an external engineer or quantity surveyor ‘with the appropriate level of expertise and experience’ to prepare cost estimates (‘cost estimation’).

### 8.8.1 What should cost estimates include?

Councils should ensure cost estimates cover total costs including:

- design;
- construction;
- project management; and
- contingency and cost escalation - DCHD will accept a contingency/cost escalation provision of up to five percent of total project costs.

### 8.8.2 Used of in-house day labour

See 'claiming wages for council employees' on p178.

### 8.8.3 What overheads can be included?

When applying the cost estimation approach, only legislatively required employee on-costs can be included in the cost estimate. They are:

- base wage or salary;
- allowances;
- superannuation;
- overtime;
- shift loading; and
- workers compensation.

ANY cost which could be defined as 'administrative expenditure', is specifically excluded. This includes finance management and office or human resources costs.

## 8.9 What are counter disaster operations for the protection of the public?

Counter disaster operations are urgently required works aimed at protecting the general public and ensuring public safety and public health. These works must occur **immediately prior to, during and immediately after** an eligible event.

Eligible expenditure on counter disaster operations must be for extraordinary costs. The eligibility of the expenditure should not be a consideration when a local government determines whether to incur these costs, because of the urgency and the immediacy of the works.

These costs are claimed on an actual expenditure basis. Councils incur these costs because they are required for disaster recovery. Councils will then submit a claim to DLGHCD which, subject to budget capacity, may be considered for reimbursement.

### 8.9.1 What are extraordinary costs?

Costs that can be claimed under this category are only those costs incurred that are **over and above** the costs that a council would 'reasonably have been expected to incur' for counter disaster operations. Therefore, extraordinary costs are those where a council is required to engage additional personnel or undertake additional activities.

Extraordinary costs may include expenses such as additional staff, overtime, costs of accommodating volunteers (but not including any food or drink costs), and contractor expenses for eligible activities.

### 8.9.2 What are eligible activities?

The eligibility of counter disaster operations are typically dependent on the circumstances. They might include sand bagging to protect a central business district, bracing trees where necessary for public safety, firebreaks and any immediate debris removal activities where they are urgent and necessary to protect public health and public safety. For example:

- Removal of debris such as trees from essential public assets such as roads should generally be claimed under 'emergency works' and not under counter disaster operations,

except for costs associated with urgent and immediate works to provide an access route for emergency services or to allow individuals to return home immediately after a disaster.

- Removal of tree debris from public spaces is only claimable under this category where there is a clear, serious and direct threat to public safety, necessitating an urgent and immediate response. Removal of fallen trees from public spaces is not, as a general rule, eligible under this category.
- These works must be completed within days of the event. DLGHCD may consider an exception to this timing requirement in exceptional circumstances.

For more information on eligible counter disaster operations: see the [Disaster Recovery Funding Arrangements 2018 Guideline 2 - Counter disaster operations](#).

### 8.10 What are counter disaster operations for the benefit of individuals?

These are activities that directly benefit particular individuals, as opposed to the public as a whole. Again, eligible expenditure must be for **extraordinary, urgent and immediate** costs, as defined above.

DLGHCD will accept eligible expenditure for the removal of debris from the immediate vicinity of residential properties, if the following requirements are met:

- disaster-related debris must be an immediate threat to the safety of an individual or the habitability of a specific residence, or a threat to the safety of the general public. This measure allows a council to claim the costs associated with the removal of that debris, if it is required to make a residential premises safe and habitable and to prevent the displacement of residents;
- there must be a clearly evidenced threat to that particular resident's health and safety. For example, that particular resident's circumstances must make it urgent to complete works for the protection of their health and safety; and
- the activity must occur in the immediate aftermath of a disaster. If a council believes an activity is eligible under this measure that does not occur within days of an eligible event, they must contact DLGHCD to discuss eligibility.

The eligibility of this expenditure should never be a consideration when a council determines whether or not to incur these costs, because of the urgency of the works.

### 8.11 Costs of temporary waste disposal facilities

The costs associated with the operation of any temporary waste facility that is required to be established for the disposal of debris collected under any eligible activity listed in these guidelines is eligible.

However, if this facility receives other debris collected from activities that are not eligible, there needs to be a methodology developed by the council apportioning the costs which are eligible. If the ineligible proportion cannot be quantified, the total costs of the facility cannot be claimed.

### 8.12 Costs of emergency operations centres

The cost of emergency operations centres are claimable where a council can demonstrate that the particular operational function of the centre was directly associated with the delivery of eligible activities, and that all wage costs are additional or extraordinary costs. If the centre also undertakes activities that are ineligible under these guidelines, this proportion should be quantified.

Financial assistance for this measure is not intended to supplant a councils' own responsibilities and self-help measures so councils need to identify what elements of the financial burden of the operation of the centre they will bear internally.

## **9 What else do I need to know?**

### **9.1 Will variances be tolerated?**

No variances are tolerated to claims approved by DLGHCD, except under exceptional circumstances. Exceptional circumstances are largely confined to assets that are re-damaged by a subsequent eligible event.

If you have an asset that has not been fully restored before being impacted by a subsequent eligible event, the work records and costs incurred must be closed off for the first event. They cannot be used in any calculation of efficiencies. Estimated reconstruction costs will then need to be established following the second event.

Councils should notify DLGHCD immediately if an asset has been re-damaged prior to its full reconstruction.

### **9.2 When must I notify DLGHCD of underspends and cost overruns?**

Once a project is underway, if an approved project for an essential public asset is greater than \$1 million, then cost overruns or underspends greater than 15 percent must be notified to DLGHCD. DLGHCD will consult with DTF, EMA and DIPL and may require an Independent Technical Review in order to provide increased oversight and assurance over a council's claim.

The requirement to report underspends and overruns will be a condition of any funds offered to councils.

### **9.3 Claiming wages for council employees**

Where councils propose to use their own employees for eligible activities, only the employees' overtime costs and/or the wage costs of backfilling employees are claimable under these arrangements.

Contact DLGHCD if you have any queries about this aspect of your claim.

### **9.4 Public acknowledgement of assistance**

All public acknowledgement of funding assistance in relation to any works funded under these guidelines must be developed with the prior agreement of the Northern Territory and the Australian Government. All measures must be described as 'jointly funded by the Australian Government and the Northern Territory under the Disaster Recovery Funding Arrangements.

Councils must contact DLGHCD about the nature and content of any events, media releases, announcements, promotional material, signage and/or publicity in relation to works funded under these guidelines.

## 10 Claims submission and assessment flowchart for councils

### 10.1 Stage 1: Prior to the declaration of an event

1. After a potentially eligible disaster event has occurred, DTF will liaise with DLGHCD to determine if potentially eligible damage to essential public assets has occurred within the Northern Territory with likely costs of greater than \$240 000.
2. DHDC will contact potentially affected councils for early feedback on damage. DTF use this information (and information from other NTG agencies) to determine if an event should be declared and over what areas an event should be declared. This early information gathering should not be taken to imply availability of funding.
3. EMA are required to approve any declaration and will issue each declared event with an Australian Government Reference Number (AGRN).



### 10.2 Stage 2: Declaration of an eligible event and preparation of claims

1. Once an event is declared, all potentially affected councils will be advised by DLGHCD that they may submit claims for eligible expenditure relating to that event.
2. Claims must be completed using the following templates:
  - Damage Assessment Form
  - Essential Public Asset Pre-disaster Function Framework Form
  - Restoration of Essential Public Assets – Detailed Damage Assessment and Cost Estimate Form
  - Emergency and Immediate Works Form
  - Counter Disaster Operations Form
3. Claims should be submitted within **six months** of the eligible event. Councils must contact DLGHCD if they cannot meet this six-month timeframe and seek authorization to submit a claim at a later date.
4. Councils may request a briefing from DLGHCD to new staff or to engaged contractors on these guidelines.



### 10.3 Stage 3: Assessment of claims

1. Once a claim is received, DLGHCD will complete an initial formality check to ensure all the required templates and forms are completed and signed and all required evidence has been provided.
2. DLGHCD will refer all asset reconstruction claims to DIPL where suitably qualified technical expertise will review:
  - the strength of the evidence basis of the damage
  - whether the proposed reconstruction approach is appropriate for restoring an asset to its pre-disaster function
  - that any cost estimates are appropriate to the works proposed; and
  - that the proposed repairs are only what is required to reinstate the asset to its previous function.
3. DLGHCD will review all other eligible components of a council's claim according to DCHD's internal Control Objectives Assurance Procedures to confirm the eligibility of a council's claim.
4. DLGHCD will liaise with DTF to determine the capacity to fund all or part of a council's claim, subject to it meeting eligibility requirements.



### 10.4 Stage 4: Advice on successful claims and acquittal requirements

1. The assessment process should take six weeks from receipt of the application, however this may depend on the extent or complexity of the claim.
2. Funding advice will be provided in writing from the Chief Executive, DLGHCD and will outline the success of the claim and the quantum of funds to be granted.
3. Letters of offer will include an outline of DLGHCD's acceptance and acquittal requirements. Once a signed acceptance is received from the council, payment will be made.
4. DTF requires a monthly expenditure return to be completed. This return provides details and evidence of all local government expenditure incurred for the month. It is acknowledged that local government councils are not in a position to report monthly, therefore as a minimum, councils are required to acquit expenditure quarterly through the DRFA Council Acquittal Template. (Quarter 1 due 10 October, Quarter 2 due 10 January, Quarter 3 due 10 April, Quarter 4 due 10 July).