Submission to inform development of the second National Action Plan under the National Disaster Risk Reduction Framework

17 June 2022

About ACOSS

The Australian Council of Social Service (ACOSS) is a national voice in support of people affected by poverty, disadvantage and inequality and the peak body for the community services and welfare sector.

ACOSS consists of a network of approximately 4000 organisations and individuals across Australia in metropolitan, regional and remote areas.

Our vision is an end to poverty in all its forms; economies that are fair, sustainable and resilient; and communities that are just, peaceful and inclusive.

Introduction

ACOSS welcomes the opportunity both to provide feedback on the development of the second National Action Plan under the National Disaster Risk Reduction Framework, as well as to inform the upcoming review of the National Disaster Reduction Framework itself.

Our submission is based on research and the experience of our members dealing with disasters and extreme weather events over many years. Our members will also have specific views, especially regarding their role in supporting systematic disaster risk reduction, that will be relevant to this consultation process.

In reducing risk, we need to acknowledge both the tangible and intangible (social) impacts of disasters. The intangible impacts include the risk posed to essential social systems like health and wellbeing, education, employment and community networks by disaster incidents. Analysis by Deloitte Access Economics finds that the

social costs of disasters are equal, and sometimes higher, than the physical costs.[1] Their report, *The economic costs of the social impact of national disasters,* finds that the social costs of a disaster may persist over a person's lifetime and has profound and long-term effects on communities. The report argues that it is crucial for government funding and public policy to acknowledge the long-term social impacts and costs of natural disasters. It makes the case for greater **collaboration and partnership** between governments, businesses, non-profits and community groups as vital for risk reduction to be effective over time.

To reduce the risk and severity of future disasters to the life, property and wellbeing of communities all over the country, we need a comprehensive approach that **reduces exposure and underlying vulnerabilities to harm**, and **improves disaster preparedness, response and resilience**.

In **reducing exposure and underlying vulnerabilities,** we call out the need for more dedicated action to address disaster risk drivers, including the consequences of poverty and inequality, climate change and variability, and the intersection between these drivers, as highlighted in the Sendai Framework for Disaster Risk Reduction 2015-2030.[2]

We also support The Sendai Framework's call for a broader and a **more people-centred preventive** approach to disaster risk and that disaster risk reduction practices need to be **multi-hazard** and **multisectoral**, **inclusive and accessible** in order to be efficient and effective.[3]

This submission uses the questions posed in the Discussion Paper as a guide only and instead focuses on expanding on the issues outlined above. ACOSS has identified a range of nationally significant strategic initiatives or actions to focus our collective efforts over the next 2 to 5 years.

The submission makes 18 recommendations across 8 nationally significant strategic areas, including the following:

1. Reduce exposure to future disasters by reducing emissions this decade
2. Reduce underlying vulnerability to disaster by reducing poverty and inequality
3. Ensure risk reduction initiatives are co-designed, inclusive and community-led
4. Recognise the critical role of the community service sector, and strengthen its capacity in risk reduction, response, recovery, and resilience
5. Elevate the priority of heatwaves in the Second National Action Plan
6. Improve access to affordable and quality insurance, with targeted support to people on low incomes
7. Develop a Housing Response, Recovery and Resilience Plan
8. Streamline coordination of governments and community disaster recovery assistance and develop a one-stop-shop

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[1] https://www.iag.com.au/sites/default/files/Documents/Announcements/ABR_Report-Economic-cost-social-impact-natural-disasters-020316.pdf

[2] https://www.preventionweb.net/files/43291_sendaiframeworkfordrren.pdf

[3] https://www.preventionweb.net/files/43291_sendaiframeworkfordrren.pdf

We set out our recommendations below.

Discussion and Recommendations

Reducing Exposure to Future Disasters by Reducing Emissions this Decade

While Australia has historically been exposed to natural hazards including drought, heatwaves, cyclones, bushfires, floods and storms, climate change is causing more frequent and intense natural hazards.

Australia has already locked in an increase in temperature of 1.1°C above pre-industrial levels. The Climate Council notes "In Australia we have already entered a new era of megafires, more powerful storms and deadly heat waves. We are witnessing dramatic damage to the ecological systems that sustain human life and our society…..the climate change crisis is now all around us and is accelerating."[4]

It has long been considered that warming should be limited to an increase of 1.5°C in order to minimize the risk of even more severe, long-lasting and irreversible changes and associated impacts on our economy, ecosystem and society. The Intergovernmental Panel on Climate Change (IPCC) argues that limiting global warming to 1.5°C compared to 2°C could significantly reduce the number of people both exposed to climate risk and susceptible to poverty.[5]

However, strong, multiple lines of evidence indicate that we will soon exceed 1.5°C of warming above pre-industrial levels (expected to be breached in the early to mid-2030s). There is no 'safe' level of global warming, every fraction of a degree increase in temperature adds exponential risk across all our major systems.

Scientists warn that overshooting 1.5°C rapidly increases the risk of triggering major, abrupt changes – such as the release of vast amounts of greenhouse gasses from thawing permafrost – that would in turn greatly accelerate warming and shift our planet towards much harsher, unliveable and potentially irreversible conditions.

While limiting warming to 1.5°C without overshoot and drawdown is now out of reach due to past inaction, we can limit the amount of overshoot and drawdown if we take immediate, deep and sustained steps to reduce emissions. *Global* emissions need to be reduced by 45% by 2030 and reach net zero by 2050, with developed countries needing to go further and faster than developing countries.[6]

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[4]https://www.climatecouncil.org.au/wp-content/uploads/2021/04/aim-high-go-fast-why-emissions-must-plummet-climate-council-report-210421.pdf

[5] https://www.ipcc.ch/sr15/chapter/spm/

[6] https://www.un.org/en/climatechange/net-zero-coalition

In January 2021, the [Climate Targets Panel](#), a group of senior academic experts in climate budget modelling, climate science and economics, updated the Climate Change Authority 2014 modelling. They found that to be consistent with the Paris Agreement goal of limiting global warming to 1.5°C, Australia's 2030 emissions reduction target must be 74% below 2005 levels, with net-zero emissions reached by 2035.

Recommendation 1: Embed emissions reduction in the National Disaster Risk Framework as a key action to reduce risk. Acknowledging that Australia must reduce emissions in a fair and inclusive way to do our fair share to meet the Paris Agreement goal of limiting global warming to 1.5°C we must adopt an emissions reduction target of 75% by 2030 and net zero by 2035.

Reduce underlying vulnerability to disaster by reducing poverty and inequality

There are about 3 million people in Australia, including over 750,000 children, living below the poverty line.[7]

People experiencing poverty and inequality are at greater risk from disasters. They are impacted first, worst and longest because they have access to fewer resources to cope, adapt and recover.

People most vulnerable to extreme weather impacts include People on low incomes; People who are unemployed; People living in poor quality housing or in the private rental market; Frail and older people; Aboriginal and Torres Strait Islander Peoples; Single parents; Newly arrived migrants and refugees; People with a disability and their carers; People experiencing homelessness; and Women and children at risk of family violence.

A combination of factors contributes to poverty – a lack of money or resources for the basic needs of life. Factors include:[8]

- **Inadequate social security system**: Our system for supporting people does not provide enough help to prevent people from slipping into poverty. Currently, the rate of JobSeeker and Youth Allowance is only $46 a day, while the cost of living, especially housing, has risen dramatically. People are being forced to make heartbreaking decisions between paying their rent, putting enough food on the table or getting the medical services they need.

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[7] Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2018), Poverty in Australia, 2018. ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS https://www.acoss.org.au/wp-content/uploads/2018/10/ACOSS_Poverty-in-Australia-Report_Web-Final.pdf

[8] https://povertyandinequality.acoss.org.au/causes-and-solutions/

- **Unemployment and underemployment**: There are not enough jobs available for people who are looking for paid work; and there are people who, while employed, need more paid work.
- **Housing costs**: Housing stress and homelessness are increasing across Australia because government policies have resulted in surging costs and a shortage of affordable rentals. Regional Australia is carrying the brunt. More is needed to provide access to affordable, adequate, secure and sustainable housing.
- **Increased cost of living**: The costs of essential services like food, energy, transport are also increasing. More is needed to provide access to affordable essential services, clean energy and transport.

People experiencing poverty or disadvantage are often left worse off after a disaster, while some people can end up in poverty or disadvantage because of a disaster. There is a real risk that poverty and inequality will increase in Australia unless we reduce disaster risk.

The Sendai Framework for Disaster Risk Reduction 2015-2030 specifically calls out the need for dedicated action to tackle poverty and inequality to reduce disaster risk and assist people better respond, recover and build resilience.

Recommendation 2: The review of the National Disaster Risk framework in 2023 should include reducing poverty as a key action to reduce disaster risk.

Recommendation 3: The Second National Action Plan should include a Special Research Initiative – to examine the social, health and economic benefits of reducing poverty to reduce disaster risk and enhance the capacity of people and communities to respond, recover and build resilience to future disasters.

Recommendation 4: The Second National Action Plan should include an initiative to examine what additional resources are needed to better support people experiencing poverty and disadvantage impacted by disasters, including the adequacy of the government disaster recovery payment; the amount and duration of the Disaster Recovery Allowance; the provision of rent assistance and increased funding for food relief and other emergency relief.

Recommendation 5: The Second National Action Plan should include an initiative to develop an online tool that includes a social vulnerability index (such as the Australian Natural Disaster Resilience Index) and online mapping feature available to all levels of government, community services, and communities, to help identify where communities may need additional support to build resilience, prepare, respond and recover from disasters.

Risk reduction initiatives should be co-designed, inclusive and community-led

The needs and strengths of communities are at the heart of disaster risk reduction, preparedness, response and recovery. All government initiatives must empower communities to build their resilience and lead recovery efforts on their terms. The need for genuine community partnership, including with Aboriginal and Torres Strait Islander Peoples, communities and organisations (as outlined in the Closing the Gap Partnership Agreement), is essential in the Second National Action Plan for improving the nation's future preparedness, responsiveness and recovery efforts.

Recommendation 6: In developing the Second National Action Plan the NRRA should partner with, listen to, and co-design risk reduction activities with people who have a lived experience of disasters, groups of people who are particularly vulnerable to disasters, and regional and remote communities.

Recommendation 7: In finalising the activities under the Second National Action Plan, the NRRA should ensure the activities are inclusive of and benefit people who are particularly vulnerable to disasters.

Recommendation 8: The Second National Action Plan should prioritise establishing and funding <u>local community disaster management and resilience hubs in every LGA</u>, that are community-led and engaged in building resilience and assisting in emergency management planning, response and recovery. These should:

- **Serve as a lasting and trusted facilitator who can link communities together.**
- **Provide information on escalating disaster risks, climate change and resilience strategies.**
- **Serve as a connector between community and government services.**
- **Lead resilience building, response and recovery programs.**
- **Access local leadership, knowledge and expertise.**
- **Develop partnerships with local community service organisations (CSOs) and emergency management agencies.**
- **Support collaborations, networks and leadership.**
- **Support people experiencing disadvantage before, during and after disasters. Publish emergency preparation plans and help members of the community to establish their own disaster preparation plans.**
- **Be resourced with ongoing and appropriate funding.**

Disasters can impact on health and wellbeing and can lead to an increase in domestic violence, substance use disorders, and mental health concerns. The health and wellbeing impacts can occur during the natural disaster or take months to emerge. Demand for social service supports significantly increases after a disaster, however there are often inadequate funds made available to meet the surge in demand and/or available funding programs are not tailored to meet local community needs.

Recommendation 9: **The Second National Action Plan should include an initiative to examine how to meet increased demand for social support services during and post-disasters in a way that is tailored and responsive to community needs, including:**

- **Increased funding for emergency and food relief.**
- **Funding and resources for legal services and financial counselling.**
- **Adequate and culturally appropriate mental health support for the short, medium and long term.**
- **Increased local specialist domestic and family violence services (including elder abuse), particularly in the short to long-term recovery period after a disaster.**
- **Increased availability of social, community and Aboriginal and Torres Strait Islander housing in affected areas.**

Recognise the critical role of the community sector and strengthen its capacity in risk reduction, response, recovery, and resilience

Community service organisations (CSO) are embedded within their communities, deliver key services across local communities, have in-depth knowledge of local people, history, risks and vulnerabilities and are best placed to understand and identify their support needs. The services they provide are a critical feature of Australian society, complementing the income support system as well as health and education systems. As such, CSOs comprise an essential component of the social infrastructure. Indeed, for many people experiencing poverty, disadvantage and social exclusion, these organisations are often the primary source of connection to the broader community and form the basis of their resilience to everyday adversity as well as in times of crisis.

However, research and consultation within the community services sector has identified that:

- CSOs are highly vulnerable and not well prepared to respond to disasters and are particularly challenged by the increase in frequency and intensity of disasters due to climate change. Many small and medium-sized organisations are at risk of permanent closure as a result of major damage to physical infrastructure and disruptions to critical services. For example, a survey of CSOs found that one week after an extreme weather event, 50% of

organisations that sustained serious damage to their premises would still be out of operation and 25% might never provide services again.[9]

- Despite the size of the problem of CSO vulnerability and the severity of its consequences, to date the community sector has been overlooked in the climate change adaptation and resilience policy settings and research agendas of developed economies, as evidenced by major gaps in the academic and disaster literature.

- The detailed consequences of major disruptions to social service provision for people experiencing poverty and inequality – for whom CSOs are the shock absorbers for everyday adversity as well as crises – are very serious as they give rise to fundamental threats to human survival: homelessness, deprivation, hunger and isolation.

- CSOs have a stated desire to prepare for and adapt to climate change and extreme weather impacts and, if well prepared, they have inherent skills, assets and capabilities to enhance community resilience to climate change and in response to disasters. These include the ability to educate, contact, locate and evacuate vulnerable people with specialist needs; the delivery of services such as counselling, case management and volunteer management; and access to specialist assets and facilities such as disability transport.

- CSOs perceive an overwhelming range of barriers to action. Key amongst these is a lack of financial resources and skills and the concern that adaptation is 'beyond the scope' of the sector's core business. If increasingly frequent and intense extreme weather events represent a new 'normal' for CSO operation, then adapting the community sector for climate extremes must be a priority for governments and other funders.

- CSOs also identified the lack of adequate financial resources and inflexible contracting for service arrangements as key barriers to climate change adaptation. Lack of financial resources prevents organisations from engaging in resilience and capacity building to prepare for disasters. Inflexible contracts for service provision place limits on an organisation's capacity to participate effectively in emergency response and recovery efforts and to meet increased demand for services during and after disasters. This lack of adequate financial resources is exacerbated for many CSOs by rigid service funding contracts, which fail to make allowances for the impacts of disasters on their capacity to deliver services as contracted or provide for a pre-agreed proportion of resources to be used in the delivery of services to meet needs during crisis and recovery.

- Despite their connection with local communities and their ability to provide critical information and services during and after extreme events, the lack of formal recognition and resourcing of CSOs to participate in emergency planning

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[9] Mallon, K, Hamilton. E, Black, M, Beem, B, and Abs, J. (2013) Adapting the Community Sector for Climate Extremes https://nccarf.edu.au/wp-content/uploads/2019/03/Mallon_2013_Adapting_community_sector.pdf

and response has also meant that understanding and supporting the preparedness of this critical sector has been overlooked.

Recommendation 10: **The Second National Action Plan should formally identify, consult with and incorporate CSOs - including Aboriginal and Torres Strait Islander organisations (especially community-controlled organisations), multicultural organisations, small/local CSOs, and those supporting people with disability, children and youth, the elderly and volunteers - in emergency management governance arrangement at Federal, State, Territory and local level to improve preparedness, response and recovery.**

Recommendation 11: **The Second National Action Plan should include an initiative to look at CSO funding arrangements to better enable them to contribute to reducing risk and building resilience. Consideration should include:**

- **Providing flexibility in government grant agreements for local CSOs to expedite emergency grant arrangements to meet community needs.**
- **Providing a Contingency Flexible Fund for local CSOs.**
- **Enabling local CSOs to manage surge capacity to meet the increased demand for services during and in the aftermath of the disaster.**
- **Ensuring immediate financial compensation for CSOs affected by intensive, unprecedented response and recovery efforts.**
- **Ensuring CSOs are not penalised for failing to meet contractual obligations due to their participation in disaster response and recovery efforts.**

Recommendation 12: **The Second National Action Plan should include an initiative to strengthen the resilience of CSOs, including training and support for staff and volunteers.**

Recommendation 13: **The Second National Action Plan should examine the role that peak bodies can play in facilitating close working relationships and building capacity with the community sector, providing effective feedback loops and informing ongoing policy development.**

Elevate heatwaves in the Second National Action Plan

While the National Disaster Risk Reduction Framework recognises heatwaves as a natural hazard, very little focus has been given to heatwaves as a disaster and what's needed to reduce risks to negative health impacts and loss of life. This is despite heatwaves contributing to more deaths in Australia than any other natural hazard combined. Research by Dr Thomas Longden and colleagues in Australia found there were over 36,000 deaths associated with the heat between 2006 and 2017.

This equates to about 2% of total deaths in Australia for this time period.[10] The research notes that poor data collection means we have a poor understanding of the true impact of heatwaves in Australia.

People experiencing poverty and disadvantage are highly susceptible to heat waves, especially the frail and elderly, people with reduced mobility, people experiencing homelessness, those living in inefficient homes, Aboriginal and Torres Strait Islander peoples living in remote communities and people with limited transport options.

There are also multiple factors that can worsen the effects of heatwaves, including disruption of essential utilities, pollutants, bushfire smoke, and photochemical smog.

The lack of focus on heat waves means we have not prioritised solutions, including more efficient and resilient housing, access to public transport, better urban planning and workplace measures.

Recommendation 14: The Second National Action Plan should include an initiative to examine the impacts of heatwaves, improve data collection and identify and elevate solutions to reduce associated risks.

Access to affordable and quality insurance, with targeted support to people on low-income

The Australian Insurance Council has expressed concerns that climate change will lead to increased damage to our infrastructure, property and assets and that insurance customers will need to make more insurance claims.[11]

It is well established that having insurance reduces financial hardship and speeds up recovery when affected by a natural disaster. However, covering the cost of insurance is becoming more difficult. The Insurance Council notes that insurance premiums have been rising because of an increase in catastrophic events. The average home insurance premium now costs almost four times as much as it did in 2004.[12] The research shows every region in Australia will be affected by more extreme weather events and it is possible some regions will become uninsurable.[13]

Many studies have found lower rates of insurance among people on low incomes. Affordability is the main barrier to uptake of home, contents, and vehicle insurance for people on low incomes.[14] When all types of insurance are taken together, insurance is a greater cost for households on average than electricity,

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[10] https://www.thelancet.com/journals/lanplh/article/PIIS2542-5196(20)30100-5/fulltext

[11] https://insurancecouncil.com.au/issues-in-focus/climate-change-action/

[12] Insurance Council Data Hub https://insurancecouncil.com.au/industry-members/data-hub/

[13] https://insurancecouncil.com.au/issues-in-focus/climate-change-action/

[14] Maury, S., Lasater, Z., & Mildenhall, M. (2021). *The perceived value of insurance for low-income households: Stage 2: Understanding how insurance decisions are made*.

telecommunications, or health expenses.[15] Stability of incomes, unexpected expenses/financial impacts like COVID, high energy costs, job loss and ability to pay excess, are also important factors.

A major challenge for understanding the extent, impact, and reasons of non and under insurance is the lack of data, which needs to be urgently addressed.

Recommendation 15: **The Second National Action Plan should include an initiative to collect data on the number of people with and reasons for insurance, underinsurance and non-insurance.**

As insurance premiums increase, it is inevitable we will see more people, especially people already experiencing financial hardship, drop or reduce insurance as the costs become prohibitive. This will increase financial disadvantage and inequality in our community and lead to an increase in the need for government support.

The current 'risk pricing' insurance framework, where insurance companies raise premiums for specific geographic areas with high natural disaster risk, is no longer fit-for-purpose. The argument that risk-based pricing of insurance is essential to motivate people to lower their risk by mitigating or moving away from high-risk areas ignores the many barriers facing people experiencing financial disadvantage, including:

- Lower-cost housing is often in areas more exposed to extreme weather events.
- Local councils and state governments continue to open land for development in high-risk areas.
- Many low-income households are unable to afford to mitigate risk.
- Renters have no control over risk mitigation.

It also ignores findings of a recent report by Insurance Australia Group and the National Centre for Atmospheric Research that the risk of climate change effects is increasing significantly in most regions in Australia,[16] so moving will not remove the risk of increasing extreme weather events.

Recent insurance reviews have not adequately addressed climate change impacts and insurance affordability especially for people on low-incomes and this requires further examination and action.

Recommendation 16: **The Second National Action Plan should establish a comprehensive review of affordable, accessible and quality insurance in Australia, having regard to the worsening impacts of climate change on frequency and intensity of natural disasters. The review must include a focus on specific support for people experiencing financial disadvantage.**

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[15] SACOSS. (2020a). *Cost of living update No. 41: December quarter, 2019*

[16] Bruyère, C., Holland, G., Prein, A., Done, J., Buckley, B., Chan, P., Leplastrier, M., Dyer, A. (2019). Severe weather in a changing climate. Insurance Australia Group (IAG). doi: http://dx.doi.org/10.5065/nx7j-0s96

Key stakeholders should be consulted in developing the terms of reference and throughout the process.

Develop a Housing Response, Recovery and Resilience Plan

Disasters throw supply and demand of housing completely out of kilter. Prices skyrocket, people become homeless, local workers can't afford to remain in the area, children cannot attend local schools, community service and health workers struggle to serve their community.

Significant numbers of people are still not in adequate housing months and years down the track after major disasters.

People are at greater risk of being impacted by disasters if homes are not resilient to disasters such as heatwaves, cyclones, bushfires, storms and floods.

There is a critical need to deliver emergency and temporary housing and accommodation options on the ground in disaster affected areas, and to work with the sector and other stakeholders to create a full plan, including more efficient and resilient homes, emergency housing, rent assistance and recovery grants, permanent social and affordable housing infrastructure, as well as developing a standing temporary housing program and housing and climate resilience grants.

A housing plan should also consider land-use planning and building decisions, as recommended by the National Royal Commission into National Natural Disasters.[17] Local councils and state governments continue to open land for development in high-risk disaster-prone areas. While they might provide access to lower-cost housing, it increases risk and burden for people on lower incomes who are unlikely to understand the disaster risk and potentially struggle to afford higher insurance premiums for these higher-risk areas.

Recommendation 17: **The Second National Action Plan should, in consultation, develop a Housing Response, Recovery and Resilience Plan.**

Streamline coordination of governments and community disaster recovery assistance and develop a one-stop-shop

Governments and community leaders should work together to streamline provision of financial assistance as part of the recovery. This should include collaboration to remove the need for people to lodge separate applications with the same information to different levels of government, with adequate privacy protections.

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[17] Recommendation 19.3. https://www.royalcommission.gov.au/natural-disasters/report

Local coordination will be essential to increase accuracy of the range of supports, financial and other assistance available, as will coordination at all levels of government to create a 'no wrong door' approach. A person should be able to access all relevant levels of government and other assistance regardless of which level of government they contact in the first instance.

For example, resources should be allocated to scaling up the One Stop One Story Hub (Hub) world-first cross-sector digital platform, developed by Thriving Communities Partnership, to help connect people in our community to support programs, simply and easily, through a single-entry point in a safe and secure way.[18]

Onerous compliance requirements should also be reduced to strike a balance between transparency and trust of organizations to deliver for communities.

Recommendation 18: The Second National Action Plan should, in consultation, continue to explore how to streamline coordination of governments and community disaster recovery assistance and develop a one-stop-shop that meets the needs of local communities.

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[18] https://thriving.org.au/what-we-do/the-one-stop-one-story-hub