

Response to ERA Report into the ESL - John Mangini 11th Aug 2017

I have not entered into detailed discussion in my response to the recommendations. This will merely repeat those I have submitted into my original ESL Review submission, my response to the Ferguson Report and other enquiries, and my contributions to the expert panel workshops on Emergency Legislation during 2013 etc.

However I will discuss the topic of the costs of a Rural Fire Service, especially as there have been excessively alarmist cost projections regarding this.

Costs of a Rural Fire Service

Neither the minimalist structure, nor the fully career model as briefly described in the ERA report are appropriate. A volunteer based emergency service is by far the most appropriate and cost effective for any other than urban areas, and with community 'ownership' inevitably community resilience against bush fire and other emergencies will be enhanced.

While I believe that local management of Bush Fire Brigades by Local Govt is the best model, this needs much more oversight/quality control by a Rural Fire Service than is the case under present arrangements. At present there is a wide variance/inconsistency in which this happens. A suitable RFS oversight structure is required to ensure this consistency is achieved.

There is also a requirement to ensure that bush fire risk management is applied consistently across all tenures, and in accordance with IOS 31000. A Rural Fire Service would be a good framework to achieve this under the guidance of an independent OEM.

Support services such as training of volunteers, and provision of equipment need to be properly coordinated to ensure a balance between achieving a certain level of consistency, being fit for purpose, and meeting local and often varying needs would be best managed within this framework. Services in this regard managed by DFES should be transferred to a Rural Fire Service.

These considerations would require appropriate staffing and facilities, however these should be nowhere nearly as expensive as those strongly opposed to a Rural Fire Service have claimed. DFES staff would inevitably be reduced, with those with appropriate qualifications and experience possibly transferring to a Rural Fire Service. Further staff reductions/redundancies are likely to occur, from the reduction in DFES responsibilities (including ESL management), and by the efficiencies resulting from the outcomes of the cost analysis/effectiveness of DFES recommended in the ERA report. This could and should result in reduced staff numbers in total across DFES and RFS.

The argument that new facilities would be required to be built or leased for a Rural Fire Service would be partly, if not wholly, mitigated by reallocation or sharing arrangement with existing DFES facilities. Existing DFES facilities are either govt owned or leased. Formation of a Rural Fire Service coupled with economic cost benefit analysis of DFES as recommended by the ERA report would

result in a diminished requirement by DFES for office space and facilities. Examples facilities which could be shared include the DFES training Academy, at which Bush Fire volunteers do some courses, and many of the regional offices where many or most of the roles may be transferred to a RFS. A move to the "future fleet" programme with the preferred option of "turnkey" appliances being supplied by manufacturers, with a whole of life maintenance support programme, but with basic maintenance being carried out in Local Govt workshops, should reduce or eliminate the need for duplicate govt owned workshop facilities.

The role of a Rural Fire Service in response, at least in Incident Management and coordination, needs to be adequately resourced. While as per "Ferguson" report, most response to bushfire needs to be locally managed, higher level incidents need enhanced arrangements and support, especially when Local Govt capacity is exceeded. At present all level 3 bushfires come under the control of DFES, as do some higher end level 1 and many level 2 incidents. Without degrading the importance of local response and incident management, a suitably resourced (in terms of appropriate staff) RFS structure should assume this role from DFES.

In summary, the costs of implementing an independent Rural Fire Service, or the less preferred option, one under DFES, should result in little other than a relatively modest capital requirement, and long term little or no extra cost to the community. The benefits of an appropriate framework, rather than the current one, should by reducing bush fire risk eventually reduce overall costs to the community.

John Mangini response to Key Recommendations

1. The basic structure of the ESL system should be retained. (Chapter 6)
Supported - this is as close to being equitable across the community as it is possible to achieve
2. Gross rental value should be retained as the basis for calculating ESL rates. (Chapter 6)
Supported
3. The agency that advises the Minister for Emergency Services on ESL revenue and rates should not benefit from the ESL. (Chapter 8)
Strongly supported - there is conflict of interest (partly real and partly perceived) under the current system.
4. The Office of Emergency Management should be given the oversight functions of advising the Minister for Emergency Services on the amount of ESL revenue required, and on ESL rates. (Chapter 8)
Supported - with the proviso that OEM is independent of DFES as per Rec 5. Otherwise another oversight body would need to be formed
5. The Office of Emergency Management should be made independent of the Department of Fire and Emergency Services. It should report directly to the Minister for Emergency Services rather than the Fire and Emergency Services Commissioner. (Chapter 8)
Strongly supported - and subject to rec 6 being adopted
6. The Office of Emergency Management should oversee how the Department of Fire and Emergency Services (and a rural fire service if established):
 - a. allocates ESL funds to stakeholders; and
 - b. spends its share of ESL funds. (Chapter 8)**Strongly supported - subject to rec 5 being adopted**
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)
Supported - subject to rec 5 and 6 being adopted - otherwise a body independent of all ESL beneficiaries is required
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)
Strongly supported
9. The ESL should be used to fund prevention undertaken by the Department 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)
Supported - with the proviso that a Rural Fire Service be included

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)

Supported - with the proviso that a Rural Fire Service is included

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)

Strongly supported - subject to adoption of recommendations above

12. The ESL should not be used to fund the costs of recovery. (Chapter 3) 13. The ESL should be used to fund the administration costs of the Department of Fire and Emergency Services. (Chapter 3)

Supported - only if similar access to funding is available to a Rural Fire Service, and subject to suitable arrangements, some of the admin costs of Local Govt

14. The ESL should be used to fund the full costs of the Community 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)

Disagree - at the very least, admin costs which can be apportioned to management of bush fire brigades should be covered

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)

Supported - the scheme should pay its own costs including those for collection.

16. If a rural fire service is established, the ESL should be used to fund the efficient costs of:
- a. response activities;
 - b. prevention and preparedness activities that have community-wide benefits; and
 - c. the administration costs of a rural fire service. (Chapter 7)

Strongly supported - and under a framework which results in a no less favourable treatment than DFES.

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)

Can neither support nor oppose this recommendation - the Bush Fires Act 1954 (as amended) is actually a very appropriate piece of legislation for bush fire risk management. It would probably more appropriate to amend this to reflect the intent of the recommendation to clarify responsibilities rather than re-invent the wheel.

Method for setting the ESL

18. Grouping of properties should be discontinued for the purpose of calculating the ESL. (Chapter 6)

Supported - the current arrangements lead to significant inequities

19. A levy on boat registrations should be introduced to fund the direct costs of the Volunteer Marine Rescue Services. (Chapter 6)

Supported for the reasons described in the report

20. Road crash rescue services should continue to be funded from the ESL. (Chapter 6)

Supported for the reasons described in the report

21. Landgate should conduct another review of land classifications in the Swan Valley to ensure that vineyards are classified appropriately. (Chapter 6)

Supported for the reasons described in the report

Decision-making framework

22. The Department of Fire and Emergency Services should implement activity based costing to allow for robust analysis. (Chapter 5)

Strongly supported - there are wide concerns both real and perceived that there is a lack of accountability, and that there is decision making which may be to some extent influenced by vested interests to an extent that is undesirable and not necessarily in the community's best interests - refer "Ferguson" report

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)

Supported - however there may be difficulties in cost attribution across a wide range of Local Govt areas, especially those related to response across jurisdictional boundaries. Nonetheless there should be a robust attempt to achieve this.

24. The Department of Fire and Emergency Services should implement the ISO 31000 standard across its business activities. (Chapter 5)

Strongly supported - most commercial enterprises of a similar scale do this, it is now considered the norm for risk management. As an organisation whose prime role is managing risk to the community, DFES should have already being using this.

A Rural Fire Service should also be operating to ISO 31000

25. The Department of Fire and Emergency Services should finalise and implement the Capability Framework. (Chapter 5)

26. The Department of Fire and Emergency Services should require cost-benefit analysis to be prepared for all major funding allocation decisions. (Chapter 5)

Supported - this should also apply to a Rural Fire Service

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)

Supported - this should also apply to a Rural Fire Service

28. Grants manuals should be made consistent between all volunteer organisations where it makes sense to do so. (Chapter 8)

Supported - with the proviso that the grants manuals are managed by an independent OEM to remove the real and perceived inequities resulting from the prime beneficiary of ESL funds being the arbiter of eligibility as defined in the LGGS manual.

Setting ESL rates

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)

Strongly supported

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)

Strongly supported - this will significantly enhance transparency and accountability, and assist in informing all stakeholders, especially the wider community who both pay for and benefit from the ESL.

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)

Strongly supported

Transparency

32. The Office of Emergency Management should prepare and publish an annual report on the ESL. (Chapter 8)

Strongly supported - with the proviso that a publicly available version is released which is in "plain language" to allow the public to get a good understanding of how the money they pay is spent. It should not be in a form characterised by "accountant speak" which is often at best confusing for members of the public , and at worst deceptive.

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)

Supported - while many if not most will not read it thoroughly, it will inform those who are interested in how it is managed

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 the amount of funding provided by the State Government. (Chapter 3)

Supported

35. The Department of Fire and Emergency Services should publish data in accordance with the **Supported - why should DFES be treated differently to other Govt Depts**

36. The Office of Bushfire Risk Management should require local governments to publish their bushfire risk management plans and treatment strategies. (Chapter 3)d

Strongly supported - as per Ferguson Report, community resilience building is required as part of building resilience to bush fire and other emergency risk. These communities need to be integrally involved in decision making regarding this risk management. Without being properly informed this will be difficult to achieve

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)

Supported - however this should not be inconsistent with any manual, whether LGGS or otherwise, which is managed/published by an independent OEM

Despite the concerns with the way the LGGS manual is managed, it at least gives a reference to Local Govt's and Bush Fire Brigades as to what is determined to be eligible expenditure and what is not. Other volunteer organisations should have a similar reference for their guidance.