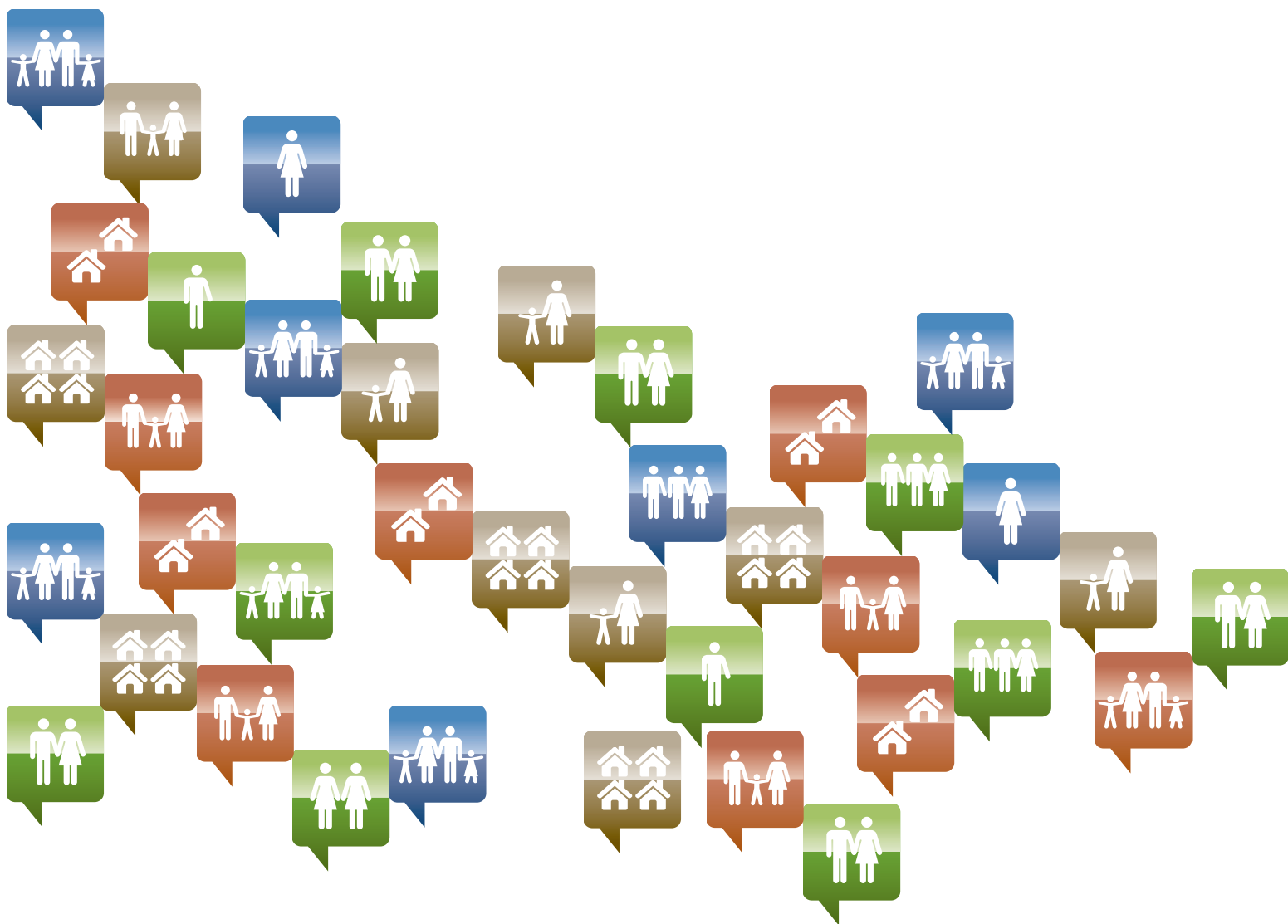


Victorian Bushfire Appeal Fund Six Month Progress Report



‘The Victorian Bushfire Appeal Fund will provide assistance to individuals and communities in towns and suburbs affected by the 2009 Victorian bushfires.’

Victorian Bushfire Appeal Intent



Messages

John Landy AC CVO MBE
Chair, Victorian Bushfire Appeal
Fund Advisory Panel

Like everybody, I was deeply affected by the sheer devastation, and the loss of life, property and possessions in 2009. Yet I have been buoyed by the wonderful spirit of compassion and generosity of those who gave from around the world. \$382 million* is now available for distribution by the Victorian Bushfire Appeal Fund through the Victorian Department of Human Services. There has been an astonishing steadfastness and courage demonstrated by people affected by the fires, who are now starting to rebuild their homes and communities.

Because of the generosity of donors, the Fund is able to provide immediate relief and support that will go well into the future. To date the Advisory Panel has offered 22 types of gifts with a commitment of \$266 million to individuals in bushfire-affected areas, and has now begun to turn its attention to providing relief to communities.

It is a special privilege to serve as the Chair of the Victorian Bushfire Appeal Fund Advisory Panel.

Robert Tickner
CEO, Australian Red Cross

The 2009 Victorian bushfires were a time of mixed emotions. As I moved through those devastated communities in those first few days I was overwhelmed by the scale of the tragedy unfolding around me... horror, grief and shock were everywhere.

But quickly, the Australian and international community rallied to help. People from all walks of life wanted to contribute in any way they could. Some donated time, and many gave money, often way above their everyday means. The response to the Red Cross Victorian Bushfire Appeal demonstrated the power of humanity: an unprecedented \$379 million was raised.

I am honoured to serve on the Advisory Panel under the leadership of John Landy and fulfil the wishes of the people who gave so generously.

*Private and government donations to the Appeal totalled \$379 million. Around \$3 million interest has been earned by the Fund, bringing the total to over \$382 million.

Experiencing the 2009 bushfires

'We are sifting through people's lives and – with practical aid – empowering their recovery. I am confident that we will continue on this path with compassion and a vision to assist those who have had such enormous and unprecedented loss, in rebuilding their homes, hopes and futures.'

Lyn Gunter

The catastrophic 2009 Victorian bushfires have been well documented. The number of lives lost was beyond comprehension. More than 2000 houses were destroyed, many others damaged. Schools were lost, land was scorched, farms and businesses were wiped out and community halls razed.

More than 78 communities across Victoria were devastated by the worst natural disaster in Australia's history. However, in the face of unimaginable tragedy came humanity and heroism.

Immediately after the fires the Victorian Government, in partnership with Australian Red Cross and the Commonwealth Government, established the Victorian Bushfire Appeal. When the Appeal officially closed in April, \$379 million had been raised.

Each person contributed what they could. School children raised money, local communities held benefit gigs, people gave small change, businesses donated profits, large corporations committed large sums, and tins were rattled. The response was nothing short of remarkable.

Individuals, businesses and governments have entrusted the Fund's Independent Advisory Panel with the immense task of ensuring those who are most in need receive the support they require. Every cent of the money donated will go to bushfire-affected people and communities and the Advisory Panel overseeing the Fund knows it is responsible for allocating these funds on behalf of all donors, and it does so with rigour and compassion.

This report outlines how the Advisory Panel supported survivors of the bushfires in the six months since the Fund was established. The Advisory Panel has worked closely with bushfire-affected people and communities to determine where the greatest need was. During these six months the Advisory Panel has listened carefully to feedback to better understand what the emerging and changing needs are and will be into the future.

The overwhelming generosity from across Australia and overseas has given people and communities devastated by the fires a chance to rebuild. We understand that life will never be the same. Money can't change what happened, but through the Fund, all donors can help in some small way.

That's something we can all be proud of.



The Victorian Bushfire Appeal Fund (VBAF)



Pictured left to right – John Landy AC CVO MBE, the Hon. Robert Tickner, Cr. Lyn Gunter, Prof. Glyn Davis AC, Christine Nixon, Pat McNamara and Pam White.

‘The priority for the Advisory Panel was to assist the badly injured, help people get their lives back in order and restore some sense of normality. Because of the generosity of so many people, the Fund has been able to help alleviate some of the distress people in bushfire-affected communities have experienced. That is something all donors have been part of.

Pat McNamara

Funds donated through Red Cross are being held in a separate trust account established by the Victorian Government. These funds are being distributed through the Department of Human Services at the direction of an Independent Advisory Panel chaired by the former Governor of Victoria, John Landy AC CVO MBE. Other members of the Advisory Panel are the Hon. Robert Tickner, CEO, Australian Red Cross; Cr. Lyn Gunter, Mayor of Murrindindi Shire; Professor Glyn Davis AC, Vice Chancellor, University of Melbourne; Christine Nixon, Chair, Victorian Bushfire Reconstruction and Recovery Authority (VBRRRA); the Hon. Pat McNamara, former Deputy Premier of Victoria; and Pam White, ex-officio, Department of Human Services.

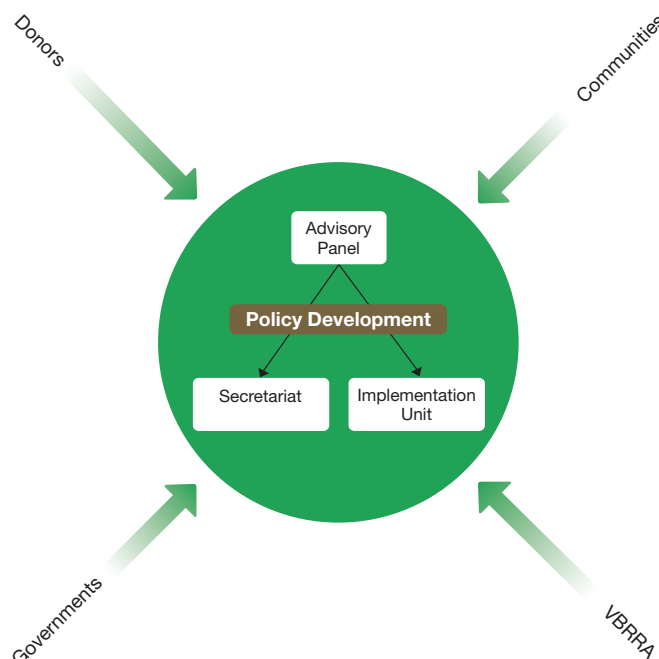
Supporting the Advisory Panel is the Secretariat, provided to date by the Department of Premier and Cabinet,

and the Implementation Unit operated by the Department of Human Services.

The Secretariat focuses on policy development for types of payments, liaison with the Australian Taxation Office and stakeholder relationships. The Implementation Unit is responsible for assessing applications, making payments and working with Department of Human Services case managers to assist bushfire-affected people.

In the aftermath of the bushfires, members of the Advisory Panel spent a significant amount of time in bushfire-affected communities talking to local residents about their experiences and their immediate and future needs.

The total amount of money available to the Fund was \$382 million, including around \$3 million in interest.



The Victorian Bushfire Appeal Fund (VBAF) (continued)



A couple with two young children was fortunate that their house survived the bushfires. However, it was damaged and they were unable to return in the immediate aftermath of the fires. Given these circumstances, the gifts they were entitled to receive included:

Rehousing and Recovery (Damaged Properties)
\$15,000

Rehousing and Recovery Stage 2*
\$16,000

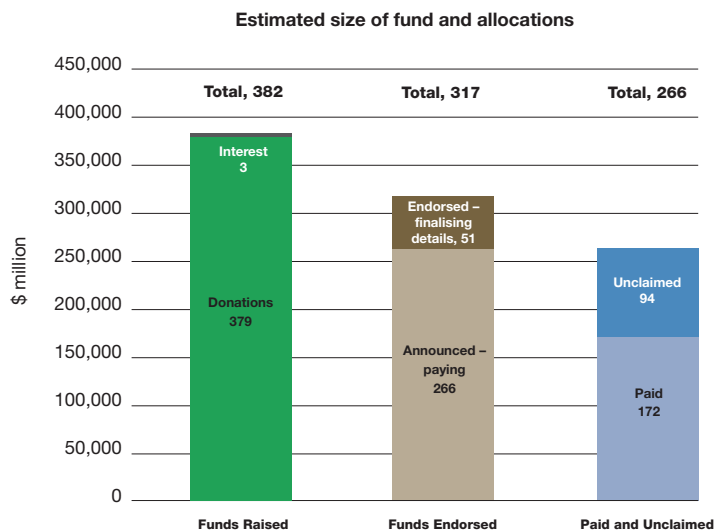
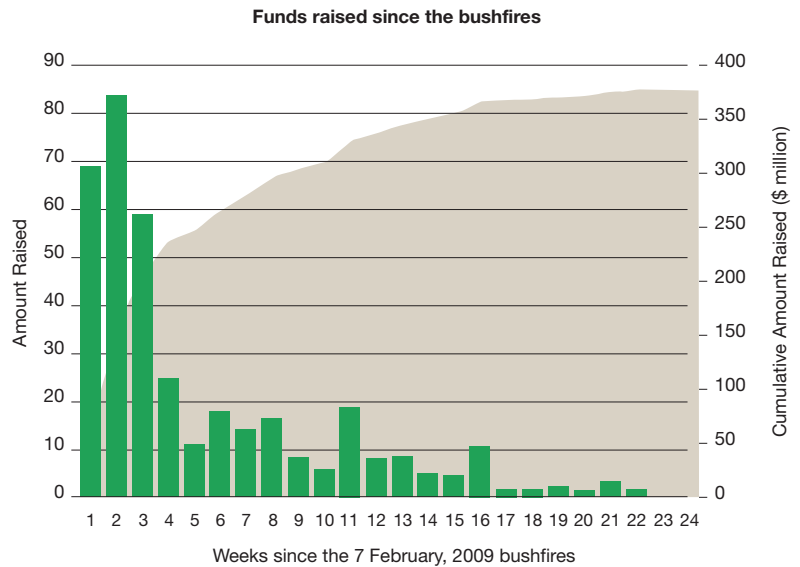
Initial Home Dislocation
\$10,000

Winter Needs
\$2000

School Holiday Programs
YMCA school holiday programs in bushfire-affected areas

Donors from Australia and overseas contributed an unprecedented level of money to the Fund. As donations increased, so too did the Fund's capacity to provide relief to bushfire-affected individuals and communities.

To date the Advisory Panel has offered 22 types of gifts to assist with relief and recovery and help start the rebuilding process.



*Stage 2 of the Rehousing and Recovery Gift bestows a needs-based payment of up-to \$50,000 for a destroyed principal place of residence and up to \$20,000 for damage to a principal place of residence. Eligibility for the gift is determined via a needs-based assessment which considers a bushfire-affected individuals ability to financially recover, the number of people living in the house, age and disability.

Case studies are examples and are indicative only.

How relief is being provided

The Advisory Panel developed criteria for gift proposals to ensure the distribution of financial donations reflected the Appeal intent, addressed individual and community needs and met donor expectations.

The initial focus of the Advisory Panel was delivering urgent assistance to people who had lost loved ones, were severely injured, had lost homes or had been displaced. The Fund is still receiving applications six months after the fires as people begin to understand and articulate what their future plans will be, and go about seeking this assistance. Payments to individuals and families will account for close to 75 per cent of the total Fund. Following extensive assistance to individuals and families, the Fund has begun to shift its emphasis to community rebuilding, with 25 per cent of the donated money to be allocated to community projects.

By the end of July, the Advisory Panel had made available gifts worth \$266 million. A further \$51 million of gift types have been identified by the Advisory Panel, and it is currently working through the final details to administer and distribute these gifts. Each time a gift is endorsed by the Advisory Panel, the funds set aside are based on the best available estimate of the likely total cost that is set aside for payments. Estimates usually assume a 100 per cent take-up rate. This is done to ensure money is available for every person eligible.



To align with the Advisory Panel's criteria, proposals had to:

- Be consistent with the Appeal's intent;
- Meet a priority need;
- Provide assistance to individuals and communities;
- Align with the expectations of affected individuals and communities;
- Not unnecessarily duplicate other funding and not be a core responsibility of government;
- Be effectively and efficiently delivered, while adequately managing risk;
- Contribute significantly to immediate, short, medium or long-term outcomes for individuals and/or communities; and
- Align with donor expectations.

To date, the Fund has made a total of 15,180* payments to bushfire-affected people. Of these, 4082 were Initial Home Dislocation payments, 3477 were Rehousing and Recovery (Destroyed Properties – parts 1 and 2) payments, 2827 were Winter Needs payments and the Rural Property Recovery Assistance payment accounted for 1089 of the total allocations.

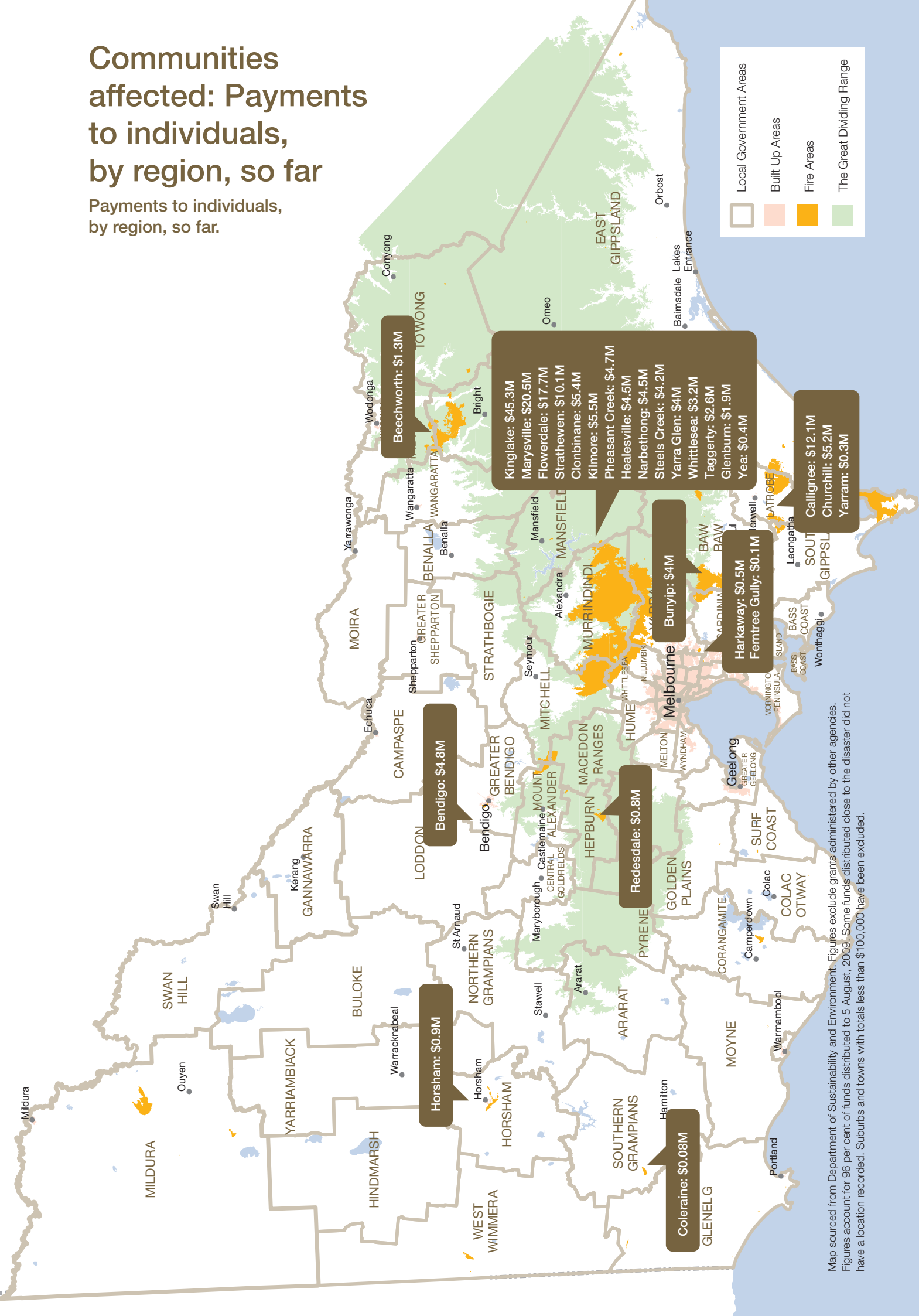
At times the initial estimated amount allocated will be higher than what is required. Where evidence becomes available that this is the case, the Advisory Panel will endorse a change in the estimate, although this will not impact on a person's ability to access it. All eligible people who apply will receive the gifts they are entitled to.

The balance of the money after any re-estimation is then directed towards other gifts. The Advisory Panel adjusts estimates and reallocates money, while at the same time making decisions about new gifts. This process may mean that in the future, the Advisory Panel will make downward adjustments to the total worth of gifts endorsed at that point in time, but to date this has not been necessary.

*Total payments include multiple payments to individuals as part of the same gift, i.e. the Rehousing and Recovery gifts, parts 1 and 2

Communities affected: Payments to individuals, by region, so far

Payments to individuals, by region, so far.



Map sourced from Department of Sustainability and Environment. Figures exclude grants administered by other agencies. Figures account for 96 per cent of funds distributed to 5 August, 2009. Some funds distributed close to the disaster did not have a location recorded. Suburbs and towns with totals less than \$100,000 have been excluded.

Relief for individuals

One of the biggest challenges was developing gifts that reflected the complexity of the people affected. Early in the process, the Advisory Panel decided to develop a broad range of gifts to cover as many circumstances as possible and to ensure the fairest outcome for as many people as possible.

The Advisory Panel acknowledges the profound distress and personal trauma suffered by children and young adults through their own experiences in the bushfires and also in the loss or permanent impairment of one or both parents in the bushfires. The experience of this group of children and young people touched many and aroused great compassion in the wider community. As a result, the Bereaved Children and Children of the Permanently Impaired gifts were created to offer some relief.

The Rehousing and Recovery gifts were created to provide relief to individuals and families including those whose home, which was their principal place of residence or sole asset, was damaged or destroyed in the fires.

There were a number of people who were building homes at the time of the bushfires, and these homes under construction were either destroyed or damaged. The Rehousing and Recovery (Houses Under Construction) gift was created to assist this group.

Another example of the Advisory Panel's ability to consider all circumstances was the situation facing boarders. Individuals in this category did not fit the criteria for rental assistance as they lived in a single room in a house owned by someone else that was destroyed, so a \$5000 Support for Boarders to Rehouse payment was developed. Renters received \$15,000 for a destroyed house.

The Winter Needs payment was developed in response to and in recognition of the changing seasons from autumn to winter, which changed the needs of affected people. With the change of season and onset of cold temperatures, individuals and families in the affected areas had limited resources to respond to the changing weather and to protect themselves from the cold. In addition, fuel stores (wood) had been burnt and scarcity of fuel had increased the costs for all residents in the affected areas. In many cases, equipment for collecting fuel and for heat generation had been destroyed or damaged.

As time passed, different needs emerged. The Advisory Panel worked to develop gifts to address these needs. For example, many people began returning to their damaged or destroyed properties, despite not having access to toilets and showers. To assist these individuals, the Advisory Panel worked with the Victorian Bushfire Reconstruction and Recovery Authority to create the Essential Services for Temporary Accommodation payment.



A retired couple's house was destroyed in the bushfires. Given these circumstances, the gifts they were entitled to receive included:

Rehousing and Recovery (Destroyed Properties)

\$35,000 (residence)
\$15,000 (contents)

Rehousing and Recovery Stage 2* \$50,000

Initial Home Dislocation \$7000

*Stage 2 of the Rehousing and Recovery Gift bestows a needs-based payment of up-to \$50,000 for a destroyed principal place of residence. Eligibility for the gift is determined via a needs-based assessment which considers a bushfire-affected individuals ability to financially recover, the number of people living in the house, age and disability.

Case studies are examples and are indicative only.



‘The Advisory Panel’s challenge over the last six months has been one of balancing competing priorities: the urgent needs of thousands of individuals required multiple speedy responses, while the frameworks for supporting community recovery over the longer term required extended, considered thought.’

Glyn Davis

It was also apparent that many primary and secondary school students would find the holidays difficult because of the hardship they had endured, as well as the destruction and damage to many local facilities in the fires. The Advisory Panel approved the School Holiday Programs package for the YMCA to develop and implement school holiday activities in bushfire-affected areas.

The Advisory Panel is also providing more than \$8 million in psychological counselling support, with a particular focus on young people. This need emerged in part after discussions with teachers and youth workers in bushfire-affected areas.

The Advisory Panel encourages all affected individuals wishing to apply to call the Fund information line (1800 180 213), where they can seek access to a case manager who will assess their needs, put them in touch with support networks and services, and advise them of their eligibility.

Those wanting more information on applying for gifts can also visit the Department of Human Services website www.dhs.vic.gov.au/bushfireappeal. All application forms are listed on the website

** For a full list of available gifts, please refer to page 10*



A couple were long-term renters in the area, and their house was destroyed in the bushfires. One of them was severely injured attempting to save the property, and was hospitalised for more than a month with severe burns. Given these circumstances, the gifts they were entitled to receive included:

Rehousing and Recovery (Tenant Properties)
\$15,000

Initial Home Dislocation \$7000

Severe Injury
\$7500

Severe Injury Transition to Home
\$50,000 (a further \$50,000 is available for home or vehicle modification)

Case studies are examples and are indicative only.

How communities are being supported

‘It has been an enormous but incredibly rewarding task, in helping to ensure the amazing generosity of people from around the world makes a difference to the survivors of the 2009 Victorian bushfires. This invaluable contribution has, and will continue to make a significant contribution to communities as they embark on the rebuilding and recovery process into the future.’

Christine Nixon

In the immediate aftermath of the bushfires, funding was allocated to individuals and families to assist with their urgent needs, and thousands of survivors have received support, with more still flowing.

The Advisory Panel intends to allocate about 25 per cent of the total funds raised (equivalent to approximately \$95 million) for community projects in the bushfire-affected areas.

Working in partnership with the Victorian Bushfire Reconstruction and Recovery Authority, which is leading the community recovery process, the Advisory Panel is identifying community-generated projects that the Fund can assist.

Many communities in Victoria were changed by these bushfires.

For some towns it meant whole infrastructures being wiped out: shops, schools, community halls, police stations and sporting clubs. To walk down the main street of Marysville is to be reminded of how the bushfires swept away everything in their path.

Towns and houses can be rebuilt, and it will take time and support to re-establish these communities.



Some of the initial community assistance was included in the Community Winter Events payment to help communities hold winter activities such as winter health information sessions and community festivals for local residents. The total funding is \$1 million, including between \$5000 and \$25,000 per community and a \$500,000 component for temporary infrastructure to house winter activities.

Local governments in bushfire-affected regions can now help bushfire-affected individuals and communities recover and rebuild through delivering services and activities as part of the \$9.1 million Community Assistance gift.

In the coming months the Advisory Panel will make further decisions about funding for community projects, ensuring it reflects the original intent of the Appeal, the wishes of the donors and the needs of communities.

Gifts made available

Gift	Purpose	Grant Amount	Allocated (\$ million)	Announced
Compassion and Bereavement	To provide immediate support to those families that have lost loved ones in the 2009 Victorian bushfires.	\$10,000 for next of kin	1.74	12-Feb-09
Initial Home Dislocation	Funding for people whose principal place of residence was destroyed, or are otherwise unable to return home.	\$5000 per household, plus \$2000 for each person over 18 living in an eligible household, plus \$1500 per child under 18 living in the eligible household	30	12-Feb-09
Severe Injury	Funding for people who have been hospitalised and require surgery or further hospital treatment.	\$7500 lump sum	1.28	12-Feb-09
Household Repairs	A short-term measure to help people affected by the bushfires to make minor repairs to property, due to fire water or smoke damage. *On 12 March, 2009, this was expanded to include payments to landlords of investment properties.	\$3000 lump sum	2.36	25-Feb-09
Tools of Trade	Payment to assist people who have lost equipment vital to their trade and employment and are an employee working for a registered business.	\$5000 lump sum	1.5	25-Feb-09
Rehousing and Recovery (Destroyed Properties)	Payment to home owners whose principal place of residence was destroyed by the bushfires.	\$35,000 lump sum plus \$15,000 contents payment, plus a up-to \$50,000 needs-based payment	119	11-Mar-09
Rehousing and Recovery (Damaged Properties)	Payment to people whose principal place of residence was damaged by the bushfires. Up to \$15,000 is also available for the repair or replacement of other external structures including sheds	\$15,000 lump sum, plus a up-to \$7500 needs-based payment	22.5	11-Mar-09
Rehousing and Recovery (Tenant Properties)	Payment to tenants whose principal place of residence was destroyed by the bushfires and need to cover contents lost or damaged.	\$15,000 lump sum	5.5	11-Mar-09
Exceptional Hardship	To provide financial support to individuals and small business facing immediate hardship, distress or misfortune as a result of their contribution to the bushfire effort.	Up-to \$8000	0.8	17-Mar-09
Community Assistance	Bushfire-affected councils will share funding allocation to deliver disaster-related services that directly benefit residents.	\$9.1 million package	9.1	2-Apr-09
Rural Property Recovery Assistance	Payments to rural landowners of more than two hectares, for repairs or replacement of on-property structures or land regeneration.	Up-to \$5000	5	20-Apr-09

Gift	Purpose	Grant Amount	Allocated (\$ million)	Announced
Severe Injury Transition to Home	Lump sum payment to the severely injured who had a prolonged stay in hospital. An additional payment for those who require specialist support.	\$50,000 lump sum plus up-to \$50,000 for those eligible	2	22-Apr-09
Winter Needs	A \$2000 grant per home that has been destroyed or damaged, based on previous Appeal applications.	\$2000 per household	8	13-May-09
Community Winter Events	\$1 million for communities to hold winter community events.	\$5000 to \$25,000 per community	1	13-May-09
Bereaved Children and Children of the Permanently Impaired	Funding of trusts and up-front payments for bereaved children and children of parents or guardians permanently impaired (as well as young adults 18-26).	\$8 million in assistance	8	4-Jun-09
School Holiday Programs (Primary and Secondary)	Funding for the YMCA to develop and implement school holiday programs in bushfire-affected areas.	\$5 million package	5	4-Jun-09
Rehousing and Recovery (Houses Under Construction)	Funding for people whose house under construction was destroyed during the bushfires.	Up to \$25,000 pre lock-up* and \$35,000 for post lock-up**	***	28-Jun-09
Support for Boarders to Rehouse	Assistance for people renting a single room in a property.	\$5000 for less than two people and \$7,500 for three or more people	0.25	28-Jun-09
Transitional Support for Home Owners	Payment for the transition to a new home for home owners whose home was destroyed.	\$10,000 per home for up to two residents and \$15,000 per home for three or more residents	20.3	28-Jun-09
Transitional Support for Tenants and Boarders	Payment for tenants for their transition to a new home where their home was destroyed. Boarders can also access this transition payment.	\$5000 per home for up to two residents and \$7500 per home for three or more residents	2.7	28-Jun-09
Essential Services for Temporary Accommodation	For provision of essential services to between 500 and 1000 private landowners living in temporary accommodation.	\$11 million package	11	13-Jun-09
Psychological Counselling Phase 1	For individuals to access up to six sessions of psychological support and to support the delivery of community based programs	\$4.6 million package for primary and high-school aged children and young adults, plus \$3.5 million towards building on government-funded psychological services for people who may need more support . An additional \$700,000 towards discussion and support groups	8.8	2-Jul-09
Total Value of Gifts Made Available				\$266 million
Total Value of Gifts Disbursed (To Date)				\$172 million
Total Number of Payments Made				15,180

The Advisory Panel encourages all affected individuals wishing to apply to call the Fund information line (1800 180 213), where they can seek access to a case manager who will assess their needs, put them in touch with support networks and services, and advise them of their eligibility. Those wanting more information on applying can also visit the Department of Human Services website www.dhs.vic.gov.au/bushfireappeal. All application forms are listed on the website.

* Pre-lock up is defined as the period during the reconstruction stage.

** Post lock up is upon presentation of a certificate of occupancy, when the house is ready to be moved into after reconstruction.

*** Allocation included in Rehousing and Recovery (Destroyed Properties)

Issues the Fund has faced



Although lucky to survive the bushfires without injury or damage to their home, one couple sustained extensive damage to their five hectare property. However in the immediate aftermath of the bushfires, they generously donated fodder to local farmers to assist with recovery. Given these circumstances, the gifts they were entitled to receive included:

Rural Property Recovery Assistance \$5000

Exceptional Hardship (up-to) \$8000

Case studies are examples and are indicative only.

Over the past six months, the Advisory Panel has received countless emails and letters from potential recipients and donors. Many people have written to the Advisory Panel asking how the donated money is being disbursed, or what criteria are used. Many people have also expressed thanks for the financial support that helped get them back on their feet.

The Fund is distributing money on behalf of all donors. In many cases, the Advisory Panel has responded to public feedback by extending eligibility criteria or introducing a new type of payment.

Some early feedback concerned the Advisory Panel's decision to allow people to receive money from the Fund regardless of their insurance profile at the time of losing their home. The Advisory Panel felt that offering assistance to all affected people, with additional assistance available to those who needed it most reflected the compassionate intent of donors.

From the day the Fund was established, the Hon. John Brumby, MP, Premier of Victoria, John Landy, Advisory Panel Chair, and Australian Red Cross made a commitment that no funds would be taken from the Appeal to cover administration, and any interest earned would be put straight back into the Fund.

Every effort has been made to ensure a smooth application process, the Advisory Panel stands by the processes built on checks and balances, which ensure the money goes to the right people. Applications have also been turned around in days, with money paid directly into bank accounts.

Some cases were highlighted in which people had not received money when they felt they were eligible. Each of these claims, as well as claims received directly by the Advisory Panel, was reviewed.

Supporting communities in the future

In the coming months, the Advisory Panel will continue to distribute assistance to individuals and communities.

The Advisory Panel has begun to see a shift in priority needs and will now begin its involvement in larger community rebuilding projects. This is a challenging time for these communities as they begin rebuilding their towns and villages.

The Advisory Panel will need to be confident the projects it assists are helping those communities most in need, and that they are a priority for that community. That is what donors to the Appeal would expect.

During the next six months the Advisory Panel will work closely with affected communities and the Victorian Bushfire Reconstruction and Recovery Authority to use donor funds to rebuild and re-establish. The Advisory Panel's goal is to deliver projects that contribute to the re-establishment of those towns and communities affected by the tragedy of the 2009 Victorian bushfires.

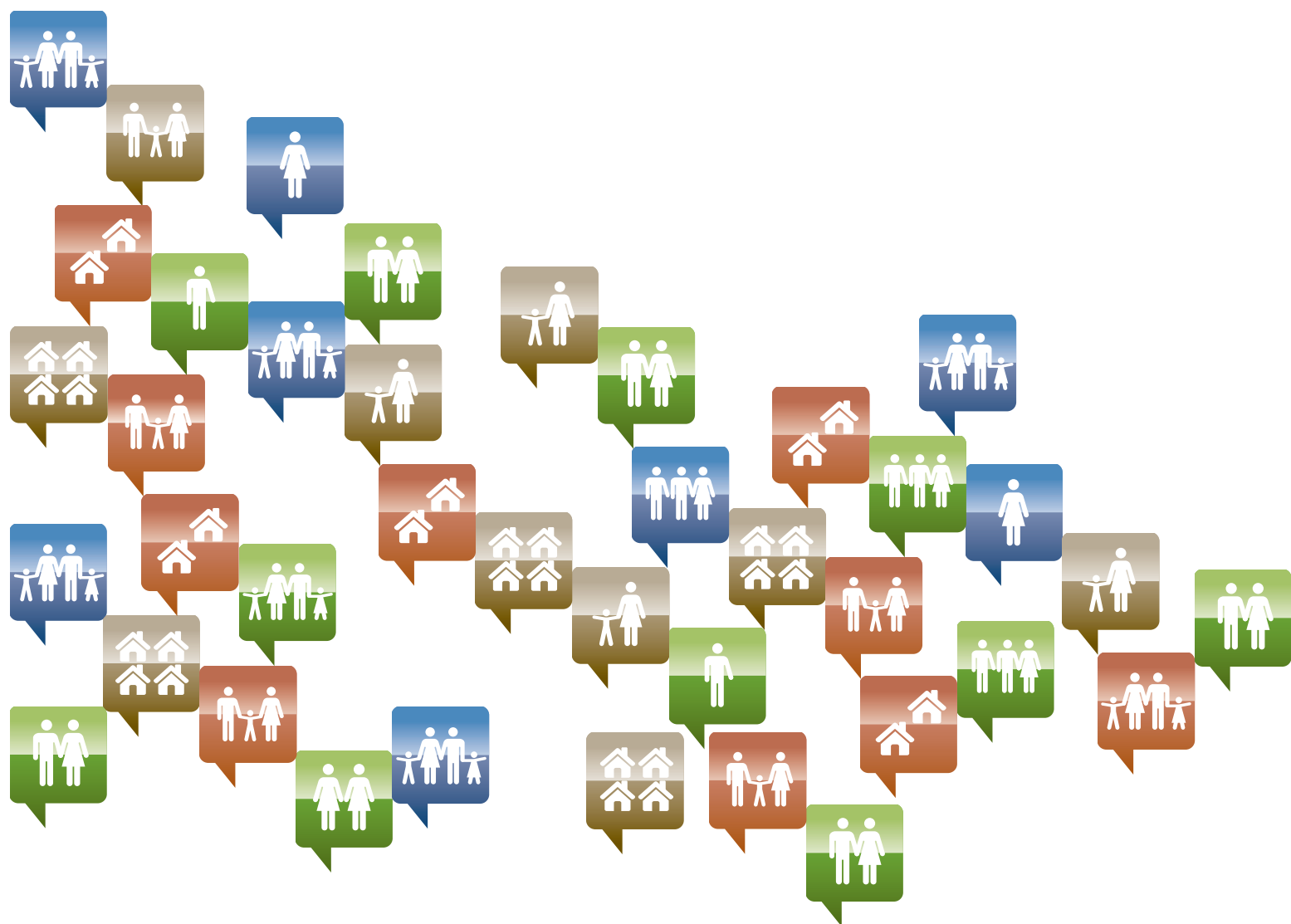
It could take a long time for these communities to rebuild. And it is the responsibility of the Advisory Panel, as well as every other agency involved in the relief and rebuilding effort, to provide as much support as possible.



'While the fund can never replace all that was lost, I think those who donated should know that it has been able to relieve some of the burdens. It has been a privilege to work with fellow Advisory Panel members and dedicated staff. However my most enduring memories will be of meeting with people whose lives were changed forever as a result of the fires.'

Pam White





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