



New South Wales

IPWEA

INSTITUTE OF PUBLIC WORKS
ENGINEERING AUSTRALASIA



IPWEA (NSW) ROADS & TRANSPORT DIRECTORATE

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19 September 2018

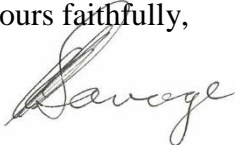
By Email:

RE: Submission on the DRAFT NSW EPA Restoration Guidelines

The Institute of Public Works Engineering Australasia (NSW Division) Roads & Transport Directorate appreciates the opportunity to provide input to the DRAFT NSW EPA Restoration Guidelines.

Please do not hesitate to contact Mick Savage on tel: 8267 3000 or email mick.savage@ipwea.org in relation to this submission.

Yours faithfully,



Mr Mick Savage
Roads & Transport Directorate Manager

**Submission on the NSW
DRAFT NSW EPA Restoration Guidelines**

By

**INSTITUTE OF PUBLIC WORKS ENGINEERING
AUSTRALASIA
(NSW Division) Roads & Transport Directorate**

19 September 2018

Introduction

IPWEA (NSW) is a not for profit, membership based, professional organisation representing engineers and others involved in the provision of public works and services predominantly in the Local Government sector.

IPWEA (NSW) Mission is:

“To enhance the quality of life of NSW communities through excellence in public works and services. This is achieved through our professional association that effectively informs, connects, represents and leads public works professionals for NSW.”

This submission has been prepared by the NSW Roads & Transport Directorate on behalf of the Board, council members, and representatives of IPWEA (NSW).

Local Government Concerns

The issue of National Disaster Relief Payments was considered in some detail by delegates attending the 2018 NSW Local Roads Congress which was held in Sydney on 4th June 2018.

At the conclusion of the Congress delegates adopted a Communique which calls on:

1. **The NSW Government** to continue to work with Local Government to develop a more equitable financial arrangement for the implementation of the use of day labour to repair road infrastructure when responding to undertake repairs resulting from natural disasters.
2. **The NSW & Australian Governments** to provide new guidelines to allow National Disaster relief payments to be used by Local Government for betterment of affected assets and to allow the use of Council’s day labour resources to assist communities during emergency response and recovery operations.

The purpose of this submission is to draw attention to a number of issues arising from the Draft Guidelines and to suggest, where further negotiations with Local Government might achieve a more equitable solution.

Issue specific Comments:

1. Co-contribution Determination

A number of councils have expressed concern at the proposal for determining the co-contribution. The calculated changes for a range of different sized councils shown below suggests that a number of smaller councils are likely to embrace the proposal but that medium to larger councils would not be looking after the interests of their ratepayers to accept the new arrangements.

The previous arrangement was that councils would pay 25% of the first \$116,000 in eligible costs arising from a declared natural disaster. (\$29,000).

Some quick calculations of the new funding proposal of a threshold of the lesser of 0.75% of rate revenue or \$1m whichever is the lesser provides co-contributions of:

Blacktown: >\$400,000
Randwick: >\$200,000
Eurobodalla: >\$150,000
Mosman: >\$50,000
Griffith: >\$35,000
Hunters Hill: >\$22,000
Cobar: >\$7,500

There are two issues here:

1. The increase for most councils from \$29,000 to a significantly increased figure as shown above; and
2. The range of contributions shown above for a single event – e.g. a \$1.6m eligible event would require a payment of \$400,000 in Blacktown or \$7,500 in Cobar.

The proposed formula will generate a different type of equity issue but an equity issue nevertheless.

Finally, the above numbers suggest that the total reimbursement for any given event will be significantly reduced under the new arrangements with the difference being made up by Local Government.

2. Deployment of Council Resources

For councils that take up the new funding arrangements:

1. Local Councils will be able to make claims for the cost of their internal workforce during normal hours (day labour) for emergency works, immediate reconstruction work and reconstruction of essential public assets.
2. Local Councils will be able to make claims for the cost of the use of their internal plant/equipment for emergency works, immediate reconstruction work and reconstruction of essential public assets.
3. Extending the existing 21-day clean-up period to 3 months for clean-up, emergency works and immediate reconstruction works.

Councils that don't take up the funding offer will not be able to take advantage of these arrangements.

This approach totally lacks consistency. Either there is an advantage in the use of council resources or there isn't. The funding arrangement cannot possibly have anything to do with this.

It is requested that this proposal be revisited to determine an appropriate set of conditions to allow councils to use their own staff and plant and equipment, particularly during the initial response and clean up period, irrespective of the funding arrangements.

3. Betterment / Resilience

The documentation does not specifically deal with the issues of betterment or the building in of resilience. The overall impression left after studying the document is that funding will only be provided to replace exactly what was there prior to the event being funded.

The guidelines need to include options to allow councils to use the funds available and to add other source funding to create an improved asset for the community. Such guidelines might place a greater emphasis on councils to be able to adequately detail the condition of an asset prior to an event, but the advantage to the community of being able to add improvements at the same time as rebuilding a damaged asset will provide community benefits.

A more important consideration is allowing some provision to build resilience into replacement assets. The replacing of a damaged causeway with a culvert for example has the potential to resist damage and maintain access during the next event of the same type and magnitude.

The guidelines do not allow any flexibility in relation to either Betterment or Resilience.

4. Pre – Event Condition Determination

There is a requirement for councils to be able to support their claims with evidence of the pre-event condition of damaged assets. This need is a sub element of the issue of betterment discussed above. The reason for requiring such information is understood and supported.

What is unclear from the guidelines is the type of information that will be accepted, particularly in relation to widely disbursed assets such as road surfaces and road pavements. Councils will generally not be able to provide photographic evidence or laboratory testing results for sections of roadway damaged by storm events, for example. The guidelines need to provide for the use of available resources to logically determine prior conditions from existing evidence. This might include construction records where available, reseal details or other asset management data.

Conclusion

This submission has identified the following issues have been raised by member councils which need to be addressed before more general acceptance of the DRAFT NSW EPA Restoration Guidelines might be expected:

1. Co-contribution Determination
2. Deployment of Council Resources
3. Betterment / Resilience
4. Pre – Event Condition Determination

The Roads & Transport Directorate is available to discuss these issues further as required. It is hoped that a better framework might be established to provide enhanced community outcomes within the existing budget constraints through the employment of more appropriate guidance.