

1.5 Recommendations

- 1.5.1 **Recommendation 1:** Given the critical nature of small and family businesses to disaster prone areas, small and family business support should continue to be automatically elevated in disaster funding arrangements, to build resilience of communities and allow small and family business owners to be adequately prepared. The current review of the Disaster Recovery Funding Arrangements (DRFA) should include consideration of suitability of the arrangements for small and family business, including how indirectly affected businesses can be automatically supported in the event of a natural disaster.
- 1.5.2 **Recommendation 2:** The Australian Government should consider funding a 'small and family business resilience' package within the Small Business Friendly Councils (SBFC) initiative.¹ The SBFC is a partnership between local councils and the State Small Business Commissioners to provide small and family business owners with the support they need to do business.
- 1.5.2.1 Most SBFC sign up to a charter with shared goals and commitments around payment times to small and family business suppliers, managing disruption caused by infrastructure projects, streamlining approval processes for people looking to start a business, and setting up local business networks.
 - 1.5.2.2 This engagement channel is best placed to facilitate a place-based, localised engagement between the business community, disaster response agencies, and program and service providers, with the capacity to translate generic communications to take account of distinct local characteristics. This mechanism can also bring together the key elements to enhance socio-commercial capital, raise local awareness of help that is available, and deliver local capability training and support.
 - 1.5.2.3 Each local council is also required to have a Disaster Management Plan (DISPLAN) or Emergency Management Plan or similar. These DISPLANS detail arrangements within the relevant council area to plan and coordinate capability in disaster management and disaster operations. They can also include aspects of preparedness for disaster, and how the council works with the community to ensure people are adequately prepared.
 - 1.5.2.4 Many of these plans do not include a chapter on small and family business disaster planning.
 - 1.5.2.5 Funding from the Australian Government could be delivered directly to local councils (or a selection of councils, for example Regional Organisations of Councils), or in partnership with the State Small Business Commissioner. This would fund structured engagement and outreach activity to ensure a council can report against the following elements:

¹ <https://www.vsbv.vic.gov.au/small-business-support/small-business-friendly-councils/>;
<https://www.business.qld.gov.au/running-business/support-assistance/qsbv/friendly-councils>;
<https://www.smallbusiness.nsw.gov.au/what-we-do/advocacy/small-business-friendly-councils-initiative>;
<https://www.sasbc.sa.gov.au/small-business-friendly-council>;
<https://www.smallbusiness.wa.gov.au/about/projects-and-initiatives/small-business-friendly-local-governments>

1. The council DISPLAN has a small and family business and economic recovery chapter that incorporates local knowledge, likely decisions, response options, and roles so as to assist small and family business preparedness.
2. That the economic development staff in council ensure there is a network of supports for businesses in the region.
3. The council has a plan to increase peer support networks and engagement of small and family businesses in the council area.
4. The council offers training programs directly or through other entities that have a 'my business future' focus. This would include business planning, disaster or emergency planning, showcase local support and providers with a local lens, and development of case studies to ensure peer learning and 'pathfinding' is optimised.
5. The council has a clear communications plan to the small and family businesses in their area to support preparedness for a range of natural disasters. Efficacy of this communications plan would need to be reported on with key metrics achieved to receive each years' funding.
6. Prepare and publicise a local mapping of support resources, and service providers, including where, in the event of a disaster, a one-stop-shop 'bizhub' would be located.

- 1.5.3 **Recommendation 3:** The Australian Government should consider providing small and family businesses with a subsidy when workers are called out for volunteer work for an extended period, or when a business is required to scale back operations due to a large percentage of workers being called out for volunteer activities.
- 1.5.4 **Recommendation 4:** Recognising the invaluable work of broadcasting services, and in encouragement of best practice, work with information services to ensure community service announcements and information broadcasts are 'time stamped' to provide the most up to date and effective information for small and family business owners during a natural disaster.
- 1.5.5 **Recommendation 5:** Small and family business support programs and services such as the Small Business Bushfire Recovery Support Line should be recognised as providing a core capability for addressing future disasters. The Australian Government should review these services and consider maintaining them with a base level capability, that could be scaled up and down in line with demand. Such a service would act as a secondary support service for business or backup for local advisers.
- 1.5.6 **Recommendation 6:** There are currently different methodologies for determining that an area in Australia are 'disaster prone'. To promote certainty of response, the Australian Government should work with state and territory, and local governments to settle on a methodology to determine 'Designated Disaster Prone Areas' that are reflective of economic and natural systems catchments. The Australian Government should then expand the analysis of the Designated Disaster Prone Areas and consider those areas in terms of needs for:
1. an agreed model for integrated 'place-based' planning, risk management and mitigation programs and models for collaborative resilience promotion, resource pre-deployment, event response and recovery actions and support

2. incentives for preparedness planning and reserve provisions
 3. support for infrastructure hardening
 4. support around insurance options.
- 1.5.7 More than an insurance lens is required in determining these ‘Designated Disaster Prone Areas’ where claims made against assets insured is a deficient metric.
- 1.5.8 Once appropriately designated a high-disaster risk area, these communities could have access to all or some of the following measures under an agreed, coordinated, multi-government and agency strategy:
- participation in a government-backed reinsurance vehicle (perhaps modelled on the UK Flood Re solution)
 - priority for monitoring and mitigation expenditure
 - relaxation of matched funding requirements to access support grants
 - enhanced disaster planning arrangements to include federal and state participation given these jurisdictions’ anticipated role in any disaster response
 - pre-deployment of resilience and recovery assets
 - priority-critical infrastructure hardening
 - interest-free loans for asset protection, property enhancement, and activity/property relocation schemes
 - enhanced small and family business preparedness and resilience support
 - incentives for business continuity planning and provisioning
 - measures to address acute ‘moral hazard’ issues
 - tailored insurance products including ‘like for right’ coverage
 - greater support for the use of local government rating systems to recover investments across the serviceable life of works and asset improvements.
- 1.5.9 **Recommendation 7:** As part of recovery and relief funding, where a small and family business has received an Australian Government grant, an additional amount should be made available to the business between six and nine months following the initial grant for the express purpose of seeking a ‘business health check’ and preparing future plans and preparedness strategies with a trusted accountant, bookkeeper, or accredited business advisers.
- 1.5.10 **Recommendation 8:** To support Royal Commission recommendation 12.1, Australian Government infrastructure grants should be dependent on ‘hardening’ critical infrastructure that enhances disaster preparedness and resilience. Where Australian Government funding is requested to support infrastructure development or repair, there must be a commensurate responsibility to ensure critical infrastructure is fit for purpose for any intended disaster management and response function. For example, funding agreements for critical road upgrades should require that verges are cleared sufficiently to allow access or evacuation in the event of an emergency. Similarly, where telecommunications infrastructure is approved and funded (particularly where

government support has been provided), arrangements to ensure durability in the face of a natural disaster should be part of funding requirements.

- 1.5.11 **Recommendation 9:** The Australian Government should implement a ‘good neighbourhood’ program, focused on ensuring natural disaster risks are mitigated on land owned by the Australian Government. The Australian Government should further work with state and local governments to encourage implementation of a similar program in their jurisdictions, alongside the implementation of Royal Commission recommendation 17.1.
- 1.5.12 **Recommendation 10:** The Australian Government should work with emergency response agencies, state/territory and local governments and support organisations to develop a ‘one stop shop’ online resource for vital information, current guidance, avenues of assistance and support agencies for disaster events. This ‘single source of truth’ web portal should be translated into multiple languages, co-ordinated by one agency, with Federal, state/territory and local government entities and support agencies linking to it from their individual webpages.
- 1.5.13 **Recommendation 11:** Based on the success of recent examples, local disaster planning should include the commitment to the establishment of a ‘business hub’ within the region or close proximity to disaster impacted areas as a single gathering place for federal, state/territory and local government entities, NGOs and private sector organisations, and support agencies seeking to assist small and family businesses as this would streamline awareness of and access to assistance. The business hub should be operational outside of standard business hours to accommodate small and family business owners seeking to continue trading.
- 1.5.14 **Recommendation 12:** To support the effectiveness of ‘business hubs’ and to reduce the trauma experienced by small and family business owners needing to re-tell ‘their story’ repeatedly to different agencies and support providers, the Australian Government should work with state/territory and local governments and partnering agencies to develop a ‘tell us once’ triage and information collation system. This initiative will enable a concierge-type approach to guide businesses to the most relevant and helpful support providers, support improved and consistent case management, help to avoid ‘if only I knew ...’ scenarios and possibly support the implementation of a ‘single case identifier’.
- 1.5.15 **Recommendation 13:** The Australian Government should consider establishing an opt-in ‘My Business Record’ to allow for the collation of all relevant Government-held information the business may need in the event of a disaster in an easy to access digital location, that can accompany vital information privately held by the business if desired.
- 1.5.16 **Recommendation 14:** The Australian Government should ensure that its Modernising Business Registries initiative and the creation of an Australian Business Register have, as an early deliverable, registry and business definition functionality to support the accurate identification of business type, operational location, an ability to record multiple and diverse fields of activity within a business and data exchange capability with other agencies and reporting. This functionality will support the improved and timely targeting of vital information, ‘placed-based’ resources and proactive delivery of financial assistance and support with robust governance in response to disaster events.
- 1.5.17 **Recommendation 15:** The Australian Government should consider expanding programs such as the Small Business Mentoring Service, the Digital Solutions - Australian Small

Business Advisory Service, or Rural Business Tasmania to work with the NRRA to provide ongoing coaching and help to develop disaster recovery plans in disaster affected regions across Australia and digital enablement.

Funding for such programs should be for a minimum of two years, preferably three, to encourage skilled providers seeking secure work to participate in the programs.

- 1.5.18 **Recommendation 16:** The Australian Government should consider funding a proactive community information program and ongoing promotion of small and family business disaster preparedness and resilience best practice, as well as ongoing research into supporting these aims for the sector.