Tasmanian Relief and Recovery Arrangements Natural Disaster Relief to Local Government Policy

Preparedness

The Tasmanian Relief and Recovery Arrangements (TRRA) Natural Disaster Relief to Local Government Policy provides financial support for local governments to defray the cost of eligible relief and recovery activities following natural disasters.

The TRRA Natural Disaster Relief to Local Government Policy is administered by the Department of Premier and Cabinet (DPAC) Office of Security and Emergency Management (OSEM).

Preparedness

Overview

This infosheet provides information about recommended actions for local governments to maximise the chances of submitting successful claims under the TRRA Natural Disaster Relief to Local Government Policy. All local governments are encouraged to make arrangements that are appropriate within the context of their normal administrative, response and recovery arrangements.

This infosheet should be read in conjunction with the TRRA Natural Disaster Relief to Local Government Policy and associated Guidelines. In case of inconsistency between this infosheet and the TRRA Natural Disaster Relief to Local Government Policy or any Guidelines, the Policy and Guidelines prevail.

Recording costs

Local government claims must only include costs incurred delivering eligible activities in direct response to an eligible natural disaster. It is essential that eligible costs are recorded separately from costs that are incurred delivering ineligible activities or conducting other local government business. This is particularly important for types of cost that may be incurred during normal business such as:

- staff overtime;
- salaries for staff delivering eligible asset rehabilitation works;
- maintenance of equipment;
- operating costs of facilities (e.g. electricity, rent); and

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- consumables.

These costs may be eligible for reimbursement, but arrangements must be made for recording only the costs incurred delivering eligible activities.

Local governments are strongly encouraged to make arrangements to create specific job numbers or cost codes for potentially eligible natural disasters. During the early stages of an event it can be challenging to know whether it will become an eligible natural disaster, so routine recording of costs by event is recommended.

Activation criteria

To request activation of the TRRA and receive reimbursement, a local government must be able to demonstrate that:
- costs were incurred responding to an eligible natural disaster – a naturally occurring rapid-onset event that requires a significant and coordinated multi-agency response; and
- the local government's first spending threshold is likely to be reached.

The multi-agency criteria requires that at least one agency (in addition to the relevant local government) be involved in the coordinated response. This could include an emergency response agency such as the Tasmania Fire Service, Tasmania Police or the State Emergency Service.

Expenditure thresholds are calculated as follows:

| First threshold: | 0.225 per cent of total recurrent revenue as disclosed in the local government's audited Annual Report two years prior to the financial year in which the eligible disaster occurred |
| Second threshold: | 1.75 times the first threshold |

For example, if an event occurs in the 2021-22 financial year and affects a local government with total recurrent revenue of $15 million in the 2019-20 financial year, the thresholds are:

| First threshold: | 0.00225 x $15 million | = $33,750 |
| Second threshold: | 1.75 x $33,750 | = $59,063 |

Thresholds differ across local governments and across years, and are based on publicly available local government information. Local governments are encouraged to be aware of the thresholds that apply to their expenditure. OSEM can provide advice about the calculation of thresholds if required.

Recording evidence

Local governments should make arrangements for the collection of appropriate evidence to support TRRA claims during response and recovery activities. This might require ensuring that there is an awareness of evidentiary requirements across business units. For example, asset management staff should be aware of the need to document, including with photographic evidence, post-disaster damage assessments of all damaged essential public assets. This includes assets for which reinstatement work is done immediately.

Preparedness - FAQs

Do thresholds apply per year, or per event?

Thresholds for assistance apply per event, not per year. For example, consider a local government with recurrent revenue of $15 million in the 2019-20 financial year and $16 million in the 2020-21 financial year. Suppose this local government is:

- affected by a flood in 2021-22 that causes the local government to incur $200,000 of costs in the 2021-22 financial year and $100,000 of costs in the 2022-23 financial year; and
- affected by a bushfire in 2022-23 that causes the local government to incur $50,000 of costs in the 2022-23 financial year.

Table 1 shows the calculation of the reimbursements that this local government will receive.

	2021-22	*2022-23*
Flood		
Expenditure	$200,000	$100,000
First threshold	$33,750	
Second threshold	$59,063	
Expenditure between first and second thresholds	$25,313 ($59,063 - $33,750)	- (second threshold exceeded in 2021-22)
Expenditure exceeding second threshold	$140,937 ($200,000 - $59,063)	$100,000 (second threshold exceeded in 2021-22)
Reimbursement	$118,359 (0.5 x $25,313 + 0.75 x $140,937)	$75,000 (0.75 x $100,000)
Bushfire		
Expenditure	-	$50,000
First threshold	-	$36,000
Second threshold	-	$63,000
Expenditure between first and second thresholds	-	$14,000 ($50,000 - $36,000)
Expenditure exceeding second threshold	-	-
Reimbursement	-	$7,000 (0.5 x $14,000)
Total reimbursement	*$118,359*	*$82,000*