



11 August 2017

Nikki Cusworth
Chairperson
Economic Regulation Authority
PO Box 8469
Perth BC WA 6849

Dear Ms Cusworth

The Western Australian Local Government Association (WALGA) is pleased to provide this submission to the Economic Regulation Authority on the Review of the Emergency Services Levy (ESL) Draft Report on behalf of member Local Governments.

The attached submission is the culmination of information provided by Local Governments throughout the review process. WALGA has provided an interim sector position against the recommendations to assist the ERA in the development of its final report. The submission is derived from WALGAs consultations with members, including surveys, responses against the draft report, and face to face workshops.

It is important to note this submission will be tabled at WALGA's State Council Meeting on 8 September 2017 for endorsement and this submission is considered interim until such time.

WALGA supports the Economic Regulation Authority (ERA)'s assessment of the ESL structure against the key taxation principles of Equity, Efficiency and Fairness. While the ERA notes that the ESL is effective to the extent that it raises sufficient revenue to fund services because it is set by Department of Fire and Emergency Services (DFES)' budget each year, WALGA considers that additional investigation is necessary to ensure that the required level of revenue set by DFES is appropriate.

The sector recommends further investigation and analysis of how ESL funds are allocated to Local Governments via the Local Government Grants Scheme (LGGS). This was not discussed in much detail within the report, however was discussed at length during workshop consultations. WALGA considers this a critical body of work, given that significant emergency management activities which meet the criteria for funding under the ERA's proposed framework (e.g. prevention activities) are currently ineligible through the LGGS and consequently are funded by Local Government from their own revenues.

Members were pleased to see the ERA address the need to separate the oversight and operational functions of ESL funding, with a recommendation to give oversight responsibility to the Office of Emergency Management. The sector fully supports the proposition that the agency advising the Minister for Emergency Services on ESL revenue and rates, should not benefit from the ESL.

WALGA appreciates that the costing of a rural fire service has been challenging, given the ERA was not provided with any structures to cost against. Given the foundations that have been established in costing the two models contained within the report, WALGA strongly encourages the State Government to utilise the expertise of the ERA to cost any models under consideration to allow the sector to make informed decisions based on clear evidence.

WALGA's submission provides additional remarks to the ERA's commentary on Federal Assistance Grants (FAGs), within chapter 3. There has been some suggestion that FAGs funding could be quarantined for emergency management activities based on the terrain disability criteria. WALGA does not support this given the disabilities criteria are not sources of funding and any moves to tie the Commonwealth funding to specific purposes works against the intentions of the payments.

I would like to take this opportunity to commend the ERA for the comprehensive process of engagement undertaken with relevant stakeholders and particularly the time you have afforded the Local Government sector.

Should you wish to discuss anything contained within our submission in more detail please contact Melissa Pexton, Manager Emergency Management on 9213 2080 or mpexton@walga.asn.au

Kind regards

Wayne Scheggia
Acting Chief Executive Officer

Review of the Emergency Services Levy – Draft report

WALGA submission to the Economic Regulation Authority
August 2017



RECOMMENDATIONS	POSITION	COMMENTS
<p>Recommendation 1 - Basic Structure of the ESL system should be retained. (Ch6)</p>	<p>SUPPORT</p>	<p>WALGA supports the Economic Regulation Authority (ERA)'s assessment of the ESL structure against the key taxation principles of Equity, Efficiency and Fairness.</p> <p>While the ERA notes that the ESL is effective to the extent that it raises sufficient revenue to fund services because it is set by Department of Fire and Emergency Services (DFES)' budget each year, WALGA considers that additional investigation is necessary to ensure that the required level of revenue set by DFES is appropriate. WALGA considers that this is not likely to be the case, given that significant emergency management activities which meet the criteria for funding under the ERA's proposed framework (e.g. prevention activities) funded by Local Government from their own revenues.</p>
<p>Recommendation 2 - Gross rental value should be retained as the basis for calculating ESL rates. (Chapter 6)</p>	<p>SUPPORT FOR CATEGORIES 1 TO 4</p>	<p>It is acknowledged that in principle, Gross Rental Value (GRV) is a more equitable option that Unimproved Value (UV), as it takes capacity to pay into account (on the basis that people with buildings and other property improvements will generally have a greater capacity to pay). The use of GRV also recognises that property owners with buildings and other property improvements also have more assets at risk.</p> <p>WALGA also accepts that GRV is integrated with Local Government rating systems and therefore reduces administration costs.</p> <p>While WALGA supports the use of GRV for ESL Categories 1-4 on this basis, further investigation is needed to determine the most appropriate method of calculating the ESL for category 5 properties.</p>

		<p>For Category 5 properties, WALGA considers that it may be more appropriate to replace the current 'flat rate' system with UV. WALGA members have raised concerns about the fairness of the \$75 flat rate, as the same rate applies despite the size of the land holdings. This disadvantages land owners with smaller holdings compared to those with larger holdings in the same geographical area. This is further complicated by the grouping provisions (see recommendation 18 below), which exacerbate this issue.</p> <p>An option to be examined has been provided by the Shire of Williams on how this could be implemented using a fixed minimum along with a rate in the dollar. A spreadsheet showing the effect of this method on this Shire's UV rate base is attached for your information. The level of the fixed minimum and the rate in the dollar can be determined on a state wide basis to match the overall amount of ESL rates needed to be raised in this category.</p> <p>Unimproved Value may address this concern, by ensuring the capacity to pay is taken into consideration on rural properties. Local Governments already use UV for rating properties that are use predominantly for rural purposes and so this shouldn't create an additional administrative burden in generating an additional set of property valuations.</p>
<p>Recommendation 3 - The agency that advises the Minister for Emergency Services on ESL revenue and rates should not benefit from the ESL. (Chapter 8)</p>	<p>SUPPORT</p>	<p>WALGA support this recommendation as an important step to improve the transparency of the ESL funding distribution, and to restore confidence in the system.</p>
<p>Recommendation 4 - The Office of Emergency Management should be given the oversight functions for advising the Minister for Emergency Services on the amount of ESL revenue required, and the ESL rates. (Chapter 8)</p>	<p>SUPPORT</p>	<p>WALGA supports the Office of Emergency Management (OEM) assuming the role of advisory to the Minister for the ESL. The OEM is an appropriate body for this function to the extent that it is independent (as per recommendation 5 below), and can provide sector expertise in considering funding allocations and requirements. The Local Government sector understand this is aimed at providing confidence to the overall process, however have concerns that the Local Government Grants Scheme will continue to be administered by DFES and this also requires a full review as discussed at recommendations 8 and 9.</p>
<p>Recommendation 5 - The Office of Emergency Management should be made independent of the Department of Fire and Emergency</p>	<p>SUPPORT</p>	<p>WALGA supports the independence of the OEM to support recommendation 4. Without the adoption of this recommendation the proposed changes of this draft report will not be fully realised. Independence will bring about other benefits for the Emergency Management</p>

<p>Services. It should report directly to the Minister for Emergency Services rather than the Fire and Emergency Services Commissioner. (Chapter 8)</p>		<p>sector with assurance and other functions being able to be undertaken by the OEM in a fully transparent environment.</p>
<p>Recommendation 6 – the Office of Emergency Management should oversee how the Department of Fire and Emergency Services (and a rural fire service if established):</p> <ul style="list-style-type: none"> a) Allocates ESL funds to stakeholders; and b) Spends its share of the ESL funds (Chapter 8) 	<p>SUPPORT</p>	<p>WALGA have advocated for ten years that the ESL should not be administered by the agency who is also a beneficiary. WALGA support that the OEM should oversee how the DFES (and a rural fire service if established):</p> <ul style="list-style-type: none"> a) Allocates the ESL funds b) Spends its share of the ESL funds.
<p>Recommendation 7 – The Office of Emergency Management should be the body of appeal for ESL related issues, and the Fire and Emergency Services Commissioner’s appeal role should be revoked. (Chapter 8)</p>	<p>SUPPORT</p>	<p>WALGA support the OEM being the body of appeals for ESL related issues, creating independence from DFES and ensuring total transparency and confidence in the appeals system.</p>
<p>Recommendation 8 – The Department of Treasury should undertake a review of the Department of Fire and Emergency Services’ structure, resources and administration costs to determine whether services are efficiently delivered. (Chapter 8)</p>	<p>SUPPORT</p>	<p>Ensuring efficient service delivery is an important starting point to determine the appropriate level of ESL funding required. Improving the efficiency of DFES service delivery may mean that additional emergency services activities that are currently funded from Local Government’s own revenue could be funded without raising the existing rate of the ESL.</p> <p>In consultation with members, there was overwhelming support for greater transparency around the administration and distribution of the ESL. Many respondents believed that all information should be made public. Some options to improve processes included auditing, annual reporting, or independent review.</p> <p>This recommendation is also critical and should include a review of the Local Government Grants Scheme (LGGS), risk to resource models and allocation procedures of ESL funds to Local Governments.</p>
<p>Recommendation 9 - The ESL should be used to fund prevention undertaken by the Department</p>	<p>SUPPORT</p>	<p>WALGA supports this recommendation to the extent that the Local Government Grants Manual is reviewed including the current eligible and ineligible items lists.</p>

<p>of Fire and Emergency Services, bush fire brigades and State Emergency Service units that have community-wide benefits or which involve coordination of prevention across land tenures. (Chapter 3)</p>		<p>The ERA have provided the following examples of prevention activities that might be funded by the ESL:</p> <ul style="list-style-type: none"> • prevention planning – for example, undertaking risk assessments, the development of plans for conducting prevention, and developing and maintaining tenure-blind databases on where prevention activities need to be conducted; <ul style="list-style-type: none"> - Local Governments have a range of responsibilities under the Bushfire Act (1954), Emergency Management Act 92005) and the FES Act along with associated plans and policies that are currently not eligible under the LGGS. WALGA believe a full analysis of these is required to understand the full extent of these costs and possible eligibility. - Possible inclusions are: - Undertaking emergency risk management assessments (in line with state policy and procedures) - Developing Bushfire Risk Management Plans - Developing local emergency management arrangements and local recovery plans which subscribe to the ‘all hazards’ principle and have community wide benefits. • oversight – such as covering the costs of ensuring that property owners are complying with their legal obligations; and <ul style="list-style-type: none"> - Programs to enforce compliance with firebreak and bushfire asset protection zones should be provide for. E.g. Shire of Mundaring year round Fire Hazard Inspection Programme • public infrastructure – providing infrastructure that protects communities at large (for example, community bushfire shelters), but not infrastructure that solely protects individual properties.
<p>Recommendation 10 - The ESL should be used to fund the preparedness activities of the Department of Fire and Emergency Services, the bush fire brigades and State Emergency Service units that have community-wide benefits. (Chapter 3)</p>	<p>SUPPORT</p>	<p>WALGA supports this recommendation to the extent that the Local Government Grants Manual is reviewed including the current eligible and ineligible items lists. The ERA have recommended that the ESL should fund preparedness activities of the Department of Fire and Emergency Services, the Bush Fire Brigades and State Emergency Service units that have community-wide benefits including: emergency response plans, mutual aid agreements, public education and information and community refuge shelters.</p>

		Further clarity on the agencies/organisations responsible for these activities is required.
Recommendation 11 - The ESL should be used to fund the response activities of the Department of Fire and Emergency Services, the bush fire brigades and State Emergency Service units. (Chapter 3)	SUPPORT	WALGA supports this recommendation. While it is important that the landholders retain responsibility for prevention activities that deliver a private benefit, there is a need for funding to support the broader prevention activities such as coordination and community education. To achieve the benefits of a hypothecated tax, it is important that the ESL is set at a level that funds all emergency management activities as outlined in the reports introduction.
Recommendation 12 - The ESL should not be used to fund the costs of recovery. (Ch3)	SUPPORT	<p>WALGA supports this recommendation, given that recovery needs are ad-hoc in nature.</p> <p>Whilst this is supported, clear pathways are required for Local Governments to gain rapid State and Federal government funding and support during the recovery process. Not all Local Governments have the capability to undertake this, depending on the emergency and community context in which they occur. A review of the current recovery funding arrangements would be beneficial given it will not be addressed in this review.</p> <p>WALGA propose that the development of local recovery plans would be funded by the ESL as per recommendation 9.</p>
Recommendation 13 - The ESL should be used to fund the administration costs of the Department Fire and Emergency Services. (Chapter 3)	PARTIALLY SUPPORT	<p>WALGA partially supports this to the extent that recommendation 8 is accepted and implemented. This would allow the Department of Treasury to undertake a review of the DFES structure, resources, and administration costs to determine whether services are being efficiently delivered. With the current findings of where ESL funds are going within DFES, the Local Government sector need assurance that the most important activities are being funded including administrative activities and at what cost.</p> <p>A consistent principle needs to be applied. If the ESL is used to fund DFES administration costs then it should also fund administration costs associated with Bush Fire Brigades currently administered by Local Governments. Whilst some funding is provided through the Local Government Grants Scheme (LGGS) not all administrative costs are eligible and require a full review to ensure a consistent application of this recommendation.</p>
Recommendation 14 – The ESL should be used to fund the full costs of the Community	PARTIALLY SUPPORT	WALGA support the ESL funding the function of the CESM and strongly supports equitable funding of this position between Local Governments to ensure consistency. Table 29 and

<p>Emergency Services Managers in local government. However, it should not be used to fund the broader emergency service and management responsibilities of local government or the administration costs linked to bush fire brigades and State Emergency Service units. (Chapter 3)</p>		<p>table 30 (pages 242 and 243) of the ERAs report, highlight that some CESMs are currently fully funded by the ESL and others are funded through cost sharing between Local Governments and DFES. There needs to be a consistent approach and standardised responsibilities, with clearly articulated expectations of this role, before, during and following an emergency.</p> <p>Greater clarity on the responsibilities and reporting arrangements of the Community Emergency Services Manager (CESM) in its support of Local Governments would be required before full support would be granted for this recommendation. Local Governments have mixed views on the role and value of the CESM with some Local Governments no longer supporting the program, withdrawing their portion of funding from this arrangement. This is primarily due to the position being weighted towards the needs of DFES rather than the needs of the Local Government, even though under the current model they are a shared resource. Conversely some Local Governments within the program rely on the CESM to undertake a number of activities required of Local Governments to administer Bush Fire Brigades. It is important to note that some Local Governments fund a position from their own revenue that perform the responsibilities of a CESM but do not receive any monetary support from DFES or the ESL.</p> <p>Should the full cost of the CESM be funded by the ESL it would be beneficial to the sector if the funding model allowed for Local Governments to ‘unlock the funding’ to utilise it to meet the functions and responsibilities of the CESM in a model which best suits the needs of the Local Government.</p> <p>The ESL should fund administration costs associated with BFBs and SES Units. To this end, a consistent principle needs to be applied. If the ESL is used to fund DFES administration costs then it should also fund administration costs associated with BFBs and SES Units.</p>
<p>Recommendation 15 - The Office of Emergency Management should compensate local government for the cost of collecting ESL revenue (including the costs of recovering unpaid debts and any ESL revenue that cannot be recovered). (Chapter 8)</p>	<p>SUPPORT</p>	<p>Local Government’s preference is not to collect the ESL on behalf of the State Government, due to the issues with community perceptions (many think it is a Local Government tax) and the considerable administrative costs that this imposes. It is however recognised that there are significant efficiency gains from including the ESL on Local Governments rates notices, and that this minimises the overall costs to the taxpayer as a result. If Local Governments are to continue to collect ESL revenue, WALGA supports the recommendation that the sector should be fully compensated for these costs, including the costs associated with</p>

		collection of unpaid debts. This compensation should be regularly reviewed and indexed to an appropriate level to ensure the real value of compensation to the sector for this function is maintained.
<p>Recommendation 16. - If a rural fire service is established, the ESL should be used to fund the efficient costs of:</p> <ul style="list-style-type: none"> a. response activities; b. prevention and preparedness activities that have community wide benefits; and c. the administration costs of the rural fire service. (Chapter 7) 	SUPPORT	<p>WALGA supports this recommendation. The ESL is a hypothecated tax, and therefore to achieve the benefits of this it should be used to fund all emergency management activities, including the rural fire service.</p>
<p>Recommendation 17 – New emergency services legislation should clarify the extent to which the Department of Fire and Emergency Services and local governments are obliged to undertake prevention activities, and whether these activities may be funded from the ESL. (Chapter 3)</p>	PARTIALLY SUPPORT	<p>Page 56 of the ERA report offers that ‘new emergency services legislation could address barriers to expenditure on prevention, by clarifying the responsibilities of DFES and Local Government.</p> <p>It should be noted that the impost on all landowners should be equal. That is, landholders that have tenure should be responsible for that land. Currently, State Departments, are not bound by the Bush Fires Act 1954 to undertake mitigation activities on their land and comply with the Local Government’s Annual Bush Fire Mitigation Notice.</p> <p>WALGA’s submission to DFES on the <i>Concept Paper: Review of Emergency Services Acts (June 2014)</i> partially supported this concept raising concerns of the cost implications on Local Government being assessed prior to legislative changes, that State government agencies should also have clear responsibilities articulated in legislation, including ‘their obligations to take practicable steps to prevent and minimise the occurrence and /or spread of bushfires or other natural hazards on any land directly under its control, care or management’. Furthermore, a definition for ‘any land directly under its control, care or management’ would need to be clarified, including responsibility for Crown land, and responsibilities for gazetted town boundaries. (WALGA submission <i>Concept Paper: Review of Emergency Services Acts (June 2014), part 2, pg.5</i>)</p>
METHOD FOR SETTING THE ESL		

<p>Recommendation 18 - Grouping of properties should be discontinued for the purpose of calculating the ESL. (Chapter 6)</p>	<p>SUPPORT FOR CATEGORIES 1 TO 4</p>	<p>WALGA recognises that in principle, this recommendation is the simplest way to reduce inequity within the system. The removal of grouping provisions for category 1 to 4 properties is unlikely to cause any significant distortions given that the majority of properties are located in the metropolitan area and are not contiguous. If this recommendation is implemented, it is noted that there will be short term costs as Landgate is required to amend the property rolls provided to DFES, to ensure that no properties are grouped for the purpose of the ESL. This cost should be borne by the State Government and not passed onto Local Government.</p> <p>The removal of grouping provisions for category 5 properties is more problematic, given the ESL is currently calculated as a flat rate. The removal of grouping provisions will therefore result in a significant increase in the cost of the ESL for individual landholders, and may create further inequity in situations where properties of similar size and value pay a vastly different ESL, due to the number of individual titles on the land.</p> <p>This issue could be addressed by moving to Unimproved Value as the basis for calculating the ESL for category 5 properties, as outlined in recommendation 2. Under this scenario, the grouping provisions would become redundant, to the extent that the rate is based on the total UV of the land, rather than the individual number of titles held.</p> <p>A suggestion has been provided by the Shire of Williams in support of grouping properties where it can be approved for Local Government rating purposes. In support of this position the Shire believes that the level of valuation, whether it is GRV or UV, will determine what an individual pays.</p> <p>In agricultural areas a single farming entity can comprise of properties in different ownership names, i.e. individuals, trusts, superannuation funds, etc. If it can be demonstrated that these properties are one farming unit then they should be able to be combined for rating purposes. As proposed in the Shire's option proposed at Recommendation 2 the UV valuation will then determine what ESL rates are paid.</p> <p>WALGA also note the Valuer General's 'Unimproved Values – Rural valuation Policy 4.310' on the rating of contiguous land. This policy is set by legal precedent where contiguous land held by the same owner for similar purposes are valued as one parcel of land for the purposes of land rates. As ESL is collected through the Local Governments rates system, it</p>
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		may be argued that as the land is rated as one parcel of land, the ESL should also be applied in this way. It should also be noted that the method of calculation and application of multiple ESLs on one land assessment could be complex and costly to implement, not just for Landgate, but also Local Government.
Recommendation 19 - A levy on boat registrations should be introduced to fund the direct costs of the Volunteer Marine Rescue Services. (Chapter 6)	PARTIALLY SUPPORT	<p>WALGA supports this recommendation, to the extent that the Volunteer Marine Rescue Services is used by only a small proportion of the community. This recommendation will improve equity through the principle of user pays, by better aligning those who use the service with those that pay for it.</p> <p>WALGA does recognise that there are many instances where emergency services are funded by those that don't utilise the service and that Marine Rescue Services are also available to non-boat owners, where boats are utilised in other circumstances such as evacuations.</p>
Recommendation 20. Road crash rescue services should continue to be funded from the ESL. (Chapter 6)	SUPPORT	WALGA supports road crash rescue to continue to be funded from the ESL.
Recommendation 21. Landgate should conduct another review of land classifications in the Swan Valley to ensure that vineyards are classified appropriately. (Chapter 6)	SUPPORT	WALGA supports this recommendation to the extent that it improves the land classifications and allows the appropriate costs to be applied under the ESL.
DECISION MAKING FRAMEWORK		
Recommendation 22. The Department of Fire and Emergency Services should implement activity based costing to allow for robust analysis. (Chapter 5)	SUPPORT	WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process and recognise that this is a decision for DFES and State government.
Recommendation 23. The Department of Fire and Emergency Services should use its cost and incident data to determine the direct costs of providing emergency services to each of the five ESL categories. (Chapter 6)	SUPPORT	WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process and recognise that this is a decision for DFES and State government.

Recommendation 24. The Department of Fire and Emergency Services should implement the ISO 31000 standard across its business activities. (Chapter 5)	SUPPORT	WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process and recognise that this is a decision for DFES and State government. Further WALGA suggests that the ISO 31000 standard should also apply to the Risk to Resource (R2R) process used by DFES to allocate appliances under the Local Government Grants Scheme (LGGS).
Recommendation 25. The Department of Fire and Emergency Services should finalise and implement the Capability Framework. (Chapter 5)	SUPPORT	WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process and recognise that this is a decision for DFES and State government.
Recommendation 26. The Department of Fire and Emergency Services should require cost-benefit analysis to be prepared for all major funding allocation decisions. (Chapter 5)	SUPPORT	WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process and recognise that this is a decision for DFES and State government.
Recommendation 27. The Department of Fire and Emergency Services should require post-project cost-benefit reviews to be presented to senior decision-makers to enable assessment of the effectiveness of past decisions. (Chapter 5)	SUPPORT	WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process and recognise that this is a decision for DFES and State government.
Recommendation 28. Grants manuals should be made consistent between all volunteer organisations where it makes sense to do so. (Chapter 8)	SUPPORT	WALGA supports this recommendation to ensure consistency and equity amongst all volunteer groups to support emergency management arrangements within the State.
SETTING ESL RATES		
Recommendation 29. The Office of Emergency Management should consult stakeholders when: a. determining the ESL revenue to be allocated to stakeholders; and b. advising the Minister for Emergency Services on ESL revenue and rates. (Chapter 8)	SUPPORT	WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process.

<p>Recommendation 30. The Office of Emergency Management should prepare a report to the Minister for Emergency Services recommending total ESL revenue and rates. The Minister should table the report in Parliament within 28 days of receiving it. (Chapter 8)</p>	<p>SUPPORT</p>	<p>WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process.</p>
<p>Recommendation 31. The Department of Fire and Emergency Services (and a rural fire service if established) should provide a report to the Office of Emergency Management explaining how it has spent ESL funds and the rationale for this expenditure. (Chapter 8)</p>	<p>SUPPORT</p>	<p>WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process.</p>
<p>TRANSPARENCY</p>		
<p>Recommendation 32. The Office of Emergency Management should prepare and publish an annual report on the ESL. (Chapter 8)</p>	<p>SUPPORT</p>	<p>WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process.</p>
<p>Recommendation 33. The Office of Emergency Management should prepare a brochure on the ESL and provide it to local governments to distribute with rate notices. The brochure should explain the purpose of the ESL and that it is a State Government levy, and describe how ESL revenue is raised and spent. (Chapter 8)</p>	<p>SUPPORT</p>	<p>WALGA supports further efforts to educate the community about the purpose of the ESL, but this should be funded by the State Government.</p>
<p>Recommendation 34. The Office of Emergency Management should prepare annual estimates of the funding required by the Department of Lands and the Department of Parks and Wildlife to conduct prevention activities on their estates. These estimates should be published in the annual report of each agency, along with</p>	<p>SUPPORT</p>	<p>WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process.</p>

the amount of funding provided by the State Government. (Chapter 3)		
Recommendation 35. The Department of Fire and Emergency Services should publish data in accordance with the State Government's <i>Whole of Government Open Data Policy</i> . (Chapter 8)	SUPPORT	WALGA supports these recommendations to the extent that they will improve the transparency and accountability of the process.
Recommendation 36. The Office of Bushfire Risk Management should require local governments to publish their bushfire risk management plans and treatment strategies. (Chapter 3)	SUPPORT	<p>Current policy states that Local Governments are the custodian of the tenure blind plans. The publication of these plans could improve transparency and accountability in line with the shared responsibility amongst all land owners for bushfire risk planning in the State. This recommendation is consistent with current policy that local emergency management arrangements are available for public scrutiny.</p> <p>It is critical that this body of work is funded in a sustainable way by the State Government to ensure that the data bases and systems that have been established for the management of BRMP are continued to be supported and maintained to allow Local Governments to continue this work.</p>
Recommendation 37. The Department of Fire and Emergency Services should publish a capital grants manual for volunteer organisations it manages (for example the Volunteer Fire and Rescue Service). (Chapter 8)	SUPPORT	WALGA supports this recommendation to ensure consistency and equity amongst all volunteer groups supporting emergency management arrangements within the State. WALGA also encourage a consistent process for the allocation of funds to all volunteer groups.
Additional Comments		
<ul style="list-style-type: none"> Financial Assistance Grants (Chapter 3, p 64) <p>The draft report notes that the Australian Government Financial Assistance Grants are allocated through a process that recognise that some Local Governments will incur higher emergency management costs. The report questions whether the Local Government Grants Commission process adequately recognises that some Local Governments face higher emergency services costs than others, and compensates these Local Governments accordingly. It also notes that Local Governments should not receive additional assistance through the ESL to fund emergency management activities simply because they have chosen to use Australian Government grants to fund other services.</p>		

There has been some suggestion that Financial Assistance Grants (FAGS) funding could be quarantined for emergency management activities based on the terrain disability, WALGA considers that this is not practical or desirable.

The disabilities considered in the allocation formula are not sources of funding. They are an assessment of the *relative differences in the spending needs* of each Local Government as a result of their physical/demographic attributes that are beyond their control, *rather than an assessment of the actual spending needs* on a specific activity. In this regard, the terrain disability has some influence on the outcome of the distribution between individual Local Governments, but is not a direct source of funding for Emergency Management activities.

Further, any moves to tie Commonwealth funding to specific purposes works against the intention of the payments. The general purpose component of FAGs is untied funding, in recognition of the growing responsibilities of the sector. FAGs are untied to enable Local Governments to spend on priorities determined by their community – which may or may not be Emergency Management activities. There may be some Councils which choose to spend their FAGs on Emergency Management activities, and others where this is not needed.

In addition, Local Government is reliant on funding from the Commonwealth to meet community needs as a result of broader restrictions on Local Governments ability to raise own sourced revenue (through exemptions to the rates base, legislated fees and charges, etc.). Quarantining a proportion of FAGS funding for Emergency Management activities would have undesirable outcomes as it would likely see a reduction in other key services to the community given that in many cases the sector is unable to recover costs for these activities.

FAGs general purpose grants are, and should also remain, untied to reduce the risk of political direction from the Commonwealth Government, and to minimise the associated administration costs.