

ROAD CLOSED



LOCAL DISASTER MANAGEMENT PLAN

**Financial Management
Sub Plan**

Document control

This Sub Plan will be reviewed regularly and updated as necessary. The Local Disaster Coordinator (LDC) will ensure contact details are kept and up to date.

Minor amendments to this plan can be made by the LDC. Amendments which affect the intent of the plan must be endorsed by the Local Disaster Management Group.

All approved amendments are to be listed below.

Version	Date	Comments	Approved by
1.1	January 2021	Supersedes Financial Management Sub Plan 2016 (Version 1); Sub plan reviewed.	LDC

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Abbreviations

Abbreviation	Full title
DRFA	Disaster Recovery Funding Arrangements
LDC	Local Disaster Coordinator
LDMG	Local Disaster Management Group
QFES	Queensland Fire and Emergency Services
QDRR	Queensland Disaster Relief and Recovery Guidelines
Region	The area under the management of Rockhampton Regional Council
RRC	Rockhampton Regional Council
SDRA	State Disaster Relief Arrangements for Queensland

Introduction

Purpose

The purpose of this Sub Plan is to outline the financial arrangements that support a disaster event and the subsequent claim process to recoup expenditure.

This Sub Plan is to be used in conjunction with the Local Disaster Management Plan and its Sub Plans. It sets out the agreed financial responsibilities and actions for all agencies of the Local Disaster Management Group and Local Recovery Committee and applies to emergency/disaster events and associated hazards within the Rockhampton Regional Council (RRC) Local Government Area.

Objectives

The objectives are to:

- outline the budgetary processes of RRC and other responding agencies of the Local Disaster Coordination Centre during an emergency or disaster event;
- outline the funding assistance at a State and Federal government level available to communities after an emergency or disaster event;
- outline the trigger points for RRC to be eligible to receive funding; and
- process for reimbursement of disaster-related expenditure.

Key contacts

- Accounting Services Rockhampton Regional Council

Responsibilities

Organisation	Responsibilities
Rockhampton Regional Council	<p>RRC must maintain proper financial records at all times including during a disaster. RRC's financial management policies and procedures will still govern all financial delegations and authorisations to expend funds, recording of expenditure, etc.</p> <p>Upon activation of the LDMG a disaster cost centre and project/ job numbers will be utilised to capture costs for deployment of resources and response and recovery activities.</p> <p>Cost centre and project/ job numbers have been provided by RRC's Finance Section. Expenses should be recorded in accordance with the RRC's Natural Disaster Cost Allocation and Reporting Framework. Other categories can be created if required at the discretion of the LDC and the Coordinator Accounting Services.</p> <p>All RRC officers are responsible for maintaining records and costing relevant expenses to the event project/ job number.</p>
Agencies of the LDMG	Each support agency/ organisation is responsible for providing its own financial services and support to its response operations in the field and compliance with its own financial policies and procedures.

Recording expenses

When an event occurs, RRC and each participating department or agency should immediately begin accounting for personnel, equipment and other costs relating to the disaster response.

Separate recording of disaster-related expenditure shall be in accordance with the RRC's or relevant agency's financial procedures and supported by logs, formal records and file copies of expenditures to provide clear and reasonable accountability and to ensure justification for reimbursement is maintained.

While innovative and expeditious means of procurement are called for during times of disaster events, it is still mandatory that good accounting principles and practices be employed in order to safeguard the use of public funds from the potential of fraud, waste or abuse.

Disaster relief and recovery funding arrangements

The Queensland Disaster Relief and Recovery Guidelines (QDRR) outline financial assistance available to communities, small businesses, primary producers, non-profit organisations, local governments and State government agencies affected by eligible disasters. The arrangements are designed to provide a 'safety net' to those in immediate need or who are unable to affect their own recovery.

Either the Disaster Recovery Funding Arrangements (DRFA) or State Disaster Relief Arrangements (SDRA) can be activated depending on the type and scale of the disaster.

The SDRA is a wholly State funded program that may be activated for all hazards and provide assistance where personal hardship and distress is experienced following the impact of a disaster event. The relief measures available include the Personal Hardship Assistance Scheme and Counter Disaster Operations. The restoration of State or local government assets requires the activation of DRFA.

The DRFA relates to eligible natural disasters, such as bushfire, cyclone, earthquake, flood, landslide, meteorite strike, storm, storm surge, tornado and tsunami, or a terrorist act. The DRFA are provided through a cost sharing formula (between Queensland and Australian Government) on a range of pre-agreed relief measures. There are four categories of relief measures available for activation under an eligible disaster, Categories A and B standard assistance and Categories C and D, special assistance. Each of the categories are activated separately. The standard assistance (Categories A and B) available under the DRFA includes:

- Personal Hardship Assistance Scheme;
- Essential Services Safety and Reconnection Scheme;
- Counter Disaster Operations;
- Reconstruction of Essential Public Assets;
- Concessional Loans to Not-for-profit Organisations;
- Concessional Loans to Small Businesses;
- Concessional Loans to Primary Producers; and
- Freight Subsidies for Primary Producers.

Following a severe disaster and activation of DRFA Category A and B relief measures, Special Assistance through the Community Recovery Package (Category C) and exceptional circumstances assistance (Category D) may be considered for activation. They are not automatically activated. Relief measures available under these categories must be requested in writing by the Premier of Queensland and approved by the Prime Minister. The special assistance available under the DRFA includes:

- Community Recovery Fund;
- Special Disaster Assistance Recovery Grants - Small Business;
- Special Disaster Assistance Recovery Grants - Not-for-profit Organisations;
- Special Disaster Assistance Recovery Grants - Primary Producers; and
- Extraordinary Special Assistance.

Assistance available to Queenslanders under the SDRA and/or DRFA is not intended to supplant, and/or operate as a disincentive for self-help either through insurance or appropriate disaster mitigation strategies. All levels of government encourage Queenslanders to build disaster resilience through awareness and preparedness for potential disasters in their area of residence and/or place of work.

Trigger points

Trigger points are the financial contributions local governments must make to reconstruction works before they are eligible to receive DRFA funding.

Eligible costs associated with an eligible disaster must exceed a local government's trigger point in order to be able to seek reimbursement for Emergency Works, Immediate Reconstruction Works and Reconstruction of Essential Public Assets funding under the DRFA.

Trigger points apply to each DRFA activated disaster, so local governments may have to contribute numerous times in a financial year.

Each local government is required to contribute 25% of eligible works (including Emergency Works, Immediate Reconstruction Works and Reconstruction of Essential Public Assets) expenditure up to their maximum calculated trigger point level. For example, if a local government trigger point is \$200,000, total eligible expenditure must exceed \$200,000 to be eligible to seek reimbursement. A local government pays 25% of all eligible expenditure for the event or up to the trigger point whichever is the lesser.

Following assessment and approval, one hundred per cent (100%) of eligible expenditure on eligible Emergency Works, Immediate Reconstruction Works and Reconstruction of Essential Public Assets, less the local government trigger point contribution (if applicable), is reimbursed.

Trigger points for local governments are calculated annually, prior to the disaster season.

Recouping of expenditure

The circumstances and conditions under which disaster-related expenditure may be recouped is explained in the "Queensland Disaster Relief and Recovery Guidelines" which is available on line at www.qra.qld.gov.au/funding/drfa.

Reimbursement is not an automatic process, and requires solid evidence of disaster-related expenditure. Some disaster events may not be claimable.

Each State agency or department is responsible for claiming their own reimbursement of funds relating to disaster operational expenses.

Claims for reimbursement of Council funds will be coordinated through the Finance section of Council. However each department is responsible for recording and collating sufficient documentary evidence aligned with the requirements of QDRRA on which to base the claim.