

Natural Disaster Financial Assistance

Bulletin – 6 June 2024

NDA Bulletin 7

The Bulletin is sent out on a regular basis and includes updates and reminders around the Victorian Disaster Recovery Funding Arrangements (DRFA) and the CMS (Claims Management System). It is emailed to all Council CMS registered users, Council contacts and Council's general email.

Key dates

- Claims for 2023-24 expenditure need to be lodged with all the required supporting documentation on the CMS as the expenditure is incurred throughout the works period and **before 31 July 2024**.
- To assist with timely claim assessment, please ensure your claims are lodged with all the required documentation. Please refer to the documents entitled 'UPLOAD INFORMATION' available on the Toolbox on the Emergency Management website:

<https://www.emv.vic.gov.au/how-we-help/disaster-recovery-funding-arrangements-drfa/disaster-recovery-funding-arrangements-drfa-claims/disaster-recovery-funding-arrangements-guidelines-and-forms>

External audit observations - General ledgers/Payroll Reports

Recent external audits have raised issues with some of the General ledgers/Payroll reports lacking sufficient information. Provided below are the key points which need to be included in a General Ledger and Payroll report with your claim.

Transaction Listing/General Ledger (GL)	Payroll Reports
<p>The GL is to be exported from Council's financial system, and the GL total should reconcile to the amount being claimed and should include all of the following details:</p> <ul style="list-style-type: none"> • Date payment was posted to Council's ledger • Financial year in which the expenditure was incurred • Invoice date • Invoice number • <i>Invoice amount*</i> • Supplier • Description of the works undertaken <p>Any manual changes/additions to the exported GL report are to be highlighted.</p>	<p>Payroll information should be exported from the Council's financial system, are to reconcile to the payroll amount being claimed. This should include the following details:</p> <ul style="list-style-type: none"> • Employee name • Payroll date • Hours worked • Ideally the pay rate/hourly rate • <i>Hours claimed**</i> <p>If journal entries are entered on the GL/Payroll report, supporting documentation needs to be provided showing the breakdown of the amount/s as outlined above.</p>
<p>* <i>In the cases where work/s on an invoice is only being partially claimed, the GL should reflect the full invoice amount, with a separate column on the GL with the amount being claimed.</i></p>	<p>** <i>In the case where only partial hours are being claimed, a separate column needs to be created on the Payroll report showing the hours being claimed.</i></p>

Value of claims lodged

Please note there is no cap on the value of a claim lodged. However, it is highly recommended that the supporting documents for each claim are well structured in a way that facilitates a review from the external claim assessor or third party (external audits) and without the need to make assumptions or recalculations. It is also recommended that claims are lodged progressively throughout the year as the expenditure is incurred to minimise the end of year claim spike that has been experienced in recent years.

Benchmark rates

New benchmark rates are being finalised for day labour plant and equipment and salary on-costs. It is proposed that the benchmark rates are a cap, with councils being able to claim up to the cap or under without the need to provide supporting information to verify how the own council rates were arrived at. The objective of the benchmarks is to streamline the process for councils and the assessors. Please note that the benchmark rates will not meet every possible scenario, these will continue to be worked through on a case-by-case basis. Further advice will follow once the benchmark rates are finalised and relevant sections of the Victorian DRFA Guidelines updated.

Council reports available on the CMS

Four reports have been created on the CMS made available for Council’s use (as listed below). The reports are available under ‘All Reports’ on the CMS and can be exported into excel. Once in excel, the data can be filtered by AGRN, financial year, etc.

The screenshot shows the 'All Reports' section of the CMS. It features a navigation menu at the top with items like Home, Events, Extension of time, DRFA Funded Resources, Certified Estimates, Claims, Advances, and More. Below the menu, there's a search bar and a table of reports. The table has columns for Report Name, Description, Folder, Created By, and Created On. The reports listed are: Claim Item Details by Financial Year, Claims by Disaster Event, Claims by Disaster Event v2, and Council Claim Report.

REPORTS	Report Name	Description	Folder	Created By	Created On
Recent	Claim Item Details by Financial Year		Delivery Agency Repc	Mav3rik Admin	14/06/2023, 12:55 pm
Created by Me	Claims by Disaster Event		Delivery Agency Repc	Mav3rik Admin	14/06/2023, 12:55 pm
Private Reports	Claims by Disaster Event v2		Delivery Agency Repc	Madison Wright	30/04/2024, 2:15 pm
All Reports	Council Claim Report	Claim report for councils	Delivery Agency Repc	Madison Wright	06/12/2023, 11:34 am

Updates to DRFA documentation

Following feedback from the DRFA User Reference Group, a new tip sheet has been created which provide examples and advice on claim requirements for each of the following claim types and have been uploaded to the Website under the [DRFA Toolbox](#):

- **Tip Sheet 6: Category A and B CDO – Common examples of expenditure.**
- **Tip Sheets 1 to 5:** Revisions have also been made to all following further feedback
- **Guideline 1:** updates have been made to ‘TABLE 7 – EMERGENCY WORKS CLAIMS’ –removing the requirement for completion photos for emergency works. Further updates to this Guideline is underway and once finalised advice will be sent out.
- **Guideline 2: COST ESTIMATION FOR ESSENTIAL PUBLIC ASSETS (REPA):** updates have been made to pages 2 and 12 to clarify that from June 2024, where appropriate historical pricing data is held by Delivery Agencies it may be used to inform part or a whole of the development of a Cost Estimate. This may include existing quotes, tenders, supply panel contracts or the like for similarly scoped works. Where existing pricing data is to be utilised in the formation of a Cost Estimate, sufficient detail in data must be available to consider its application against Standard Treatments and identified scope of works. It is expected that where existing pricing data is to be relied upon it will be submitted as supporting documentation alongside the Reconstruction Works estimate package.
- **Claim Form – Category A and B CDO:** The previous Category A Early relief and recovery expenditure claim form and the Category A and B Counter Disaster operations claim form have been combined, to assist both Councils and Assessors when these claim types are lodged in the CMS.
- **Claim Form - REPA Claim form (RW form):** corrections have been made to address a few errors in some of the formulas. There are new fields in the DRFA assessor section. The SUITABLY QUALIFIED OFFICER field, previously found at the top right-hand corner of the RW form have been removed and are now included in the DEC form.
- **REPA Validation checklists:** these forms are used by DRFA Assessors to assess a claim and have been streamlined in line with the revised DRFA Assessor section in the REPA claim form (RW form).
- **Controls Framework:** updates to both the Victorian DRFA Assurance and Controls Framework documents which explain how the REPA estimate process is administered by the NDFA Team.