



Natural Disaster Relief and Recovery Arrangements

Guideline 3

Category C interim assessment framework

Category C principles

1. The following principles apply to *Category C* assistance:
 - a. *Category C* assistance measures may be agreed to by the Commonwealth when it is demonstrated that a community, region or sector has been severely affected by an *eligible disaster* and there is a need for additional assistance to aid with its longer term recovery.
 - b. *Category A* or *Category B* measures under the *determination* must be made available before additional assistance under *Category C* will be considered.
 - c. *Category C* assistance measures are intended as a 'helping hand' to aid the recovery of communities, regions and sectors – they are not intended to provide an economic stimulus. Any economic stimulus resulting from the provision of the assistance is an indirect benefit.
 - d. Assistance should be delivered in line with the *National Principles for Disaster Recovery*.
 - e. All provisions under the *determination* for Commonwealth assistance apply to *Category C* assistance measures.
 - f. The Commonwealth, through the *department*, reserves the right to hold membership on any panel, committee or board which has delegation regarding the distribution of *Category C* assistance measures.

Administration

2. To request *Category C* assistance measures, a *state* must complete Attachment F: Category C Request Form.
3. *States* are responsible for the administration of *Category C* assistance measures.
4. Any modifications to the amounts or eligibility criteria as detailed under *Category C* must be pre-agreed by the *Minister*.
5. To supplement a request for *Category C* assistance measures, states may provide an impact assessment completed through the *National Impact Assessment Model* (NIAM) or provided through other sources. A state may provide a single overall rating or an individual recovery domain/s (social, economic, built, environment) rating, once completed through the NIAM.

Geographic area

6. A *state* may request *Category C* assistance measures for a community, region or sector, however defined, provided that the requisite impact can be demonstrated.

7. A *state* may request *Category C* assistance measures for an area which is immediately adjacent to the community, region or sector (i.e. a buffer zone) which has been demonstrated to be severely affected. The buffer zone must not be larger than the severely affected area.
 8. When nominating a geographic area, the *state* should consider whether:
 - a. a significant number of *individuals, small businesses, non-profit organisations* or *primary producers* are captured in the area, and
 - b. any limitations on collecting impact information.
 9. Examples of geographic areas could include full or partial local government areas (LGAs), statistical areas (as per the Australian Bureau of Statistics (ABS) classification), townships or parishes.
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Community recovery fund

Purpose

10. A community recovery fund *must* be designed to assist communities severely affected by an *eligible disaster* with their medium to long-term recovery by providing funding for activities/projects aimed at community recovery, community development, community resilience and capacity building for the future.
11. The value of the fund is based on the impacts of the *eligible disaster* and the medium to long-term recovery needs of the severely affected communities, as determined by the *state*.
12. Priority for action and funding are generally to be determined in accordance with the principles, concepts and considerations identified in the *Australian Emergency Management Arrangements Handbook 9, National Strategy for Disaster Resilience and Australian Emergency Management Community Recovery Handbook 2*.

Severity of impact

13. In determining the severity of impact on the community, region or sector, the *state must* demonstrate, at a minimum, the following impacts for the Commonwealth to agree to cost share a community recovery fund for the requested community, region or sector:
 - the community, region or sector, for which the community recovery fund is being requested, is at risk of losing essential businesses as a direct result of the *eligible disaster*
 - there is measurable loss or reduction in essential services in the community, region or sector, where the community recovery fund is being requested as a direct result of the *eligible disaster*
 - there is measurable loss or damage to *essential public assets* in the community, region or sector, where the community recovery fund is being requested as a direct result of the *eligible disaster*
 - more than five community facilities have been destroyed and/or damaged in the community, region or sector, where the community recovery fund is being requested as a direct result of the *eligible disaster*¹, and

¹ Where there are fewer than 5 community facilities in the requested community, sector or region, *states* may provide the *department* with contextual information to support their request.

- more than five community activities have ceased and/or been disrupted in the community, region or sector, where the community recovery fund is being requested as a direct result of the *eligible disaster*².

14. When describing the severity of impact on the community, region or sector, consideration should also be given to the characteristics of a ‘severe’ event, as outlined in the *National Impact Assessment Framework: assessing the severity of disaster impact in the immediate aftermath of an event*³.

Eligible measures

15. Eligible measures may include, but are not limited to:

- employment of a community development officer(s)
- funding for a range of community activities
- grants to community service organisations providing recovery services
- assistance for restoration and repair of facilities owned by *non-profit organisations*
- assistance for restoration and repair of community facilities owned by an *eligible undertaking* but are not considered to be *essential public assets*
- community information initiatives
- funding commemorative events and/or memorials
- advocacy and monitoring services
- tourism and small business initiatives
- economic development initiatives
- heritage and cultural sites initiatives
- psychological services for community wide initiatives
- projects for building community resilience, and
- evaluation of the community recovery fund.

Examples of measures provided under previous community recovery funds are provided at Attachment A.

16. Where a *state* requests a community recovery fund, the relevant *state must* undertake an evaluation of the fund in line with the *National Monitoring and Evaluation Framework for Disaster Recovery Programs*⁴.

17. In line with subclause 5.4.2, the evaluation of the fund will be cost shared between the Commonwealth and the *state* on a 50:50 basis and should be made in the form of Attachment F: Category C Request Form.

18. Measures ineligible for funding under Category C include:

- Environmental initiatives.

² Where there are fewer than 5 community activities in the requested community, sector or region, *states* may provide the *department* with contextual information to support their request.

³ Refer to Attachment B for further information on the characteristics of a ‘severe’ event.

⁴ For further information refer to <https://www.aidr.org.au/media/1560/a-monitoring-and-evaluation-framework-for-disaster-recovery-programs.pdf>.

Governance and reporting arrangements

19. *States* are responsible for the administration of the community recovery fund.
20. Following approval of the community recovery fund by the Commonwealth, governance and reporting arrangements *must* be developed by the *state* and approved by the *department*.

Governance

21. In administering the community recovery fund, the *state must* ensure that appropriate governance arrangements are in place.
22. The governance arrangements should take into consideration the following, where applicable:
 - identifying which organisation will administer the fund (e.g. a community recovery committee, *state* agency etc.)
 - provision for documentation of decisions (transparency)
 - appeals process
 - role and responsibilities of a community development officer (if sought) e.g.
 - identify programs that may be funded under the community recovery fund
 - develop briefing such as any future *Category C* requests
 - how the activities/projects align with the objectives and intent of the community recovery fund
 - the nomination and application process
 - funding limits and timeframes
 - eligibility criteria, and
 - who can apply.

Reporting

23. In administering the community recovery fund, the *state must* ensure that appropriate reporting arrangements are in place.
24. Where activities/projects are funded under the community recovery fund, *states must* report to the *department* (within an agreed timeframe) on the administration of the activities/projects.
25. The reporting arrangements should take into consideration the following, where applicable:
 - the types of activities/projects to be funded and administered
 - the number of applications received
 - the number of applications approved
 - value of the projects/activities approved
 - number of applications pending
 - number of applications refused, and
 - the recovery progress following the activation of the community recovery fund e.g.
 - did the activities/projects aid in community development?
 - did the activities/projects build community resilience and capacity building to withstand disasters in the future?
 - did the activities/projects achieve the key outcomes of the community recovery fund?

Recovery grants

Purpose of this assistance

26. Recovery grants for *primary producers, small businesses and non-profit organisations* (businesses) are designed to assist with the costs of clean-up and *reinstatement* of businesses that have suffered direct damage as a *direct result of an eligible disaster*.
27. Businesses play an integral part in local economies and communities, and assistance *must* contribute towards minimising disruption in the affected area and assist the community to recover.
28. Eligible businesses:
 - are bona-fide⁵ businesses who intend to re-establish in the affected area; and
 - have suffered direct and significant loss or damage and the essential cost of clean-up and/or *reinstatement must* be the applicant's responsibility.

Funding

29. Assistance under this package may include:
 - one-off standard grants up to \$10 000 to eligible businesses for clean-up and *reinstatement* costs, or
 - one-off exceptional circumstances grants up to \$25 000 to eligible businesses for clean-up and *reinstatement* costs.

Geographic locality

30. The exact locality for the assistance is determined at the time the assistance is announced. To be eligible, the business must be located within the community, region or sector specified.
31. If a business is located outside the community, region or sector specified, but operates part-time or on some regular basis within the community, region or sector specified, and that business' plant and/or equipment were damaged, then that business may still be eligible for a recovery grant.

Administration

32. Assistance will only be available to an entity rather than the separate enterprises undertaken by an entity. However, where separate business entities are registered under a single Australian Business Number (ABN), consideration may be given on an exceptions basis, to paying the recovery grant for each business, depending on the circumstances of the particular case. A claimant may be eligible under more than one ABN.⁶
33. In cases where individuals own more than one discrete business entity or multiple businesses operate from one location or the owner of the property is not the owner of the business entity, provided the eligibility criteria are met, each *bona-fide* business may lodge a claim for eligible expenditure.
34. Eligible applicants may only claim recovery grants to the value of actual quotes and/or receipts up to the agreed grant amount (e.g. if the standard grant of up to \$10 000 is made available and the actual value of quotes and/or receipts are \$7 900, the applicant may only claim a grant of \$7 900. If the value of quotes

⁵ Refer to the Australian Taxation Office for considerations when determining a *bona-fide* business <https://www.ato.gov.au/business/starting-your-own-business/before-you-get-started/are-you-in-business/>.

⁶ For further guidance concerning the treatment of ABNs refer to Attachment C.

and/or receipts is \$19 000, the applicant may only receive the maximum grant amount of \$10 000). A business is able to lodge partial claims up to the maximum grant amount.

35. In cases where documents have been destroyed and business registration papers are unavailable, alternative sources such as *state/territory* government agencies may be asked to supply confirmation of business registration and location.
36. Quotes and/or receipts are required for the assessment of applications.⁷
37. The grants are not intended to reduce incentives for businesses to ensure that they have adequate insurance coverage against damage from hazards and consequent disruptions to continuity.
38. For recovery grants, applicants are required to claim on insurance where available. Applicants *must* certify that they are ineligible or that insurance has been refused, or that their insurance will not cover all the costs. Applicants may lodge a grant application pending the outcomes of an insurance claim. In these cases it is the applicant's responsibility to advise the assessment agency of the outcome of the claim. Written evidence from the applicant's insurer of the outcome of the claim *must* be provided.
39. There are no income and assets tests.
40. In regard to income tax treatment, both standard and extraordinary grants to businesses are assessable and need to be declared. The expenditure on items related to the business is likely to be deductible at the time it is incurred. The availability of such deductions effectively deals with tax on the grant by reducing income and thereby reducing or entirely eliminating tax due.⁸
41. Partnership applicants are advised that where there are multiple business owners, assistance is paid to the majority owner. Where there are equal partners (e.g. a married couple) assistance will be paid to the partner/owner identified in the application.

Reporting

42. Where recovery grants are agreed to, *states must* provide the *department* with reporting, within an agreed timeframe, on the administration of the recovery grants.
 43. The report should include, but is not limited to, the following:
 - the number of applications received
 - the number of applications approved
 - value of the recovery grants approved
 - number of applications pending
 - number of applications refused, and
 - value of the recovery grants refused and pending.
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⁷ Note: applicants are required to keep evidence of what the grant is spent on and should be made aware that they may be audited after the grant has been paid.

⁸ Note: the Commonwealth may in certain circumstances pass legislative amendments to make recovery grants tax free for a specific disaster event.

Recovery grants for primary producers

Purpose

44. The recovery grant for *primary producers* is designed to provide short-term targeted assistance for clean-up, removal of debris, disposal of dead livestock and *reinstatement* following an *eligible disaster* in cases where the impact has been severe and this could result in production and viability being disrupted beyond the current season.

Severity of impact

45. In determining the severity of impact on the community, region or sector, the *state must* demonstrate, at a minimum, the following impacts for the Commonwealth to agree to cost share recovery grants for *primary producers*:

Standard recovery grants (i.e. up to \$10 000) to a *primary producer* sector:

- more than 15 per cent of *primary producers* in the community, region or sector requested are directly affected
- those *primary producers* affected have incurred losses worth more than 10 per cent of the Total Gross Value of Agricultural Production (TGVAP) in the sector requested, and
- *primary producer* viability or production in the community, region or sector requested is at risk of disruption beyond the current season.

Exceptional circumstances recovery grants (i.e. up to \$25 000) to a *primary producer* sector:

- more than 33 per cent of *primary producers* in the community, region or sector requested are directly affected
- those *primary producers* affected have incurred losses worth more than 20 per cent of the TGVAP in the sector requested, and
- *primary producer* viability or production in the community, region or sector requested is at risk of disruption beyond the current season.

Eligibility criteria

46. This assistance is available to *primary producers* who:

- are registered with the Australian Taxation Office as a *primary producer*, and have an ABN⁹, and
- suffered direct damage as a result of the *eligible disaster*, which may include damage to farm buildings, crops, pasture, stock, fencing and/or tools of trade (equipment, plant), and
- the essential cost of repair or replacement are the applicant's responsibility, and
- were conducting business in the community, region or sector requested prior to the date of the *eligible disaster*, and
- are intending to re-establish the business in the community, region or sector requested.

47. In some cases the *primary producer* may not be the land owner and both may wish to claim assistance. For example, the land owner may be responsible for the restoration of buildings, while the *primary producer* (lessee/share farmer) may be responsible for stock and crops. In these cases a joint claim may be lodged.

⁹ If the business has applied to the Australian Taxation Office, but not yet received the ABN, then they may be considered eligible.

48. Where a joint claim is made between the *primary producer* and the land owner, the maximum amount of assistance is that of a single grant split between the *primary producer* and the land owner.
49. Grant applicants are only entitled to one recovery grant per *eligible disaster*, even if more than one recovery grant is available.
50. Ineligible *primary producers* are:
 - “hobby farmers” (who produce less than 50 per cent of an applicant’s income).
51. *Primary producers* who have not incurred clean-up, removal of debris or *reinstatement* costs, but have suffered a *loss of income* as a result of the *eligible disaster*, are not eligible for a recovery grant.
52. In circumstances where the *primary producer* does not derive at least 50 per cent of their income from the business, they may be eligible for a recovery grant. For example, sectors with long lead times to production.

Eligible expenditure

53. Eligible expenditure for recovery grants *must* be in the nature of clean-up and *reinstatement* and may include:
 - equipment and materials to undertake clean-up
 - additional labour costs (above and beyond normal wage expenditure i.e. day-to-day staffing)
 - disposing of damaged goods and injured or dead livestock, including associated costs
 - repairs to buildings (other than housing)
 - fencing not covered by any other assistance
 - reconditioning/repairing essential plant and equipment
 - salvaging crops, grain and feeds
 - health maintenance for livestock and poultry
 - purchase of fodder (not covered by other assistance)
 - purchase or hire/lease costs for equipment essential to the immediate resumption of the business
 - replacement of essential water used for firefighting purposes
 - water cartage
 - payment for tradespeople to conduct safety inspections, or
 - essential repairs to premises and internal fittings (e.g. floor covering, electrical rewiring, shelving).
 54. Damage to residential properties is not eligible expenditure. Other assistance for this may be available (e.g. personal hardship and distress payments under *Category A* of the *determination*).
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Recovery grants for small businesses and non-profit organisations

Purpose

55. Recovery grants for *small businesses* and *non-profit organisations* are designed to assist with the costs of clean-up and *reinstatement* for *small businesses* and *non-profit organisations* which have suffered direct damage as a result of an *eligible disaster*.

56. The recovery grants will assist *small businesses* and *non-profit organisations* to continue or commence operations as soon as possible where the impact has been severe.
57. Recovery grants for *small businesses* and *non-profit organisations* are intended to be in addition to the concessional loans, where funding is required quickly for clean-up and *reinstatement*, or where the *small business* or *non-profit organisation* is not in a position to borrow funds privately.

Severity of impact

58. In determining the severity of impact on the community, region or sector requested, the *state must* demonstrate, at a minimum, the following impacts for the Commonwealth to agree to cost share recovery grants for *small businesses* and *non-profit organisations*:

Standard recovery grants (i.e. up to \$10 000) to a *small business* and *non-profit organisation* sector:

- more than 15 per cent of *small businesses* and *non-profit organisations* in the community, region or sector requested are directly affected,
- average individual *small business* and *non-profit organisation* losses of at least \$45 000, and
- the community, region or sector requested is at risk of losing essential businesses as a direct result of the *eligible disaster*.

Exceptional circumstances recovery grants (i.e. up to \$25 000) to a *small business* and *non-profit organisation* sector:

- more than 33 per cent of *small businesses* and *non-profit organisations* in the community, region or sector requested are directly affected,
- average individual *small business* and *non-profit organisation* losses of at least \$75 000, and
- the community, region or sector requested is at risk of losing essential businesses as a direct result of the *eligible disaster*.

Eligibility criteria

59. *Small businesses* and *non-profit organisations* may be eligible for recovery grants if they:
 - have suffered direct damage to their premises and/or tools of trade (e.g. equipment, plant) and the essential cost of repair or replacement are the applicant's responsibility and
 - are intending to re-establish in the community, region or sector requested, and
 - were conducting business in the community, region or sector requested prior to and including the date of the *eligible disaster*.
60. Grant applicants are only entitled to one recovery grant per event, even if more than one recovery grant is available.
61. In some cases the owner of the premises is not the owner of the business and both may wish to claim assistance. For example, the building owner may be responsible for the restoration of building and shop fittings, while the business owner may be responsible for stock and equipment. In these cases a joint claim may be lodged.
62. *Small businesses* and *non-profit organisations* not operating out of commercial premises, but have suffered direct damage to plant and equipment, may also be eligible.

63. *Small businesses* and *non-profit organisations* which are part of national chains are not eligible. Franchises may be eligible. *Small businesses* and *non-profit organisations* must be locally registered or operated, however, owners may reside outside the community, region or sector requested.
64. Plant nurseries (or other *primary producer* activities) which have retail outlets may apply for assistance under the recovery grants for *small businesses*.
65. If the *small business* or *non-profit organisation* is home based, applicants are only permitted to claim the costs of clean-up and *reinstatement* for damage to premises and items which are directly attributable to the business, not other household damage.
66. In circumstances where at least 50 per cent of a sole trader's income does not come from the *small business* or *non-profit organisation* in question, the business may be eligible for a recovery grant. For example:
- businesses in start-up mode with the intention of being the applicant's primary source of income¹⁰ (>50 per cent) in a relatively short period of time, immediately prior to a natural disaster (e.g. premises being prepared but trading had not yet commenced)
 - businesses that had been an applicant's primary source of income and would have become so again in a relatively short period of time had the *eligible disaster* not occurred
 - where an applicant makes substantial capital investment (e.g. salary/wages from employment or monies from elsewhere) into building up a business such that it was close to becoming a viable commercial operation immediately prior to the *eligible disaster*
 - where a sole trader is operating more than two separate and distinct businesses (e.g. three businesses each providing 33 per cent of sole trader's income).

Eligible expenditure

67. Eligible expenditure for recovery grants *must* be in the nature of clean-up and *reinstatement* and may include:
- equipment and materials to undertake clean-up
 - additional labour costs (above and beyond normal wage expenditure)
 - carting away damaged goods and material, including cost of disposal
 - payment for trades people to conduct safety inspections
 - essential repairs to premises and internal fittings (e.g. floor covering, electrical rewiring, shelving)
 - purchase or hire/lease costs for equipment essential to the immediate resumption of operations
 - leasing of temporary premises
 - replacement of stock which is essential to the immediate resumption of operations.

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¹⁰ For further guidance in regard to primary source of income refer to Attachment C.

Natural Disaster Relief and Recovery Arrangements

Attachment A: Examples of community recovery fund measures

The following examples detail community recovery funds (CRFs) and included measures. The quantum of funding provided under CRFs has ranged between \$100 000 and \$20 million.

EASTERN NSW BUSHFIRES, 16 OCTOBER 2013:

- Employment of community development officers
- Establishment and maintenance of a Community Reference Group and the development of Community engagement strategies
- A regeneration tourism marketing campaign
- Flexible community grants programme for social and economic recovery and disaster preparedness, including projects targeting:
 - establishing local business and trades networks
 - local business capacity building and sharing and/or promoting local knowledge
 - access to support on insurance, financial counselling and mentoring programmes
 - workshops and forums which provide greater awareness of disaster economic implications and developing risk mitigation plans
 - re-building or establishing new community networks
 - needs of children and young people, and
 - resilience building for future disasters.
- Community-wide programmes for psychological services that support mental health recovery and resilience of adults and children, and
- Evaluation of the fund.

TC OSWALD, QUEENSLAND, JANUARY 2013:

- Funding for community development officers
- Support for mental health services, and
- A flexible fund to assist communities implement engagement and development initiatives, including:
 - personal support
 - community development
 - funeral assistance
 - mental health initiatives.

VICTORIA FLOODS, JANUARY 2011:

- Funding for sixteen local councils to rebuild:
 - social networks through community events, information distribution, skills development or recording the flood event as part of community history, and
 - restore community facilities such as community centres, sports facilities and local halls. Facilities may be either council or community owned.
- A small grants program for community groups to help with recovery activities, and
- Strategic reserve initially unallocated until the full extent of flood damage is assessed and the recovery needs of the community identified, and priorities agreed by the CRF Panel, as well as address emerging and or unmet needs.

QUEENSLAND FLOODS AND TC YASI, NOVEMBER 2010 TO FEBRUARY 2011:

- Targeted funding for community development and intensive support to priority communities to assist with:
 - rebuilding community cohesion
 - developing local plans
 - implementing stakeholder engagement
 - employment of CDOs, and
 - facilitation of community engagement activities.
- Targeted packages over two years, made available to 17 LGAs for CDOs
- State-wide Community Recovery Flexible Funds over two years to support all 73 NDRRA declared LGAs in implementing community engagement and development initiatives identified within their local plans.
Funding includes:
 - memorials
 - support groups
 - community events
 - community mental health resources
 - arts projects, and
 - sporting camps for children.
- State-wide Community Development and Community Engagement Coordinator.

VICTORIAN BUSHFIRES, FEBRUARY 2009:

- A community sports club recovery fund
- Memorials
- Deployment of CDOs
- Community grants for:
 - activities for affected young people
 - supporting local communications
 - upgrading community facilities, and
 - recording bushfire histories in communities.
- Reserve to address emerging and or unmet needs.

Natural Disaster Relief and Recovery Arrangements

Attachment B: Characteristics of a 'severe' event

As outlined in clause 14, when describing the severity of impact on the community, region or sector, consideration should also be given to the characteristics of a 'severe' event, as outlined in the *National Impact Assessment Framework: assessing the severity of disaster impact in the immediate aftermath of an event*

The characteristics of a 'severe' event include:

- loss of human life, damage to infrastructure, or disruption which affects the resource base, capacity and/or capability of the disaster affected community, and if resources are not appropriately bolstered negative secondary and tertiary damage, loss and impacts may follow;
- widespread psychosocial impacts (e.g. high number of fatalities or an unfamiliar threat, for example, terrorist activity; or repeated disaster event resulting in cumulative trauma impacts);
- whole-of-government resources and assets in the affected state have been mobilised for the recovery, or are prevented from being mobilised due to the impacts of the event;
- unanticipated hazard and/or impacts which the community does not have the capability and/or capacity to respond to;
- a temporary or permanent, negative economic shock with a high potential to impact economic growth rates, resulting in high levels of unemployment (whether sector specific or geographically localised), and/or price instability;
- impacts to state or national critical infrastructure which have, or are reasonably likely to, risk public safety and confidence, threaten economic security or impede the continuity of government and its services;
- interruption to the ability of the state to deliver services – either to the disaster affected community, or to communities the disaster affected community usually services (e.g. as a result of impacts to government administration, interruptions to service delivery infrastructure and supply chains, impacts to production);
- interruption to the implementation of key government policy initiatives (e.g. damage to infrastructure development commenced in order to increase the capacity of the *state* to attract increased tourism spending as a key driver of economic development);
- interruption to, or undoing of, recovery gains made from previous disaster events due to the rapid succession of disaster events;
- the recovery capability and/or infrastructure itself has been impacted such that it can no longer perform recovery functions; and
- impacts to national and international natural and cultural sites of significance and the capability or capacity of the affected state is insufficient to ensure no further degradation or loss of these sites.

Refer to the *National Impact Assessment Framework: assessing the severity of disaster impact in the immediate aftermath of an event* (pp.7)

Natural Disaster Relief and Recovery Arrangements

Attachment C: Primary source of income and Australian Business Numbers

Primary source of income

The proceeds of a business may not always be the primary source of income for an owner. Where an affected business is not the primary source of income (>50 per cent) an owner is not eligible to apply. This is to ensure that assistance is only provided to bona-fide businesses.

Australian Business Numbers

For recovery grants, the general rule is one recovery grant per ABN, with the aim of limiting each recovery grant to a distinct business. However, there are exceptions to ensure all *bona-fide* businesses severely affected receive assistance. A common exception is where there are multiple claims for assistance under a single ABN. To be eligible for assistance, claimants *must* be able to demonstrate:

- that each business claimed for under a single ABN is a bona-fide business that has sufficient autonomy so that in the event that other businesses operating under the same ABN cease to operate, it can continue to operate unencumbered, and
- where businesses under a single ABN are involved in upstream/downstream operations (i.e. cattle breeding/cattle grazing/cattle slaughtering and butchery operations), each can function as a separate commercial operation as distinct from a number of branches of a single operation.

Some indicative evidence that may support claims for distinct businesses under a single ABN includes:

- separate staff
- separate equipment and stock
- separate profit and loss statements
- separate insurance, and
- separate trading names

Example:

This scenario is particularly common in the primary production sector. Often farm business operations are arranged under a single ABN such that several members of an extended family operate separate properties. Often this involves sharing of staff, resources and rotation of crops between properties. This arrangement is classed as a single business made up of a number of integrated parts, rather than separate businesses each entitled to a recovery grant. In such cases, the particular arrangement of a business under a single ABN (most likely to reduce running and administrative costs) has the unanticipated consequence of limiting the assistance claimable.

Eligibility for assistance in each case will need to be assessed based on the particular circumstance of each business operation.