Natural Disaster Financial Assistance for CMAs
Roles and responsibilities

## Overview

Victoria’s Natural Disaster Financial Assistance (NDFA), administered by the Department of Treasury and Finance (DTF), is available to Catchment Management Authorities (CMAs) to relieve some of the financial burden that may be experienced following a natural disaster, in accordance with Commonwealth-State Natural Disaster Relief and Recovery Arrangements (NDRRA).

The NDRRA defines eligible natural disasters as one, or a combination of the following rapid onset events: bushfire; earthquake; flood; storm; cyclone; storm surge; landslide; tsunami; meteorite strike; or tornado. Since 2010, assistance is also provided for terrorist acts occurring within Victoria.

These arrangements do not apply to disasters where human activity is a significant contributing cause (e.g. poor environmental planning, commercial development, personal intervention (other than arson), or accident).

As part of the claims assessment process, CMAs are required to lodge claims to the Department of Treasury and Finance (DTF) through the Automated Claims Management System (ACMS) for an initial assessment by DTF. The claim will then be provided to the Department of Environment, Land, Water and Planning (DELWP) for assessment of actual expenditure associated with counter disaster operations and the repair and restoration of essential public assets.

Please refer to the ‘*ACMS manual’* for information on submitting claims in the ACMS, available at the following link:

<https://www.dtf.vic.gov.au/funds-programs-and-policies/natural-disaster-financial-assistance>

The roles and responsibilities of CMAs, DELWP, and DTF are as follows:

## DTF

*During or in the early days/months following an eligible natural disaster, DTF will:*

* liaise with DELWP to determine whether damage has been sustained to essential public assets or whether CMAs anticipate that costs will be incurred in undertaking eligible works.
* ensure that up to date information and support material is available on the NDFA website to support CMAs during and after an event.
* liaise with Emergency Management Victoria to organise a notification to be prepared for Emergency Management Australia (the Commonwealth) if it is determined that there is sufficient evidence for a natural disaster to be declared as eligible under the NDRRA. This notification is required to be submitted to the Commonwealth within three months of the event occurring.
* liaise with the Commonwealth and advise that the State has experienced an eligible natural disaster event under the NDRRA including measures required to be activated under the NDRRA.
* provide general advice regarding the eligibility of costs under the NDFA/NDRRA, if requested by a CMA or DELWP.

*When receiving a claim for reimbursement, DTF will:*

* perform an initial review of the claim on the ACMS to ensure all required information and supporting documentation has been provided, before requesting DELWP to undertake an assessment of the claim. DTF will contact the CMA where the claim lodged is found to be incomplete or information is missing.
* conduct a final assessment determining the appropriate reimbursement amount, regardless of any indications DELWP may have given during the assessment process.
* approve an assessment amount **subject to all eligibility requirements**, and notify the CMA, once the assessment has been completed.
* send a letter to the CMA once a claim has been approved (or not approved), outlining the total amount of financial assistance that has been approved. Payment of the invoice will then be organised by DTF.

## CMAs

*During or in the early days/months following an eligible natural disaster, CMAs should:*

* contact the NDFA Team on (03) 9651 2327 or via email on ndfa@dtf.vic.gov.au:
	+ to advise whether damage has been sustained to essential public assets owned by either the CMA or DELWP, or
	+ Whether they will be incurring costs to undertake counter disaster operations.
* undertake counter disaster operations and emergency protection works within the first 24/48 hours and up to two weeks after an event, to ensure essential public assets are protected and to restore essential public services within the affected region. Affected CMAs should seek approval from DTF/DELWP if further time is required.
* set up suitable project management arrangements, such that the scale and scope of required recovery works are well documented and regularly updated, as better information becomes available.
* input the estimated cost into the ACMS as soon as practically possible following a natural disaster. Additional information regarding these estimates or progress reporting may also be requested by DTF.

*When planning to restore essential public assets, local councils should:*

* familiarise themselves with the current NDFA process including questions regularly posed by CMAs in the Frequently Asked Questions document on the NDFA website at the following link:

http://www.dtf.vic.gov.au/Victorias-Economy/Natural-disaster-financial-assistance

* undertake repairs to damaged essential public assets within a period less than two years after the end of the financial year in which the relevant natural disaster occurred. CMAs should note that any claims for financial assistance must cover only expenditure incurred within this timeframe.
* advise DTF and DELWP as soon as practically possible if they are unable to repair damaged essential public assets by the end of the allowable time period, noting that further time is granted only under exceptional circumstances by the Commonwealth in accordance with the NDRRA.
* **incur costs up front** then seek reimbursement from DTF on a periodic basis (e.g. monthly, or on completion of certain stages of work) **based on actual expenditure – not estimates**.
* provide DELWP and DTF evidence that demonstrates the condition of assets prior to the disaster occurring, the damage to these assets, and the post-restoration condition of these assets. Local councils should refer to the document named “[Supporting documentation required with claims](%28proposed%29%20Supporting%20~%20with%20NDFA%20claims%20%28CMAs%29%20%28D17%20158210%282%29.DOCX)” for advice on evidence is required to be provided as part of a claim.
* provide additional information regarding estimates or progress reporting to DTF as requested.

*When making a claim for reimbursement, CMAs should:*

* lodge a claim from a user nominated by the CMA’s Chief Executive Officer through the ACMS, ensuring that:
	+ their estimate of costs associated with the disaster event, is up-to-date based on the latest information;
	+ they have provided evidence that the CMA has exhausted normal funding allocations when lodging a claim. For example, that they have contributed normal day labour resources in the early aftermath following an event.
	+ they have provided evidence of impact to their local government area from various sources including local media articles, State Emergency Services and Bureau of Meteorology reports, regardless of whether an event has been formally notified to the Commonwealth as an eligible natural disaster under the NDRRA;
	+ claims are lodged on a regular basis (i.e. monthly or quarterly). Upon receipt of a formal request from DTF, DELWP will carry out an assessment of counter disaster operations undertaken and any damage to essential public assets;
	+ separate claims are provided for each natural disaster event; and
	+ they only include expenditure incurred within the allowable time period – expenditure should also be based on actual costs rather than as estimates.
* invoice DTF for the approved amount **once a claim has been approved** **and DTF has advised the invoice amount**. The invoice for financial assistance should be exclusive of GST.
* lodge all claims for the reimbursement of:
	+ expenditure for all counter disaster operations completed up to 30 June in the ACMS by 31 July for assessment by DELWP.
	+ the restoration of essential public assets completed up to 30 June (until the end of the allowable time period), in the ACMS by 31 July for assessment by DELWP. The allowable time period is two years following the end of the financial year in which the disaster occurs. Expenditure included in each claim must relate to only one financial year.

Any costs incurred after these deadlines will be deemed ineligible for reimbursement.

* Provide on a timely basis any additional information required to support the State’s year end acquittal to the Commonwealth. The acquittal is subject to an independent audit process.

## DELWP

After a natural disaster, DELWP:

* will liaise with CMAs and DTF on request to discuss eligibility of activities including inspection of damaged assets.
* will utilise each CMA’s initial itemised estimate of the impacts as a way of assessing the scale and severity of an eligible event. This will help inform the level of involvement required throughout the recovery process, to aid in the completion of the assessment of claims when needed.
* upon receipt of a CMA’s ACMS claim, will undertake an assessment of actual expenditure provided in a claim including any damage to local essential public assets, giving consideration to the following:
	+ initial damage to roads, bridges and other physical assets;
	+ current standards and eligibility criteria;
	+ local media, State Emergency Service and Bureau of Meteorology reports;
	+ evidence demonstrating pre-condition of the damaged assets, as well as actual damage and post-restoration. This may also include site visits to inspect completed works;
	+ evidence of the project management approach that was in place, to manage and monitor the physical and financial progress of recovery;
	whether the damaged asset is owned by the CMA and/or DELWP and the level of maintenance that was being provided to the asset prior to the event;
	whether expenditure has been incurred within the allowable time period; and
	whether any expenditure is associated with betterment, mitigation or enhancement.
* provide recommendations to DTF regarding CMA claims for reimbursement.
* advise DTF and local councils of any ineligible amounts deducted and the reason for the deduction.

**Note:**

* the determination of whether activities are eligible under the NDFA/NDRRA is initially undertaken by DELWP, in conjunction with DTF and EMA, noting that the NDFA essentially mirrors the NDRRA.
* the ACMS provides a single entry point for the submission of estimates and claims from CMAs. To arrange access to the system, please contact NDFA Team on (03) 9651 2327 or email ndfa@dtf.vic.gov.au.