



# NSW Natural Disaster Essential Public Asset Restoration Guidelines

19 October 2018

Note:

These *guidelines* relate to NSW Government financial assistance to local councils for the restoration of *essential public assets* following *eligible disasters*.

These *guidelines* assume that local councils have opted-in to the NSW Government's *natural disaster* Day Labour Co-Funding Arrangements.

For councils that have not opted-in to the *natural disaster* Day Labour Co-Funding Arrangements, a number of exceptions to these *guidelines* will apply, as outlined in Appendix D.



## About this release

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<b>Authorised by:</b>	Feargus O'Connor, Executive Director, Office of Emergency Management, Department of Justice

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# 1 Definitions and interpretation

Term	Definition
<b>access date</b>	The date an <i>essential public asset</i> , damaged by an <i>eligible disaster</i> , is accessible to the council.
<b>AGRN number</b>	The individual <i>eligible disaster's</i> unique identification number used by agencies in all matters relating to relief and recovery measures.
<b>coordinating agency</b> (referred throughout these <i>guidelines</i> as: OEM)	<p>The NSW Government agency that oversees the implementation of the NSW Disaster Assistance Guidelines across State Government agencies and local government, and which serves as the single point of contact with the Australian Government regarding joint State and Commonwealth disaster funding.</p> <ul style="list-style-type: none"> <li>The Department of Justice, Office of Emergency Management (OEM) is the <i>coordinating agency</i> for the State of New South Wales (NSW).</li> </ul>
<b>administering agency</b>	<p>A NSW Government agency that administers and assesses claims for restoration of <i>essential public assets</i>. These agencies are:</p> <ul style="list-style-type: none"> <li>Roads and Maritime Services, which is the principal <i>administering agency</i> for claims arising from damage to road and bridge type <i>essential public assets</i>.</li> <li>Public Works Advisory (PWA), which is the principal <i>administering agency</i> for claims arising from damage to all other council-owned <i>essential public assets</i>, and in specific circumstances, for clean-up on roads and bridge type <i>essential public assets</i>.</li> </ul>
<b>cost estimation</b>	<p>The process of developing the <i>estimated reconstruction cost</i> for <i>Essential Public Asset Reconstruction Works</i> by building up the component elements including:</p> <ul style="list-style-type: none"> <li>scoping and defining the works required for <i>reconstruction</i> of the <i>damaged essential public asset</i></li> <li>applying relevant assumptions and exclusions, and</li> <li>using available historical data of actual costs (that is, benchmark pricing) and/or supplier quotes to estimate the cost of <i>reconstruction</i> works.</li> </ul>
<b>Crown Road</b>	A public road that is declared to be a <i>Crown Road</i> under the Roads Act 1993. All <i>Crown Roads</i> are vested in fee simple in the Crown as Crown land. The Minister for Lands and Forestry is the roads authority for all <i>Crown Roads</i> .
<b>damaged essential public asset</b> (also referred as <i>damaged asset</i> )	An <i>essential public asset</i> that has been damaged as a <i>direct result</i> of an <i>eligible disaster</i> , and where the damage is demonstrated by the council in the form of pre-disaster condition evidence as part of the <i>essential public assets</i> damage assessment.
<b>direct result</b>	Affected by an <i>eligible disaster</i> and located within the affected geographical area that has been notified by NSW to the Australian Government. Applicants outside the affected geographical area who do not operate in the affected geographical area are not eligible, including those with a supply chain relationship to the affected geographical area.

Term	Definition
<b>Disaster Recovery Funding Arrangements (DRFA)</b>	<p>The Australian Government (the Commonwealth) has made arrangements to provide financial assistance to the States, for disasters, in certain circumstances.</p> <p>These arrangements are called the <i>Disaster Recovery Funding Arrangements</i> (DRFA).</p> <p>The DRFA are replacing the Natural Disaster Relief and Recovery Arrangements (NDRRA) on 1 November 2018.</p>
<b>eligible disaster</b>	<p>A <i>natural disaster</i> for which a notification has been made to the Australian Government by the NSW Government, in accordance with the DRFA.</p> <p>To see all declared <i>eligible disasters</i> in Australia visit: <a href="http://www.disasterassist.gov.au">www.disasterassist.gov.au</a></p>
<b>eligible undertaking</b>	<p>A body that:</p> <ul style="list-style-type: none"> <li>• is one of the following: a) a department or other agency of a state government, or b) established by or under state legislation for public purposes (for example, a local government, in these <i>guidelines</i> referred to as a council); and</li> <li>• in the operation of the asset, provides services free of charge, or at a rate that is 50 per cent or less of the cost to provide those services.</li> </ul>
<b>Emergency Works</b>	<p>Urgent activities necessary following an <i>eligible disaster</i> to temporarily restore an <i>essential public asset</i> to enable it to operate/be operated at an acceptable level of efficiency to support the immediate recovery of a community, and take place:</p> <ul style="list-style-type: none"> <li>• prior to or at the same time as <i>Immediate Reconstruction Works</i> and where no <i>Essential Public Asset Reconstruction Works</i> are required, or</li> <li>• prior to the council commencing <i>Essential Public Asset Reconstruction Works</i>.</li> </ul>
<b>essential public asset</b>	<p>An asset that meets the definition of an <i>essential public asset</i> under the Australian Government's <i>Disaster Recovery Funding Arrangements</i> (DRFA). The DRFA defines an <i>essential public asset</i> as:</p> <p style="padding-left: 40px;">An asset which must be a <i>transport</i> or <i>public infrastructure</i> asset of an <i>eligible undertaking</i> which, the state considers and the department agrees, is an integral part of a state's infrastructure and normal functioning of a community.</p>
<b>Essential Public Asset Function Framework</b>	<p>The <i>Essential Public Asset Function Framework</i> as defined by the DRFA and outlined in these <i>guidelines</i>.</p>
<b>Essential Public Asset Reconstruction Works</b>	<p><i>Reconstruction</i> works on an <i>essential public asset</i> directly damaged by an <i>eligible disaster</i> for which an <i>estimated reconstruction cost</i> has been developed.</p>
<b>Estimated Reconstruction Cost</b>	<p>The estimated cost of <i>Essential Public Asset Reconstruction Works</i>, calculated in accordance with the DRFA.</p> <p>Councils must establish the <i>estimated reconstruction cost</i> for the <i>Essential Public Asset Reconstruction Works</i> through:</p> <ul style="list-style-type: none"> <li>a) <i>market response</i>, or</li> <li>b) <i>cost estimation</i>.</li> </ul>

Term	Definition
<b>Form 306</b>	The form used by all agencies to claim, submit and to assess submissions for funding assistance under these <i>guidelines</i> .
<b>guidelines</b>	This document, the NSW Natural Disaster Essential Public Asset Restoration Guidelines.
<b>Immediate Reconstruction Works</b>	Immediate <i>reconstruction</i> activities following an <i>eligible disaster</i> to fully reconstruct a <i>damaged essential public asset</i> , and where no <i>Essential Public Asset Reconstruction Works</i> are required.
<b>Independent Technical Review</b>	A review of <i>estimated reconstruction costs</i> in accordance with the requirements of the Australian Government's Disaster Recovery Funding Arrangements.
<b>market response</b>	The process of developing <i>estimated reconstruction cost</i> for <i>reconstruction</i> of <i>damaged essential public assets</i> by tender or competitive bidding.
<b>natural disaster</b>	<p>A <i>natural disaster</i> is one, or a combination of the following rapid onset events:</p> <ul style="list-style-type: none"> <li>• bushfire</li> <li>• earthquake</li> <li>• flood</li> <li>• storm</li> <li>• cyclone</li> <li>• storm surge</li> <li>• landslide</li> <li>• tsunami</li> <li>• meteorite strike, or</li> <li>• tornado.</li> </ul>
<b>NSW Disaster Assistance Guidelines (edition 2018)</b> (referred throughout these <i>guidelines</i> as NSW DAG)	The NSW Disaster Assistance Guidelines (NSW DAG) describe a range of financial and non-financial assistance measures provided by the NSW Government in the event of an <i>eligible disaster</i> .
<b>pre-disaster function</b>	<p>The <i>pre-disaster function</i> of an <i>essential public asset</i> as determined by the use of the <i>Essential Public Asset Function Framework</i> described in Section 4.2 of these <i>guidelines</i>.</p> <p>The process for defining <i>pre-disaster function</i> of an <i>essential public asset</i> is:</p> <p>a) Step 1: Define primary asset function by establishing 1) category, and 2) subcategory and purpose.</p> <p>b) Step 2: Define asset classification by establishing 3) type, 4) capacity and 5) layout and materials.</p>
<b>project</b>	<p>Restoration or <i>reconstruction</i> works to be undertaken following an <i>eligible disaster</i> on:</p> <ul style="list-style-type: none"> <li>• a single <i>essential public asset</i>, or</li> <li>• a group of related <i>essential public assets</i> which could be contracted jointly within local government areas notified for the relevant eligible measure.</li> </ul>



Term	Definition
<b>reconstruction</b>	The restoration or replacement of a <i>damaged essential public asset</i> .
<b>re-damaged essential public asset</b>	An <i>essential public asset</i> is considered to be re-damaged if it suffers additional damage from a subsequent <i>eligible disaster</i> which occurs after the development of an <i>estimated reconstruction cost</i> for the preceding <i>eligible disaster</i> .
<b>restoration works</b>	The reinstatement of <i>essential public assets</i> , either by <i>Emergency Works</i> , <i>Immediate Reconstruction Works</i> or <i>Essential Public Asset Reconstruction Works</i> . It excludes works that can otherwise reinstate <i>essential public assets</i> during regular maintenance interventions.
<b>special circumstances</b>	Means the following: <ul style="list-style-type: none"> <li>• geotechnical conditions that could not reasonably have been foreseen or investigated in the design period</li> <li>• previously unidentified Indigenous and cultural heritage discoveries</li> <li>• previously unidentified heritage discoveries</li> <li>• delays caused by subsequent <i>eligible disasters</i></li> <li>• environmental conditions that could not have reasonably been foreseen (for example, threatened species discovery)</li> <li>• safety threats that could not reasonably have been foreseen (for example, asbestos discovery), or</li> <li>• critical reduction in water availability that could not reasonably have been foreseen or investigated in the design period.</li> </ul>
<b>suitably qualified professional</b>	An engineer, or professional with suitable alternate tertiary qualifications, with relevant experience in assessing pre-disaster condition, assessing damage and estimating <i>reconstruction costs</i> for <i>damaged essential public assets</i> .
<b>Total Upper Limit Grant</b>	<p>The maximum grant amount (ex GST) that the <i>administering agency</i> has agreed to reimburse council for the restoration of <i>damaged essential public assets</i> following an <i>eligible disaster</i>, calculated on actuals (for <i>Emergency Works</i> and <i>Immediate Reconstruction Works</i>) and <i>estimated reconstruction costs</i> (for <i>Essential Public Asset Reconstruction Works</i>).</p> <p>Upon completion of works, or in progressive stages as agreed with the <i>administering agency</i>, council may claim reimbursement of the actual cost of works completed, up to the <i>Total Upper Limit Grant</i> amount.</p>

## 2 Introduction

Under the NSW Disaster Assistance Guidelines (DAG), the NSW Government provides financial assistance to councils to restore *essential public assets* that are damaged as a *direct result* of an *eligible disaster*.

This assistance is partially supported by the Australian Government under the *Disaster Recovery Funding Arrangements* (DRFA), which are effective from 1 November 2018, and which replace the Natural Disaster Relief and Recovery Arrangements (NDRRA).

### 2.1 Cost-sharing arrangements

*Eligible disasters* often result in large-scale expenditure by governments in the form of disaster relief and recovery payments and infrastructure restoration. To assist with this burden, the NSW Government and the Australian Government have made arrangements to provide financial assistance in specific circumstances. The assistance is usually in the form of partial reimbursement of actual or estimated expenditure.

The cost-sharing arrangement between the Commonwealth and NSW Government varies in each financial year and is dependent on total NSW Government expenditure in that year on *eligible disasters*.

Cost-sharing arrangements also exist between the NSW Government and local councils for the restoration of *damaged essential public assets*. Under the NSW DAG, councils must contribute funding for a proportion of the total cost to restore *damaged essential public assets*. Further information about cost-sharing arrangements for councils can be found in the Day Labour Co-Funding Arrangements Guideline (Appendix D).

### 2.2 Purpose

The purpose of these *guidelines* is to describe the NSW Government's arrangements for providing assistance to local councils for the restoration of *essential public assets* that have been damaged as a *direct result* of *eligible disasters*.

### 2.3 Scope

These *guidelines* apply to *restoration works* undertaken on local council *essential public assets* following damage from *eligible disaster* events declared by the NSW Government.

Some parts of these *guidelines* are also applicable to NSW Government agencies and other *eligible undertakings* that are responsible for *essential public assets*.

Funding of *Emergency Works*, *Immediate Reconstruction Works*, or *Essential Public Asset Reconstruction Works* following non-declared *natural disasters* is not available under these *guidelines* and are therefore outside the scope of these *guidelines*.

### 2.4 Disaster event activation

Under the NSW DAG and the DRFA, in order for an event to be declared as an *eligible disaster*, it must satisfy the definition of both a *natural disaster* and an *eligible disaster*.

An *eligible disaster* under the NSW DAG is a *natural disaster* for which:

- a coordinated multi-agency response was required, and
- state expenditure exceeds the small disaster criterion (in 2018 set by the Australian Government at \$240,000).

A *natural disaster* is one, or a combination of, the following rapid onset events:

- bushfire
- earthquake
- flood
- storm
- cyclone
- storm surge
- landslide
- tsunami
- meteorite strike, or
- tornado.

To seek the declaration of a *natural disaster* event as an *eligible disaster* (usually called a “Natural Disaster Declaration”), the impacted council should contact the Office of Emergency Management by email at [NaturalDisasters@justice.nsw.gov.au](mailto:NaturalDisasters@justice.nsw.gov.au).

All *eligible disasters* are listed at the DisasterAssist website ([www.disasterassist.gov.au](http://www.disasterassist.gov.au)) where information of each *eligible disaster's* relief measures are detailed, and councils may find the corresponding *AGRN number* for each *eligible disaster*.

## 2.5 Coordinating and administering agencies

For NSW, the *coordinating agency* for *natural disaster* assistance is the Office of Emergency Management (OEM) within the Department of Justice. OEM serves as the single point of contact with the Australian Government in relation to disaster funding, and it oversees the implementation of *natural disaster* assistance across several agencies and local councils.

The principal *administering agency* for claims relating to *Emergency Works*, *Immediate Reconstruction Works*, and *Essential Public Asset Restoration Works* on public roads, bridges and other road infrastructure is Roads and Maritime Services.

The principal *administering agency* for all eligible *essential public assets* other than public roads, bridges and road infrastructure is Public Works Advisory. Public Works Advisory is also the principal *administering authority* for claims relating to the clean-up of public roads, bridges and road infrastructure, when the restoration of these assets only involves *Emergency Works*, and no *reconstruction* works are required.

Other NSW Government agencies including NSW Treasury and the Rural Assistance Authority also undertake key roles in the oversight and administration of *natural disaster* assistance.

## 3 Policy

These *guidelines* should be read in conjunction with the NSW DAG, and other related guidelines and documents.

In the event that there is a conflict or inconsistency between these *guidelines* and the NSW DAG, the NSW DAG prevails over these *guidelines*.

### 3.1 Provision of funds

Funding for *Emergency Works* and *Immediate Reconstruction Works* will be provided to councils on the basis of actual expenditure (ex GST), subject to eligibility, assessment of reasonability and co-funding arrangements.

For *Essential Public Asset Reconstruction works*, councils will be offered a *Total Upper Limit Grant* amount (ex GST), based on the *estimated reconstruction cost*, less the council co-funding amount and any ineligible costs. Eligible claims are paid on actual costs (ex GST) upon completion of works, or in progressive stages as agreed with the *administering agency*, up to the *Total Upper Limit Grant* amount (ex GST).

Councils are required to make a co-contribution (i.e. a co-funding amount) for *Emergency Works*, *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works*.

The arrangements for co-funding arrangements are outlined in the Day Labour Co-Funding Arrangements Guideline (Appendix D).

All funding provided under these *guidelines* are subject to State and Commonwealth audit and assurance activities, and *administering agencies* may recover funding that has been previously provided to councils, and which has subsequently been found to be ineligible.

In the event that a council is required to participate in a State or Commonwealth audit and assurance activity, any costs incurred by the council remains the responsibility of the council.

### 3.2 Insurance

Assistance under these *guidelines* is not to replace self-help via either commercial insurance or appropriate strategies of disaster mitigation, asset maintenance and planning.

Councils must take out prudent and reasonable levels of insurance cover for their *essential public assets* (including works in progress) and they must claim on these insurance policies before seeking assistance under these guidelines.

Assistance under these guidelines is not provided for:

- Any excesses associated with the insurance policy
- Any reasonably avoidable funding shortfalls arising from councils not taking out adequate levels of insurance cover
- Any future increases in insurance premiums

### 3.3 *Essential public assets* definition

In broad terms, *essential public assets* are defined as assets which have the following characteristics:

- They are owned by local councils or organisations established by NSW legislation, and
- Their loss or damage severely disrupts the normal functioning of the community, and they would be restored or replaced as a matter of urgency, and
- They are provided to meet the community's transport, health, education, justice or welfare needs, and

- They are provided to the community at no cost, or at a subsidised rate that is 50 percent or less of the actual cost of providing the asset.

The following list provides examples of transport or public infrastructure assets which both the NSW Government and the Australian Government consider to be *essential public assets* under their respective disaster funding arrangements:

- Roads
- Road infrastructure (including footpaths, bike lanes and pedestrian bridges)
- Bridges
- Tunnels
- Culverts
- Public housing
- Flood levees
- Stormwater infrastructure

Roads and road infrastructure include State, Regional, Local and *Crown Roads* and bridges and their associated components which may include:

- pavements and pavement seals
- formation
- culverts and drainage structures
- bridges and floodways
- embankments and batter protection

Road infrastructure such as footpaths, bike lanes and pedestrian bridges are considered to be *essential public assets*. For assets of this type within the corridor of a public road, the *administering agency* is Roads and Maritime Services. For assets of this type outside of a public road corridor, the *administering agency* is Public Works Advisory.

Examples of assets that are not considered to be *essential public assets* are:

- private roads
- roads on Crown land that are not *Crown Roads*
- sporting, recreational or community facilities (for example, playgrounds and associated facilities)
- beaches, coastal areas and riverbanks
- religious establishments (for example, churches, temples and mosques)
- cemeteries
- memorials

For those assets which are not listed above as being *essential public assets*, local councils may seek approval from the *coordinating agency* to treat the asset as an *essential public asset* for the purposes of disaster funding, if there is a strong case for doing so. The *coordinating agency* may in turn seek approval from the Australian Government for assets to be recognised as *essential public assets*.

## 3.4 Categories of *essential public asset restoration works*

The NSW DAG and the DRFA have three sub-categories of disaster assistance relating to the *restoration of essential public assets*. These are:

- *Emergency Works*
- *Immediate Reconstruction Works*
- *Essential Public Asset Reconstruction Works*.

### 3.4.1 *Emergency Works*

*Emergency Works* are urgent activities necessary to temporarily restore an *essential public asset* to enable it to operate at an acceptable level of efficiency to support the immediate recovery of a community, and takes place:

- prior to or at the same time as *Immediate Reconstruction Works* and where no *Essential Public Asset Reconstruction Works* are required, or
- prior to the council commencing *Essential Public Asset Reconstruction Works*.

Funding for *Emergency Works* is limited to works undertaken during the period of up to three (3) months from the date that the *essential public asset* becomes accessible to the council. This is irrespective of the date on which the *eligible disaster* is declared.

*Emergency Works* should be regarded as works which the council would carry out as a matter of urgency, even if disaster funding was not made available, and they should not be delayed until a *natural disaster* is declared as an *eligible disaster*.

Typical forms of *Emergency Works* are:

- removal of debris, including silt, green litter, black litter and loose gravel from the asset where failure to do so would create a health or safety hazard
- any temporary repair works to the *essential public asset* that ensure it can be safely used until *reconstruction works* are able to be undertaken
- works to make the road trafficable for adjoining landholders
- placement of warning signs and barriers to ensure the asset is able to be safely used for its intended purpose.

Detailed information about *Emergency Works* eligibility, claim requirements and the reimbursement process is outlined in Section 4.7.

### 3.4.2 *Immediate Reconstruction Works*

*Immediate Reconstruction Works* are immediate *reconstruction* activities following an *eligible disaster* carried out to fully reconstruct a *damaged essential public asset*, and where no *Essential Public Asset Reconstruction Works* are required.

*Immediate Reconstruction Works* must be completed within three (3) months from the date that the *damaged essential public asset* becomes accessible to the council. This is irrespective of the date on which the *eligible disaster* is declared.

The type of *reconstruction works* that should be undertaken under the *Immediate Reconstruction Works* sub-category are works that are urgent, essential and limited in nature. They would be *reconstruction works* which the local council would carry out, even if NSW Government disaster funding was not made available.

*Immediate Reconstruction Works* should not be delayed until an *eligible disaster* is declared or until funding approval or assurance is given. Any *reconstruction works* that local councils cannot complete within the three (3) month time limit or without assurance of funding should be managed under the *Essential Public Asset Reconstruction Works* category.

Prior to commencing *Immediate Reconstruction Works*, councils are required to advise the *administering agency* of the scope of works, and obtain their agreement for the scope of works. This may be done in a number of stages as the need for *Immediate Reconstruction Works* is progressively identified, following the impact of the *eligible disaster*.

When the *damaged essential public asset* is reconstructed within three (3) months of the asset becoming accessible to the local council, but there is a departure from the *pre-disaster function* of the asset, as determined through the *Essential Public Asset Function Framework* (e.g. there has been a change to the capacity or layout of the asset or in the materials used for *reconstruction*), the financial assistance for these works must be claimed as *Essential Public Asset Reconstruction Works*. This requirement applies in all circumstances where there will be a departure from the *pre-disaster function* of the asset, as discussed in Section 3.4.3 below.

Detailed information about *Immediate Reconstruction Works* eligibility, claim requirements and the reimbursement process is outlined in Section 4.8.

### 3.4.3 Essential Public Asset Reconstruction Works

*Essential Public Asset Reconstruction Works* are *reconstruction works* on an *essential public asset* damaged as the *direct result* of an *eligible disaster* for which an *estimated reconstruction cost* has been developed.

The development of an *estimated reconstruction cost* is required in the following circumstances:

- a) When the restoration or replacement of the *damaged essential public asset* cannot be completed within three (3) months of the asset becoming accessible to the local council, or
- b) When, irrespective of the timeframe, the *damaged essential public asset* will be reconstructed with some variation to its *pre-disaster function*, as determined through the *DRFA Essential Public Asset Function Framework* (e.g. there will be a change to the capacity or layout of the asset or in the materials used for *reconstruction*). This requirement applies in all circumstances where there is a departure from the *pre-disaster function* of the asset, including the following situations:
  - a. there has been a change to the building or engineering standards for the asset, which will change the capacity, layout or materials used for reconstruction, or
  - b. it is not possible to restore the asset to its pre-disaster capacity, layout or materials (e.g. a major landslip makes it very costly or impossible to restore a road along its original path; the materials are no longer available at reasonable cost), or
  - c. the council wishes to combine its own additional resources with the funding given under these *guidelines* to enhance the capacity, layout or materials used for the asset (complementary works), or
  - d. the council wishes to use alternative methods, layouts or materials for the reconstruction of the *essential public asset*, while delivering the same or better capacity and level of service to the community at no additional cost, or at less cost.

The council must secure funding approval from the *administering agency* prior to commencing *Essential Public Asset Reconstruction Works*. The process of securing this approval includes the establishment of the *estimated reconstruction cost*.

Funding applications for *Essential Public Asset Reconstruction Works*, including the *estimated reconstruction cost*, must be submitted to the *administering agency* as soon as possible and generally no later than six (6) months after the disaster event has been declared as an *eligible disaster*. In exceptional circumstances, where the size and scale of the *restoration works* is extensive, the timeframe for the funding application may be extended by the *administering agency*. However, the latest date that the *administering agency* may extend the application timeframe to is 12 months after the end of the financial year in which the *eligible disaster* occurred. Beyond this timeframe, Commonwealth approval would be required, and there is no guarantee that applications received after this period will be accepted.

Once funding has been approved for *Essential Public Asset Reconstruction Works*, the works themselves must be completed within two (2) years after the end of the financial year in which the disaster occurred. In exceptional circumstances, this timeframe may be extended with the approval of the *administering agency* to two (2) years and nine (9) months. If *Essential Public Asset Reconstruction Works* cannot be completed within the extended timeframe, the council may not be funded for works beyond the extension date, and may not be eligible to receive related funding for mitigation activities, as provided under the DRFA.

Detailed information about *Essential Public Asset Reconstruction Works* eligibility, extension of time, special claims requirements and the reimbursement process is outlined in Section 4.9.

## 3.5 Eligible *restoration works* and expenditure

### 3.5.1 Standards for works

Only *restoration works* of *essential public assets* damaged as a *direct result* of an *eligible disaster* are eligible for funding assistance in these *guidelines*.

Where funding is given under these *guidelines*, *damaged essential public assets* must be restored or reconstructed to the current relevant building or engineering standards.

*Administering agencies'* technical standards for construction, testing and material properties must be used in carrying out *restoration works* on all State roads and Roads and Maritime managed bridges.

Regional and Local roads are to be restored to the currently accepted technical standards appropriate to the road's *pre-disaster function* in the affected area.

*Crown Roads* are to be restored to the pre-disaster level of service sufficient to reinstate access.

Enhancement of council-owned assets can be undertaken where they are funded by the council, and where prior approval has been given by the *administering agency*. (See Section 3.6 regarding Complementary Works).

Examples of eligible *reconstruction works* in line with these *guidelines* are included in Appendix E – Eligibility Examples and Scenarios.

### 3.5.2 Eligible *restoration expenditure*

Expenditure related to *restoration works* must satisfy eligibility criteria for reimbursement under the NSW DAG and each of the sub-categories (*Emergency Works*, *Immediate Reconstruction Works*, *Essential Public Asset Restoration Works*). Examples of eligible expenditure may include:

- Costs which are directly related to the restoration of the *damaged asset*.
- Protection of *essential public assets* or to restore essential services and maintain public safety. This could include earthmoving works, rock placing, sandbagging, installation of tarpaulins, placement of warning signs and barriers, pothole patching, and removal of silt and debris.
- Post-disaster *restoration works* to a *damaged asset* to enable it to operate at a reasonable level of efficiency. This would include clean-up costs, removal of silt/debris and temporary repairs.
- Extraordinary wages above what would normally be incurred including: overtime, allowances, temporary employment costs (including consultants and/or contractors).

Direct costs are eligible for funding of *restoration works* undertaken on *damaged assets* provided they are in accordance with the scope of works approved by the *administering agency*. Other eligible direct costs include:

- *Project* and program management including design.
- Use of day labour based on an hourly unit rate provided by the council *and approved by the administering agency*. This rate may only include the salary, wages and related on-costs of



employees directly engaged in the restoration of the *essential public asset* and they must not include overheads or council profit margins.

- Use of internal plant and equipment on an hourly unit rate provided by the council *and approved by the administering agency*. Unit rates should exclude any council profit margins.
- Use of materials (excluding any council profit margins), with unit rate costs provided by the council to be approved by the *administering agency* prior to commencing *restoration works*.
- Hire of additional plant and equipment, and operating consumables (fuels, oil, grease).

### 3.5.3 Ineligible *restoration works*

Works or damage which are ineligible for funding include the following:

- Damage to any construction or reconstruction works in progress, or separable part, unless a Certificate of Practical Completion or Notification of Early Use was issued before the damage was sustained. These works are expected to be covered by insurance.
- Any construction or reconstruction works for which the project/contract insurance provisions are still in effect.
- Investigative techniques (such as destructive testing of a road, falling weight deflectometer, pavement roughness testing or road laser survey) used to prove the existence of damage or the cause of damage to an asset.
- Damage to pavements and subgrades that is caused by prolonged wet weather. This type of deterioration is considered to be a normal maintenance liability.
- The restoration or rehabilitation of natural ecosystems.
- Removal of debris from streams, beyond that directly impacting on the *essential public asset* (for example, a bridge or culvert structure). Note: the removal of damaged structural components of an *essential public asset* that have been washed down stream as the *direct result* of an *eligible disaster* is eligible.
- Clearing of debris from gross pollutant traps and stormwater detention/retention basins where the asset is not damaged.
- Grading or channelling of stream beds, unless necessary to ensure the structural adequacy of the *essential public asset* (for example, bridge, road formation).
- Where there is evidence that damage occurred wholly or partly as the result of the lack of proper maintenance, or where previous works were not completed satisfactorily, that part of the damage considered to arise from the lack of maintenance or unsatisfactory work is not eligible for assistance.
- Saturation damage where:
  - water fills the table drain and is unable to drain away because of poor construction or a lack of proper maintenance; or
  - extensive ruts, cracks, pot holes and heave were in evidence prior to the *eligible disaster* event; or
  - it is a result of the diversion of water from adjacent land or irrigation canals.

Examples of eligible *reconstruction works* in line with these *guidelines* are included in Appendix E – Eligibility Examples and Scenarios.

### 3.5.4 Ineligible restoration expenditure

Ineligible expenditure which are not reimbursable through these *guidelines* may include (but are not limited to):

- Damage to *essential public assets* that is not demonstrated to be the *direct result* of an *eligible disaster*.
- Damage to *essential public assets* that is not the *direct result* of an *eligible disaster* because it lies outside of the boundaries of the geographical area of the *eligible disaster* (that is, not all *essential public assets* in a local government area are eligible for funding when an *eligible disaster* is declared, and only *damaged assets* which lie within the geographical area affected by the *eligible disaster* might be considered to be eligible).
- Damage to *essential public assets* that can be demonstrated to be the *direct result* of an *eligible disaster*, but which can be attributed to poor maintenance, poor design or poor construction and which falls within the council's responsibility to address during normal operations and maintenance circumstances.
- Costs incurred by local councils to demonstrate the pre-disaster condition or *pre-disaster function* of the *essential public asset* or to demonstrate that the damage sustained by the asset was a *direct result* of an *eligible disaster* (this includes the cost of on-site inspections).

### 3.5.5 Use of contractors and other councils for restoration works

Councils can engage contractors and/or other local councils to undertake *essential public asset restoration works*. This is based on the condition that the local council can demonstrate that:

- it has reasonably exhausted all its available resources to undertake the restoration works
- it does not have the capacity/capability to undertake the work itself using its own staff, internal plant, or equipment, and/or
- it provides more value for money.

Councils may only engage other local councils to undertake *essential public asset reconstruction works* if the council can demonstrate that there are no contractors available to do the work, or that the other local council is providing more value for money than a contractor.

If a council engages contractors and/or other local councils to undertake *essential public asset restoration works*, it must ensure all procurement requirements are met.

## 3.6 Complementary funding by councils

Funding will not be provided under these *guidelines* for improvements to *essential public assets* such as widening of the road (formation or seal), increased level of service (e.g. additional lanes), increased flood immunity (e.g. additional or increased diameter of culverts), realignment of roads, provision of additional signage etc.

However, councils may combine their own funds or resources to the funding provided under these *guidelines* to increase the capacity of an *essential public asset*, amend the layout, or use enhanced materials to reconstruct the asset. These changes will require prior approval from the *administering agency*, and they may only proceed if the *asset* is reconstructed to provide a level of service to the community that is equal to, or better than the pre-disaster level of service.

The additional funding or resources provided by council to enhance the *essential public asset* is known as "complementary funding" and the additional works that occur through this funding is known as "complementary works". In circumstances where approval is given for the council to invest complementary funding in the *essential public asset*, the council must provide information and assistance to enable the *administering agency* to clearly distinguish the amount of funding provided under these *guidelines*, and the complementary funding provided by the council.

Councils must secure their own funds to effect complementary works to enhance *essential public assets*. Funding provided by the NSW Government under these *guidelines* will be based on the

*estimated reconstruction cost* that was established prior to the complementary works / enhancements being applied (ex GST), and it will not include any costs associated with the complementary works.

### 3.7 Funding for Disaster Mitigation Activities and Projects

In certain financial years, funding may become available under the DRFA for local councils and NSW Government agencies to undertake disaster mitigation activities and projects.

Where funding becomes available, the amount offered for distribution will be based on the difference between the *estimated reconstruction costs* and the actual costs incurred by local councils and NSW Government agencies during the delivery of *Essential Public Asset Restoration Works* in past years (referred to in the DRFA as 'efficiencies realised'), and the level of Commonwealth assistance provided to the NSW Government.

Details of this mitigation funding can be found in the NSW Disaster Assistance Guidelines under the guideline titled "Disaster Mitigation Funding under the Disaster Recovery Funding Arrangements".

## 4 Application Process

### 4.1 Flowcharts for claiming funding for *restoration works*

Three flowcharts are provided in Appendix A, B and C to describe the process for claiming funding for *Emergency Works*, *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works*.

### 4.2 *Essential Public Asset Function Framework*

The *pre-disaster function* of an *essential public asset* forms the basis of funding under the DRFA, the NSW DAG and these *guidelines*.

*Immediate Reconstruction Works* funded under these *guidelines* must restore the *damaged essential public asset* to its *pre-disaster function*.

Funding for *Essential Public Asset Reconstruction Works* is based on the estimated cost of restoring the asset to its *pre-disaster function*.

The *pre-disaster function* of the *essential public asset* must be determined by using the *Essential Public Asset Function Framework*, which is outlined in Section 6.3 of the DRFA, and summarised below.

When completing an application for *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works* funding under these *guidelines*, councils must define the *pre-disaster function* of each *essential public asset* that is part of the funding claim, because:

- Information about the *pre-disaster function* will be needed to establish the *estimated reconstruction cost* for *Essential Public Asset Reconstruction Works*; and
- Information about the *pre-disaster function* of the asset will need to be entered on the claim form (*Form 306*) for both *Immediate Reconstruction Works* as well as *Essential Public Asset Reconstruction Works*.

#### *Essential Public Asset Function Framework*

The *Essential Public Asset Function Framework* must be used to determine the *pre-disaster function* of an *essential public asset*. The function of an *essential public asset* is the main factor in assessing whether *reconstruction* will provide the same *pre-disaster function*.

The process for defining *pre-disaster function* of an *essential public asset* is:

Step 1: Define primary asset function by establishing:

1. category, and
2. sub-category and purpose.

Step 2: Define asset classification by establishing:

3. type
4. capacity, and
5. layout and materials.

Note: Councils should use established and recognised methods for categorising assets and defining the capacity, layout and materials used. Further clarification about appropriate methods may be obtained from the relevant *administering agency* if required.

#### *Step 1*

The category and sub-category of an *essential public asset* depicts the primary asset function. This is required in order to determine whether an *essential public asset* will continue to provide its *pre-disaster function* following *reconstruction works*.

All eligible *essential public* assets fall into two separate categories—Transport or Public Infrastructure. Each category can then be further split into sub-categories—for example, a road, bridge, public hospital, public school.

## Step 2

The next step in defining *pre-disaster function* is to classify the level of service the *essential public* asset provides to the community. This builds further details of the *essential public* asset by defining the asset type, capacity, layout and materials.

### *Asset type*

It is critical that the *essential public* asset type is defined. If there are multiple types within a particular category, these should be separated to ensure the *estimated reconstruction cost* is accurate.

The primary function of an *essential public* asset should remain the key consideration when assessing the specific *essential public* asset type. For example, if assessing a road, what is the specific use of that road – is it an arterial road, sub-arterial road or local road? What was the original design intent of the road—for example, an unsealed road for light commuter traffic between rural towns?

### *Asset capacity*

After defining the *essential public* asset type, the capacity of the *essential public* asset should be established. This is the capacity of the *essential public* asset to perform its primary function and, additionally, other services it may have been providing to the community prior to the *eligible disaster*. For example, the capacity of the road to perform the primary function of transport vehicles travelling from point A to point B might include two lanes of local traffic in each direction or one lane in each direction, a pedestrian walkway on one side of the road, and a breakdown lane on both sides of the road. What is the main role of the road—for example, a two lane highway? Are there multiple roles of the road—for example, a two lane road with pedestrian walkways?

### *Asset layout and materials*

The final level in defining the function of an *essential public* asset is the layout and materials. Defining the layout and materials of the *essential public* asset is strongly linked with the capacity of the *essential public* asset and may directly inform the layout and materials of the *essential public* asset.

This should focus on engineering details of the *essential public* asset. It is essential that the appropriate expertise is applied in developing the *estimated reconstruction cost*. Consideration should be given to:

- dimensions and layout
- materials used, and
- road infrastructure, including barriers, signage, signalling, lighting, noise attenuation, drainage, and associated footpaths or bikeways.

For example, what are the general dimensions and features (including safety) of the *essential public* asset? In the instance of a road, how wide are the lanes, shoulders and pedestrian walkways? What is the depth of the pavement? Does the road have line markings, safety barriers, lighting or traffic signals? What materials have been used to construct the road – gravel, granular with seal, concrete or asphalt? How does the road interface with its surroundings – are there signalised intersections?

### Adjustment of *pre-disaster function* to incorporate current building and engineering standards

In circumstances where current building and engineering standards require an increase in the capacity of the *essential public* asset, a change in the layout, or a change in the materials used for construction, the *pre-disaster function* and ultimately the *estimated reconstruction costs* may be adjusted to incorporate the current standards for capacity, layout or materials, and not any previous standards that may have influenced the way that the asset was constructed, prior to the disaster. This is regardless of whether the current building and engineering standards are established by State or National entities and regardless of whether they are set through legislation or through policy.

Adjustments to the *pre-disaster function* of this kind should be noted in the funding application and endorsed by the *administering agency* before funding is approved.

In general, funding under these guidelines will be provided to restore the *essential public asset* to the current building and engineering standards. However, in situations where councils were expected to update or alter the *essential public asset* to meet new building and engineering standards prior to the *eligible disaster*, and these works were not completed, the council will be required to contribute an additional amount of funding for the *restoration works*, equivalent to the amount that the council should have incurred prior to the disaster, to update or alter the asset.

#### Adjustment of *pre-disaster function* where it is not possible to restore the *pre-disaster capacity or layout*

In circumstances where it is not possible to restore the *damaged essential public asset* to its pre-disaster capacity, layout or materials (e.g. a major landslip makes it very costly or impossible to restore a road along its original path; the materials are no longer available at reasonable cost), the *pre-disaster function* and ultimately the *estimated reconstruction costs* may be adjusted to incorporate the most economically comparable alternative *reconstruction* option (e.g. restoring the road on a different route; using different materials).

Adjustments to the *pre-disaster function* of this kind should be noted in the funding application and endorsed by the *administering agency* before funding is approved.

Examples of eligible *reconstruction works* in line with this *Essential Public Asset Function Framework* are included in Appendix E – Eligibility Examples and Scenarios.

#### Use of alternative methods, layouts and materials

In general, councils are expected to restore *essential public assets* to their pre-disaster capacity, layout and materials. However, where it is not possible to undertake the reconstruction of the *essential public asset* due to obsolete or outdated construction methodologies and building materials, councils must use the *Essential Public Asset Function Framework* to develop an *estimated reconstruction cost* of the *essential public asset* to its *pre-disaster function*. These circumstances should be noted in the funding application and endorsed by the *administering agency* before funding is approved.

Councils may also seek approval from *administering agencies* to reconstruct *essential public assets* with alternative layouts or materials, if they can demonstrate that the same capacity (or better) and the same level of service to the community (or better) will be provided, at no additional cost, or at less cost. Any intention to reconstruct an *essential public asset* with alternative layouts or materials should be discussed with the *administering agency* prior to the application being submitted.

## 4.3 Evidence of damage as a *direct result of eligible disasters*

### 4.3.1 Pre-disaster condition, damage and completion of works evidence

Applications for funding under these guidelines for all three (3) types of restoration works - *Emergency Works*, *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works* must demonstrate:

- a) the pre-disaster condition of the *essential public asset*,
- b) that the damage on the *essential public asset* was a *direct result* of an *eligible disaster*, and
- c) the completion of works undertaken.

The evidence should provide a complete picture of the same *essential public asset*.

Providing adequate evidence assists in the compilation, review and approval processes of *administering agencies* and facilitates the timely restoration of *essential public assets*.

If a council cannot provide adequate evidence for an *essential public asset's* pre-disaster condition, damage and completion of works, the *administering agency* may assess the *reconstruction works* to be ineligible for funding assistance, or it may result in reduced funding. It may also cause delays in the commencement of *reconstruction works*.

## 4.3.2 Pre-disaster condition evidence

To ensure that damage identified is the *direct result* of an *eligible disaster*, the pre-disaster condition of *damaged essential public assets* must be demonstrated.

For *Emergency Works*, *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works*, the council must provide evidence of the location, nature and pre-disaster condition of the *essential public asset* through one or more of the following (in order of preference):

- a) visual data, including photographs or video footage
- b) geospatial data, including satellite images
- c) maintenance records
- d) asset registers that sufficiently document the condition of the asset, or
- e) an inspection report or certification (undertaken at the time of the damage assessment) conducted or verified by a *suitably qualified professional*, with the appropriate level of expertise and experience, that confirms the damage was caused by the *eligible disaster*, with sufficient basis for this. The name and title of the inspector or *suitably qualified professional* must be included in the report/s or certification.

Councils must provide the latest evidence available, no older than four (4) years prior to the date of the *eligible disaster*.

## 4.3.3 Damage evidence

For *Emergency Works*, *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works*, in order to establish a basis that the damage sustained was a *direct result* of an *eligible disaster*, the council must provide evidence of the exact location, nature and extent of the damage to an *essential public asset* through one or more of the following most appropriate means:

- geospatial data, including satellite images
- visual data, including photographs or video footage, or
- asset inspection report/s conducted or verified by a *suitably qualified professional*. The name and title of the inspector or *suitably qualified professional* must be included in the report/s or certification.

For *Essential Public Asset Reconstruction Works*, this evidence must be obtained as soon as reasonably practicable, and no later than six (6) months from the date that the *damaged essential public asset* became accessible to the council.

For *Emergency Works* and *Immediate Reconstruction Works*, this evidence must be obtained as soon as reasonably practicable, prior to the commencement of the *Emergency Works* or *Immediate Reconstruction Works*, and no later than three (3) months from the date that the *damaged essential public asset* became accessible to the council.

For more information about eligible evidence capturing of damage, see Appendix F – Visual and Geospatial Evidence – Best Practice.

## 4.3.4 Completion of works evidence

Completion of works evidence must clearly identify the exact location and scope of works completed on the *essential public asset* through photographs or video footage with metadata intact, and it must be provided for each location at which eligible *restoration works* have been completed. This photographic evidence must be clearly linked to the corresponding pre-disaster condition evidence and damage evidence for the *essential public asset*.

For *Emergency Works*, there should be a representative photo of each of the key work types undertaken on the *damaged asset*. This may include a range of work such as temporary pavement repairs, clearing of silt and debris, and repair of guardrails. The number of photos for *Emergency*

Works undertaken should correspond with the level and scope of damage advised to the *administering agency* prior to commencing the *Emergency Works*.

*Restoration works* involving the use of multiple treatment types on a *damaged asset*, require one photograph of each type for each asset to be provided. For example, if a *project* includes pavement and culvert works, then photos of pavement works and separate photos of the culvert works must be included. The completion photos for *restoration works* must sufficiently demonstrate that works were completed in accordance with eligibility criteria and the approved scope of works.

Photographic evidence of completed *restoration works* is required for *Emergency Works*, *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works* claim submissions.

## 4.4 Provision of funds

Funding for *Emergency Works* and *Immediate Reconstruction Works* will be provided to councils on the basis of actual expenditure (ex GST), subject to eligibility, assessment of reasonability and co-funding arrangements.

For *Essential Public Asset Reconstruction Works*, councils will be offered a *Total Upper Limit Grant* amount (ex GST), based on the *estimated reconstruction cost*, less the council co-funding amount and any ineligible costs. Eligible claims are paid on actual costs (ex GST) upon completion of works, or in progressive stages as agreed with the *administering agency*, up to the *Total Upper Limit Grant* amount (ex GST).

In general, councils must obtain the *administering agency's* agreement before commencing *Immediate Reconstruction Works*, and the *administering agency's* approval must be obtained before commencing *Essential Public Asset Reconstruction Works*. However, in situations where councils have commenced or completed *reconstruction works* prior to obtaining the *administering agency's* agreement or approval, the *administering agency* may, at their discretion, consider applications for funding under these guidelines on a retrospective basis.

Council are required to make a co-contribution (i.e. a co-funding amount) for *Emergency Works*, *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works*. The arrangements for co-funding arrangements are outlined in Appendix D – Day Labour Co-Funding Arrangements Guideline

All funding provided under these *guidelines* is subject to State and Commonwealth audit and assurance activities, and *administering agencies* may recover funding that has been previously provided to councils, and which has subsequently been found to be ineligible.

In the event that a council is required to participate in a State or Commonwealth audit and assurance activity, any costs incurred by the council remains the responsibility of the council.

## 4.5 Document retention

The council must keep an accurate audit trail for seven (7) years from the end of each financial year in which expenditure is claimed. This must include written records that correctly record and explain the council's expenditure claimed for all eligible measures.

The council must make available, within three (3) weeks, all relevant documentation requested by the *coordinating agency* or the *administering agency*.

Where documentation is requested, the council must provide a complete audit trail comprising of physical and/or electronic records that correctly and accurately demonstrate a direct relationship between the *Emergency Works*, *Immediate Reconstruction Works* or *Essential Public Asset Reconstruction Works* activities for which expenditure is claimed and the eligible measure – for example:

- visual and geospatial data and information that may include (but is not limited to) satellite images, Google Earth images, photographs, video footage



- in the case of *Emergency Works* and *Immediate Reconstruction Works*, documentation that may include (but is not limited to) *asset damage* and inspection reports
- administrative data and documentation that may include (but is not limited to) contract/work orders, timesheets, news articles, email correspondence, funding approval letters, minutes of meetings
- financial data and documentation that may include (but is not limited to) tax and/or financial statements, cost-benefit analyses, transaction listings used to reconcile invoices, annual reports, proposals and invoices, and
- grant data and documentation that may include (but is not limited to) grant applications and grant guidelines.

## 4.6 Appeals process

Councils that have concerns about the outcome of a funding claim may write to the *administering agency*, setting out their concerns and requesting its referral to the *coordinating agency* for action.

The *coordinating agency* will convene an appropriate independent panel to consider the council's concerns.

The panel will assess the council's appeal in terms of the criteria provided in these *guidelines*, and provide a recommendation to the *administering agency* in relation to the appeal.

The *administering agency* will then consider its position in relation to the claim.

Should the council continue to have concerns with the *administering agency's* decision, they may seek a further review of the matter from the *coordinating agency* directly.

The *coordinating agency* will assess the council's appeal in terms of the criteria provided in these *guidelines*, the NSW DAG and the DRFA and provide a recommendation to the *administering agency* in relation to the appeal.

## 4.7 Emergency Works claims

**Time limit:** Completed within three (3) months from the date the *damaged essential public asset* is accessible to the council. If the council experiences a significant delay in accessing the *essential public asset*, evidence of this should be provided to the *administering agency* e.g. through road closure records, river height data, emergency services records, and aerial or ground level photographs.

**Initial damage notification:** Although *Emergency Works* are usually carried out at very short notice, councils are to advise the *administering agency* within 24 hours, wherever feasible, or within 72 hours when earlier advice is not practicable (for example, over a weekend or when an *eligible disaster* prevents access to the damage site) when *Emergency Works* are being carried out, the scope of works and estimated cost (if possible). This may be done in a number of stages as the need for *Emergency Works* is progressively identified, following the impact of the *eligible disaster*.

**Claiming for completed works:** *Form 306*

**Establishing pre-disaster function:** Not required for *Emergency Works*, due to their temporary nature.

**Evidence of pre-disaster condition:** Required. Information must be presented in a manner in which it is easily related to the locations and the evidence of the damage – for example, if still imagery of the pre-disaster condition is provided, this should be presented in the claim alongside the locations of the damage.

**Evidence of damage:** There must be representative evidence of each of the key works types undertaken on an asset. This may include a range of work such as temporary pavement repairs, clearing of silt and debris. The number of photos for *Emergency Works* must be commensurate with the level of damage. These photos are to be taken at the earliest opportunity after the damage is sustained and before the *Emergency Works* are undertaken.

**Establishing estimated reconstruction cost:** Not required for *Emergency Works*.

**Payment process:** Eligible claims are paid on actual costs (ex GST) upon works completion, less any co-funding amount that the council is required to pay.

*Emergency Works* claims are based on actual eligible expenditure incurred.

For *Emergency Works* claims, the following components are to be provided:

- an accompanying letter from the council stating:
  - council's internal reference number for the claim
  - associated *eligible disaster AGRN number*
  - type of claim – *Emergency Works* claim
  - summary details of the claim (that is, assets and value)
  - applicant contact officer name
- Excel version and signed PDF of the *Emergency Works* claim as completed on Form 306. Each line on the Form 306 is to represent an *asset* (for example, road link) on which *Emergency Works* were undertaken
- general ledger / transaction listing in Excel format (or equivalent) that correlates to the expenditure included in the Form 306. If the expenditure cannot be supported by evidence such as invoices when requested, funding assistance can be rejected or recalled by the *administering agency*.
- representative, printable photo report of damaged locations, presented in a logical sequence for each asset
- completion of works evidence as outlined in Section 4.3.4
- all photo files with metadata intact, presented in subfolders and grouped by asset (for example, road link).

All *Emergency Works* claims for payment are to be lodged to the *administering agency*. The *Emergency Works* claim for payment is to be lodged on *Form 306*.

*Emergency Works* must be completed within three (3) months from the date that the asset becomes accessible to the council. Funding of *Emergency Works* completed after the applicable three (3) month period will only be considered in exceptional circumstances and is subject to Australian Government approval.

Claims for *Emergency Works* must be submitted to the relevant *administering agency* as soon as possible, and either within three (3) months of the date on which the council completes all *Emergency Works* for the applicable *eligible disaster* or within three (3) months of the *eligible disaster* being declared, whichever date is later. Where the volume of *Emergency Works* undertaken is extensive, it is recommended that claims are progressively lodged in batches of asset grouping (for example, a number of roads).

The *administering agency* may decline to approve a claim if the required documentation is not submitted by the council.

## 4.8 Immediate Reconstruction Works claims

**Time limit:** Three (3) months from when the *damaged essential public asset* becomes accessible to the council. If the council experiences a significant delay in accessing the *essential public asset*, evidence of this should be provided to the *administering agency* e.g. through road closure records, river height data, emergency services records, and aerial or ground level photographs.

**Initial damage notification and scope of works approval:** As soon as possible after an *eligible disaster*, and prior to the commencement of any *Immediate Reconstruction Works*, the council is required to advise the *administering agency* of the estimated extent of works and to seek agreement for the scope of these works. This may be done in a number of stages as the need for *Immediate Reconstruction Works* is progressively identified, following the impact of the *eligible disaster*.

**Claiming for completed works:** *Form 306*

**Establishing *pre-disaster function*:** Required. The *pre-disaster function* of the asset must be established using the *Essential Public Asset Function Framework* and described in Form 306

**Evidence of pre-disaster condition:** Required. Information must be presented in a manner in which it is easily related to the locations and the evidence of the damage – for example, if still imagery of the pre-disaster condition is provided, this should be presented in the claim alongside the locations of the damage.

**Evidence of damage:** Evidence must be provided at each location at which damage is sustained. For damage that is continuous in nature, the frequency of photos must be able to depict the damage is continuous and not intermittent.

All evidence of damage is to be presented in claims in a logical sequence for each asset and providing ROADLOC references where available or distance from a defined intersection/point or GPS coordinates.

All photo files showing evidence of the damage are to be provided with claims, with the metadata of location (longitude and latitude) and time taken included in the photo files.

**Establishing *estimated reconstruction cost*:** Not required for *Immediate Reconstruction Works*.

**Payment process:** Eligible claims are paid on actual costs (ex GST) upon completion.

The type of *reconstruction* works that should be funded under the *Immediate Reconstruction Works* sub-category are works that are urgent, essential and limited in nature. Before *Immediate Reconstruction Works* are to commence, photographic evidence of the damage must be provided and agreement sought from the *administering agency*. *Immediate Reconstruction Works* claims are based on actual eligible expenditure incurred.

For *Immediate Reconstruction Works* claims, the following components are to be provided:

- an accompanying letter from the council stating:
  - council's internal reference number for the claim
  - associated *eligible disaster AGRN number*
  - type of claim – *Immediate Reconstruction Works* claim
  - summary details of the claim (that is, assets and value)
  - applicant contact officer name
- Excel version and signed PDF of the *Immediate Reconstruction Works* claim as completed on Form 306. Each line on the Form 306 is to represent the different treatments undertaken
- general ledger / transaction listing in Excel format (or equivalent) that correlates to the expenditure included in the Form 306
- printable photo report presented in a logical sequence for each location at which damage was incurred and the pre-disaster condition of the asset (if available in photo evidence)
- representative, printable photo report presented in a logical sequence for each location at which *Immediate Reconstruction Works* were completed
- completion of works evidence as outlined in Section 4.3.4
- all photo files with metadata intact, presented in subfolders and grouped by asset (for example, road link).

Claims for reimbursement of *Immediate Reconstruction Works* costs must be submitted to the relevant *administering agency* as soon as possible, and either within three (3) months of the date on which the works were completed or within three (3) months of the *eligible disaster* being declared, whichever date is later.

The *administering agency* may decline to approve a claim if the required documentation is not submitted by the council.

### Immediate Reconstruction Works that cannot be completed within three (3) months

If a council commences the restoration of an *essential public asset* under the category of *Immediate Reconstruction Works* but later finds that it cannot meet the three (3) month time frame, the *administering agency* should be advised of this situation and the council should begin managing the restoration as *Essential Public Asset Reconstruction Works*, which includes the development of an *estimated reconstruction cost*.

### Adjustment of funding for pre-disaster damage

Where there is evidence of pre-disaster damage, *administering agencies* will assess if the *pre-disaster function* of the asset has changed due to the pre-disaster damage. The assessment will determine the amount of remedial funding required to restore the asset to its *pre-disaster function*, taking into account the useful life of the asset and the maintenance interventions that would normally be applied to maintain the service level of the asset. In some cases, this assessment may require a reduction in assistance corresponding to the amount of funding that the council should have invested to repair the asset to the expected condition and level of service, immediately prior to the disaster. When considering an adjustment of funding to account for the existence of pre-disaster damage, the *administering agency* will consider the age and design life of the asset, the extent and appropriateness of maintenance undertaken, the original design and construction of the asset, and any other factors that may be relevant to the decision.

## 4.9 Essential Public Asset Reconstruction Works claims

**Time limit:** Once funding has been approved for *Essential Public Asset Reconstruction Works*, the works themselves must be completed within two (2) years after the end of the financial year in which the disaster occurred. In exceptional circumstances, this timeframe may be extended with the approval of the *administering agency* to two (2) years and nine (9) months. If *Essential Public Asset Reconstruction Works* cannot be completed within the extended timeframe, the council may not be funded for works beyond the extension date, and may not be eligible to receive related funding for mitigation activities, as provided under the DRFA.

**Initial damage notification and scope of works approval:** Funding applications for *Essential Public Asset Reconstruction Works*, including the *estimated reconstruction cost*, must be submitted to the *administering agency* as soon as possible and generally no later than six (6) months after the disaster event has been recognised as an *eligible disaster* (i.e. six (6) months after the Natural Disaster Declaration). In exceptional circumstances, where the size and scale of the *restoration works* is extensive, the timeframe for the funding application may be extended by the *administering agency*. However, the latest date that the *administering agency* may extend the application timeframe to is 12 months after the end of the financial year in which the disaster occurred. Beyond this timeframe, Commonwealth approval would be required, and there is no guarantee that applications received after this period will be accepted.

**Claiming for completed works:** *Form 306*

**Establishing *pre-disaster function*:** Required. The *pre-disaster function* of the asset must be established using the *Essential Public Asset Function Framework* and described in *Form 306*.

**Evidence of pre-disaster condition:** Required. Information must be presented in a manner in which it is easily related to the locations and the evidence of the damage – for example, if still imagery of the pre-disaster condition is provided, this should be presented in the claim alongside the locations of the damage.

**Evidence of damage:** Evidence must be provided at each location at which damage is sustained. For damage that is continuous in nature, the frequency of photos must be able to depict the damage is continuous and not intermittent.

All evidence of damage is to be presented in claims in a logical sequence for each asset and providing ROADLOC references where available or distance from a defined intersection/point or GPS coordinates.

All photo files showing evidence of the damage are to be provided with claims, with the metadata of location (longitude and latitude) and time taken included in the photo files.

**Establishing estimated reconstruction cost:** Required. See Section 4.9.1.

**Payment process:** If funding approval is given for *Essential Public Asset Reconstruction Works*, the *administering agency* will offer the council a *Total Upper Limit Grant* amount (ex GST), based on the *estimated reconstruction cost*, less the council co-funding amount and any ineligible costs. Upon completion of works, or in progressive stages as agreed with the *administering agency*, council may claim reimbursement of the actual cost (ex GST) of works completed, up to the *Total Upper Limit Grant* amount (ex GST).

Before *Essential Public Asset Reconstruction Works* are to commence, funding approval must be sought from the *administering agency*.

As part of the *Essential Public Asset Reconstruction Works* claim, the council must demonstrate that the reconstructed *essential public asset* will provide the same *pre-disaster function* to the community or better (in cases where the council invests complementary funding to the works). This is demonstrated completing *Form 306*.

*Estimated reconstruction costs* for *Essential Public Asset Reconstruction Works* must be derived using either a *cost estimation* or *market response* approach.

For *Essential Public Asset Reconstruction Works* claims, the following components are to be provided:

- an accompanying letter from the council stating:
  - council's internal reference number for the claim
  - associated *eligible disaster AGRN number*
  - type of claim – *Essential Public Asset Reconstruction Works* claim
  - summary details of the claim (that is, assets and value)
  - applicant contact officer name
- Excel version and signed PDF of the *Essential Public Asset Reconstruction Works* claim as completed on Form 306. Each line on the Form 306 is to represent the different treatments to be undertaken
- *estimated reconstruction costs* of the proposed *reconstruction* works (presented at an asset type level – for example, Road A) with sufficient supporting documentation to show how the *estimated reconstruction costs* were developed (e.g. standard council estimate sheets, quantity surveyor's estimate report or tender process report).
- a printable photo report presented in a logical sequence for each location at which damage was incurred and the pre-disaster condition of the asset (if available in photo evidence)
- completion of works evidence as outlined in Section 4.3.4
- all photo files with metadata intact, presented in subfolders and grouped by asset (for example, road link).

#### Claim approval process – cost estimation

Where the *cost estimation* approach is used to establish the *estimated reconstruction cost* of the proposed *Essential Public Asset Reconstruction Works*, and an *Independent Technical Review* is not required (see Section 4.9.4), the claim must be lodged a minimum of two (2) months prior to the date that works are scheduled to commence, and works must not proceed until *administering agency* approval is given.

The *administering agency* will consider the claim for approval and provide a decision within two (2) months, subject to the council providing a fully substantiated application.

If an *Independent Technical Review* is required in relation to the *estimated reconstruction cost* (see Section 4.9.4), the council must lodge its claim a minimum of three (3) months prior to the date that works are scheduled to commence. The *administering agency* will consider the claim, arrange the *Independent Technical Review*, and provide a decision within three (3) months, subject to a fully substantiated application being provided. Works must not proceed until the *Independent Technical Review* is finalised, and *administering agency* approval is given.

### Claim approval process – market response

Where the *market response* approach (e.g. open tender) is used to establish the *estimated reconstruction cost* of the proposed *reconstruction works*, councils must receive approval from the *administering agency* for all components of the claim (except for cost) before seeking a *market response* or going to tender.

The claim, including all components (except for cost) must be lodged a minimum of two (2) months prior to the date on which the council intends to seek a *market response* or go to tender.

The *administering agency* will consider the claim for approval and provide a decision within two (2) months, subject to the council providing a fully substantiated application.

Once approval is given, the council may seek a *market response* via the appropriate procurement process.

In a limited range of circumstances, the preferred *market response* / tender price may trigger the requirement for an *Independent Technical Review* (see Section 4.9.4). In these circumstances, the *administering agency* will arrange the *Independent Technical Review* and endeavour to have it completed within six (6) weeks. The *Independent Technical Review* must be completed before the council can accept the *market response* / tender price.

Upon acceptance of the *market response* / tender price, the full claim, including the *market response* / tender price, must be lodged no later than four (4) weeks after the contract is awarded.

## 4.9.1 Estimation of *Essential Public Asset Reconstruction Works*

The council must establish the *estimated reconstruction cost* for *Essential Public Asset Reconstruction Works* through *cost estimation* or *market response* (e.g. an open tender process), using the relevant local government estimation and/or procurement processes that would normally apply for the asset.

When developing *estimated reconstruction costs*, councils must produce the most accurate estimate possible, in the timeframe available. The estimate must be based on the most economically efficient approach to reconstructing the asset, and it must incorporate the most value-for-money supply rates that the council is likely to secure for labour, materials, plant and equipment hire and other cost elements.

The *market response* approach should be used when a council intends to engage an external contractor to undertake the *Essential Public Asset Reconstruction Works*, and the agreed cost of the *reconstruction works* can be established within the timeframe approved by the *administering agency* (i.e. six (6) months after the declaration of the *eligible disaster* or with *administering agency* approval, up to 12 months after the end of the financial year in which the disaster occurred). If the council's procurement or tender process cannot provide an agreed cost of the *reconstruction works* from the selected contractor, within the *administering agency's* deadline, then the *estimated reconstruction cost* must be established through *cost estimation* and submitted by the deadline.

The *cost estimation* approach should be used when councils do not intend to engage an external contractor to undertake the *Essential Public Asset Reconstruction Works*, or when a *market response* cannot be obtained within the *administering agency's* deadline.

If a council plans to change the capacity, layout or materials used for the *essential public asset*, then it must submit both an *estimated reconstruction cost* for the restoration of the asset to its *pre-disaster function* (with allowance for current building and engineering standards), as well as a cost estimate for restoration to the enhanced level of function.

If *cost estimation* is the selected method, the *administering agency* must verify the *estimated reconstruction cost* by:

- using an internal engineer or quantity surveyor with the appropriate level of expertise and experience, or
- engaging an independent engineer or quantity surveyor with the appropriate level of expertise and experience.

The *estimated reconstruction cost* (*cost estimate* or *market response* value) must be submitted to the *administering agency* as part of the *Essential Public Asset Reconstruction Works* funding application. Once approved, the *estimated reconstruction cost* will then form the basis for the *Total Upper Limit Grant* to the council, less the council co-funding amount and any ineligible costs.

#### Adjustment of funding for pre-disaster damage

Where there is evidence of pre-disaster damage, *administering agencies* will assess if the *pre-disaster function* of the asset has changed due to the pre-disaster damage. The assessment will determine the amount of remedial funding required to restore the asset to its *pre-disaster function*, taking into account the useful life of the asset and the maintenance interventions that would normally be applied to maintain the service level of the asset. In some cases, this assessment may require a reduction in assistance corresponding to the amount of funding that the council should have invested to repair the asset to the expected condition and level of service, immediately prior to the disaster. When considering an adjustment of funding to account for the existence of pre-disaster damage, the *administering agency* will consider the age and design life of the asset, the extent and appropriateness of maintenance undertaken, the original design and construction of the asset, and any other factors that may be relevant to the decision.

### 4.9.2 Direct costs

Direct costs established using the *cost estimation* approach are to be based on agreed unit/benchmark rates for the treatments proposed to be undertaken. The council and the *administering agency* are responsible for establishing these unit/benchmark rates prior to the lodgement of claims.

Where the *Essential Public Asset Reconstruction Works* are of a unique nature, and there is no standard treatment and unit rate that can be adopted, an estimate may be developed by first principles. Where day labour is the preferred delivery method for the works, the first principle estimate should be based on the plant, labour and material unit rates. Further guidance on day labour related costs are detailed in Appendix D – Day Labour Co-funding Arrangements Guideline.

Where a *market response* approach (e.g. open tender) is used to establish the direct costs, the appropriate procurement processes are to be followed, as per the *NSW Procurement Policy Framework 2015*.

### 4.9.3 Scope change/variation process

Where the *estimated reconstruction cost* is lower than the actual cost of a *reconstruction project* as a result of *special circumstances* (see below), the council may be entitled to adjust the *estimated reconstruction cost* to reflect the variance.

The current approved *special circumstances* include:

- geotechnical conditions that could not reasonably have been foreseen or investigated in the design period
- previously unidentified Indigenous and cultural heritage discoveries
- previously unidentified heritage discoveries
- delays caused by subsequent *eligible disasters*
- environmental conditions that could not have reasonably been foreseen (for example, threatened species discovery)
- safety threats that could not reasonably have been foreseen (for example, asbestos discovery) or
- critical reduction in water availability that could not reasonably have been foreseen or investigated in the design period.

The council must maintain evidence to demonstrate the *special circumstances* encountered, including why the *special circumstances* could not reasonably have been foreseen, and submit this evidence to the *administering agency*.

## 4.9.4 Independent Technical Review

An *Independent Technical Review* may be required in order to provide increased oversight and assurance in respect of *Essential Public Asset Reconstruction Works* claims made under these *guidelines*.

An *Independent Technical Review* **must** be conducted in the following four circumstances:

1. The *estimated reconstruction cost* for the *project* is \$25 million or more.
2. Where an alternative *reconstruction project* solution is preferred and there is a variance between the *estimated reconstruction cost* for the original *project* and the preferred *reconstruction project* solution that is:
  - more than 50 per cent lower than the *estimated reconstruction cost* of the original *project*, and
  - to a value of between \$5 million and \$25 million.
3. Where *special circumstances* are encountered which give rise to a variance in the *estimated reconstruction cost* for the *project* that is:
  - greater than 15 per cent of the *estimated reconstruction cost* of the original *project*, and
  - greater than \$1 million.
4. The Commonwealth, on receiving the *estimated reconstruction cost* for a *project* from NSW within its financial year claim, elects to have it reviewed.

Engagement of the independent technical reviewer will be undertaken by the *coordinating* and *administering agencies*.

Any costs that the *administering agency* incurs as a result of the *Independent Technical Review* are eligible to be claimed from the *coordinating agency* and in turn the Australian Government.

## 5 Reimbursement of Costs

All *Essential Public Asset Reconstruction Works* claims for reimbursement are to be lodged on *Form 306*.

The *administering agency* may decline to approve a claim if the required documentation is not submitted by the council.

### 5.1.1 Extensions of time

In exceptional circumstances, extensions of time may be considered for:

- Submission of funding applications for *Essential Public Asset Reconstruction Works* (including the *estimated reconstruction costs*), from the standard deadline of six (6) months after the date that the disaster event was declared as an *eligible disaster* to a maximum of 12 months after the end of the financial year in which the disaster occurred; and
- Completion of *Essential Public Asset Reconstruction Works*, from the standard deadline of two (2) years after the end of the financial year in which the disaster occurred to a maximum of two (2) years and nine (9) months.

Such extensions of time will be considered if the council submits to the *administering agency*, before the end of the relevant deadline, a written request that presents the case for such an extension, and which provides a detailed schedule of the remaining work to be undertaken. Specifically:

- Requests for extension of the *Essential Public Asset Reconstruction Works* application deadline must be submitted to the *administering agency* within 14 days of the six (6) month deadline expiring.
- Requests for extension of the deadline to complete *Essential Public Asset Reconstruction Works* must be submitted to the *administering agency* within three (3) months of the two (2) year deadline expiring.



For extensions beyond the extended timeframes that can be provided by the *administering agency*, Commonwealth approval is required, and there is no guarantee that applications received or works completed after their respective deadlines will be accepted or funded. Councils wishing to seek extensions beyond the timeframes that may be approved by the *administering agency* must contact the *coordinating agency* to discuss their circumstances.

The relevant agency may approve an extension of time where the council has demonstrated the delays are a result of exceptional circumstances that are either unforeseeable or beyond the control of the council.

Examples of exceptional circumstances are:

- delays in impacted area returning to conditions considered safe to undertake works
- discovery of a significant archaeological or environmental site that would require extensive and prolonged consultation and negotiations
- delays caused by investigations (for example, coroner's investigations)
- the *natural disaster* being of exceptional size and scale
- the damage to the *essential public asset* being of exceptional magnitude or complexity.

In circumstances where local councils are not able to complete *Essential Public Asset Reconstruction Works* within the extended deadline of two (2) years and nine (9) months after the end of the financial year in which the *eligible disaster* occurred, funding under these *guidelines* may not be available for works that occur after the expiry of the deadline.

## 5.2 Claim acquittal/completion requirements

The final reimbursement claim for *Essential Public Asset Reconstruction Works* is to be lodged to the *administering agency* no later than three (3) months following completion of the works.

Where the council's deadline for completing works has been extended to two (2) years and nine (9) months after the end of the financial year in which the disaster occurred, the final reimbursement claim must be lodged with one (1) month of the completion of works, to allow time to determine the council's eligibility for mitigation funding.

The *administering agency* will consult with the council to ensure all available information has been appropriately considered as part of the final claim.

For the final claim, the following components are to be provided:

- an accompanying letter from the council stating:
  - council's internal reference number for the claim
  - associated *eligible disaster*
  - associated *eligible disaster AGRN number*
  - summary details of the claim (that is, assets and value)
  - applicant contact officer name
- Excel version and signed PDF of the completed *Essential Public Assets Reconstruction Works* claim on Form 306. Each line on the Form 306 is to represent the different treatments completed, confirming the lengths, widths and depths completed
- final claim value of the *reconstruction works* for the asset (presented at an asset type level – for example, Road A)
- general ledger / transaction listing in Excel format (or equivalent) that correlates to the expenditure included in the Form 306
- representative, printable photo report presented in a logical sequence for each location at which *Essential Public Asset Reconstruction Works* were completed

- all photo files with metadata intact, presented in subfolders and grouped by asset (for example, road link).

Once a final reimbursement claim has been assessed, the *administering agency* will issue a notification to the council. Final payment (ex GST) will be issued, subject to eligibility and the payments already received to date by the applicant.

All acquitted claims may be subject to further review by the *coordinating agency* and the Commonwealth for compliance, which may result in an adjustment to eligible cost, in accordance with the provisions outlined in the DRFA.

### 5.3 Re-damaged essential public assets

Where an *essential public asset* has been damaged as a *direct result* of an *eligible disaster* (Eligible Disaster 1), that *essential public asset* is considered to be a *re-damaged essential public asset* if it suffers damage in the same location by a subsequent *eligible disaster* (Eligible Disaster 2).

If re-damage occurs to an *essential public asset*, local councils must notify the relevant *administering agency* of this fact as soon as possible.

Where expenditure has been incurred for *reconstruction works* on an *essential public asset* directly damaged by 'Eligible Disaster 1' and the same *essential public asset* is re-damaged by 'Eligible Disaster 2', the council must close off and establish the actual value of the expenditure incurred for 'Eligible Disaster 1'.

Where expenditure has not been incurred for *reconstruction works* on an *essential public asset* directly damaged by 'Eligible Disaster 1' and the same *essential public asset* is re-damaged by 'Eligible Disaster 2', the council is only permitted to claim the *estimated reconstruction cost* for 'Eligible Disaster 2'.

In both circumstances, the component of the *Total Upper Limit Grant* for "Eligible Disaster 1" which applies to the *re-damaged essential public asset* will be reduced by the amount of unexpended estimated costs, submitted in the original funding application for "Eligible Disaster 1".

Additionally, the unexpended estimated costs of the *Total Upper Limit Grant* for "Eligible Disaster 1" which applies to the *re-damaged essential public asset* will not be regarded as "efficiencies realised" for the purpose of calculating *natural disaster* mitigation funding under Section 7 of the DRFA.

For 'Eligible Disaster 2', the council must establish an *estimated reconstruction cost* for the *reconstruction* of the *essential public asset* in accordance with these *guidelines*.

## 6 Appendices

**Appendix A – Flowchart – Applying for Emergency Works Funding**

**Appendix B – Flowchart – Applying for Immediate Reconstruction Works Funding**

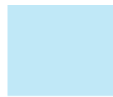
**Appendix C – Flowchart – Applying for Essential Public Assets Reconstruction Works Funding**


**Appendix D – Day Labour Co-Funding Arrangements Guideline**

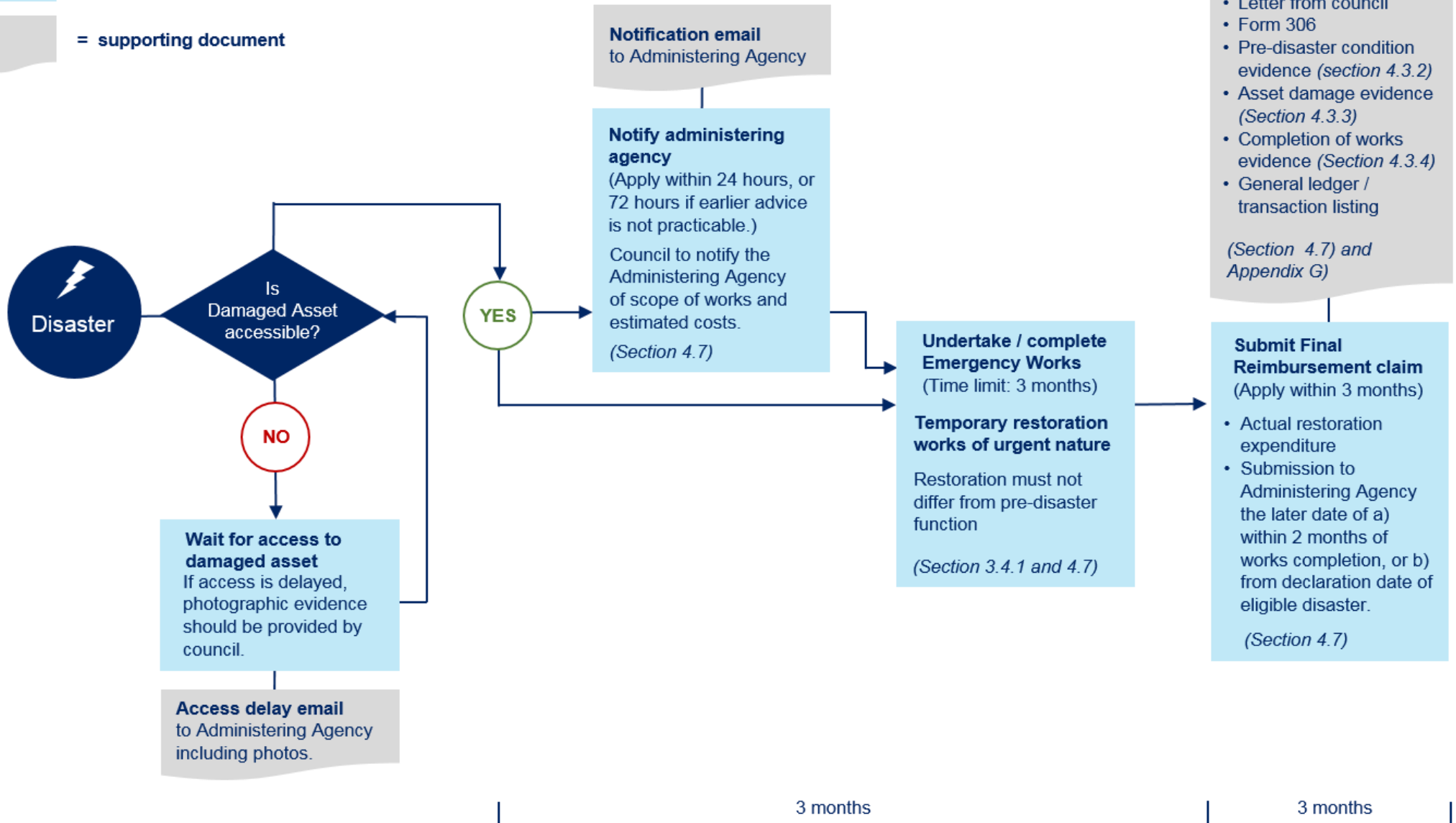
**Appendix E – Eligibility Examples and Scenarios**

**Appendix F – Visual and Geospatial Evidence – Best Practice**

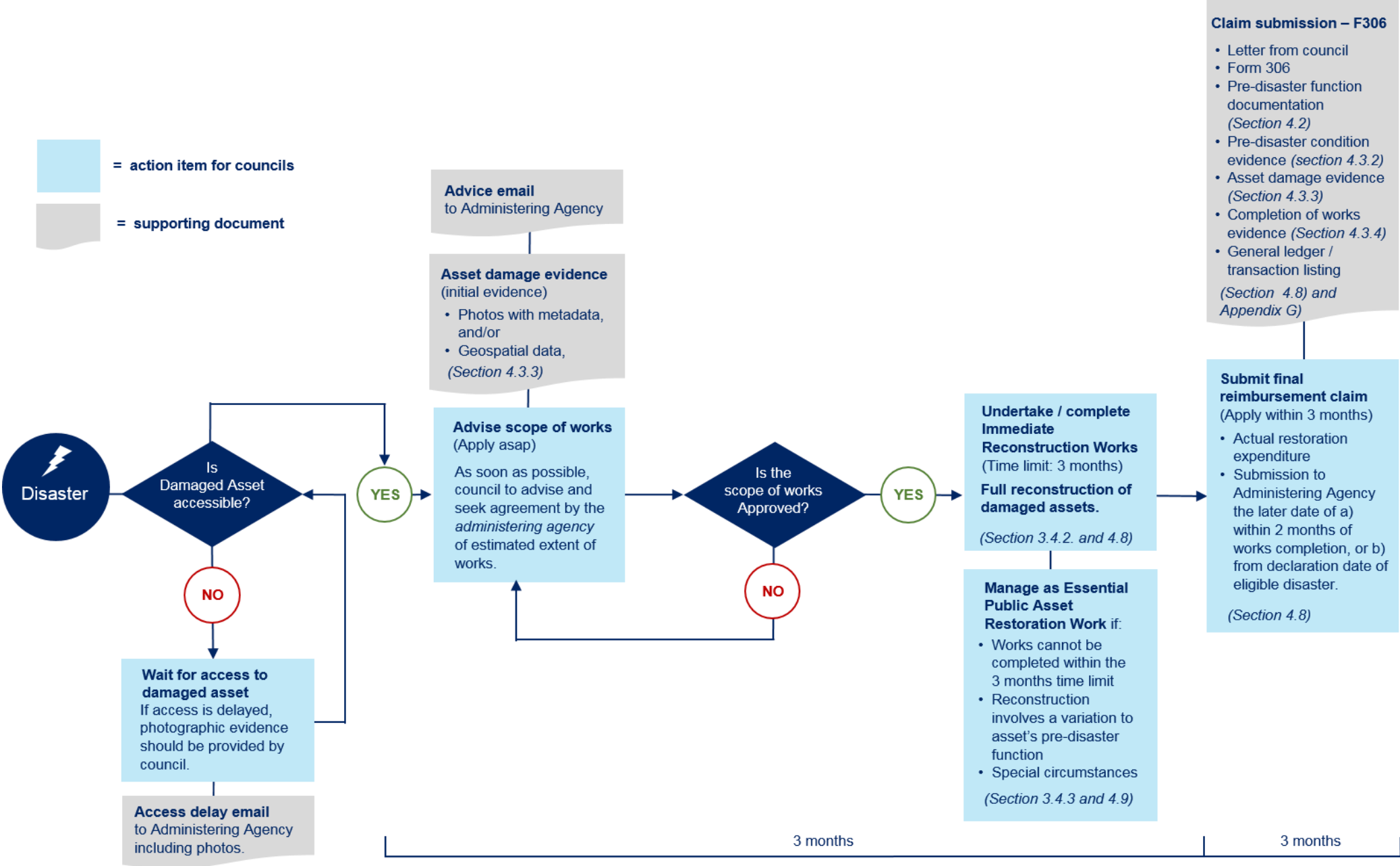
# Appendix A - Flowchart – Emergency Works

 = action item for councils

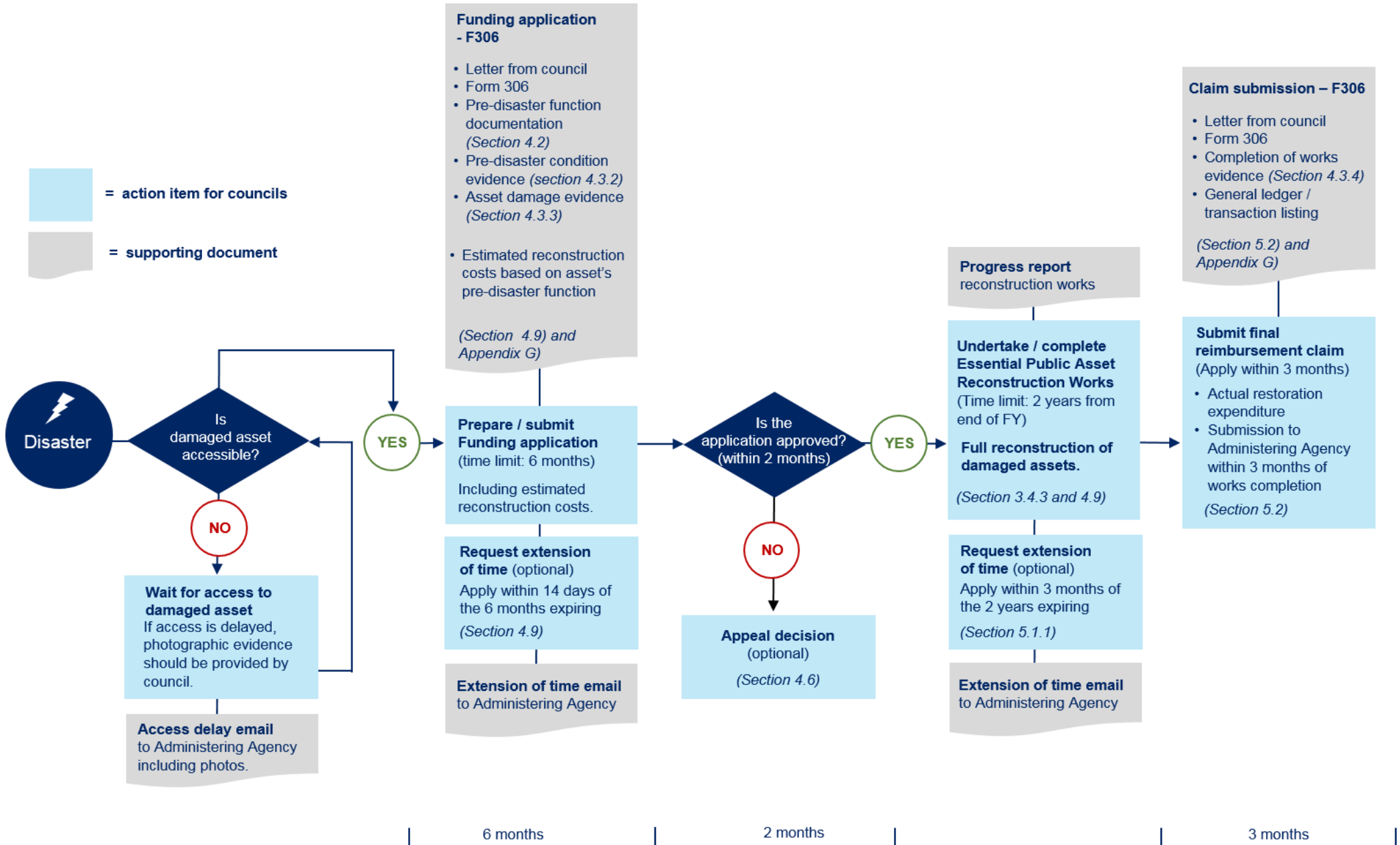
 = supporting document



# Appendix B - Flowchart – Immediate Reconstruction Works



# Appendix C - Flowchart – Essential Public Asset Reconstruction Works



# Appendix D

## Day Labour Co-Funding Arrangements Guideline

### 1 Introduction

From 1 November 2018, local councils that opt-in to new co-funding arrangements may claim funding for the following additional items:

1. The use of normal-hours staff ('day labour') for *Emergency Works*, *Immediate Reconstruction Works*, and *Essential Public Asset Reconstruction Works*.
2. The use of council's own plant and equipment for *Emergency Works*, *Immediate Reconstruction Works*, and *Essential Public Asset Reconstruction Works*.
3. An extended period for *Emergency Works* on *essential public assets* (including clean-up) - for up to three (3) months from the time that the asset becomes accessible.

#### 1.1 Co-funding arrangements – opt-in to new arrangements

Local councils may claim these additional funding items if they opt-in to the following eligible disaster co-funding arrangements:

- Each financial year, a threshold for activating *essential public asset* funding will be calculated for every local council. This threshold will be the lesser of 0.75% of the council's total rate revenue in the financial year two (2) years prior or \$1 million (excluding GST).
- For a council to receive funding for *Emergency Works*, *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works* arising from an *eligible disaster*, the total estimated cost of these works must exceed the council's threshold.
- Council must contribute funding or resources to a level that is equivalent to their threshold or 25% of the cost of these works, whichever is lower.
- A council's contribution for *Emergency Works*, *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works* arising from all declared *eligible disasters* in a financial year will be capped at 2% of their total rate revenue in the financial year two (2) years prior to the financial year in which the *eligible disasters* occurred.

A council's total rate revenue comprises the total of all rate revenue from all four (4) categories of rateable land, namely residential, farmland, business and mining.

Information about the total rate revenue of individual local councils is available from the Office of Local Government website at: [www.olg.nsw.gov.au/public/my-local-council/yourcouncil-website](http://www.olg.nsw.gov.au/public/my-local-council/yourcouncil-website)

#### 1.2 Co-funding arrangements – stay with previous arrangements

If a local council does not opt-in to these co-funding arrangements:

- The council will not be given funding for the use of normal-hours staff ('day labour') for any *natural disaster essential public asset restoration works*; and
- The council will not be given funding for the use of its own plant and equipment for any *natural disaster essential public asset restoration works*; and
- The council will be expected to reasonably exhaust their own plant, equipment and 'day labour' before claiming assistance for the additional resources needed for any *natural disaster essential public asset restoration works* (e.g. overtime, temporary staff, external plant and equipment hire); and

- The council will not be able to claim for the cost of *Emergency Works* incurred more than 21 days after the *essential public asset* becomes accessible; and
- The pre-DRFA co-funding arrangements will apply where:
  - i. Roads and Maritime Services and/or Public Works Advisory will fund 100% of eligible *Emergency Works* costs (limited to 21 days, and excluding 'day labour' and council's own plant and equipment, as above); and
  - ii. For *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works* on local roads and road infrastructure, councils will be required to contribute 25% of the assessed cost up to \$116,000 (i.e. \$29,000 maximum) for each *eligible disaster*, capped at \$58,000 per financial year; and
  - iii. For *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works* on other *essential public assets*, councils will be required to contribute 25% of the assessed cost up to \$116,000 (i.e. \$29,000 maximum) for each *eligible disaster*, capped at \$68,000 per financial year, and minus any contributions made for works on local roads and road infrastructure (as above in ii.).

## 1.3 Application of the co-funding arrangements

The co-funding arrangements will be applied by Roads and Maritime Services and/or Public Works Advisory when establishing the *Total Upper Limit Grant* in response to funding applications. The amount of the council's co-funding contribution will be deducted from the overall grant amount that is offered to the council, to establish the *Total Upper Limit Grant* amount.

## 1.4 Estimated reconstruction costs, day labour, internal plant and equipment hire

For *Essential Public Asset Reconstruction Works*, councils must establish the *estimated reconstruction costs* for the works.

The council must establish the *estimated reconstruction cost* for *Essential Public Asset Reconstruction Works* through *cost estimation* or *market response* (e.g. an open tender process), using the relevant local government estimation and/or procurement processes that would normally apply for the asset.

When developing *estimated reconstruction costs*, councils must produce the most accurate estimate possible, in the timeframe available. The estimate must be based on the most economically efficient approach to reconstructing the asset, and it must incorporate the most value-for-money supply rates that the council is likely to secure for labour, materials, plant and equipment hire and other cost elements.

If councils have opted-in to the new co-funding arrangements and are eligible to claim day labour and the use of their own plant and equipment, they should incorporate the use of these resources into the *estimated reconstruction costs*, where these resources are available and represent the most value-for-money option. The council and the *administering agency* are responsible for establishing the unit/benchmark rates for these items, prior to the lodgement of claims.

If councils have not opted-in to the new co-funding arrangements and are not eligible to claim day labour and the use of their own plant and equipment, they must still incorporate the use of these resources into the *estimated reconstruction cost*, based on the principle that councils must reasonably exhaust their own resources before claiming assistance for any additional resources needed for *eligible disaster reconstruction works*. Although these internal plant and equipment hire and day labour costs are to be incorporated into the *estimated reconstruction costs* in these circumstances, councils will not be able to claim for these costs. Instead, council's expenditure on these items will be regarded as a further contribution to the *Essential Public Asset Reconstruction Works*, alongside the \$29,000 maximum amount for each *eligible disaster*, which councils are also required to contribute.



## 1.5 Eligible staff, plant and equipment expenditure

### For councils that have opted-in to the new arrangements:

Councils that have opted-in to the new co-funding arrangements may claim the following costs for normal-hours salary and wages staff (day labour), overtime, casual and temporary staff that are directly engaged in the *restoration of essential public assets*, for the period of the engagement:

- Salary or wages
- Superannuation
- Sick and holiday pay
- Workers compensation insurance
- Training that is required for the *restoration works*, and which would not have been undertaken, had the *restoration works* not occurred
- Work Health and Safety costs that are directly associated with the *restoration works*, and which would not have been incurred, had the *restoration works* not occurred
- Vehicle expenses directly associated with the *restoration works*
- Office expenses required for the *restoration works*
- Insurance
- Housing costs (if applicable)
- Protective clothing

Councils that have opted-in to the new co-funding arrangements may claim the following costs for internal plant and equipment that is directly engaged in the *restoration of essential public assets*, for the period of the engagement:

- Fuel and oil
- Tyres and tubes
- Parts and repairs
- Depreciation
- Insurance
- Licenses

All council overheads claimed must be in accordance with relevant local government legislation and the Australian Accounting Standards.

### For councils that have not opted-in to the new arrangements:

Councils that have not opted-in to the new co-funding arrangements may not claim any costs (including overhead costs) for normal-hours salary and wages staff (day labour), internal plant and internal equipment that is used for the *restoration of essential public assets*.

Councils that have not opted-in to the new co-funding arrangements may claim the following additional costs, if these costs are incurred directly as the result of engaging overtime, casual, or temporary staff for the *restoration of essential public assets*, and these costs would not have been incurred if the *eligible disaster* did not occur, and the overtime, casual, temporary or backfill staff were not engaged:

- Overtime, casual or temporary salaries or wages
- Additional superannuation costs
- Additional sick and holiday pay
- Additional workers compensation insurance costs
- Additional Work Health and Safety costs
- Additional vehicle and office expenses
- Additional insurance costs
- Additional housing costs (if applicable)
- Additional protective clothing

Councils that have not opted-in to the new co-funding arrangements may claim the cost of backfilling normal-hours staff who are re-assigned on a temporary or casual basis to work on the *restoration of essential public assets*. These costs may only be claimed if:

- The cost of the normal-hours staff (working in a temporary or casual capacity) are not also claimed. That is, either the cost of the backfill staff may be claimed, or the cost of normal-hours staff working in a temporary or casual capacity may be claimed, but not both; and
- The temporary or casual reassignment and backfilling of normal-hours council staff represents the most economically efficient approach to engaging staff for the *essential public asset restoration works*.

## 1.6 Deadline for opt-in to the new arrangements

Local councils should advise the Office of Emergency Management (OEM) of their position regarding the Day Labour Co-Funding Arrangements by 1 November 2018, and no later than 31 January 2019.

Only councils that have opted-in to the new Day Labour Co-Funding Arrangements prior to an eligible disaster can claim for day labour, internal plant and equipment hire and *Emergency Works* up to the three (3) month time limit.

Once a council has advised OEM of their position regarding the new Day Labour Co-Funding Arrangements, the council's position will stand until 1 November 2019.

If a council has not advised OEM of their position and an eligible disaster impacts their local government area after 1 November 2018, the council will be regarded as having opted-out of the new Day Labour Co-Funding Arrangements, for that specific eligible disaster.

Day Labour Co-Funding Arrangements consultation with local councils will continue until October 2019. Consultation will also include the NSW mitigation policy.

## 2 Eligibility examples and scenarios

The examples and scenarios in this appendix relate only to *essential public assets* that have been *damaged* as the *direct result* of an *eligible disaster* and for which the council can provide eligible evidence of the asset's pre-disaster condition and its corresponding damage.

### 2.1 Examples of eligible *Emergency Works*

This section outlines examples of eligible *Emergency Works*.

#### 2.1.1 Removal of green waste and other debris

Emergency clean-up of trees, branches, leaves and other debris from *essential public assets* (including mud from built surfaces) is eligible for assistance.

##### Clean-up of stormwater assets

Clearance of blockages and debris removal from stormwater assets is eligible. However, silt removal deposited by an estuarine environment interfacing with the stormwater system is not eligible for funding.

##### Livestock and other animal carcasses

Animal carcasses on *essential public assets* may be removed as part of *Emergency Works*. Carcasses in other areas (including beaches) remain the responsibility of the land owner, including councils. The Department of Primary Industries may provide assistance to remove carcasses from areas that are not *essential public assets* under NSW Disaster Assistance Guideline D.6 *Removal and Disposal of Animal Carcasses*.

##### Make-safe of trees that are damaged by an eligible disaster

Trees, branches and other green-waste that has been deposited onto an *essential public asset* as a *direct result* of an *eligible disaster* may be removed and disposed of under *Emergency Works*.

*Emergency Works* may include works to make-safe any dangerous trees or branches that are situated on an *essential public asset* and which threatens the safety and normal functioning of an *essential public asset*. For example, a tree standing within a road reserve which threatens to fall onto the road may be removed or rendered safe as part of *Emergency Works*.

Make-safe works on trees that are not situated on an *essential public asset* are not eligible for *Emergency Works* funding. For example, the removal of trees and green-waste from sporting, recreational and community areas, beaches, residential properties and commercial properties is not eligible. Responsibility for these works remains with the land owner. However, in specific circumstances, the NSW State Emergency Service or a delegated emergency services organisation may be available to render-safe a dangerous tree as part of its counter-disaster operations.

##### Clean-up of private property not eligible

Clean-up of green-waste and debris from private property (including rubbish piled on public property from residences and businesses) is not eligible for assistance under this guideline. However, in extraordinary circumstances, assistance for the clean-up of certain residential properties may be activated under NSW Disaster Assistance Guidelines A.11 *Clean-up of Green Waste and General Debris from Residential Property for Public Health and Safety* and/or A.12 *Clean-up and Removal of Asbestos Containing Material from Residential Property for Public Health and Safety*.

If damage is incurred to private property by falling council trees, it is not eligible as it will be covered by council's insurance or the owner's insurance.

## 2.1.2 Placement of temporary warning signs and barriers

*Emergency Works* may include the placement of temporary warning signs and barriers to prevent an *essential public asset* from being used.

The need to prevent the use of a *damaged essential public asset* may arise due to the elevated risks and dangers posed by its damaged condition, or to prevent further damage from occurring.

## 2.1.3 Temporary repair works

*Emergency Works* may include temporary repair works that allow an *essential public asset* to perform some or all of its pre-disaster function. These works are not the same as the permanent reconstruction works which may be claimed under *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works*.

Examples include:

- a make-shift timber guard rail is constructed on a bridge that has been damaged by flooding, to temporarily replace a steel guard rail that has been dislodged and lost downstream.
- the deployment of a portable pre-fabricated truss bridge (e.g. a Bailey bridge) to temporarily perform the function of a permanent bridge that has been damaged and is undergoing reconstruction.
- temporary gravel re-sheeting
- temporary pothole repairs

## 2.1.4 Works to make the road trafficable for adjoining landholders

*Emergency Works* may include works to make a road trafficable for adjoining landholders.

This may include the construction of a temporary diversion within the road reserve, through private property or other land (where agreement is given) to allow vehicles to by-pass the damaged section of the road that requires permanent reconstruction.

## 2.2 Examples of eligible Reconstruction Works

This section outlines examples of eligible *Immediate Reconstruction Works* and *Essential Public Asset Reconstruction Works*.

### 2.2.1 Pavements

Damage may have been sustained as a result of inundation, or as a result of fallen debris and materials on the road pavement.

Pavements must only be returned to their *pre-disaster function* type, unless complementary funding is provided by the council. For example: formed, unsealed gravel, sealed gravel, asphalt, concrete.

The width of the pavements must be returned to the width that existed prior to the *eligible disaster*, unless complementary funding is provided by the council. For example: 8m unsealed, or 6m sealed + 2m unsealed.

Where gravel from pavements has been partially displaced (for example, 150mm thick pavement suffering 50mm of displaced gravel), the volume of material displaced should be replaced and blended into the remaining material to achieve an appropriate depth of pavement as per the pre-disaster condition.

## 2.2.2 Formation and seal width

The formation and seal widths of a damaged road asset must be reconstructed to the same widths that existed prior to the *eligible disaster*, unless complementary funding is provided by the council.

Changes to the alignment of the road can only be altered from what existed prior to the *eligible disaster* where it can be demonstrated that there are no additional costs incurred or where complementary funding is provided by the council.

## 2.2.3 Culverts and drainage structures

Repair of damage to kerb and gutter and longitudinal and cross drainage systems that are an integral part of the road formation are eligible for *reconstruction works*.

Culverts and drainage structures that are destroyed, displaced or damaged beyond economical repair are eligible for *reconstruction works*.

The capacity of the culvert or drainage structure is only eligible for *reconstruction* to its pre-disaster function, unless complementary funding is provided by the council. For example, a three-cell 900mm pipe culvert with an effective area/capacity of 2m<sup>2</sup> can only be replaced by a culvert with the same 2m<sup>2</sup> capacity.

## 2.2.4 Bridges

Where a damaged bridge asset is required to be replaced, it must be reconstructed:

- using current design criteria
- providing the same service level as its pre-disaster function, or better (with complementary funding) and
- using the most appropriate materials.

Funding for the reconstruction of bridges is subject to the pre-disaster condition of the bridges being demonstrated. Where there is evidence of pre-disaster damage, an assessment will be undertaken by the *administering agency*, which may lead to a reduction in assistance corresponding to the amount of funding that the council should have invested to repair the asset to the expected condition and level of service, immediately prior to the disaster.

Where a full reconstruction of a bridge structure is to be undertaken, the *administering agency* must review the plans, specifications and *estimated reconstruction cost* provided by the council to confirm the eligibility, or part thereof, of the structure before the invitation for tender is issued and prior to any *Essential Public Asset Reconstruction Works* commencing.

If a council proposes to reconstruct and alter the *pre-disaster function* of a damaged bridge, for example, to an increased load capacity, improved flood immunity, or increased width, and the design alteration results in additional reconstruction costs, complementary funding by the council is required. The complementary funding will be established by the *administering agency* based on the council's cost estimation for the eligible *restoration works* in accordance with the *Essential Public Asset Function Framework* and the cost difference for the asset alteration, adopting the current AS5100 standards.

Damaged heritage-listed bridge structures (those listed on the NSW Heritage Register) must be individually assessed by the *administering agency* to determine the appropriate repair or replacement strategy, together with necessary approvals under whole of division 3 applications under *The Heritage Act 1977*. In some cases, the historical structure may be replaced to the original design appearance where feasible, even though this would be more expensive than building a contemporary structure.

Partial damage to bridge structures, such as scour to bridge abutments and piers, can be reconstructed to ensure that the structural integrity and the *pre-disaster function* of the structure are sustained.

(Scour or damage to the natural watercourse/stream-bed that does not impact on the structural integrity of the bridge structure is ineligible).

## 2.2.5 Causeways/floodways

Any damaged causeway or floodway must be returned to its *pre-disaster function* and pre-disaster condition, for example, if it was a gravel causeway this form must be adopted for the *reconstruction works*, unless complementary funding is provided by the council.

Where gravel from a causeway has been partially displaced (for example, 150mm thick pavement suffering 50mm of displaced gravel), the volume of material displaced should be replaced and blended into the remaining material to achieve an appropriate depth of pavement as per the pre-disaster condition.

The only circumstance where the positioning of the causeway or floodway may be altered is when following the *eligible disaster* the watercourse has shifted/re-aligned. The causeway/floodway must be designed to suit this altered natural watercourse providing the same flood immunity that existed in the previous location.

## 2.2.6 Embankments and batters

Road embankments and batter slopes are considered a part of the *essential public asset* of the road network.

Following an *eligible disaster*, common forms of damage include scours, cut failures (shallow or deep) and embankment failures (shallow or deep). Where damage is sustained to road embankments and batters, an assessment is to be undertaken in line with the *NSW RMS Guide to Slope Risk Analysis*. This risk assessment provides a means for categorising the risk, slope instability and prioritising the risk management of the slope.

Investigative techniques (for example, geotechnical testing) are considered eligible for funding, where it is already evident that an *essential public asset* has been directly damaged by an *eligible disaster*, and the investigative techniques are used as part of the *reconstruction works* (for example, to determine the extent of that damage and/or identify the *reconstruction* option).

The eligibility of the proposed treatment should be assessed on the basis that following the proposed treatment the Assessed Risk Level (ARL) of the embankment slope or batter shall be the same ARL or one better than what existed pre-disaster – for example, if the ARL pre-disaster was a 3, the ARL following the treatment is to be either a 3 or a maximum of 4).

For specific reasons (e.g. cost benefit analysis and a site-specific evaluation of acceptable risk), if a council adopts a solution that does not bring the risk level to ARL4 or better (that is, where any residual risk exceeds ARL4 level), the council must provide a risk management plan for the *asset*.

## 2.2.7 Roadside furniture, delineation and Intelligent Transport Systems (ITS)

Any damaged road furniture, delineation and line marking or ITS must only be reconstructed to the same *pre-disaster function* (i.e. quantity, form and type unless the current relevant design standard stipulates differently), unless complementary funding is provided by the council.

## 2.2.8 Other

Only damaged fencing that is considered ‘controlled access’ to the road asset is eligible.

Where an *essential public asset* may have aspects that are owned by more than one agency (for example, railway level crossing) an assessment is required to determine which components may be considered an *essential public asset*.

## 2.3 Eligibility scenarios

This section outlines some possible scenarios to assist users to apply these *guidelines*, listed in alphabetical order by essential asset type:

- Bridge structure
- Drainage/culverts
- Embankment/batters
- Floodways
- Levees
- Road – sealed
- Road – unsealed
- Signs/fencing/guardrail
- Tree removal

Asset type	Scenario	Eligibility assessment
1. Bridge structure	A timber bridge has been made structurally unsound by the recent flood event and is required to be replaced.	Restoration of the bridge to its <i>pre-disaster function</i> is eligible, subject to the requirements of these guidelines.  The <i>administering agency</i> may consider approving the use of concrete and/or steel components for the bridge restoration, in lieu of timber components, if it can be demonstrated that the cost of using concrete and/or steel is equal to or less than the cost of using timber, whilst delivering the same <i>pre-disaster function</i> or better.
2. Bridge structure	A recent flood event caused serious erosion around the abutments and pier footings of a bridge.  The floodwaters washed away the creek banks around the pile caps and foundations.  An engineering report determined that a) the remainder of the bridge is structurally sound and b) the required treatment involved further piling to reinforce the footings and rock protection works.	As an engineering report determined that the piling and the rock protection works were the most cost-effective solution, the cost to perform this work is eligible for funding.
3. Drainage/culverts	The entire length of a three cell 600mm diameter culvert has been damaged as a result of flood waters.  The original three cell 600mm diameter culvert was designed to Q20 flood immunity.  The <i>current engineering standard</i> for this location stipulates that Q50 flood immunity should be provided with four cells to comply.	The replacement of the three cells of the 600mm diameter culvert does not meet the <i>current engineering standards</i> , hence replacing the damaged culverts with four cells of 600mm as stipulated in Q50 is eligible.  An exception to the example above would arise if it is evident the council should have enhanced the damaged <i>asset</i> prior to the <i>eligible disaster</i> to meet <i>current engineering standards</i> . In this instance, the council would be required to contribute the amount of funding it should have spent prior to the disaster, to enhance the asset.

Asset type	Scenario	Eligibility assessment
4. Drainage/culverts	<p>A section of V-drain adjacent to a road in flat terrain has been scoured as a result of a flood event and is contributing to the saturation and damage of the adjacent pavement.</p> <p>The current engineering standard requires a trapezoidal drain.</p>	<p>The cost of constructing the trapezoidal drain is eligible for funding.</p> <p>An exception to the example above would arise if it is evident the council should have replaced the <i>damaged asset</i> prior to the <i>eligible disaster</i> to meet current engineering standards. In this instance, the council would be required to contribute the amount of funding it should have spent prior to the disaster, to replace the asset.</p>
5. Drainage/culverts	<p>A stormwater pipe, collecting water from the road, travels under private property and outlets in a local creek.</p> <p>During an <i>eligible disaster</i>, the creek floods, and the headwall and last pipe length are washed away.</p>	<p>As the pipe collects water only from the <i>essential public asset</i> (the road), the work is eligible.</p>
6. Embankment/batters	<p>A section of batter has slipped/eroded as a result of a flood event. This batter had some grass cover and natural vegetation on the slope prior to the <i>eligible disaster</i>.</p> <p>Geotechnical investigations is undertaken, investigating a range of treatment options and recommending an effective solution providing value for money.</p> <p>The engineering report demonstrates that soil nailing and a shotcrete protection to the batter is the only viable and cost-effective solution.</p>	<p>In circumstances where it is not possible to restore the <i>damaged essential public asset</i> to its pre-disaster capacity, layout or materials, the <i>pre-disaster function</i> and ultimately the <i>estimated reconstruction costs</i> may be adjusted to incorporate the most economically comparable alternative <i>reconstruction</i> option.</p> <p>In accordance with this provision, the cost of using soil nailing and shotcrete protection to stabilise the slop is eligible as it has been demonstrated to be the only viable and cost-effective solution.</p>
7. Embankment/batters	<p>A mountain side washes out, depositing large amounts of debris and large rocks onto the road and beyond.</p> <p>A geotechnical assessment recommends the removal of loose rocks from the exposed face, placement of geotextile matting on the face and the installation of a rock catch fence to prevent future rock slides ending on the roadway.</p>	<p>Removal of debris, loose rocks and placement of matting is eligible for funding.</p> <p>The installation of a rock catch fence is considered to be complementary works and is ineligible for funding. If the council would like to install the fence, it would have to provide complementary funding to cover the additional cost.</p>
8. Embankment/batters	<p>A local road is split level, with a steep embankment/cut between the two travel lanes for a length of about 100m.</p> <p>A 10m length of the batter slumps, washing away part of the higher roadway.</p>	<p>Only the treatment of the damaged section (10m) is eligible.</p> <p>If the council proposes constructing a retaining wall for the full 100m length it is considered to be complementary works and the treatment of the undamaged 90m is ineligible for funding. If the council would like to treat the undamaged 90m, it would have to provide complementary funding to cover the additional cost.</p>



Asset type	Scenario	Eligibility assessment
9. Embankment	<p>A landslip undermines an off-road council carpark and deposits large amounts of debris onto a children's playground.</p> <p>The land on which the landslip occurs is not part of an <i>essential public asset</i>.</p>	<p>The cost of restoring the carpark is not eligible for funding because off-road carparks are not considered to be <i>essential public assets</i>.</p> <p>The cost of removing the debris from the playground, and restoration of damaged play equipment is not eligible for funding. This is because playgrounds and other recreational facilities are not considered to be <i>essential public assets</i>.</p> <p>The cost of restoring the landslip is not eligible for funding because the land is not part of an <i>essential public asset</i>.</p>
10. Floodways	<p>A concrete floodway remains structurally sound after a recent <i>eligible disaster</i>, but the embankments at the approaches have been severely scoured and washed out, resulting in a large gap between the floodway and the eroded embankment/road. The floodway could be extended by 10m to cross the gap left by the erosion.</p> <p>An engineering report outlining the recommendations for restoration of the floodway is required.</p>	<p>If a new floodway is proposed by the engineer, the cost to reconstruct the floodway to the same level of service (pre-disaster function) is eligible for funding.</p> <p>As the flood event changed the surrounding environment by eroding the embankments and widening the water course, reinstatement of the embankment is not a suitable restoration option. The only option is to extend the floodway to suit the new environment. Therefore, the additional length of the floodway is eligible for funding.</p>
11. Levees	<p>A five (5) kilometre flood levee was assessed prior to an <i>eligible disaster</i> and found to have two (2) unacceptable defects.</p> <p>Following an <i>eligible disaster</i>, the levee has slumped at the location of the two unacceptable defects, identified prior to the disaster, and at three (3) other locations.</p> <p>The council is able to demonstrate that the damage at the three other locations is the <i>direct result</i> of the <i>eligible disaster</i>.</p>	<p>Restoration of the flood levee is not eligible for funding at the locations where the two (2) unacceptable defects were identified prior to the <i>eligible disaster</i>. The council must provide its own funding to restore the levee at these locations.</p> <p>However, at the three (3) other locations, where damage has been demonstrated to be the <i>direct result</i> of the <i>eligible disaster</i>, the council is eligible for funding to restore the damage.</p>
12. Road – sealed	<p>The 'inner' and 'outer' wheel paths in both traffic lanes of a section of two-lane road have been damaged.</p>	<p>The <i>reconstruction</i> of the road for the <i>damaged</i> section is eligible for funding.</p>
13. Road – sealed	<p>There are isolated patches/areas of a road that have been damaged by a recent flood event, where the existing seal has been broken.</p>	<p>The <i>reconstruction</i> of the part-width and the required seal (initial primer seal and final seal) for <i>damaged</i> areas are eligible.</p> <p>If the council proposes a higher order treatment (e.g. half or full-width <i>reconstruction</i>) it must be demonstrated that this higher order treatment is more economical in total than the part-width pavement rehabilitation solution. Otherwise, this treatment could be undertaken if the council contributes complementary funding.</p>

Asset type	Scenario	Eligibility assessment
14.Road – sealed	A single lane road is <i>damaged</i> to the full formation width of 8m. The road includes a current seal width of 4m.	The <i>reconstruction</i> of the full 8m formation and the 4m seal is eligible for funding.
15.Road – sealed	Sections of pavement on a sealed road have been inundated with water, and the seal has broken away from the pavement and/or wheel rutting is >80mm.	If the council can provide conclusive evidence demonstrating the <i>asset damage</i> is a <i>direct result</i> of the <i>eligible disaster</i> , the <i>reconstruction works</i> to the same pre-disaster condition on <i>damaged</i> sections are eligible.  If the council cannot provide the <i>administering agency</i> with pre-disaster condition records/evidence, the <i>reconstruction works</i> are ineligible.
16.Road – unsealed	An 8m section of 1200m of unsealed road has been damaged.  The council can provide evidence demonstrating gravel re-sheeting of the road within four (4) years before the <i>eligible disaster</i> .  The council proposes formation grading and gravel re-sheeting on the damaged 8m unsealed road. The existing width is being maintained, meeting the <i>pre-disaster function framework</i> requirement.	In this example, the <i>reconstruction works</i> to bring the asset back to the same pre-disaster condition are eligible for funding. In this instance, it means eligible funding is only available to cover the costs to restore the <i>asset</i> to the same gravel thickness it had prior to the <i>damage</i> caused by the <i>eligible disaster</i> . This is provided the council can clearly demonstrate the thickness of gravel the <i>damaged</i> section had before the <i>eligible disaster</i> .  If the council cannot provide pre-disaster condition evidence/records of the gravel thickness, any gravel re-sheeting restoration costs are ineligible and only the formation grading is eligible for funding.
17.Road – unsealed	Multiple locations on an unsealed road have been damaged and suffered gravel loss.  The gravel loss is confined to sections where the pavement was completely inundated by fast-flowing waters.	If the council can provide conclusive evidence demonstrating the gravel loss is a <i>direct result</i> of the <i>eligible disaster</i> , the <i>reconstruction works</i> to the same pre-disaster condition (i.e. to the same gravel thickness as prior to the <i>eligible disaster</i> ) on <i>damaged</i> sections are eligible.  If the council cannot provide the <i>administering agency</i> with pre-disaster condition records/evidence, the <i>reconstruction works</i> are ineligible.
18.Signs/fencing/ guardrail	A property/cattle perimeter fencing adjoining a road reserve was destroyed by a bushfire that was declared an <i>eligible disaster</i> .  The fence is not considered to be on a 'Controlled Access' road.	As the type of fence is not considered a 'Controlled Access' to the road asset, the replacement of this fencing would not be eligible.

Asset type	Scenario	Eligibility assessment
19. Signs/fencing/ guardrail	<p>A 2km section of road was damaged by an <i>eligible disaster</i>, which required the whole section to be reconstructed.</p> <p>Prior to the <i>eligible disaster</i> there were only three regulatory signs along the 2km section.</p> <p>Following the completion of the <i>reconstruction works</i>, a road safety audit identified the requirement for five regulatory signs.</p> <p>The current road safety standard for this location requires five signs to comply.</p>	<p>The funding for three <i>damaged</i> signs and the two additional regulatory signs is eligible.</p> <p>An exception to the example above would arise, if it is evident that the council should have added the two additional signs prior to the <i>eligible disaster</i> to meet current road safety standards. In this instance, the cost for the two additional signs would need to be funded by the council.</p>
20. Signs/fencing/ guardrail	<p>The 20m section of guardrail on the approach to a bridge abutment was destroyed following high-velocity flows from an <i>eligible disaster</i>.</p> <p>The guardrail design was based on outdated design standards.</p> <p>The current engineering design standard for this type of bridge abutment stipulates that the guardrail approach needs to be 30m to comply.</p>	<p>The cost to install the additional 10m of guardrail is eligible.</p> <p>An exception to the example would arise if it is evident that the council should have installed the additional 10m guardrail prior to the <i>eligible disaster</i> to meet current engineering design standards. In this instance, the council would be required to contribute the amount of funding it should have spent prior to the disaster, to meet the standards.</p>
21. Signs/fencing/ guardrail	<p>A creek runs roughly parallel to a local road. During an <i>eligible disaster</i>, the creek scours the road embankment out, narrowing the road.</p> <p>The road design was based on outdated engineering standards.</p>	<p>The council proposes to reinstate the road to its previous width, i.e. its <i>pre-disaster function</i>, it also proposes to install a guard fence because the current engineering standards would require it.</p> <p>The <i>reconstruction</i> of the road to its original width prior to the <i>eligible disaster</i> and the installation of the guard fence to meet the current standards are both eligible for funding.</p> <p>An exception to the example above would arise, if it is evident the council should have installed the guard fence prior to the <i>eligible disaster</i> to meet current engineering design standards. In this instance, the council would be required to contribute the amount of funding it should have spent prior to the disaster, to meet the standards.</p>

## Visual and geospatial evidence – best practice

### 3 Collection and management of evidence

This section provides guidance for the collection and management of evidence for funding claims under these guidelines. Adherence with this guidance assists in the compilation, review, approval and payment of funding applications.

#### 3.1 Photo evidence – best practice

Photos are considered an important component of the funding application. Thorough and comprehensive photo evidence will assist in ensuring funding applications can be assessed accurately and without delays.

All photographic evidence should be provided in JPG format with metadata, including GPS coordinates (longitude and latitude) and time/date taken.

Systems that can transmit photographic evidence automatically to a central database/storage location can ensure that all data is securely located and is easily assessable to all stakeholders. These types of asset management systems are strongly recommended and considered best practise.

If a council does not have the resources or capacity to meet the photographic best practice evidence requirements, the council should inform the *coordinating agency* (OEM) to request support via email: [drfa.support@justice.nsw.gov.au](mailto:drfa.support@justice.nsw.gov.au)

##### 3.1.1 Key photo considerations

What to consider when taking photos:

- Ensure you are using a camera device which automatically records relevant metadata, including GPS coordinates and time/date taken.
- Take high resolution colour photos which clearly show the *damage* caused by the *eligible disaster*, and the scale or scope of the *damage*.
- Take photos of the *damage* for every location. The photos need to demonstrate the *damage* features and support proposed restoration treatment.
- Consecutive photos are required to demonstrate consistent *damage*.
- Photos must be taken in the direction of the chainage (Gazettal direction).
- Photos taken at different times must be easily comparable with other road elements and taken in the same direction. They must also be clearly comparable and obviously relating to each other, i.e. pre-disaster photos must correspond with the post-disaster photos and the photos of the completed restoration works of the same *essential public asset*.
- Measurement of dimensions should be shown clearly in the photos, i.e. use a measuring tools such as a straight edge (minimum 2m long) and measure to demonstrate depth/width/distance of damage such as washout or rutting.
- It may be useful to take low vantage points to demonstrate distinctive damage features and support proposed treatments.
- Mark any *damage* where it is difficult to see. Marking the pavement also demonstrates the dimension of damage.
- Photos may also be used to articulate the type and components of the asset that have been damaged. This may include the pavement, shoulders, culverts, table drains and guardrail.

- Early morning and late afternoon provide optimum contrast to capture damage in road surfaces. However, care may be needed to avoid glare and dark shadows.
- Photos that show the horizon just past the top of trees and full road width may be beneficial. This provides context of the damage in relation to an asset. Close-up shots of damage may be beneficial. However, they must be supported by shots of the same damage showing horizon and road width.
- Side-view photos of culverts and floodways can help to identify all aspects of damage – e.g. washout, blocked or collapsed pipe, end wall damage.
- Take additional close-up photos of damage components to demonstrate all disaster-related damage, and support each proposed treatment – e.g. damaged head wall, wash out, rock protection, apron.
- Sometimes photos of the surroundings of the asset can also provide evidence of the event and resulting damage – e.g. build-up of washed away gravel, dislodged end wall located in creek, lost rock protection seen in drain, grass debris on fence lines.
- Where full-width restoration works are proposed, the photos taken after the *eligible disaster* should clearly demonstrate *damage* across the full width to justify this treatment.

To ensure there is sufficient amount of photographic evidence:

- Provide photos showing both the detail of the damage and some showing the scope.
- Demonstrate consistent damage and consistent treatment or variance in damage by taking photos at regular intervals. However, where the type or extent of damage changes within the interval, additional photos should be taken.
- The selected interval in the distance between photos is subject to how evident the continuous damage is in each photograph. The minimum of 200m is to be used as a guide only. Judgement in the field as to how evident the continuous damage is should ultimately dictate the intervals for the photos. If in doubt, take photos at more regular intervals.
- For long distances, the intervals may be less frequent than for shorter distances. For example, if claiming a 5km section of road, the photo interval must be a minimum of 200m. However for a 1km section of road the interval may be 50–100m. The terrain will also influence the intervals. More photos will be necessary for mountainous/winding roads than a straight flat road.
- For culverts and floodways, photos must be taken to demonstrate each component within the asset that is damaged. Photos looking atop the asset will demonstrate its location within the road, but photos will also be needed from a side view to identify all aspects of the damage. If restoration works are proposed on a continuous basis and where there is a noticeable rise in the vertical alignment/crest in the road, photos should be taken at this high point to demonstrate it is also damaged.

To avoid photographic evidence deemed to be ineligible, ensure:

- Photos are not taken from inside the car or through the windscreen.
- No close-up photos only. Close-ups must be accompanied by horizon and road width shots.
- No objects obscure the view of the *damage* e.g. vehicles, people.
- Avoid glare or dark shadows on the ground. These can prevent the damage from being seen. Additional close-up photos or markers to outline damage might be required.
- Do not use star pickets, sticks, posts or guideposts etc. as straight edges.
- Do not use 1m straight edges – they must be 2m or longer.

### 3.1.2 Acceptable photo evidence examples

This following section provides some examples of acceptable photos.

**Before the eligible disaster**



Acceptable photos

**After the eligible disaster**



**Before the eligible disaster**



Acceptable photos

**After the eligible disaster**



**After the eligible disaster**



Acceptable photos

**Completion of reconstruction works**



**After the eligible disaster**



Acceptable photos

**Completion of reconstruction works**



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