

Our Ref: F161177
Your Ref:
Enquiries: Brian Robinson



10 March 2017

Economic Regulation Authority
PO Box 6849
PERTH BC WA 6849

Attention: Nicola Cusworth

Dear Nicola,

**REVIEW OF THE EMERGENCY SERVICES LEVY - SHIRE OF MANJIMUP
SUBMISSION ON ISSUES PAPER**

I refer to the Economic Regulation Authority Issues paper on the review of the Emergency Service Levy.

The purpose of this correspondence is to advise that the Shire of Manjimup wishes to offer the following comments on the Issues Paper:

ESL Funded Capital Works

Currently site costs associated with new capital works for Bush Fire Brigade or State Emergency Services must be borne by the Local Authority in which the emergency service is located. There is concern with approach, regarding:

- The ability of small Local Governments to meet those costs; and
- The potential for the sites for such capital works being selected on the basis of the cheapest site costs, rather than the most appropriate location.

The Shire of Manjimup therefore submits that **“All works associated with new infrastructure and capital works should be funded by the ESL”**

Funding of State Government Employees

Given the concerns that costs associated with administration of the ESL reduces the amount funding that would otherwise be available for Prevention, Mitigation, Response actions, the Shire wishes to submit that **“State Government Employees, other than Career Fire Stations, should be funded from General Revenue and not ESL funds”**;

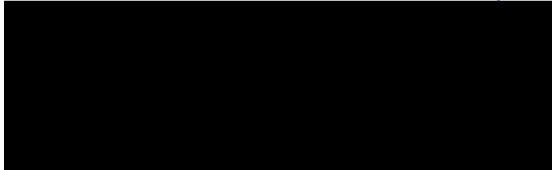
In terms of the Questions for Interested Parties shown on page v of the Issues Paper, at its Ordinary Meeting on 2 March 2017, Council resolved to support

the Local Bush Fire Advisory Committee comments that are detailed in the attached spreadsheet.

The Shire sincerely thanks the Authority for the opportunity to comment and looks forward to participating in the future consultation period.

In the interim, please feel free to contact the Shires Director of Development and Regulation on 9771 7725 should you have any queries or wish to discuss any of the comments contained within this submission or the attached spreadsheet.

Yours sincerely,



Andrew Campbell
Chief Executive Officer

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Review Question	Officers Comments and Recommendation
1. How should the funding be allocated across prevention, preparedness, response and recovery activities?	a) Recommendation: Prevention and Preparedness should receive a high level of importance and be funded appropriately. b) Recommendation: That all costs associated with response be fully funded by the ESL. c) Recommendation: That a large percentage of the ESL be allocated to appropriate fleet construction and maintenance. d) Recommendation: That recovery costs of high impact incidents should be funded from State / Federal Government revenue. e) Recommendation: The RFS should have a strong role in mitigation and with appropriate funding. RFS should be funded to manage Prevention / Mitigation programs, with a focus on constructing and maintaining urban interface low fuel buffers and access.
2. What should the ERA consider in assessing whether the current method for setting the ESL is appropriate for current and future needs?	Recommendation: The Shire of Manjimup considers the current method for setting the ESL appropriate.
3. What emergency service expenditures should be funded by the ESL?	a) Currently site works for new buildings is an expenditure not eligible for ESL funding. Local Governments are required to meet the costs of car parking, landscaping, boundary fencing, demolition or removal of existing building, road works, removal of vegetation and topsoil from the site, grading and compacting sub grade, imports of sand fill, or cart away soil not needed, grade site to final levels, compaction of pad, provision of engineer's compaction certificate, construction of any retaining structures, establishment of power.

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	Recommendation: That Site Works be an eligible capital item funded by the ESL. b) Local Government fire safety presentation. These presentation / community awareness forums form part of preparing the community and bushfire brigade. Recommendation: That fire safety / community awareness forums be an eligible operational item in line with the principles of Prevention, Preparedness, Response and Recovery. c) Catering / welfare trailers cannot be purchased or maintained using ESL capital or operational funds. Recommendation: That Catering / Welfare trailers be an eligible item in both capital and operational budgets, with a limit on the number of trailers for each Local Government area. d) Currently the cleaning of co-located facilities are not funded by the ESL. Recommendation: Where a co-location facility exists the associated maintenance of that building be totally funded by the ESL, this should include cleaning and garden maintenance. e) Currently contractor machine hire, Local Government machine and staff costs associated with response to bushfires is not funded by the ESL. Recommendation: That all associated costs with the response to bushfire be funded by the ESL. f) Permits to burn books are currently purchased by Local Governments. Recommendation: Issuing of Permits to Burns should be recognised as Prevention and Preparedness and the books be funded by the ESL.
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	g) Brigade owned Slip-on units are not funded by the ESL. Whilst it is recognised that slip-on units form an integral part of bushfire response there is an inherent safety risk. If brigade owned slip-on units are to be funded by the ESL then strict guidelines will need to be developed. Recommendation: That operational guidelines for Local Government be developed and brigade slip-on units be funded by both the Capital and Operational budgets of the ESL. h) Maintenance of Shire / Brigade owned fire Appliances is not funded by the ESL. Recommendation: Were the Shire / Brigade has self-funded the purchase of firefighting appliances, the costs associated with insurance and maintenance of these vehicles be funded by the ESL.
4. How are expenditures on emergency services likely to change in the future?	Without comprehensive mitigation activities throughout the State, costs associated with response to high impact fires (Level 2 / 3) will increase. Recommendation: That priority be given to Prevention / Mitigation.
5. How could the method for setting the ESL be improved?	Recommendation: The Shire of Manjimup considers the current method for setting the ESL appropriate.
6. What information should be made public about the administration and distribution of ESL funding?	Recommendation: All information should be available to the public so as to ensure transparency with the adopted model and transparency on distribution going forward.
7. What processes should be in place to ensure accountability in the expenditure of ESL funding?	Recommendation: At the Local Government (LG) level, each LG should be required to complete an annual return of expenditure for brigades funded by the ESL. LG's should be given guidance notes as to what the ESL can be expended on. A spot audit of LG's returns should be carried out in a three year rotation cycle. As with the current system any requests to cover over expenditure for any year should be made in writing clearly demonstrating why the over expenditure occurred and produce evidence of the over expenditure for assessment.
8. Which agency should be tasked with distributing funding from the ESL?	Recommendation: The Department of Finance should administer ESL funding. Clear parameters would be required to be set up, stating what the ESL funding is for and how the ESL is to be distributed. Both the proposed RFS and DFES would make applications

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	annually for discretionary funding which would be distributed based on a clear needs assessment.
9. If a rural fire service is established, should it be funded by the ESL?	Without a proposed RFS model / structure this question is hard to quantify. Some RFS models from around Australia have the control and management of Bushfire Brigade with the RFS. The below recommendations assume that the current structure will remain and Bushfire Brigades will be the responsibility of Local Government. a) Recommendation: All State Government employees' salaries should be funded from State Government revenue not the ESL. b) Recommendation: That Career Fire and Rescue stations and employment cost be funded by the ESL. c) Recommendation: If the Community Emergency Services Manager program is retained once a RFS is in place, then the employment cost associated with that program should be funded by the ESL. d) Recommendation: If a new Head Quarters is to be built the construction cost be funded by State Government revenue and the ongoing maintenance be funded by ESL. e) Recommendation: If a new Training Facility is to be built the construction cost be funded by State Government revenue and the ongoing maintenance be funded by ESL. f) Recommendation: Any mitigation functions of a RFS be funded by ESL.
10. How much would a rural fire service cost and what effect would it have on ESL rates?	Without a proposed RFS model this question cannot be quantified. Recommendation: There should be no rate increase to the current amount charged.

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Recommendation: That council accept the Bush Fire Advisory Committee recommendations.

Moved: Brad Wren

Second: Eddie Liddelow

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