# Guideline Interpretation Guide

# Disaster Assistance Recovery Grants for small businesses and non-profit organisations

This guide aims to assist applicants in understanding the Disaster Assistance Recovery Grant Guidelines. It is important to note that this document is not a substitute for the Guidelines.

QRIDA strongly recommends reading the Scheme Guidelines, which can be found on <u>QRIDA's website</u>, to confirm eligibility requirements and activities.

Please refer to the 'Application tips for small businesses and non-profit organisations' for examples of the correct documents to provide with your Disaster Assistance Recovery Grant application.

- Why do I need quotes and invoices for the recovery and reinstatement activities I'd like to claim under the grant?
- A To demonstrate the damage sustained as a result of the disaster event and what is required to undertake reinstatement.

## Tip: Have your supplier include specific details in their quotes and invoices

To help determine the recovery activities being claimed, your quotes and invoices should include the supplier's name, address and ABN details, the date of the transaction and the details specific to the reinstatement activities.

- What is the difference between direct and indirect damage?
  - **Direct damage** is physical damage that occurred as a result of the disaster event. For example, immediate damage caused by flood water flowing through your business (e.g. appliances no longer useable due to water damage).

**Indirect damage** is the losses sustained as a consequence of the disaster. For example, downturn in customer foot traffic from road closures, loss of income or spoilage due to power outages.



#### Tip: Include photographs of the damage with your application

You will need to include 5 - 10 photographs showing direct damage to the affected business with your application. Examples of photographs that can be included in your application include flood damage to equipment, materials and goods.







- What is the meaning of 'arm's length'?
- A contract is at 'arm's length' when it is made by two parties acting freely and independently of each other, and without offering favour as a result of a special relationship (e.g. being related). The term of the contract should be commercially reasonable and the contract price should not be deflated or inflated compared to the fair market price.



#### Tip: Ensure your quote from a related party is at a fair market price

Where parties are related to each other, the applicant may be required to show that the transaction is at a fair market price. This can be done by obtaining a professional opinion from a third party (e.g. another builder), on the value of the construction work.

- Why do I need to engage a tradesperson to conduct a safety inspection of the damage?
- A You need to engage a tradesperson to inspect the direct damage sustained as a result of the disaster so that they can provide a report identifying the repair or replacement work required. This report will provide further evidence to support for application for disaster recovery assistance.



#### Tip: Ask the tradesperson to include specific details in their report

If a report is generated by a tradesperson, ensure it includes the time and date of the inspection, details of the damage that occurred and images of the damage.

- Q Can I purchase equipment or materials to clean my property?
- A If you have suffered direct damage as a result of the eligible disaster event, you can use the grant to purchase small items of equipment and materials to assist with clean-up activities in line with QRIDA's satisfaction.



#### Tip: The equipment must not be ordinarily available for hire or lease

The equipment or materials being purchased must not be ordinarily available for hire or lease (e.g. pressure cleaners, cleaning chemicals, gloves, masks, brooms, mops, shovels or buckets etc).

- Q Can I employ personnel to help clean up damage sustained to my business or equipment as a result of the disaster?
- Yes, if you need additional assistance to help with the clean-up and recovery you may use the grant to employ personnel to help. Existing emloyees that are paid on an hourly rate, can be included if their day-to-day job has reduced or stopped as a result of the disaster.
  - **A**

#### Tip: Use wage sheets/job cards to track the costs of contracting staff for clean-up and recovery activities

Wage sheets and job cards should show details of clean-up and reinstatement activities. Enterprise Bookkeeping Wage Summaries and over-year-to-date (YTD) summaries are useful to represent the additional wages incurred.

If engaging staff as a contractor, quotes and invoices for their work should demonstrate the clean-up and reinstatement activities they undertook.

- What type of activities can I claim for removing and disposing of debris or damaged goods and materials?
- When removing and disposing of debris or damaged goods and materials, the grant can be used to claim labour costs, hire fees, contracting costs and dump fees.

#### Tip: Include details of the debris, damaged goods and materials being removed

When claiming costs to remove debris, damaged goods and materials it is important that quotes and invoices include as much detail as possible on what is being removed. Including photos of the direct damage will also help determine the extent of the damage.

- Q Can I use the grant for building repairs or replacements?
- A If you have sustained direct damage to a building you may use the grant to repair or replace the building to a similar standard.

A 'like for like' replacement means the new building should be similar in design, function and maintenance. It doesn't need to be the same brand, but it should fit in the same space and not require changes, additions or modifications to existing installations. The applicant should not additionally benefit from replacing the building by adding new modifications to the replacement.

**A** 

#### Tip: Include photo evidence of the damage sustained to the building

Providing photo evidence of the building before the disaster event will help demonstrate the damage that has occurred.

## Q Can I replace equipment essential for the immediate resumption of my business?



A 'like for like' replacement means the new equipment being purchased should be similar in design, function, use and maintenance of the item being replaced. The new equipment does not necessarily have to be of the same brand, but it should not require any additional alterations or modifications of existing finishes or fixtures to install and should occupy the same or similar space to the replaced equipment or materials.

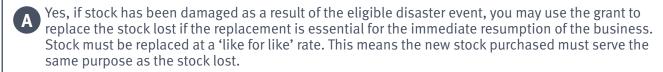
## **A**

#### Tip: Include details of the equipment being purchased and equipment that was damaged

Photo evidence of the equipment's specification plates (including date of manufacture, make and model number) supports a 'like for like' purchase of new equipment.

Replacing damaged equipment requires a tradesperson report that demonstrates the damage sustained to the equipment is beyond repair. The report must include details of the damage that occurred, the date and time of the inspection, the reason for non-repair, make and the product specification details.

## Q Can I use the grant to replace lost stock (e.g. inventory)?

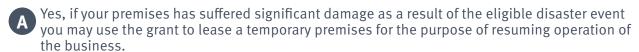




#### Tip: Use stocktake records to demonstrate amount of stock lost

Stocktake records will help demonstrate the type and amount of stock lost as a result of the eligible disaster event. Include photos of the damaged stock as evidence.

### Q Can I use the grant to lease a building for the immediate resumption of my business?





#### Tip: Use a tradesperson's report to demonstrate damage to building

To demonstrate that your current premises is unsafe to resume operations, please include a tradesperson's report outlining the address of the business, details of the damage sustained and reasoning on why you cannot immediately resume your operations from the premises.

# For non-profit organisations only

- Why do I need to provide three years of financials with the application?
- Providing three years of financial statements with your application will give QRIDA a historical view of your organisation and provide evidence that the non-profit organisation cannot recover without the assistance of disaster recovery assistance.
- Tip: Include the three year financials with your application

Providing your three year financial statements will help streamline your application as QRIDA will not need to contact you to request the information.

- Why is QRIDA asking for the Constitution for my non-profit organisation if it is not a required document for the disaster grant application?
- A QRIDA Assessment Officer may request a copy of your constitution to confirm that the office bearer is acting in their nominated position and to confirm that the organisation meets the definition of a non-profit entity.
  - Tip: Have your constitution readily available

Please have your constitution readily available should QRIDA request it.