



Inquiry report – Review of the NSW Reconstruction Authority Act 2022

Government response

May 2025

Acknowledgement of Country

The Cabinet Office acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land, and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

Published by The Cabinet Office

www.nsw.gov.au/the-cabinet-office

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Introduction

The NSW Reconstruction Authority (the **RA**) was established by the *NSW Reconstruction Authority Act 2022* (the **Act**) to promote community resilience to the impact of disasters in NSW through leading the State's disaster prevention, preparedness and adaptation, recovery and reconstruction. Under section 93(3)(a) of the Act, the Joint Select Committee (the **Committee**) is required to undertake a review of the Act after a period of 12 months from the date of assent to the Act to report on whether its policy objectives remain valid and whether the terms remain appropriate for securing the objectives.

The Committee commenced the review of the Act on 14 March 2024. The Committee called for submissions from the public, with an initial deadline of 17 May 2024, which was extended until submissions closed on 17 June 2024. A total of 70 submissions were received for this review from various stakeholders. This included social services providers, community groups, mental health advocacy groups, insurance and other professional bodies, legal experts, local councils, emergency management agencies and Government Departments. The Committee held three public hearings at Parliament House on 16 August, 23 August, and 16 September 2024.

The purpose of this report is to respond to the recommendations made in [Report No. 1 - Joint Select Committee on the NSW Reconstruction Authority – Report - Review of the NSW Reconstruction Authority Act 2022 \(Nov 2024\)](#). The NSW Government thanks the Committee for its work and acknowledges the findings and recommendations raised through the Committee's review of the Act.

In line with the recommendations of the Committee's report, the NSW Government commits to a targeted review of the Act to address the matters identified by the Committee, and to progress further legislative amendments where relevant.

In recent years, the people of NSW have faced numerous natural disasters, including the devastating bushfires of 2019-20 and the catastrophic floods of 2022. These events underscored the importance of a dedicated agency for disaster adaptation, recovery and reconstruction in NSW, given the increasing frequency and severity of such disasters. The RA was established in November 2022 following the recommendations of the 2022 NSW Flood Inquiry.

The Committee's review acknowledged that by establishing a permanent agency dedicated to statewide disaster preparedness and recovery, the policy objectives of the *NSW Reconstruction Authority Act 2022* remain valid. The RA will continue to perform its important role in managing the Disaster Recovery Funding Arrangements (DRFA) across NSW. This is especially important given the increasing risk of disasters and natural hazards faced by New South Wales.

Committee findings

The Committee's report outlines six findings as follows:

Finding 1

By establishing a permanent agency dedicated to statewide disaster preparedness and recovery, the policy objectives of the NSW Reconstruction Authority Act 2022 remain valid. This is especially important given the increasing risk of disasters and natural hazards faced by New South Wales.

Finding 2

The NSW Reconstruction Authority was recently established and is still a relatively new agency. As a result, the implementation of the Authority's disaster preparedness functions is still in its early stages. Additionally, most of the Authority's functions and powers have not been thoroughly tested by a natural disaster of a scale like that experienced in the 2019/2020 summer bushfires or the 2022 floods.

Finding 3

The Committee has a broad and ongoing function under section 93(3)(b) of the NSW Reconstruction Authority Act 2022 to review the operations of the NSW Reconstruction Authority regarding 'any disaster in relation to which the Authority exercises functions'.

Finding 4

The NSW Reconstruction Authority is conducting effective and ongoing collaboration with other emergency services and NSW Government agencies, both formally and informally.

Finding 5

The broad powers of the Minister for Planning and Public Spaces and the NSW Reconstruction Authority, under Parts 5 to 7 of the NSW Reconstruction Authority Act 2022, mirror largely identical powers under the Queensland Reconstruction Authority Act 2011 (Qld).

Finding 6

The terms of the NSW Reconstruction Authority Act 2022 give equal priority to the two primary objects under section 3, being 'disaster prevention, preparedness and adaptation' and 'recovery and reconstruction following disasters'. However, since establishment, the NSW Reconstruction Authority has been faced with successive disaster events which have required focus on recovery and reconstruction.

The Committee's report also outlines ten recommendations, which are detailed in the next section. Overall, this Government supports or supports in principle all of the Committee's recommendations.

Details of the Government Response to each recommendation is set out below.

NSW Government response

Recommendation 1

That the NSW Government consider amending the NSW Reconstruction Authority Act 2022 to introduce a legislative requirement for exercising the state recovery arrangements as necessary. This should replicate a statewide event, include emergency services, and test the arrangements between the State Emergency and Rescue Management Act 1989 and the NSW Reconstruction Authority Act 2022, including the transition from response to recovery.

NSW Government Response – Supported in-principle

Co-Lead Agencies: NSW Reconstruction Authority and Premier's Department

The need for exercising the state recovery arrangements is strongly supported. Recovery exercising is a key pillar of preparedness and supports the Government's 'Get Ready' campaign.

The Government will consider whether an amendment to the Act is appropriate or if an alternative mechanism could achieve the same outcome, including reporting on the outcomes of any exercise.

As the impact of climate change results in increased severity and frequency of natural hazards, the NSW Government is aware of the need to build community awareness and foster education to prepare for the diversity of hazards that may occur across NSW.

The Government recognises that exercising recovery arrangements including at a local, regional and State level, is vital to maintain institutional knowledge, foster relationship building between agencies and embed continuous improvement.

The Government notes that section 15 (c1) of the *State Emergency and Rescue Management Act 1989* (**SERM Act**) includes that a function of the SEMC is "to promote the continuous improvement of emergency management policy and practice at a State level, including through consideration of reviews and inquiries into emergency operations, exercises and training evaluations".

This is further enabled through the EMPLAN (Part 6 – Preparation) which identifies that 'exercises are conducted at all levels and involve all agencies, providing an opportunity to ensure that plans are robust and understood, and that there are adequate capabilities and resources to implement them.'

The RA Act establishes the RA as the state's lead recovery agency and on this basis, the RA would lead and drive recovery exercising at the local, regional and state levels.

Recommendation 2

That the NSW Government amend the NSW Reconstruction Authority Act 2022 to require a further review of the Act be undertaken once five years have passed from assent of the Act.

NSW Government Response – Supported

Co-Lead Agencies: NSW Reconstruction Authority and Premier's Department

The NSW Government will seek to amend the Act to enable the Committee to undertake a review of the Act after a period of five years from the date of the initial Review Report.

Recommendation 3

That section 93 of the NSW Reconstruction Authority Act 2022 be amended to:

- *replace the words 'the disaster to which the review relates' in subsection 93(5)(b) with the words 'the date on which the review commenced',*
- *replace all references to 'Joint Select Committee' with 'Joint Committee', and*
- *include that the Committee may review the operations of the NSW Reconstruction Authority regarding the Authority's functions relating to disaster prevention, preparedness and adaptation.*

NSW Government Response to point 1 – Supported

Co-Lead Agencies: NSW Reconstruction Authority and Premier's Department

The NSW Government will seek to amend the wording of section 93(3)-(5) such that the Committee tables a report to both houses of Parliament 12 months after commencing its review.

The NSW Government notes that there may be many 'disasters' in a short period of time, with the potential to trigger a multitude of reviews; and this is noted by the Committee. This financial year there have been 30 Natural Disaster Declarations (NDDs) made to 1 May 2025. As such, the Government will consider how to inform selection of future reviews.

NSW Government Response to point 2 – Supported

Co-Lead Agencies: NSW Reconstruction Authority and Premier's Department

The Government will seek to replace all references to 'Joint Select Committee' with 'Joint Committee' in the Act.

NSW Government Response to point 3 – Supported in-principle

Co-Lead Agencies: NSW Reconstruction Authority and Premier's Department

The NSW Government will consider the scope of reviews that can be undertaken by the Committee and whether that could include the operations of the Authority, noting this would significantly extend the scope of the Committee's role. Disaster prevention, preparedness and adaptation are oversighted by a Minister, and subject to review through established Parliamentary processes. A set of guiding principles may be developed to support determining when such a review is warranted and to ensure the impact of such reviews on resourcing is minimised.

Recommendation 4

That the NSW Reconstruction Authority continue to work with the Department of Planning, Housing and Infrastructure, NSW Treasury, the Department of Climate Change, Energy, the Environment and Water and the emergency services organisations under the State Emergency and Rescue Management Act 1989 to minimise any duplication and improve efficiency between the work of the Authority and these agencies, particularly with respect to disaster preparedness and mitigation activities, data, modelling and information sharing.

NSW Government Response – Supported

Co-Lead Agencies: NSW Reconstruction Authority & Department of Customer Service

The Government will seek to utilise existing centralised data platforms to enhance resource accessibility and coordination, reduce costs and minimise duplication.

The Emergency Services Spatial Information Library (**ESSIL**) and web platform Spatial Information Management System (SIMS) managed by the Emergency Information Coordination Unit (EICU) within the Department of Customer Service will be considered as the current centralised repository across Government for emergency management related data. This is expected to enhance resource accessibility and coordination, reduce costs and minimise duplication.

The ESSIL and SIMS are utilised by 162 local, state and federal agencies. Both platforms allow agencies to build bespoke add-ons they require, instead of creating a whole new platform. EICU is the supporting function under the State Emergency Management Plan (EMPLAN) and will act as the single coordination point for spatial data across the NSW emergency management sector.

Post event data collection will be more comprehensive to include data regarding disasters and other emergencies, and data to better support damage assessments and inform future decision making.

Further guidance and clear governance arrangements will be developed around responsibilities for preparedness and mitigation activities, data, modelling and information sharing. This relates to forecasting natural hazard risk and NSW climate change projections where expertise, capability and policy responsibility is shared across government agencies.

Recommendation 5

That the NSW Reconstruction Authority consider issuing guidelines which clarify the scope of its powers to make planning decisions under the NSW Reconstruction Authority Act 2022 and how the Authority will consider existing planning controls, environmental standards, and Aboriginal cultural heritage protections under the state's existing planning framework.

NSW Government Response – Supported in-principle

Co-Lead Agencies: NSW Reconstruction Authority, Department of Planning, Housing and Infrastructure, Department of Climate Change, Energy, the Environment and Water

The development of high-level guidelines will be considered through an interagency collaboration process which includes the Department of Planning, Housing and Infrastructure, the Department of Climate Change, Energy, the Environment and Water, and the RA.

Consideration will be given to clarifying the scope of RA's powers to make planning decisions. Developing detailed guidelines for the exercise of these powers is not appropriate, as doing so could constrain the Ministerial and RA Executive's administrative decision-making under the Act, and potentially hinder decision-making during disasters.

Any guidelines could consider existing planning controls, environmental standards, and Aboriginal Cultural Heritage protections under the State's existing planning framework.

Recommendation 6

That the NSW Government review the functions of the NSW Reconstruction Authority under the NSW Reconstruction Authority Act 2022 to ensure alignment with and prevent conflicts between the statutory functions and responsibilities of the state's emergency management agencies.

NSW Government Response – Supported

Co-Lead Agencies: NSW Reconstruction Authority and Premier's Department

The Government will review the functions of the RA under the Act as recommended to ensure alignment with and prevent conflicts between the statutory functions and responsibilities of the state's emergency management agencies, and other agencies operating in the emergency management sector.

The Government, through the review, will also consider the existing policy framework – as set out within the EMPLAN, Recovery Plan and other emergency management doctrine - to ensure that the type of support the RA can provide to other public authorities is flexible, clearly defined and appropriate to the needs of the community.

Recommendation 7

That the NSW Reconstruction Authority, in consultation with the Office of Local Government, consider issuing guidance on the role and responsibilities of local government with regards to the functions of the Authority.

NSW Government Response – Supported

Lead Agency: NSW Reconstruction Authority

The RA, in consultation with the Office of Local Government, will consider the development of guidelines on the role and responsibilities of local government with regards to the functions of the RA.

Recommendation 8

That the NSW Reconstruction Authority Act 2022 be amended to include a requirement that the NSW Reconstruction Authority provide a report to Parliament annually, which lists all instances where the Authority has exercised its functions and powers under Parts 5 to 7 of the Act.

NSW Government Response – Supported

Co-Lead Agencies: NSW Reconstruction Authority and Premier's Department

The RA will provide a report to Parliament annually to enhance transparency in relation to how the RA exercises its functions and powers to achieve its objectives under the Act.

This report may be incorporated into the RA's existing annual report and draw on a range of existing reporting mechanisms to meet the requirements of this recommendation as efficiently as possible.

Recommendation 9

That the NSW Government ensure that any future review of the NSW Reconstruction Authority Act 2022 also consider whether the Act should include explicit references to the following principles:

- *Aboriginal and Torres Strait Islander self-determination and culturally appropriate emergency management*
- *the cumulative impacts of disasters*
- *psychological wellbeing and trauma-informed approaches*
- *community-centred/place-based approaches*
- *social infrastructure or capital*
- *ecologically sustainable development, social justice and intergenerational equity.*

NSW Government Response – Supported

Co-Lead Agencies: NSW Reconstruction Authority and Premier’s Department

The Government will ensure any future review of the Act will consider whether reference to these principles should be explicitly referenced. Each of the principles listed are relevant. However, careful consideration as to whether their capture within the Act itself is appropriate or effective, as opposed their capture in other mechanisms, will be necessary.

Recommendation 10

That the NSW Government consider whether the NSW Reconstruction Authority Act 2022 and/or its regulations should explicitly:

- *provide for the betterment of physical infrastructure and other assets*
- *set out guidelines for data sharing and consultation from the NSW Reconstruction Authority with other government agencies, local councils and community stakeholders, and/or*
- *recognise the role of and relationship between community service providers and the NSW Reconstruction Authority.*

NSW Government Response – Supported

Co-Lead Agencies: NSW Reconstruction Authority and Premier’s Department

The Government will consider whether the Act and/or its regulations should explicitly provide for the betterment of physical infrastructure and other assets, beyond where it is currently recognised in section 4 of the Act, as a way that the primary object of the Act can be achieved. Betterment is also a relevant factor in declaring reconstruction areas (Section 40) and declaring projects (Section 39).

The RA will work with relevant Commonwealth and state agencies and departments to ensure that betterment is considered as part of infrastructure planning and, where possible, funding opportunities for betterment are incorporated into the provision of such infrastructure (for example, roads and stormwater infrastructure).

The Government will consider whether the Act and/or its regulations should explicitly set out further guidelines for data sharing and consultation. It should be noted that data sharing guidelines are already in place, however there may be opportunities for greater cross-government clarity and enforcement of the guidelines. Data sharing is already referenced in the SERM Act and guidelines on impact assessment are being updated by the SEMC.

The Government will consider whether the Act and/or its regulations should explicitly recognise the role of and relationship between community service providers and the RA. Noting the role and relationship between the RA and community service providers is already outlined in the NSW Recovery Plan and other relevant policy frameworks. Disaster Adaption Plan (**DAP**) Guidelines support engagement of community service providers in a formal place-based process led by RA, alongside Local Emergency Management Committee processes. Resourcing of community service providers remains an issue for sector engagement.

For all three areas of review, consideration will be given to whether any proposed changes stemming from this needs to be done through legislative change, or whether the existing emergency management legislation, policies, and frameworks would suffice.