The DRFA replaces the NDRRA

The Disaster Recovery Funding Arrangements (DRFA) are the Commonwealth-state cost-sharing arrangements for providing financial support for relief and recovery activities resulting from natural disasters and terrorist acts.

The DRFA replaced the Natural Disaster Relief and Recovery Arrangements (NDRRA) on 1 November 2018. To be eligible for Commonwealth funding, state expenditure on events occurring after this date must comply with the new arrangements.

Why do we have the DRFA?

Natural disasters or terrorist acts can result in large-scale expenditure by state governments on relief and recovery payments and infrastructure reconstruction.

The DRFA supports states by:

- partially reimbursing actual state expenditure on relief and recovery
- paying some of the estimated reconstruction costs for essential public assets such as roads, bridges and culverts.

How do we get DRFA assistance from the Commonwealth?

The South Australian Department of Treasury and Finance collects information from affected organisations and submits a detailed claim to the Commonwealth.

To lodge a claim, any expenditure must be by an 'eligible undertaking' on 'eligible measures' relating to an 'eligible disaster'.

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1 Refer to REPA Fact Sheet 5: Essential Public Assets for information.
What is an eligible undertaking?

An eligible undertaking is either a department or other agency of a state government, or a body established by or under state legislation for public purposes (for example, a local council).

In South Australia, ‘eligible undertakings’ that can contribute to a state claim include:

- state agencies
- local councils
- some Aboriginal Land Holding Bodies
- Outback Communities Authority

Energy, water and telecommunications retailers, and internet service providers, are not eligible undertakings.

For an organisation to be able to claim funding to reconstruct an essential public asset, it must be providing that asset to businesses or the community at no charge or a rate that is no more than 50% of the cost associated with providing the asset.

What is an eligible measure?

An ‘eligible measure’ is

- a relief or recovery assistance measure specified in the DRFA, or
- a cost to the state, such as a requirement to conduct an Independent Technical Review\(^2\).

Eligible measures may include:

- reconstruction of essential public assets (REPA)
- personal hardship and distress assistance, including engaging a Community Recovery Officer to work with individuals and families receiving personal hardship and distress assistance
- counter disaster operations

\(^2\) Refer to REPA Fact Sheet 10: Independent Technical Reviews for information.
• concessional loans or interest subsidies for small businesses and primary producers
• transport freight subsidies for primary producers
• loans and grants to voluntary non-profit organisations and needy individuals
• community recovery funds
• clean-up and recovery grants.

What is an eligible disaster?

According to the DRFA, an ‘eligible disaster’ is a natural disaster or terrorist act that:

• requires a coordinated multi-agency response
• exceeds the small disaster criterion for state expenditure, which is currently $240,000.

A natural disaster can be one or more of the following rapid onset events:

• bushfire
• earthquake
• flood
• storm
• cyclone
• storm surge
• landslide
• tsunami
• meteorite strike
• tornado.

A terrorist act is an event in Australia that the Minister for Home Affairs determines to be a terrorist act.

For more information

www.disasterassist.gov.au

Local Government Disaster Recovery Assistance Guidelines