

Funding in Emergencies – Criteria for meeting costs associated with emergencies

Emergency management agencies undertaking emergency response activities, particularly multi-agency emergencies, often incur significant unforeseen costs. Some of these costs are directly related to agencies' core functions and programs while other costs may be associated with the provision of services and resources in support of Controlling Agencies.

In addition, private organisations, because of their expertise and resources, may be called upon to support Controlling Agencies at some cost.

The principle of funding for emergencies is to ensure accountability for expenditure incurred. The emergency management agency with operational control of any resource shall be responsible for payment of all related expenses associated with its operation during emergencies, unless other arrangements are established.

In accordance with State Emergency Management Policy section 5.12, agencies that have assisted in the response to emergencies may be eligible for reimbursement of some expenses. Funding arrangements for emergencies are dependent on the situation and based on certain criteria as follows:

Situation A. A single service response with no support from other organisations.

Funding Arrangement

Where an emergency requires only a **response with no support** from other organisations, all costs associated with the emergency shall be met by the Controlling Agency.

Where such costs impact on the core business programs of the Agency an application for supplementary funding may be made to their Minister, where applicable [*ref: Treasurers Instruction 302*].
<http://www.treasury.wa.gov.au/FAB/>

Situation B. A Controlling Agency response with agreed bi-lateral arrangements for support, either through plans or memoranda of understanding.

Funding Arrangement

When an emergency requires a **Controlling Agency response with agreed bi-lateral arrangements for support**, documented either through Plans or a Memoranda of Understanding, each emergency management agency will meet their own costs unless otherwise agreed.

Where such costs impact on the core business programs of the agency an application for supplementary funding may be made to their Minister, where applicable [*ref: Treasurers Instruction 302*].

Situation C. A multi-agency response.

Funding Arrangement

When an emergency involves a multi-agency response, all costs associated with the emergency shall be met by each individual emergency management agency, provided such costs are related to the delivery of services or resources which form part of the agency's core functions or, as in Category B, the agency has a bi-lateral agreement in either Plans or Memoranda of Understanding to provide such services and resources at its own cost.

Situation D Where costs are incurred in delivering services or resources at the request of the Controlling Agency which are not part of the agency's core functions and there are no prior agreements as to funding responsibilities.

Funding Arrangement

Where costs are incurred in delivering services or resources at the request of the Controlling Agency, which are not part of the Agency's core functions and there are no prior agreements as to funding responsibilities, then such costs shall be met by the Controlling Agency. All expenditure must be agreed by the Controlling Agency prior to incurring.

The Controlling Agency shall call for the submission of CEO certified accounts within six (6) weeks of the end of the operation. Submissions should also include physical resources under the custody, care and control of the agency (e.g. motor vehicles, fixed and rotary wing aircraft, heavy moving plant and equipment, etc.) that were deployed for the emergency including the duration of deployment. Where agencies are unable to forward such accounts within the 6 (six) week period they are to advise the Controlling Agency of expenditure commitments made for the operation.

Where such costs impact on the core business programs of the agency an application for supplementary funding may be made to their Minister [*ref: Treasurers Instruction 302*].

Situation E. Where an emergency is declared an eligible event under the Disaster Recovery Funding Arrangements Western Australia (DRFAWA).

Funding Arrangement

When an emergency is declared an **eligible event under DRFAWA**, all eligible costs associated with the emergency are required to be met in accordance with DRFAWA Categories A, B and C, unless prior arrangements in relation to DRFAWA funding have been endorsed by the State government.

Details of the DRFAWA eligibility measures and application instructions are available in the DRFAWA Guideline on the [DFES Website](#).

All agencies shall be responsible for providing DFES with financial information in the format designated in the DRFAWA, to ensure the State adheres to the assurance requirements of the DRFA and is able to maximise its return from the Commonwealth.

Where such costs (less any DRFAWA financial reimbursements for specific eligible measures) have an impact on the core business programs of the agency, an application for supplementary funding may be made to the relevant Minister, where applicable, according to the *Financial Management Act 2006*.

Situation F. Where an emergency occurs outside the jurisdiction of the State of Western Australia.

Funding Arrangement

When an emergency occurs **outside the jurisdiction of the State of Western Australia**, mobilisation to the emergency, or in support of the emergency, shall be governed based on agreements entered into with other States and Territories as well as the Commonwealth Government, including the recovery of costs associated with responding to the emergency.

Situation G. An emergency response where an agencies/organisations funding does not meet the criteria of Situation's A – F.

Funding Arrangement

Any agencies/organisations who do not qualify for either supplementary funding or DRFAWA assistance, upon identifying costs associated with the provision of support to an emergency that will impact upon their core business programs, should immediately seek to negotiate (with the agency to which they are providing the support or the Controlling Agency for response to the emergency), for recoup of costs on a fee for service basis.