

FACT SHEET

Eligibility of salaries, wages and associated on-costs

The DRFAWA provides for certain components of expenditure related to salaries, wages and associated on-costs, incurred by local governments and state government agencies (LG/SGA) when undertaking eligible disaster activities as a direct result of an eligible disaster event, to be claimed for reimbursement.

Eligible disaster activities are a relief and recovery assistance measure identified in the DRFAWA as:

- Category A - Emergency assistance for individuals,
- Category B - Essential public asset reconstruction works, counter disaster operations, assistance for small business and primary producers,
- Category C - Community recovery packages, and
- Category D - Exceptional circumstance measures

Category C and D assistance measures may be activated when specific criteria have been met and agreement has been reached between the State and Commonwealth.

Expenditure eligibility

Category A - Provision of emergency assistance for individuals and Category B - Counter Disaster Operations for the protection of the general public

The following components of salaries, wages and associated on-costs may be eligible for reimbursement when incurred as a direct result of eligible Category A and Category B disaster activities. These may include;

- Overtime for LG/SGA employees outside of normal working hours, both immediately prior to and after the disaster event.
- Employment costs for temporary (fixed term) employees or contractors including associated costs such as travel allowances, travel expenses, and accommodation.
- Costs of backfilling LG/SGA employees who have been seconded to directly assist with eligible activities.

Expenditure not covered in relation to salaries and wages includes;

- Ordinary time salary, wages and associated on-costs,
- Normal administrative and operational expenditure of the LG/SGA that would have been incurred irrespective of the eligible disaster event occurring.

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Category B - Essential Public Asset Reconstruction works, Emergency and Immediate Reconstruction Works including the removal of debris from eligible roads, associated road corridors and other eligible essential public assets

The following components of salaries, wages and their associated on-costs may be eligible for reimbursement when incurred to directly assist with the eligible Category B disaster recovery activities. These may include;

- Ordinary time salaries, wages, associated on-costs (superannuation and workers compensation insurance) and overtime for LG/SGA employees who directly undertake eligible disaster activities, such as the Works Depot crews or equivalent when clearing or reinstating roads.
- Employment costs for temporary (fixed term) employees or contractors, including associated costs such as travel allowances, travel expenses, and accommodation.

Expenditure that is not eligible in relation to salaries, wages and associated on-costs includes;

- Salary and wages of LG/SGA employees undertaking safety and damage inspections of essential public assets directly following eligible disaster events (i.e. flood damage following a rain event).
- Other on-costs for ordinary time payroll, including bonuses and/or allowances (superannuation and workers compensation insurance are eligible, as noted above).
- Normal administrative and operational expenditure of the LG/SGA that would have been incurred irrespective of the eligible disaster event occurring.

Evidence required to make a claim

Claims must be able to clearly demonstrate that the assistance measure was required as a direct result of the eligible event and should include;

- Completed 'Claim Template'.
- Evidence that demonstrates the expenditure for salaries, wages and associated on-costs is directly related to the eligible disaster event and eligible disaster activities.
- Evidence that demonstrates temporary (fixed term) employees and/or contractors have been engaged in accordance with the LG/SGA's financial, human resource and procurement policies. This may include documents relating to the recruitment and/or procurement processes followed, letters/contracts of engagement, job description forms, higher duties allowance records.
- Evidence that demonstrates any temporary (fixed term) employees and/or contractors have only undertaken eligible disaster activities.
- Financial evidence requirements:
 - Timesheets relating to each resource being claimed.
 - General ledger, payroll and/or transaction level reports detailing all expenditure being claimed for LG/SGA employees.

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- Compliant tax invoices clearly detailing the services provided, dates of supply and all other associated supporting evidence.
- Remittance advice and/or general ledger report to confirm payment of invoices.

More information and advice

This fact sheet should be read in conjunction with “Eligibility of temporary employees and contractors” and “Eligibility of backfilling employees” that are available on the DFES Recovery website (<https://www.dfes.wa.gov.au/recovery/Pages/default.aspx>).

The full suite of DRFAWA fact sheets and other related documents are available on the DFES Recovery website.

Additional information relating to Category A eligible disaster activities is detailed in the Commonwealth’s [Schedule A – Category A measures](#).

Additional information relating to Category B eligible Counter Disaster Operations is detailed in the Commonwealth’s [Guideline 2 - Counter Disaster Operations](#).

If you have any questions or need additional support, contact the Disaster Recovery Funding team at drfawa@dfes.wa.gov.au.