



Disaster Recovery Funding Framework

Factsheet

Why reform is needed

Disasters are becoming more frequent, more severe and more complex. Australia's current disaster recovery funding arrangements have not kept pace, and communities can receive different types and levels of support depending on where they live.

The Australian Government is proposing a new Disaster Recovery Funding Framework to create a simpler, fairer and more nationally consistent system.

The Government is drawing on findings and recommendations from the Independent Review of Commonwealth Disaster Funding, led by Mr Andrew Colvin AO APM.

The Australian Government is proposing a new Disaster Recovery Funding Framework to ensure Commonwealth funding will be able to support impacted communities faster and with less red tape.

What will change

The new Framework will replace the current Disaster Recovery Funding Arrangements with a more consistent, easier to understand model. Key changes include:

- **Nationally consistent assistance packages** so people and communities have clearer expectations about what support is available after a disaster.
- **A 50:50 funding partnership** between the Australian Government and states and territories for eligible events, giving jurisdictions greater certainty and helping them plan ahead for recovery.
- **Simpler activation thresholds** so there is more equitable access to support across states and territories.
- **A new Resilient Infrastructure Scheme** to support communities to build back better.
- **More streamlined reporting, claiming and assurance processes** to reduce administrative burden and improve transparency.
- **Flexibility for severe or catastrophic events** so additional support can still be considered in genuinely extraordinary circumstances.

What the Framework supports

The Framework is designed to provide clearer support across the recovery journey. Funding categories include:

- **Assistance for individuals and families** – to support the immediate relief and short-term recovery needs of affected individuals and families, including nationally consistent Disaster Recovery Funding Framework payments.
- **Community recovery** – to help with short-term clean-up; support disability, mental health and wellbeing services; help affected not-for-profit organisations to resume operations; and support local governments to employ a community recovery officer.
- **Local economic support** – to help affected small businesses and primary producers to resume operations and economic recovery.
- **Environmental recovery** – to support critical environmental recovery initiatives.

Benefits for communities

The new Framework is designed to make recovery support easier to understand, fairer across the country and faster to deliver. It will provide a more consistent baseline of support regardless of geography, while still allowing states and territories to offer additional assistance if they choose. It is also intended to reduce red tape so support can reach communities sooner.

Benefits for governments

For governments, the reforms are intended to create a clearer, equal and enduring partnership between the Commonwealth and jurisdictions. Standardised packages, common definitions and simpler claiming arrangements will reduce duplication and administrative complexity. The 50:50 cost-sharing model also provides more certainty about how recovery costs will be shared.

Building back better

A key shift in the new Framework is a stronger focus on reducing future disaster risk, not just restoring what was there before. The Resilient Infrastructure Scheme would support communities to build back better when reconstructing damaged essential public assets, with funding of up to 15 per cent cost shared with jurisdictions. This is intended to help communities recover in ways that reduce repeat damage and strengthen resilience over time.



How the new Framework will work

Under the proposed model, the Australian Government would provide cost-shared support for core recovery functions and targeted risk reduction. States and territories would continue to hold primary responsibility for disaster management, including providing recovery assistance on the ground.

Supporting a managed transition

The Australian Government will continue to work with states and territories to finalise the design of the Framework, including standardised packages and implementation details. The transition will be managed in partnership with jurisdictions and informed by engagement with local government, remote communities and First Nations groups.

Next steps

Consultation with states and territories and local government is underway. Once agreed, the new Disaster Recovery Funding Framework will replace the current Disaster Recovery Funding Arrangements.