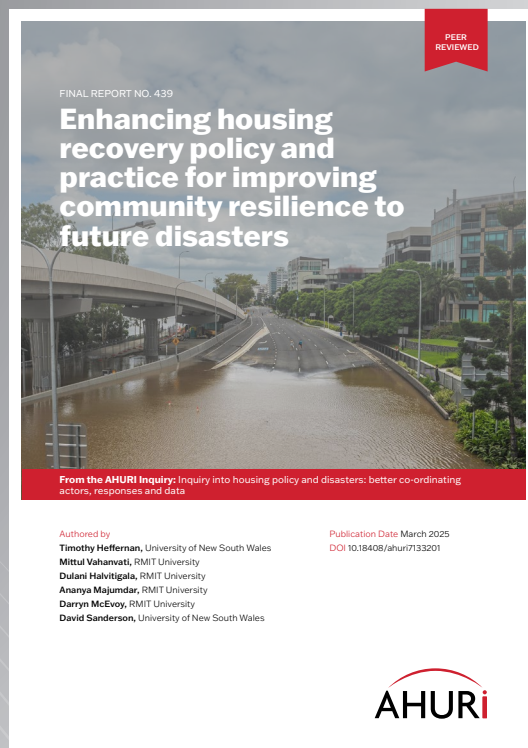


How can Australia future-proof housing to fire, flood and storm risks?

From the AHURI Inquiry into housing policy and disasters: better co-ordinating actors, responses and data



What this research is about

This research explores the housing policies that can improve community preparedness and responses to disasters.

Why this research is important

The threat to housing in Australia from hazards such as bushfires, floods and cyclones is increasing, with replacement costs escalating. A Climate Council of Australia report found that one in 25 Australian homes (around 500,000 homes) is at high risk of becoming effectively uninsurable by 2030. This means new short-term relief strategies and longer-term housing recovery solutions need to be developed.

Based on

Final Report No. 439: *Enhancing housing recovery policy and practice for improving community resilience to future disasters*

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At a glance

What can be done to reduce impacts on homes and residents from storm, flood and fire?

Planning schemes could direct homes be built away from high-risk areas



...and 'build back better' policies could rebuild homes that are less vulnerable to disasters



The insurance industry could play more of a role to 'build back better'



Governments may also need to become more involved in sharing the insurance burden



Key Findings

The research examined seven case studies of disaster recovery (from bushfire, flood and cyclones) in Australia. It found effective housing policies need to provide immediate responses, such as relief and temporary housing; as well as future-focused responses, such as ensuring communities are better prepared for disasters, and taking steps to prevent and mitigate their impacts. They combine technical responses (such as land use planning and building design), social resilience (citizen inclusion), cross-sector collaboration, financial resources and political support.

All levels of Australian government have a role in responding to disasters

Commonwealth, state/territory and local governments share responsibility for managing the risk and impacts of disasters. State and Territory governments take lead responsibility for response and recovery, with the Natural Disaster Relief and Recovery Arrangements establishing how costs are shared.

Other influential national policy frameworks include the National Partnership on Disaster Risk Reduction, the National Strategy for Disaster Resilience and the Disaster Ready Fund.

Challenges for state governments supplying temporary housing

Approaches to temporary housing differ between states and territories, and may include:

- temporary village-style accommodation blocks
- modified short-stay accommodation
- accommodation sourced from the commercial market: motels, hotels, short-term lets, hostels
- modular housing (e.g. huts, pods and caravans).

Flood-affected residents experienced more issues with their temporary and permanent housing assistance than residents who were affected by bushfires.

Providing housing that is effective, timely and equitable is a significant challenge. Options depend on the existing mix of housing, accommodation and modular structures in a region or that can be quickly obtained. Community diversity and unique needs add further complexity, meaning planning and review are essential.

The insurance industry plays an important role

Housing reconstruction costs have historically been covered by the insurance sector. However, underinsurance is a challenge and is likely to increase. More frequent floods and bushfires will lead to home insurance premiums that are unaffordable to many (or in the most at-risk areas, no longer available).

‘Providing housing that is effective, timely and equitable is a significant challenge.’

Tackling insurance to ‘build back better’

Rebuilding housing that copes better with flood and fire hazards is described as ‘build back better’. However, there are practical barriers. Rebuilding after disasters is largely funded by insurance companies, and additional costs for better quality are not covered by most policies. Relying only on market-based financial mechanisms is not likely to deliver the sustainable solutions required.

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Policy actions

The research identified five areas of policy development to enhance housing resilience and recovery.

- 1. Proactive housing crisis management and prevention** focuses on forward-thinking measures such as land-use planning, risk modelling and construction standards, to reduce risks before disasters occur. Programs should also include vulnerable groups, such as renters, community housing residents, people at-risk of homelessness and itinerant workers.
- 2. Post-disaster housing solutions and recovery** promotes diverse, sustainable responses, including modular housing and ‘build back better’. Temporary accommodation programs using existing infrastructure such as holiday parks, motels and hotels can support local economies and provide immediate relief.

Temporary housing villages are costly and problematic. They need to be built in ways that maintain community spirit and connections.

- 3. Local empowerment and community-led recovery** highlights the critical role of local governments and communities. The Australian, state and territory governments should support local governments in continually developing preparedness based on risk modelling.

Community Recovery Committees, as seen in Victoria, show promise as they provide residents with opportunities to directly participate in recovery decisions.

4. **Insurance reform and financial support** addresses challenges of affordability and underinsurance, proposing equitable recovery solutions.
5. **Government coordination and long-term resilience** calls for improved collaboration across all levels of government to future-proof housing policies. Examples include encouraging 'build back better' policies; developing an Australian Standards flood rating system; and establishing a federal insurance scheme for those who cannot afford to pay increasing premiums.

'Government coordination and long-term resilience calls for improved collaboration across all levels of government to future-proof housing policies.'

Research design

The research included a literature review, an online survey and examined seven disaster case studies (comprising bushfire, flood and cyclones) across Western Australia, New South Wales, Victoria and Queensland.

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