# NATURAL DISASTER RELIEF AND RECOVERY ARRANGEMENTS


# *(As per the NDRRA Determination 2017)*

# ATTACHMENT E – BETTERMENT PROPOSAL

## Betterment proposal cover page

This section should include a basic overview of the *eligible disaster* and the proposed *betterment* project, and contact details for the *state* officer responsible for the *betterment* proposal.

|  |  |
| --- | --- |
| **ITEM** | **KEY Information** |
| **Title** | ^Title of the proposal^ |
| **EVENT DETAILS** |
| **Eligible disaster details** | **Event name:** ^Name of event e.g. Southern Central Flooding March 2012^**Event date:** ^Date or approximate range of dates when the event occurred^**AGRN:** ^Please provide the event’s Australian Government Reference Number^**LGAs affected:** ^List the local government areas affected by the event^**Other significant damages:** ^Please describe any other significant damages that are relevant to the proposal, if applicable^ |
| **ASSET DETAILS** |
| **Asset and damage details** | **Brief description of asset**: ^e.g. Public hospital located in Central valley^**Brief description of damages to asset:** ^e.g. 2 metre flooding throughout hospital, significant structural damage, equipment destroyed^ |
| **CONTACT DETAILS** |
| ***State*/Territory** | ^Name of the *state*/territory submitting this proposal^ |
| ***State*/Territory Contact Officer details** | **Name:** ^Full name of the contact officer for the proposal^**Title:** ^Job title of contact officer for the proposal^**Email address:** ^Email address of contact officer^**Phone number of contact officer:** ^Contact phone number, including area code^ |
| **Date** | ^Date the proposal is being submitted^ |

Signed by:

^Signatory Name^

^Signatory Title^
Telephone: ^Signatory phone^

## Project overview

This section should include an overview of the proposed project, including background information about the *essential public asset*; details of current damage to the asset; why the asset is eligible for *betterment*, including how the asset meets the definition of an *essential public asset* (clause 1.1) and describing the benefits of *betterment* compared to standard restoration or replacement.

### Background and eligibility

#### Provide background information and describe the asset.

Please provide a brief explanation of how the asset meets the definition of *essential public asset* as per clause 1.1 of the NDRRA Determination 2017.

|  |  |
| --- | --- |
| **Name of Asset** | ^e.g. Central Hospital^ |
| **Year the Asset was built** | ^e.g. 1957^ |
| **Name of *eligible undertaking* (clause 1.1)** | ^e.g. Central Government Health Services^ |
| **The asset is an integral and necessary part of the *state’s* infrastructure** | ^e.g. the Central hospital services over 10 local government areas in the Central district, for over 10 000 people and admits over 200 individuals per day to the accident and emergency ward ^ |
| **The asset is integral to the normal functioning of a community** | ^ e.g. Individuals that require health services currently have to travel 200km to next closest hospital, this has put increasing pressure on ambulance services as well as creating significant health risks for the community^ |
| **Comments** | ^Please provide any additional comments about meeting the criteria for essential public asset here if required^ |

#### Provide a brief description of the betterment project and the State’s reasons for undertaking the project.

|  |
| --- |
| **Project objectives** |
| ^Provide the main objectives of the project e.g. the project’s objective is to carry out reconstruction works to damaged sections of Central Hospital and provide an increased disaster-resilient asset to mitigate the impact of future natural disasters due to repeat damage to asset^ |
|  |
|  |

*Note: Please insert more rows if required.*

## Section 2—Cost effectiveness

*Betterment* proposals must be cost effective in accordance with subclause 5.3.15 (b) of the *determination*. In assessing the cost effectiveness of a *betterment* proposal, the *department* will calculate a net present value for each option, based on the information provided in sections 2 and 3, and will compare the NPVs of each *betterment* option and the restoration option. In making its assessment, the *department* may also consider any unquantifiable benefits or costs that are identified in this *betterment* proposal form.

### History of asset damage

#### Has the asset previously been damaged by an *eligible disaster/s*? 🞎Yes 🞎No

If yes, provide details of the damage and disasters in the table below.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Year**  | **Event AGRN** | **NDRRA event**  | **Description of the damage** | **Year**  | **Restoration/replacement works** | **Total cost of restoration/replacement (in $m)** |
| ^List the year the event occurred e.g. 1999^ | ^Provide the AGRN of the eligible disaster, if applicable. E.g. AGRN 456^ | ^Please state if assistance under the *determination* was provided for the *eligible disaster* E.g. NDRRA assistance was available– *Category A* measures only^ | ^List the damages that occurred as a result of the *eligible disaster* e.g 1/100 year event flooding resulting 3 metre flooding throughout hospital, significant structural damage, equipment destroyed ^ | ^List the year that the repairs were carried out, e.g 2000 and 2001^ | ^Provide a brief description of the works undertaken, e.g. basic repairs to structural damage, replacement of equipment^ | ^List the total costs of the repairs carried out for this instance of damage, e.g. $0.55 million ^ |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

*Note: Please insert more rows if required.*

#### Has funding previously been requested and/or provided for the restoration/replacement of this asset, either through a Commonwealth or a *state* government initiative? 🞎Yes 🞎No

If yes, please provide details of the funding in the table below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Year**  | **Amount requested****(in $m)** | **Approved or rejected** | **Amount approved (in $m)**  | **Comments** |
| ^List the year the funding was requested, e.g. 1995^ | ^List the amount that was requested, e.g. $0.5m^ | ^State whether the funding was approved or rejected, e.g. approved, but for a lesser amount than was requested^ | ^Provide the amount that was approved e.g. $0.35m^ | ^Please provide any additional relevant comments, e.g. State funding for relaying tiles damaged through wear and tear^ |
|  |  |  |  |  |
|  |  |  |  |  |

*Note: Please insert more rows if required.*

#### Has funding previously been requested and/or provided for mitigation works for this asset either through a Commonwealth or *state* government initiative? 🞎Yes 🞎No

If yes, please provide details of the funding in the table below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Year**  | **Amount requested****(in $m)** | **Approved or rejected** | **Amount approved (in $m)**  | **Comments** |
| ^List the year the funding was requested e.g. 1995^ | ^List the amount that was requested e.g. $0.5m^ | ^Detail if the funding approved or rejected e.g. approved but for a reduced amount than initially requested ^ | ^Provide the amount that was approved e.g. $0.35^ | ^Please provide any further comments e.g. *State* funding for relaying tiles damaged through wear and tear ^ |
|  |  |  |  |  |
|  |  |  |  |  |

*Note: Please insert more rows if required.*

### Insurance arrangements

#### Provide insurance details for the asset:

|  |  |
| --- | --- |
| **Amount the asset was insured for (in $m)** | $ xx |
| **Excess (in $m)** | $ xx |
| **Estimated value of insurance payout not including excess(in $m)**  | $ xx |
| **Comments** | ^If the asset is not insured, please explain why it wasn’t insured^ |

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### Current disaster estimates

#### Provide details of the estimated total NDRRA-eligible *state expenditure* for the *eligible disaster* that damaged the asset.

Please provide the total estimated *state expenditure* for all *Category A*, *Category B*, *Category C* and *Category D* *eligible measures* for the *eligible disaster* that damaged the asset.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Criteria for the provision of *betterment* funding** | **20xx-20xx** | **20xx-20xx** | **20xx-20xx** | **20xx-20xx** | **Total (in $m)** |
| **Criteria for the provision of *betterment* funding** | $^cost for this year^ | $^cost for this year^ | $^cost for this year^ | $^cost for this year^ | $^Include total cost here^ |

## Section 3—Options

This section should describe the options being presented in this proposal, including the base case (standard restoration/replacement) and the *betterment* options for the asset.

The *department* recommends that detailed supporting information be attached to proposals for larger or more complex projects. Larger projects are projects with an expected Commonwealth contribution to the betterment component exceeding $1 million. The *department* expects that proposals for larger projects will be supported by documentation that is appropriate for the scale and complexity of the project.

For example, if the restoration of a s*tate*-owned asset is costed at $5 million, whereas a *betterment* option for the same asset is costed at $10 million, the Commonwealth contribution to the *betterment* component would be ($10 million - $5 million) \* 50% = $2.5 million.

### Base case restoration/replacement

#### Option 1: Restoration of the asset—base case.

|  |  |
| --- | --- |
| **Description** | ^Describe the base case option, i.e. simply restoring or replacing the asset to its pre-disaster standard in accordance with current building and engineering standards^ |

**Benefits**: List the benefits associated with the restoration option. Include a dollar value only if the benefit can be reliably quantified.

|  |  |  |
| --- | --- | --- |
| **Benefits** | **Description** | **Value of benefit (in $m)** |
| Benefit 1 | ^List the benefits of the restoration option. Benefits can be included even if unquantifiable in dollar terms^ | ^Include a dollar value only if applicable^ |
| Benefit 2 |  |  |
| Benefit 3 |  |  |

*Note: Please insert more rows if required.*

**Costs**: Provide the estimated NDRRA-eligible costs of the base case option.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Financial Year** | **20xx-20xx** | **20xx-20xx** | **20xx-20xx** | **20xx-20xx** | **Total (in $m)** |
| **Estimated expenditure (in $m)** | $^cost for this year^ | $^cost for this year^ | $^cost for this year^ | $^cost for this year^ | ^Include total cost here^ |

### Betterment restoration/replacement

#### Option 2: Betterment of the asset

|  |  |
| --- | --- |
| **Description** | ^Describe the proposed betterment option^ |

**Increased disaster-resilience:** Describe the *betterment* activities that will increase the resilience of the asset to future *natural disasters*.

Mitigating the impact of future *natural disasters* is an important principle under the *determination*, subclause 5.3.15 (c) of the d*etermination* refers. This section of the form should clearly and logically explain how the proposed *betterment* works[[1]](#footnote-1) will mitigate the impact of future *natural disasters*.

|  |  |
| --- | --- |
| **Betterment activities** | **Description** |
| ^Activity 1 e.g. install culverts in road^ | ^Describe how this aspect of the betterment option would increase the disaster-resilience of the asset. E.g. culvert will reduce the likelihood of water damage to the surface of the road…[include additional specific details as required]^ |
| ^Activity 2^ |  |
| ^Activity 3^ |  |

*Note: Please insert more rows if required.*

**Benefits**: List the benefits associated with the betterment option. A dollar value is not required, and should only be included if the benefit can be reliably measured.

|  |  |  |
| --- | --- | --- |
| **Benefits** | **Description** | **Value of benefit (in $m)** |
| Benefit 1 | ^List the benefits of the betterment option. Benefits should be included even if they are unquantifiable in dollar terms. Insert additional rows if required.^ | ^Include value if applicable^ |
| Benefit 2 |  |  |
| Benefit 3 |  |  |

*Note: Please insert more rows if required.*

**Costs**: Provide the estimated NDRRA-eligible costs of proceeding with this option.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Financial Year** | **20xx-20xx** | **20xx-20xx** | **20xx-20xx** | **20xx-20xx** | **Total (in $m)** |
| **Total cost (in $m)** | $^cost for this year^ | $^cost for this year^ | $^cost for this year^ | $^cost for this year^ | ^Include total cost here^ |

*Please include the total estimated cost of proceeding with the betterment option, not just the cost of the betterment component.*

*Note: Insert more sections if more than two options are being considered. The proposal should include at least one betterment option and one base case restoration option.*

## Section 4—Consultation

#### Please provide detail of any internal or external consultation taken to develop the betterment proposal.

Please complete the table with the requested information.

|  |  |  |
| --- | --- | --- |
| **Consultation** | **Internal/External** | **Cost of advice (in $m)** |
| ^E.g. engineering firm ABC Engineers were consulted in obtaining advice for demolition of damaged building^ | ^E.g. external^ | e.g. $0.15 |
|  |  |  |
|  |  |  |

*Note: Please insert more rows if required.*

## Section 5—Attachments

Please list and attach any other relevant information or assessments that you consider relevant to the betterment proposal.

|  |  |
| --- | --- |
| **Attachment Number**  | **Attachment Name** |
| Attachment 1 | ^e.g. Central Hospital Reconstruction Costings^ |
| Attachment 2 |  |
| Attachment 3 |  |

This *could* include, but is not limited to:

* a natural-hazard risk assessment of the asset;
* a cost effectiveness analysis of the betterment proposal from the State government’s perspective;
* engineering reports;
* hydrologist reports;
* regional flood mitigation plans;
* flood maps;
* bushfire building standards; or
* any other documents that the State/Territory considers relevant to the assessment of the proposal.

## Frequently asked questions

### Who can complete the betterment template?

The betterment template can be completed either by an official from the local government or the *state* government. The proposal is considered to be final and endorsed by the s*tate* government when it is submitted to the Commonwealth for assessment.

### What is the allowable timeframe to submit a proposal from the date the event occurred?

There is no set time limit for submitting *betterment* proposals. The *department* recommends that *betterment* proposals be submitted as soon as practical, after an *eligible disaster,* to allow the *essential public asset* to be restored or replaced at the earliest opportunity.

Note: *State expenditure* on betterment activities is subject to the *allowable time limit*, in accordance with the *determination* clause 1.1. Expenditure that is incurred after the *allowable time limit* will not be eligible for reimbursement under the *determination*.

### How much will the Commonwealth fund for the betterment project?

If the proposal is approved, the Commonwealth will contribute up to 50 per cent of the additional *betterment* costs for a s*tate* owned asset or up to one (1) third for a local government owned asset. The *state’s expenditure* on *eligible measures* for the *eligible disaster* that damaged the asset *must* exceed the *small disaster criterion* (currently set at $240 000) in accordance with section 1.1 of the *determination*.

Commonwealth reimbursement for the amount that would be eligible for the restoration option will be reimbursed as an ordinary *Category B* measure under the *determination*.

For example, if an *essential public asset* is damaged by an *eligible disaster*, and the cost of simply restoring the asset to its pre-disaster standard is $2.5 million, the Commonwealth will contribute up to 75 per cent ($1.875 million) for normal restoration, assuming total *state expenditure* on *eligible measures* exceeds the s*tate’s thresholds* in that *financial year*. If a betterment option for the same asset were costed and approved for $3 million, the Commonwealth would reimburse up to 75 per cent for the restoration component ($1.875 million) **plus** either 50 per cent ($0.25 million) of the additional betterment costs for a s*tate*-owned asset or one third ($0.17 million) for a local government owned asset.

Commonwealth reimbursement is contingent on total s*tate expenditure* reaching the *thresholds* in the relevant *financial years*. The *thresholds* are publicly issued each year by the *department*.

### What happens if a proposal is rejected for betterment funding by the Commonwealth?

If a betterment proposal is not approved by the Commonwealth, the *state* may still enter a cost-sharing arrangement with the local government (if applicable) or the *state* may choose to fund 100% of the betterment activities.

### Can further information be provided once the proposal has been submitted?

The *department* will assess the proposal based on the information provided in this template. However, *states* may provide additional information to the *department* at any time, keeping in mind that late submission of information could prolong the assessment process.

The *department* may contact the contact officer for the proposal to request additional information to assess the betterment proposal.

1. *Betterment* works refers to works that are proposed under the *betterment* option in order to increase the disaster-resilience of the asset, but would not be carried out under the restoration option. [↑](#footnote-ref-1)