



PARLIAMENT OF TASMANIA

**HOUSE OF ASSEMBLY STANDING COMMITTEE
ON COMMUNITY DEVELOPMENT**

Inquiry into the State Fire Commission

MEMBERS OF THE COMMITTEE

Mr Barnett (Chair)
Ms Courtney
Mr Jaensch
Mr Llewellyn
Dr Woodruff

Table of Contents

1.	Appointment, terms of reference and conduct of the inquiry	2
2.	Statement of thanks	4
3.	Recommendations	5
4.	The State Fire Commission and the State Fire Service	7
5.	The 2014-15 Budget for the State Fire Commission and its implications for the Tasmania Fire Service	9
6.	The transfer of the State Emergency Service reporting responsibility to the State Fire Commission/ State Fire service	17
7.	The funding of the State Emergency Service	28
8.	Future funding arrangements for Tasmania Fire Service and State Emergency Services ...	46
9.	The structures of the Department of Police and Emergency Management	52
10.	The DPEM corporate services review, including the scope and conduct of the review and its implications	54
11.	The funding of the Fuel Reduction Burn Program	60
12.	Community Safety Programs	64
13.	Fire service resources including firefighter numbers	72
14.	The need for appropriate and modern governance practices in the State Fire Commission	85
15.	Review of legislation	91
	Appendix a: Submissions Received	93
	Appendix B: Documents Received	94
	Appendix C: Hearings and witnesses	95
	Appendix D: Dissenting Statement of Ms Rosalie Woodruff MP, Member for Franklin	96

1. APPOINTMENT, TERMS OF REFERENCE AND CONDUCT OF THE INQUIRY

1.1. The Standing Committee on Community Development was established by resolution of the House of Assembly on 26 June 2014 to inquire into and report upon any issues and legislative proposals arising within the scope of the Committee as follows:

- (i) Aboriginal affairs;
- (ii) arts;
- (iii) corrections;
- (iv) health;
- (v) human services;
- (vi) justice;
- (vii) police and emergency management;
- (viii) racing;
- (ix) sport and recreation; and
- (x) women.

1.2. The Committee comprised of five Members of the House of Assembly. The Committee resolved at its meeting of 14 October 2015 to inquire into the State Fire Commission and the Tasmania Fire Service with the following Terms of Reference:

The Terms of Reference for the inquiry are for the Community Development Committee:—

- (1) *The House refers the following matters to the Standing Committee on Community Development to inquire into and report upon:*
 - (a) *the 2014-15 and 2015-16 budget for the State Fire Commission - SFC - and its implications for the Tasmania Fire Service - TFS - including:*
 - (i) *the transfer of the State Emergency Service – SES reporting responsibility to the SFC/TFS;*
 - (ii) *the funding of the SES;*
 - (iii) *the structures of the Department of Police and Emergency Management - DPEM;*
 - (iv) *the DPEM corporate services review, including the scope and conduct of the review and its implications;*
 - (v) *the funding of the Fuel Reduction Burn Program;*

- (vi) *community safety programs;*
 - (vii) *fire service resources including firefighter numbers;*
 - (viii) *the protection of the community.*
- (b) *the budget history of the State Fire Commission from 2008-09 to present;*
- (c) *the future funding arrangements for TFS and SES;*
- (d) *the need for appropriate and modern governance practices in the State Fire Commission; and*
- (e) *other matters incidental thereto.*
- (2) *The committee report by 15 April next.*

1.3. The Committee resolved to invite, by way of advertisement on the Parliament of Tasmania website and in the three major Tasmanian newspapers and community papers on Flinders Island and King Island, interested persons and organisations to make a submission to the Committee in relation to the Terms of Reference.

1.4. The Committee received 7 submissions and held a public hearing in Hobart, with 12 witnesses.

2. STATEMENT OF THANKS

All Members of the Committee on Community Development expresses their sincere and deep gratitude to the Tasmania Fire Service, the State Emergency Services and all the firefighters and emergency service personnel for the work that has been undertaken during phenomenally challenging circumstances over the past summer.

3. RECOMMENDATIONS

Recommendation 1: The Committee finds that on the evidence presented, that a review and reform of the Fire Services Act 1979 is necessary. An investigation should be undertaken to assess how the legislation can be amended or replaced to best service the organisations subject to the Act and should be undertaken and completed within 12 months. The Fire Services Act 1979 must be reformed or replaced to allow for:

- (1) A centralised funding model for the State Emergency Services;
- (2) Streamlined approach to fire fighting between Tasmania Fire Service, Tasmania Parks and Wildlife Service, Forestry Tasmania and other relevant agencies;
- (3) Resources to be allocated according to the risk and not according to local government municipal boundaries;
- (4) The continuation of Tasmania having a singular fire service;
- (5) Clear reporting lines;
- (6) Improved governance structure; and,
- (7) Include the fire permit system and inter- agency protocols.

Recommendation 2: The Committee finds that on the evidence presented, that section 107 of the Fire Service Act should be amended to provide greater clarity in relation to discretionary spending by the Chief Officer or alternatively, the Act should be amended to include the authorisation for the State Fire Commission to directly fund the State Emergency Service.

Recommendation 3: The Committee finds that on the evidence presented, that the Government should aim to establish a centralised funding model for the State Fire Service and State Emergency Services and to investigate the best options to progress this objective to ensure the sustainability of these services.

Recommendation 4: The Committee recommends the State Fire Commission be fully reimbursed for the costs of the State Emergency Service transfer in years 2014 to 2017.

Recommendation 5: The Committee finds that on the evidence presented, that the Fuel Reduction Burn Program should be maintained and have its budget directly funded to ensure that the program continues and does not hinder other services or programs.

Recommendation 6: The Committee finds that on the evidence presented, that the State Fire Commission should assess whether community engagement programs of the State Fire Services and State Emergency should be centralised.

Recommendation 7: The Committee finds that on the evidence presented, the State Fire Commission introduces key performance indicators reporting in relation to its work in community engagement to measure its success in program delivery and community engagement.

Recommendation 8: The Committee finds that on the evidence presented, that the Government should undertake a review of how firefighting equipment and gear in Tasmania can be better standardised with interstate equipment and gear to improve cross-jurisdiction resource utilisation.

Recommendation 9: The Committee finds that on the evidence presented, that volunteer firefighters are at risk of being undervalued and underrated and that the Government should use best endeavours to ensure the full acknowledgement and recognition of these services.

Recommendation 10: The Committee finds that on the evidence presented, that the State Government should establish an independent Chair to govern the State Fire Commission and that this governance arrangement should be included in the reform of the governing legislation.

4. THE STATE FIRE COMMISSION AND THE STATE FIRE SERVICE

- 4.1. The Tasmania Fire Service is a statutory authority created by the Fire Service Act 1979.
- 4.2. The State Fire Commission is the peak governing and policy group for the Tasmania Fire Service, which is the operation arm of the Commission.
- 4.3. The Commission's primary purpose is to minimize the social, economic and environmental impact of fire on the Tasmanian community.
- 4.4. The Tasmania Fire Service commented:

The Commission's primary purpose is to minimise the social, economic and environmental impact of fire on the Tasmanian community. This will be achieved through Tasmania Fire Service implementing strategies to develop community self-reliance to prevent and prepare for fires, supported by a timely and effective response to emergencies. The TFS is also responsible for road accident rescue in assigned areas, managing incidents involving hazardous materials, undertaking urban search and rescue (USAR), and providing a response to terrorist incidents involving chemical, biological and radiological agents.¹

- 4.5. The State Fire Commission consists of:

- the Chief Officer (as Chair)
- a person nominated by the United Firefighters Union (Tasmania Branch)
- a person nominated by the Retained Firefighters Association
- a person nominated by the Tasmanian Volunteer Fire Brigades Association
- a person nominated by the Secretary of the responsible Department in relation to the Public Account Act 1986
- persons nominated by the Local Government Association of Tasmania

¹ Submission 1, Tasmanian Fire Service, p44

4.6. Some of the functions and powers of the Commission include:

- formulation of policy in the administration and operations of the Fire Service,
- development of effective fire prevention and protection measures throughout the state,
- the provision and standardisation of fire brigade equipment and gear throughout the state,
- the establishment and maintenance training facilities for brigades,
- to advise the Minister on any issues as appropriate.

4.7. The Committee heard that there is widespread support for Tasmania having one fire service.

4.8. Mr Greg Cooper, the United Firefighters Union of Australia Tasmania Branch commented:

They have different models. We are the only state that has one Fire Service. Every other state has two or three.

4.9. Mr Rod Sweetnam commented:

I think there are six or seven states with six or seven models, so comparison is fairly difficult. One of the strengths of the TFS is that there is only one fire service in this state. You see challenges in other states where they have two significant fire services and the emergency services commission that was created in Victoria in the last few years is symptomatic of the fact you have different groups that are all different and politically doing different things.²

² Transcript of evidence, 2 March 2016, p44-45

5. THE 2014-15 BUDGET FOR THE STATE FIRE COMMISSION AND ITS IMPLICATIONS FOR THE TASMANIA FIRE SERVICE

5.1. The Committee heard arguments for and against whether the Tasmanian Fire Commission and Tasmania Fire Service was adequately funded by the 2014 to 2015 budget.

5.2. Mr Tony Ferrall, Department of Treasury, explained on how the State Fire Commission is funded:

In 2015-16, there is a provision of \$2.8 million made in respect of the State Fire Commission. There are various components within that \$2.8 million. The majority of the State Fire Commission's revenue is sourced from other state taxation sources which go directly to the Fire Commission. The fire service contribution, the insurance fire levy, the motor vehicle fire levy, total approximately \$65 million of the roughly \$80 million annual budget of the State Fire Commission. It is a significant budget and represents substantial expenditure by the Fire Commission of what is ultimately community funds. Unlike other general government entities, the State Fire Commission isn't subject to the same budget determination through the normal budget process as other entities. Its budget is basically developed and designed by itself and doesn't go through a scrutiny process either through budget committee. It has limited parliamentary scrutiny compared to how other government agencies or entities might operate.

From a Treasury perspective, the special funding arrangements of the commission have some implications in a financial management sense. The commission doesn't have unlimited revenue; it is a defined source of revenue. Not having the same requirements to achieve budget savings or constrain expenditure, it is an ongoing issue that, from a Treasury perspective, we have reviewed and looked at over a number of years. From a Treasury perspective that different scrutiny and level of discipline may have implications, or may have had implications, in the level of discipline internally the commission may have imposed on its own expenditures. Again, that is a 'may', it is not a definitive because it is not open to the same level of scrutiny. Treasury's view is that wherever the committee moves to it would be better or best if the commission was under the same sorts of disciplines as other government agencies. I will not go into commentary around governance, but in financial management requirements, given it is ultimately a significant component of taxpayer funds, we believe it should be subject to the same sort of disciplines and scrutiny as other funding within the budget.³

³ Transcript of evidence, 2 March 2016, p47

5.3. Mr Gavin Freeman, the Tasmania Fire Service commented:

I am very comfortable that we have had adequate funding for the last couple of years since the SES has come across to deliver our service. I think we deliver a very good service. The recent fire campaign is an example of where the Government supports us. We are funded for what we call 'level 1' type operations, which is day-to-day business. No jurisdiction or emerging management agency across the world is funded for an out-of-scale event such as we have experienced in the last 51 days.

...

Funding over and above our normal budgeting for extensive bushfire campaigns, such as the one we have just experienced, is reimbursed by government. Government also assists with the standing costs for our contracted aircraft, which is a standard thing across the bushfire season. That is outside the normal TFS budget as well. That is a shared arrangement between the state and Commonwealth governments.⁴

5.4. The Committee heard about the decrease in the cash on hand position of the State Fire Commission.

5.5. The Tasmania Fire Service commented:

The SFC has previously been subject to criticism for carrying what has been perceived to be excessive amounts of cash on its books. This criticism was particularly acute during the Global Financial Crisis and in the years immediately thereafter.

In 2011-12, after consultation with the Treasurer, the SFC took action aimed at reducing its cash balances, in particular the capital investment program of the SFC increased over the next three years. The annual increase in the Fire Service Contribution was also lowered from 5% in 2010-11 to 3% in 2011-12 and 4% per annum for the following two years.

During the same period however, the SFC began to incur significant additional expenditure in relation to the implementation of presumptive cancer legislation for firefighters and part of the increased resourcing required for the State Fire management Council in support of the proposal to introduce a fuel reduction burn program. There has been additional ongoing expenditure resulting from implementation of the Tasmanian Bushfire Inquiry recommendations. Examples include improved permanent resourcing in policy formulation and procedure review and documentation.

The impact on the financial position of the SFC has been significant with the net cash position (Cash less Short Term Borrowings) reducing from over \$15m at 30 June 2012 to \$0.284m as at 30 June 2015. It should be noted that the financial

⁴ Transcript of evidence, 2 March 2016, p5

position as at 30 June 2015 includes expenses of \$2.494m as part funding contribution towards the costs of the State Emergency Service.⁵

5.6. The Tasmania Fire Service commented:

The recent deterioration in the financial position of the SFC has caused the organisation to place an increasing reliance on borrowings in order to fund normal operations. This is not a sustainable position for the SFC and is being revisited in the context of the activities currently being undertaken by Wise, Lord and Ferguson and will also be re-visited in the preparation of the 2016-17 Corporate Plan. The scope of the Wise, Lord and Ferguson project is to perform a full cost analysis of the SES in Tasmania including all funding sources and in-kind support. The purpose of the analysis is to ascertain the full cost base of supporting the paid and volunteer units of the SES.

Specifically, the scope of this review includes ascertaining:

- the costs associated with the management of the SES funded through the Tasmania Fire Service;*
- the costs of individual SES units funded through Local Government including assets and the associated depreciation.*
- facility costs funded through in-kind or direct support provided by Local Government, Ambulance Tasmania, Tasmania Fire Service, or Tasmania Police.*
- other costs supported or funded by other stakeholders or fundraising efforts of local SES units as applicable.*

It should be noted that the timing of receipt of the Fire Service Contribution is such that 30 June represents a period of relatively high liquidity for the SFC.

Reimbursements for wildfire fighting expenses are also receipted just prior to the end of the financial year and therefore cash balances represented in the SFC Corporate Plan reflect the organisations best financial position for the year with the worst liquidity level being up to \$10m lower than the figure represented at 30 June in the Corporate Plan.⁶

5.7. The Committee heard concerns from witnesses in relation to the budget of the State Fire Commission and how money was being allocated to different resources.

5.8. The United Firefighters Union of Australia Tasmania Branch United commented:

⁵ Submission 1, Tasmanian Fire Service, p41

⁶ Submission 1, Tasmanian Fire Service, pp42-43

The impact of the current Government's fiscal strategy on the SFC/TFS is significant.

...

The State Government's August budget papers unilaterally amended the 2014/15 SFC corporate plan in a budgetary sense in the following ways:

- *The SFC/TFS took over the report of SES from Police*
- *The Government introduced a Fuel Reduction Unit (FRU) and required the TFS to support the establishment of the FRU by employing 4.5 staff.*

The Secretary of DPEM announced as a result of the 2014 State Government budget a corporate services revue would be conducted for DPEM to consider integration of several corporate service functions.⁷

A result of the reduction in the State Government's contribution and the State Government's budget directions to spend SFC funds on non-fire related activities is increased lending.

5.9. Mr Greg Cooper, United Firefighter Union of Australia Tasmania Branch commented:

We also have one of the lowest funded fire services per capita by government in the country and we have more fires per capita than the rest of the country. On the productivity report on government services, which is a report that is done every year, on the key indicators Tasmania doesn't perform very well. We have the highest rate of insurance, usually the highest number of deaths, or second highest, the highest number of fires and insurance claims are huge. There is a whole range of reasons why that is and I don't need to belabour them today, but you then introduce a government fiscal initiative that impacts on the Tasmania Fire Service to the tune of \$3 million without any consideration for what that impact has on the TFS other than you can take that out of your cash reserve without identifying it.

We say in our submission that it was a backdoor budget cut, and I hope that you don't find those terms offensive but that's how we see it. We saw that \$2.446 million was ripped out of the Tas Fire Service in year one and then another \$770 000 to set up the fuel reduction unit. There are probably some good synergies with SES being with the TFS, but it would be the cart before the horse.⁸

5.10. Mr Greg Cooper, United Firefighter Union of Australia Tasmania Branch commented:

The budget processes for the State Fire Commission, as understood by the Fire Service Act, is that the State Fire Commission must project a budget of three to four years which must be approved by the minister of the day and that minister, once they have approved the budget, sets it in May and it becomes part of the

⁷ Submission 7, United Firefighters Union of Australia Tasmania Branch, p26

⁸ Transcript of evidence, 2 March 2016, p51

state government budget papers. The Government, for whatever reason, decided in August it would unilaterally alter that document to the tune of nearly \$3.5 million, \$2.5 million of which was appropriated from the Tas Fire Service budget for running the SES and another \$770 000 for the fuel reduction program set-up costs.⁹

5.11. Mr Andrew Taylor, Tasmanian Retained Volunteer Firefighter Association commented:

*The Fire Service as we know it is on the cusp and the treatment by the government of the day and the previous government is why we are in a fragile space right now in relation to funding. We have concerns about funding. Nothing is realised in any change of behaviour or response to the organisation that we have personally seen at a volunteer level but some of the terms of reference, if we get to those core points, will address that for the future. With the likes of SES being funded through the current TFS budget without any compensation it is not a fire service that can maintain its current build program, whether it be vehicles, stations, support structures for the likes of volunteer training, which is excessively high on the organisation.*¹⁰

5.12. Mr Gavin Freeman, the Tasmania Fire Service commented:

*The TFS had a pretty comfortable cash position a number of years ago. We were under pressure to utilise that, which we have done. At the same time, our expenses increased a bit around the presumptive cancer legislation that was pushed through and a couple of other areas. Tod may be able to elaborate if you need more detail on that. While we are able to pick it up for a year or two - and we also made some operational savings - it is not sustainable going forward. Our cash flow situation is reducing, which may cause a problem.*¹¹

5.13. The Committee that the current funding arrangement for the Tasmanian Fire Commission and Tasmania Fire Service is overly complicated.

5.14. Mr Tony Ferrall, Department of Treasury commented:

*Over a number of years there have been various differences in terms of funding that have been presented both through the Commission's corporate plan and through the annual budget process. I note that even as the submissions have gone to this committee, there are variations in those numbers compared to the audited financial statements. Without unpacking the detail of all those, the complexity of the funding arrangements means that the budget development process and the overall managing of the budget by the Fire Commission is probably more complex than it needs to be.*¹²

⁹ Transcript of evidence, 2 March 2016, p51

¹⁰ Transcript of evidence, 2 March 2016, p63

¹¹ Transcript of evidence, 2 March 2016, p2

¹² Transcript of evidence, 2 March 2016, p48

5.15. Mr Greg Cooper, United Firefighter Union of Australia Tasmania Branch commented:

Treasury gave their submission that it is public moneys. Fire Service money is not government money; it is Tas Fire Service money. It might be coming from a taxpayer base, but it is predominantly ratepayers. They are people who own houses or pay land taxes and rates. Those rates are collected at whatever level the Fire Service sets and that provides nearly half of the State Fire Commission's fund. It is not a tax from government; it is a tax on ratepayers to have a fire service. For everybody who insures their house, I think up to 9 per cent of that house insurance goes to the Tas Fire Service. Then you have an MAIB component, the road crash component, and defrayed costs from state governments and federal governments for campaign fires. Say this campaign fire cost \$50 million. There is no way known that the fire service can fund that, so the Government will kick in on that. That will be a transparent cost to defray of costs of such a big campaign. You could not expect the Tas Fire Service to do that. Tasmania is low and funded less by Government because of the funding model we have in place where ratepayers, house insurance and MAIB pay - not Government directly; so their contribution is lower.¹³

s107 of the Fire Services Act

5.16. The Committee heard about the decrease in the cash on hand position of the State Fire Commission.

5.17. The Committee heard that the Chief Officer uses s107 of the Fire Services Act to enable to the State Fire Commission to pay for the SES.

5.18. Mr Gavin Freeman, the Tasmania Fire Service commented:

I believe the alignment and subsequent integration of the TFS and SES is the right direction to go in. I believe the Fire Service Act under section 107 does provide the ability for the chief officer to expend funds for other purposes, providing it is approved by the minister. It is open to interpretation. I cannot speak for the UFU; they will speak for themselves. At one point, that section had a dollar figure on it but that was repealed or in the Reform Bill 1995. Whether there is some confusion about how much can be extended under section 107, I am not sure, but there is no dollar figure attached to that now.¹⁴

5.19. Mr Greg Cooper, United Firefighter Union of Australia Tasmania Branch argued that the Government's allocation of money through section 107 Fire Service Act was not in keeping with the intent of the legislation:

¹³ Transcript of evidence, 2 March 2016, p59

¹⁴ Transcript of evidence, 2 March 2016, p12

The Government has decided that section 107 of the act is a relevant part of the act to appropriate moneys to the Fire Service, bearing in mind the Fire Service must appropriate money for the purposes of running brigades. The cost of running brigades is defined in the act and tabled in our submission, so it is all related to fire. All of sudden you have the minister directing the fire service to spend \$2.5 million under section 107 on non-fire-related activities. Our concern is that you have a budget process that allows you to appropriate money under the Fire Service Act for fire service activities. You then say, 'We're going to drop \$2.5 million recurrent funding out of the budget', so that is a direct saving to police, 'and we think that is good synergy for the TFS so you can pick it up but, by the way, we're not going to give you any money, just find that money.'

5.20. Mr Greg Cooper, United Firefighter Union of Australia Tasmania Branch commented:

The 1995 reforms were significant. That 1995 reform also dropped from section 107 a \$1 000 limit per year spend by the chief with the permission of the minister on non-fire related activities. You had an act designed to create a spend out of your \$50 million or \$60 million budget of up to \$1 000 per year on non-fire-related activities. The Treasurer and the Government now are saying that section is okay to be used to spend upwards of \$8 million now on non fire related activities. That is significant. It will be if you don't fix the SES funding model; it will be \$2.446 million, \$2.5 million, \$2.7 million plus the \$770 000 for fuel reduction that was not able to be appropriated. It is over \$8 million. We think there is a huge problem with that.¹⁵

5.21. Mr Greg Cooper, United Firefighter Union of Australia Tasmania Branch commented:

My view is that the cap was removed to allow for more flexibility in the spend. I do not think it was ever the intention of Parliament and I cannot read the minds of the parliamentarians, but I do not think they would remove a \$1000 cap all up, accumulative for a year, to allow it to be replaced with upwards of \$7 million. My view is that that cap was there for a purpose and it was designed to stop people spending money appropriated for a specific purpose on other things. It might have been flowers or gifts to people or something like that they were buying.

...

I do support a cap in that sense. I think it is wrong of government to use that section the way it has been used. I am opposed to that.¹⁶

Committee Comment

5.22. The Committee notes the concerns of some witnesses in relation to the utilisation of section 107 of the Fire Service Act to spend money. However, the

¹⁵ Transcript of evidence, 2 March 2016, pp52-53

¹⁶ Transcript of evidence, 2 March 2016, p54

Committee notes that the Act was amended to remove the cap on the value of such expenditure to allow for the Minister to direct for amounts to be spent. The Committee considers this action to be in keeping with the Act as amended.

Recommendation 2: The Committee finds that on the evidence presented, that section 107 of the Fire Service Act should be amended to provide greater clarity in relation to discretionary spending by the Chief Officer or alternatively, the Act should be amended to include the authorisation for the State Fire Commission to directly fund the State Emergency Service.

6. THE TRANSFER OF THE STATE EMERGENCY SERVICE REPORTING RESPONSIBILITY TO THE STATE FIRE COMMISSION/ STATE FIRE SERVICE

6.1. In 2014, the Minister announced that the SES would now report to the Tasmania Fire Service Chief Officer and that annual resourcing for the SES was incorporated into the State Fire Commission budget. Prior to this, the majority of the resourcing for SES was provided by the Department of Police and Emergency Management.

Benefits

6.2. The Committee heard from a number of witnesses that the transfer would have numerous benefits for both organisations.

6.3. The Tasmania Fire Service commented:

The new reporting and budget arrangements for SES will strengthen this relationship and see many opportunities for greater collaboration and sharing of resources, whilst preserving their important identities and cultures.

*Importantly, with the change in reporting arrangements there is no reduction in the SES or TFS operational resourcing and no change to the contributions from local government in the immediate term.*¹⁷

6.4. Mr Gavin Freeman, the Tasmania Fire Service commented:

There are many synergies between the two organisations. We are largely volunteer based and we work side by side in so many areas already. Any change is significant and the approach I would suggest going forward is that we don't tamper with the operational arms as such because they have a proud identity and have strong cultures in their own right. It is our responsibility as leaders, however, to create the opportunity for them to work more closely together. If we do that right, eventually they will come to us and say maybe they want to wear the same shirt or something, but that is something for the people to decide. They are certainly best placed to identify other opportunities for us to work more closely together but we need to get that leadership right at the top.

We have had a lot of discussion in the last year or so with SES and our people around how this could work and I have only experienced enthusiasm for it and refreshingly so. I was a bit nervous about what that might look like and it would probably be a good question to ask the director of SES later so you are not just getting it from me, but certainly in the discussions I have had with SES personnel and discussions I have witnessed between our volunteers on the ground, they see it as an opportunity. The key to that is not to try to push those people together but let them come together, which I think will work pretty well. That is the line we

¹⁷ Submission 1, Tasmanian Fire Service p8

have been taking and the discussions we have had and everyone is really positive about the opportunities, which is unusual for a significant cultural change. Often people can focus on the negatives but it has been positive so far, which is encouraging.¹⁸

6.5. The Tasmania Fire Service commented:

The new reporting and budget arrangements for SES will strengthen this relationship and see many opportunities for greater collaboration and sharing of resources, whilst preserving their important identities and cultures. There may need to be some consideration given as to whether these new arrangements need to be formalised through legislative amendment to the Fire Service Act.

While TFS and SES will operate as separate units under the ultimate direction of the CEO/Chief Officer, there is a requirement to maintain the centralised governance mechanism of the Commission to coordinate and support each arm in the delivery of efficient services to the community and to provide assurance to the Minister and the Government of the day.

Some consideration may need to be given to the possibility of amending section 6 of the Fire Service Act to specify that the SES is also under the control of the Commission. However, it could be arguable that section 11 concerning Ministerial Direction to the Commission is sufficient as it currently stands.

It may also be necessary to examine legislative changes that may facilitate how the SES is funded through the Commission.

Funding for SES currently relies on section 107 of the Act which states that the 'Chief Officer can expend out of the funds of the Commission any sum of money for any purpose approved by the Minister, notwithstanding this expenditure may not be authorised under any provision of this Act.'

As it stands currently, funding from Insurance Companies, the Treasurer (through vehicle registration) and local councils is to defray the operating costs of all brigades, as it stands at the moment brigades do not include SES.

It may be desirable to change the definition of Brigade in the Act. Currently Brigades include a permanent Brigade, a composite Brigade or a volunteer Brigade. SES could be added as either a Brigade type or Section 26(1) could be amended to state that the Commission may establish Brigades and the State Emergency Service as defined/reflected in the Emergency Management Act 2006.

There may also be amendments to the Emergency Management Act to recognise the Chief Officer's role in administration and emergency management in the broader context and to acknowledge the SFC's role in the governance and financial management of the SES.¹⁹

¹⁸ Transcript of evidence, 2 March 2016, p10

¹⁹ Submission 1, Tasmanian Fire Service p47

6.6. Mr Gavin Freeman, the Tasmania Fire Service commented:

My personal view is that there is an opportunity for us to become fully integrated at a point in the future but I have to stress that I am the acting chief officer and there is a new chief officer about to commence and I do not want to pre-empt anything he might want to do.²⁰

6.7. The State Emergency Service commented:

There is a firm commitment by government, TFS/SFC and the SES that none of these changes will result in any reduction in SES funding or operational resources. Internal lines of reporting within SES will remain the same.

The changes will not affect the proud SES identity (recognised nationally), or the many emergency or support functions SES members deliver each year. TFS and SES are likeminded volunteer-based emergency service organisations and this realignment is expected to provide opportunities for greater collaboration and efficiency in our business activities.²¹

6.8. Among these benefits, a number of witnesses expressed that the transfer would provide opportunities for synergy and improved resource utilisation.

6.9. The Tasmania Fire Service commented:

Already, the SES and TFS work together and have many synergies; both have a large pool of dedicated volunteers, respond to emergency incidents, operate within the same regional boundaries and have many collocated premises. SES has 32 premises which are owned by councils, TFS, Ambulance Tasmania or Tasmania Police. 13 of these premises are co-located with TFS. Last year, SES moved into the new Devonport Police Station and there may be more opportunities for the sharing of facilities in the future.

Many initiatives for closer collaboration and resource sharing have already been identified within the areas of emergency management policy and planning, operations and training, facilities and assets, learning and development and community education and awareness. In addition, the SES volunteers now have the opportunity to benefit from the additional support of the TFS volunteer management system.²²

6.10. The Tasmania Fire Service commented:

TFS and SES both should increase the level of functional operational support to each other on Incident Management Teams (IMT). This would increase operational ability and outputs and increase the synergy of effort in all-hazard situations. Rapid

²⁰ Transcript of evidence, 2 March 2016, p10

²¹ Submission 2, State Emergency Service p3

²² Submission 1, Tasmanian Fire Service p8

*Impact Assessments would be better coordinated to provide an effective bridge between emergency response and recovery.*²³

6.11. The Tasmania Fire Service commented:

Co-location of Regional Headquarters/administration centres

This strategy would see the co-location of SES and TFS Regional headquarters in the North West, North and Southern parts of the State. TFS and SES State Headquarters would also be co-located in State Headquarters at the corner of Argyle and Melville Street. A clear intent of co-location is to better align, where possible, volunteer management and training and organisational learning and development. SES volunteers would have the opportunity to benefit from the additional support of the TFS volunteer management system. It would also reflect the fact that approximately 20 per cent of volunteers work with both the TFS and the SES and volunteers often work together when responding to incidents.

*Co-location would facilitate a more strategic approach to asset management and high quality facilities would be available in all regions. It would also enable the SES to have access to best practice engineering systems and it would facilitate effective and efficient use of shared resources.*²⁴

6.12. The Tasmania Fire Service commented:

There are so many synergies between Tasmania Fire Service and the State Emergency Service in Tasmania in that we are both largely volunteer-based organisations. We work side-by-side in so many areas now and the recent bushfire campaign has been a classic example of that, with SES personnel embedded alongside our volunteers in management support, staging area management and incident management teams. We share a lot of the same people, of course, with people who volunteer for both agencies, so to take it a step further to allow for more formal alignment and integration is the right thing to do, in my belief.

*There are certainly some opportunities there for reducing duplication. There are opportunities for us to provide a better service to the Tasmanian community than we already do, but there need to be some things that come into train before that can occur in a holistic sort of way. There are already a lot of areas we have identified where we can make some efficiencies, provide better service and share our resources, but there clearly needs to be a sustainable funding model going forward if something were flagged as being very important to make full integration a reality and there will need to be some review of legislation, I would suggest, as we go forward, around that alignment or integration, particularly around reporting lines and those sorts of things and responsibilities. There is nothing we can't work through but it would just make it neater if the legislation reflected that.*²⁵

²³ Submission 1, Tasmanian Fire Service p9

²⁴ Submission 1, Tasmanian Fire Service p10

²⁵ Transcript of evidence, 2 March 2016, pp1-2

6.13. Ms Andrea Heath, State Emergency Services, commented:

When our volunteers turn up to a job, it is quite often alongside other emergency services workers. The fact that they are co-located means there are opportunities to do joint training and to get to know each other so that when they attend an incident, they are used to working together and can support each other. It is also a reduction in cost because there is the one facility. Basic things like training rooms can be shared. It just makes sense that where possible within communities, we can co-locate and share resources.²⁶

6.14. Ms Andrea Heath, State Emergency Services, commented:

I report to the chief officer and leadership has become embedded within the TFS leadership forums. That is particularly useful. Instead of us or TFS looking at an issue in isolation, we can combine our resources and come up with a solution that might be suitable for both of us.²⁷

6.15. The State Emergency Service commented:

There is a firm commitment by government, TFS/SFC and the SES that none of these changes will result in any reduction in SES funding or operational resources. Internal lines of reporting within SES will remain the same.

The changes will not affect the proud SES identity (recognised nationally), or the many emergency or support functions SES members deliver each year. TFS and SES are likeminded volunteer-based emergency service organisations and this realignment is expected to provide opportunities for greater collaboration and efficiency in our business activities.²⁸

6.16. Mr Rod Sweetnam commented:

The transfer of reporting responsibilities will enable a number of economies and cost savings for example:

Single joint facilities for volunteer units, as has occurred at a number of locations around the state already.

Efficiencies in the allocation and maintenance of vehicles.

Greater integration of Road Accident Resource (RAR) response teams (training, management, equipment and resources).

Common training venues and courses i.e. RAR, First aid, urban search and rescue etc.

Enhanced coordination of incident management and on ground resource deployment at emergency events.

²⁶ Transcript of evidence, 2 March 2016, p24

²⁷ Transcript of evidence, 2 March 2016, p24

²⁸ Submission 2, State Emergency Service p3

Scrutiny of accounts and WH&S procedures through a third party body (i.e. State Fire Commission).²⁹

6.17. Mr Rod Sweetnam commented:

There will potentially be greater opportunities for training and development of both career and volunteer personnel with the broader suite of operational activities across both organisations.

*There will also be potential for economies with office space, administration and provision of facilities. Common needs for skills development can be addressed through provision of a single training providers and dual use of training facilities.*³⁰

6.18. Mr Rod Sweetnam commented:

*I indicate that I support the idea of the SES being part of the Tasmania Fire Service under the State Fire Commission. I see there are operational efficiencies associated with that. A lot of the activities are like in relation to management, training, supply and maintenance of equipment. They are both first order response agencies. Bringing the SES under the State Fire Commission gives it a level of governance that probably has not occurred in the past.*³¹

Reporting

6.19. The Committee heard from a number of witnesses in relation to issues of how reporting would occur within and across the two organisations following the transfer of SES to TFS.

6.20. The Tasmania Fire Service commented:

It should be noted that, under the Emergency Management Act 2006, the Director SES still reports directly to the State Controller on issues relating to emergency management and is the Executive Officer of the State Emergency Management Committee, of which the State Controller is the Chair. At the moment, the State Controller is the Secretary of the Department of Police and Emergency Management.

*TFS is currently exploring a number of possible initiatives to further align the TFS and SES. These possibilities include: co-location of Incident Command Centres, TFS/SES exchange leadership appointments, integration of Regional/State Headquarters and a joint review of emergency service legislation.*³²

²⁹ Submission 5, Rod Sweetnam, p1

³⁰ Submission 5, Rod Sweetnam, pp1-2

³¹ Transcript of evidence, 2 March 2016, p41

³² Submission 1, Tasmanian Fire Service p8

6.21. The Tasmania Fire Service commented:

TFS/SES exchange leadership appointments on a rotating basis.

This strategy would identify a suitable TFS/SES officer/manager to take on a fixed-term role in either TFS or SES as required. This would provide developmental opportunities for individuals and increase the depth of knowledge from a whole of organisation perspective. Through this increased knowledge future possibilities for further alignment could be identified and implemented. The increased inter-service knowledge and understanding would further enhance a common approach to emergency management planning and implementation. For this strategy to be successful consideration would need to be given as to how potential vacancies are managed where there are limited staff numbers and potentially difficulty in backfilling roles.

6.22. Ms Andrea Heath, State Emergency Services, commented:

There are new reporting arrangements for the director of the SES and that position now directly reports to the chief officer and the resourcing for the SES has been incorporated into the State Fire Commission budget. To date, these arrangements have been working very well. Both TFS and SES are volunteer-based organisations and have always worked closely together, so this is a formalisation of what we've been doing. An example of that is that 13 of our units are co-located with TFS.³³

6.23. Ms Andrea Heath, State Emergency Services, commented:

I report to the chief officer and leadership has become embedded within the TFS leadership forums. That is particularly useful. Instead of us or TFS looking at an issue in isolation, we can combine our resources and come up with a solution that might be suitable for both of us.³⁴

6.24. The State Emergency Service commented:

There is a firm commitment by government, TFS/SFC and the SES that none of these changes will result in any reduction in SES funding or operational resources. Internal lines of reporting within SES will remain the same.

The changes will not affect the proud SES identity (recognised nationally), or the many emergency or support functions SES members deliver each year. TFS and SES are likeminded volunteer-based emergency service organisations and this realignment is expected to provide opportunities for greater collaboration and efficiency in our business activities.³⁵

³³ Transcript of evidence, 2 March 2016, pp23-24

³⁴ Transcript of evidence, 2 March 2016, pp24

³⁵ Submission 2, State Emergency Service p3

Integration

6.25. The Committee heard from witnesses about issues in relation to the integration of SES within the TFS, how this would be managed as well associated costs.

6.26. Mr Gavin Freeman, Tasmania Fire Service commented, in response to a question concerning the \$5.4 million integration cost:

It is something that needs to be addressed as a matter of priority, obviously, because as I have said a couple of times now it is not sustainable to continue along the path we are. I guess we are all waiting to see what the outcomes of this inquiry are to allow us to go forward on that. There has been some planning and discussion around how we can fix that and take it forward. I know our minister is very interested in that, but I can't comment or speak for him. I haven't been given authority to speak on his behalf but I am sure if you wanted to talk to him he could identify some areas of how we are going to go forward.³⁶

6.27. The Tasmania Fire Service commented:

TFS infrastructure is superior to those currently maintained in SES. Obviously, there is a need to ensure TFS systems will support SES requirements; however, any cost of upgrade is likely to be significantly less than a replacement program. An integrated control system would provide the optimal utilisation of existing infrastructure in Regional locations. SES would be able to access excellent facilities without the requirement to build new infrastructure while also providing the opportunity to build a closer relationship between TFS and SES.³⁷

6.28. The Tasmania Fire Service commented:

SES have expressed concern that, even during major bushfire operations, there is a great deal of SES tasking and coordination required. For this reason, SES have indicated a preference to maintain independent command and control centres. However, TFS leadership is confident sufficient systems, facilities and break-out areas are maintained in all major locations to accommodate a dual-use environment.³⁸

6.29. The State Emergency Service commented:

There is a firm commitment by government, TFS/SFC and the SES that none of these changes will result in any reduction in SES funding or operational resources. Internal lines of reporting within SES will remain the same.

The changes will not affect the proud SES identity (recognised nationally), or the many emergency or support functions SES members deliver each year. TFS and SES

³⁶ Transcript of evidence, 2 March 2016, p2

³⁷ Submission 1, Tasmanian Fire Service p9

³⁸ Submission 1, Tasmanian Fire Service, p9

are likeminded volunteer-based emergency service organisations and this realignment is expected to provide opportunities for greater collaboration and efficiency in our business activities.³⁹

6.30. Ms Andrea Heath, State Emergency Services, commented:

The SES has a long and proud history and that is something we want to maintain. Last week we had a meeting of all staff to talk about this issue to see if there were any concerns about potential loss of identity or any cultural issues, and every person in attendance was fully supportive and only see this as creating opportunities for the State Emergency Service. There was no negativity. Our volunteers are very supportive on the whole. They have been heavily involved in supporting the Tasmania Fire Service with the recent fires and it gives them an opportunity to use their skills. They are there to support the community and that is what they want to do. I do not see it being an issue going forward in that all of the staff and volunteers I have spoken to are fully supportive and see the opportunities for us going forward.

6.31. Mr Rod Sweetnam commented on the efficiencies through the transfer :

Training: in road accident rescue, SES provides the response in the rural areas, TFS responds in the urban areas, but the training requirements are the same for both organisations. I am not saying there is not training going on together, but if they're in one organisation then obviously all the infrastructure above those groups can be brought into one infrastructure, one training process and things like that. In recent times with the extended fires some of the fire officers have moved into the SES offices to assist with some of the SES activities and vice versa, so those sorts of things could be more formalised. The training and management streams can be more formalised.⁴⁰

6.32. Mr Andrew Taylor, Tasmanian Retained Volunteer Firefighter Association commented:

To be honest, I think it is logical and I am not here representing the SES, so please, my colleagues may not be happy about that. We have been co-housed since 2009 and it works incredibly well. Sixty per cent of our SES members are TFS members. It's 'What colour outfit do you put on?'. There is never any confusion or arguments, but I think there are still some opportunities. I think the way TFS has been trying to communicate, including SES communicating, has been positive. The language, the direction and the communication strategies have been positive. There will always be the diehards who will say they never want to - they have never said we're changing to blue as opposed to orange and I think that is respected at every level. I think it makes sense. My personal feeling is that it makes a lot of

³⁹ Submission 2, State Emergency Service, p3

⁴⁰ Transcript of evidence, 2 March 2016, p43

sense. There is so much synergy. The dispatch systems, we don't dispatch in SES for floods, we do road crash through the Fire Service. There are some real logical changes. I qualify that by saying that cannot happen, if TFS is the parent organisation, without appropriate compensation for that.⁴¹

6.33. Mr Rod Sweetnam commented:

Going back to local government, the act requires that each municipality will have an emergency management plan. The scope to do that on a regional basis - my understanding is generally that is done on a municipal basis - and that doesn't necessarily recognise natural catchments so far as the risk is concerned. The other thing that pops up out of that is that in two or three municipalities all planning in close proximity to, hypothetically, a riverine flooding situation, they all do their plans around the personnel and resources available within the region - through Tasmania Police, TFS and all those - but by the time the flooding gets down to the bottom of the municipality a lot of those resources could have been used up, but the plans stand alone. That is one of the challenges with the funding arrangement at the moment and the way it is written around emergency planning.⁴²

6.34. Mr Robert Atkins, Tasmanian Volunteer Fire Brigades Association commented:

I think I back up what Andrew said, a lot of TFS SES are 'cross-dressed', if I can put it that way. It is supporting one another. You do not have to decide whether you are going to that station or that station, we will make up our minds when Andrew gets there and says that is where we're going.⁴³

Committee Comment

6.35. The Committee notes the overwhelming evidence of the benefits of the transfer of the SES to the State Fire Commission. The Committee notes that these benefits include: improved resource utilisation, reduction in duplication through overlapping responsibilities, improved communication and functioning in their roles in providing emergency response in Tasmania.

6.36. The Committee notes the concerns that the State Fire Commission bore responsibility for the expense of the transfer. The Committee does note that this is a one off responsibility and that the transfer has the potential to reduce costs for the SFC in the long term through improved resource utilisation and reduced waste.

⁴¹ Transcript of evidence, 2 March 2016, p66

⁴² Transcript of evidence, 2 March 2016, p43

⁴³ Transcript of evidence, 2 March 2016, p66

- 6.37. The Committee notes the cost efficiencies that are projected to occur through improved use of equipment collaboration and the integration of services.
- 6.38. The Committee notes that importance of the sense of identity to the SES and the SFS for their organisation and its workers and volunteers. The Committee recognises the efforts of both organisations to ensure that neither organisation loses its sense of identity as a result of the transfer.
- 6.39. The Committee recommends the State Fire Commission be fully reimbursed for the costs of the State Emergency Service transfer in years 2014 to 2017.
- 6.40. The Committee further notes that the Fire Services Act 1979 should recognise the State Emergency Services and incorporate sections of the Emergency Management Act.

Recommendation 4: The Committee recommends the State Fire Commission be fully reimbursed for the costs of the State Emergency Service transfer in years 2014 to 2017.

7. THE FUNDING OF THE STATE EMERGENCY SERVICE

7.1. The Committee heard that the current funding model for SES consists of a mixture of State Government, Local Government and Commonwealth funding arrangements.

7.2. The State Emergency Service commented:

*In 2014-15, SES operated with a State Fire Commission (SFC) allocation of \$2.494 million and a top-up from DPEM of around \$360,000 to bring the SES budget to \$2.85 million, the same level of funding as SES's 2013-14 allocation. After salaries, this leaves \$790,000 of non-salary funds. SES also receives an annual allocation of \$330,000 from MAIB to support road crash rescue activities by SES Units across the State.*⁴⁴

7.3. The State Emergency Service commented:

The SFC allocation to SES has been facilitated by virtue of section 107 of the Fire Services Act which states the 'Chief Officer can expend out of the funds of the Commission any sum of money for any purpose approved by the Minister, notwithstanding this expenditure may not be authorised under any provision of this Act.'. The Minister approved this expenditure on 5 January 2015.

Commonwealth funding is provided to SES under the National Partnership Agreement for Natural Disaster Resilience (NPA) in accordance with the agreed Tasmania Implementation Plan. Under this plan, and for the limited life of the NPA, SES receives \$135,000 for the Emergency Management Framework Support Program (EMFSP) - to administer and manage \$1.17 million of Commonwealth funding per year (until the end of 2014-15) for three competitive grants programs (Emergency Volunteer Fund, Natural Disaster Resilience Grants Program and State Emergency Management Program).

*Apart from the \$135,000 allocated to SES for the EMFSP, SES has no direct control of the remaining NPA funds, which are allocated to successful Tasmanian grant recipients following a detailed and structures assessment of eligible project applications by a multiagency assessment panel. The Commonwealth has indicated that it will support a new NPA from 2015-16 inclusive.*⁴⁵

7.4. The Tasmania Fire Service commented:

The SES budget allocation for 2014-15 is \$2.85 million. This amount has not been impacted by the transfer in funding arrangements to the SFC.

The SES budget was previously funded from the Tasmania Police budget - however the State Government will no longer provide that money to Tasmania Police.

⁴⁴ Submission 2, State Emergency Service, p5

⁴⁵ Submission 2, State Emergency Service, p5

Ongoing funding for SES of \$2.538 million in 2015-16 will increase to \$2.706 million in 2018-19 and this has been incorporated into the SFC Corporate Plan.

There has been broad acknowledgement that the current funding model for SES is not sustainable into the future. As any changes to the funding model will involve significant consultation with stakeholders, the Government has provided an additional \$1.5 million in 2015-16 to SFC to ensure that communities are kept safe and that there is no effect on the Capital Program.⁴⁶

7.5. The Committee heard that the funding for the State Emergency Service would not see any reduction in funding through the transfer.

7.6. The State Emergency Service commented:

There is a firm commitment by government, TFS/SFC and the SES that none of these changes will result in any reduction in SES funding or operational resources.

⁴⁷

7.7. The Committee heard that the Tasmania Fire Service is currently funding the SES through utilising on hand cash surplus.

7.8. Mr Gavin Freeman, the Tasmania Fire Service, commented:

The Tasmania Fire Service and the State Fire Commission accepted that we would, through some efficiencies and eating into the cash surplus we had at hand, be able to fund the emergency service for the short to medium term. We have always said right from the outset that that will not be sustainable in an ongoing way, and that has been widely acknowledged. We have done a lot of work on what it costs to fund the State Emergency Service. At the moment, we fund it to the tune of \$2.5 million, which was the Government contribution. However, there is a very complex funding model for the State Emergency Service which includes local government and a range of other stakeholders. We have some work being undertaken at the moment to identify what that total cost is to inform our decision-making going forward.⁴⁸

7.9. Mr Todd Crawford, Department of Police and Emergency Management commented:

We see significant fluctuations in terms of our cash flows, which we highlighted in the report, and that is largely due to the timings of our component of revenue derived from the TFS contribution. However, I suppose those have been exacerbated recently with the bushfire campaign and we have been working with the Department of Treasury and Finance to secure additional funding earlier than we would previously. With our wildfire reimbursements, the previous process was that we carried those expenses until the end of the financial year, but we have put

⁴⁶ Submission 1, Tasmanian Fire Service p11

⁴⁷ Submission 2, State Emergency Service p3

⁴⁸ Transcript of evidence, 2 March 2016, p2

in interim arrangements with the Department of Treasury and Finance now to ensure we can continue to operate in a financially sustainable fashion.⁴⁹

7.10. Mr Todd Crawford, Department of Police and Emergency Management commented:

One of my observations there is that some of the perceived shortfall at the moment is largely around ... this figure in the vicinity of \$5 million comes from because at the moment SES is not funded to that amount. I suppose the shortfall in funding is largely attributable to vehicle fleet at a cost of \$15 million or thereabouts at a depreciation of approximately \$750 000 to \$800 000 a year which we are not funding, so there is a liability being created there. As to the issue around the mechanism for funding the SES and the need to address that through the budget, I think you are correct. That is where we would like to be but there is a lot of moving parts in that analogy at the moment that we need to align.⁵⁰

7.11. A number of witnesses raised the issue of the funding of unit facilities.

7.12. The Tasmania Fire Service stated that the SES lacks a unit facilities budget and is therefore:

totally reliant on external bodies to maintain its facilities. When improvements to facilities are required, SES must seek additional funding or support from the councils, competitive grant programs or one-off budget initiatives. Two recent examples are the Zeehan SES Unit and the Mersey SES Unit. For the former, SES received a one-off election commitment through the previous government, a Commonwealth grant and some in-kind support to extend the existing Zeehan Fire Station. The latter received considerable support from DPEM and a one-off \$45,000 commitment by the Devonport Council to extend the new Devonport Police Station.

The annual SES Unit vehicle budget is limited to \$120,000-\$150,000. For 2014/15, the budget was entirely consumed by a single grant to Circular Head Council to replace their primary rescue truck.⁵¹

7.13. The Tasmania Fire Service expressed concerns in relation to long term viability of this funding model:

Whilst the SFC was able to meet the funding requirement in 2014-15 from Reserves this is not a sustainable model. Cash balances for the Commission are predicted to decrease to a nil balance.

⁴⁹ Transcript of evidence, 2 March 2016, p10

⁵⁰ Transcript of evidence, 2 March 2016, p25

⁵¹ Submission 1, Tasmanian Fire Service p13

*Therefore, a review of funding arrangements for SES will be considered during 2015-16 with a view to developing the most sustainable funding model for this service into the future.*⁵²

7.14. Mr Andrew Taylor, Tasmanian Retained Volunteer Firefighter Association commented:

*The Fire Service as we know it is on the cusp and the treatment by the government of the day and the previous government is why we are in a fragile space right now in relation to funding. We have concerns about funding. Nothing is realised in any change of behaviour or response to the organisation that we have personally seen at a volunteer level but some of the terms of reference, if we get to those core points, will address that for the future. With the likes of SES being funded through the current TFS budget without any compensation it is not a fire service that can maintain its current build program, whether it be vehicles, stations, support structures for the likes of volunteer training, which is excessively high on the organisation.*⁵³

7.15. The State Emergency Service expressed commented:

*There has been broad acknowledgement for many years that the current funding model for SES is not sustainable into the future. There are also a number of ongoing, new and emerging resource and funding requirements for SES that are currently unfunded. These primarily relate to the ability to maintain standards with SES volunteer Unit facilities and response vehicles and human resources capacity to support asset management and also to support the councils in emergency management (particularly emergency management planning, education and community engagement). These issues may place added pressure on the SFC when considering all TFS and SES funding priorities and forward estimates.*⁵⁴

7.16. The State Emergency Service commented:

SES also has no direct control of any local government funding towards SES or emergency management, but under the Emergency Management Act 2006, the councils are responsible for the establishment and maintenance of municipal SES volunteer unit facilities. Councils must also support the operations of these units, including taking ownership of the SES unit vehicles and funding vehicle maintenance, fuel, insurance, unit/vehicle running costs, etc. SES manages these arrangements by negotiating and establishing MOUs with each council to clarify support arrangements and any standards.

Often these standards are difficult to meet when SES does not own or manage the facilities or fleet, or when the councils have competing funding priorities.

⁵² Submission 1, Tasmanian Fire Service p13

⁵³ Transcript of evidence, 2 March 2016, p10

⁵⁴ Submission 2, State Emergency Service, p5

SES does not have a SES Unit facilities budget and is totally reliant on external authorities to maintain its facilities. When improvements to facilities are required, SES must seek additional funding or support from the councils, competitive grant programs or one-off budget initiatives. Two recent examples are the Zeehan SES Unit and the Mersey SES Unit now at Devonport. For the former, SES received a one-off election commitment through the previous government, a Commonwealth grant and some in-kind support to extend the existing Zeehan Fire Station. The latter received considerable support from DPEM and a one-off \$45,000 commitment by the Devonport Council to extend the new Devonport Police Station.

The annual SES Unit vehicle budget for a fleet of 72 emergency response vehicles is limited to \$120,000-\$150,000. For 2014-15, the budget was entirely consumed by a single grant to Circular Head Council to replace the Circular Head SES Unit's primary rescue truck. This took over two years to negotiate.

Whilst the SFC was able to meet the funding requirement in 2014-15 from Reserves this is not a sustainable model. Cash balances for the Commission are predicated to decrease to a nil balance.

Therefore, a review of funding arrangements for SES will be considered during 2015-16 with a view to developing the most sustainable funding model for this service into the future. The review will also consider the SES budget initiative proposal made by SES over the last five years with options for a more sustainable funding model for SES, particularly in the areas of SES fleet management and the maintenance of appropriate facilities for the SES volunteer workforce.⁵⁵

7.17. The United Firefighters Union of Australia Tasmania Branch United commented:

The Government of the day or any Government Minister does not have authority in legislation to usurp the role of the Chief Officer or interfere and direct the spending of SFC monies. This is because SFC monies are appropriated in accordance with the FSA for the purpose of running brigades.⁵⁶

7.18. The United Firefighters Union of Australia Tasmania Branch United commented:

The current Liberal Government has imposed its own budgets on the SFC/TFS since August 2014 and continues with a relentless pursuit of SFC appropriated money for spending on other than fire service activities as prescribed by the FSA.

In our submission we are committed to maintaining the independence of the SFC/TFS and the role and functions of the Chief Officer.⁵⁷

⁵⁵ Submission 2, State Emergency Service, p7

⁵⁶ Submission 7, United Firefighters Union of Australia Tasmania Branch, p22

⁵⁷ Submission 7, United Firefighters Union of Australia Tasmania Branch, p24

7.19. The United Firefighters Union of Australia Tasmania Branch United commented:

The Government unilaterally declared the TFS would manage the SES report (the full time staff employed in SES). This line item \$2.446 million was removed from the DPEM budget for 2014/15 with a footnote advising the reporting lines were transferred to from DPEM to the TFS.

Despite the Government achieving a 2.44 million dollar saving in the Police budget - no additional funding was provided or transferred to the TFS to cover the cost of the transfer in reporting arrangements. This was effectively a 2.5 million dollar per annum saving to DPEM and subsequently consolidate revenue and a direct cost impost to the TFS. This is a backdoor budget cut imposed on the SFC/TFS.

Further the TFS could not appropriate this shortfall as the FSA only allows the fire service to appropriate monies for the purpose of operating costs as cited earlier in this paper. This meant that until a new funding model was developed the TFS was lumbered with a 2.5 million dollar annual recurring expense for a function the TFS arguably could not legally perform under the FSA.⁵⁸

7.20. The Committee heard that the funding for the State Emergency Service would not see any reduction in funding through the transfer.

7.21. The United Firefighters Union of Australia Tasmania Branch United cited the report “The Funding of the Tasmanian State Fire Commission” (Kershaw (2015), at 8):

The impost of SES payments onto the SFC, without addressing the consequential impacts on SFC operations and future financial capacity of the entity, is precisely the type of outcome financial management and reporting requirements are intended to prevent.⁵⁹

7.22. The United Firefighters Union of Australia Tasmania Branch United commented:

A result of the reduction in the State Government's contribution and the State Government's budget directions to spend SFC funds on non-fire related activities is increased lending.⁶⁰

7.23. The United Firefighters Union of Australia Tasmania Branch United cited the report “The Funding of the Tasmanian State Fire Commission” (Kershaw (2015), at 8):

⁵⁸ Submission 7, United Firefighters Union of Australia Tasmania Branch, p27

⁵⁹ Submission 7, United Firefighters Union of Australia Tasmania Branch, p27

⁶⁰ Submission 7, United Firefighters Union of Australia Tasmania Branch, p28

It can be seen from more recent financial statements that this budgeting consistency and reduced costs on borrowing and financing are changing materially. The SFC was required to borrow an additional, unbudgeted \$1.5 million to meet its cash requirements, with projected deficits requiring additional borrowing in the future. The total amount of future borrowing cannot be known as SFC, as unbudgeted costs are imposed on them.⁶¹

7.24. The United Firefighters Union of Australia Tasmania Branch United cited the report “The Funding of the Tasmanian State Fire Commission” (Kershaw (2015), at 9-10):

These variations reflect deterioration in the ability for SFC to align financial management with operational planning. The most acute impact is on the burgeoning deficit, which the SFC has no control over, despite being responsible for the financial and operation management of the entity and its statutory outcomes.”⁶²

7.25. The United Firefighters Union of Australia Tasmania Branch United commented:

The recurrent cost of management of SES staff remains unfunded by Government and has been directed to the SFC/TFS.⁶³

7.26. Mr Greg Cooper, United Firefighters Union of Australia Tasmania Branch commented:

In advance of a transparent funding model, if you wanted to fund SES to the tune of \$5 million on the Tas Fire Service contribution. The fire service contribution is about \$33 million to \$34 million. If you want to whack another \$5 million onto that, that's a 12.5 - 15 per cent increase on the fire service levy. The fire service levy for my daughter who lives in West Hobart is about \$380-\$390 a year. For me - I live at Mangalore - I pay \$40. That's \$5 for me but it is another \$30-\$40 for fire service contribution, that's not actually fire services. It needs to be sorted.

There is a complicated intermix with the Fires Service Act and the Emergency Management Act in terms of how the SES functions and the 29 regional councils, - local plans, regional plans, statewide plans. The synergy of having the SES under fire gives you a statewide response. It takes away the boundaries, it takes away the old 1967 arguments when the bush fires were on - that brigades not going over there because that's not our district. It is a good model, but it needs to be funded and appropriately governed.⁶⁴

⁶¹ Submission 7, United Firefighters Union of Australia Tasmania Branch, p28

⁶² Submission 7, United Firefighters Union of Australia Tasmania Branch, p28

⁶³ Submission 7, United Firefighters Union of Australia Tasmania Branch, p28

⁶⁴ Transcript of evidence, 2 March 2016, p51

7.27. Mr Greg Cooper, United Firefighters Union of Australia Tasmania Branch commented:

The difficulty in answering that question is that prior to August 2014, SES was funded by consolidated revenue to the police force. They had to make \$7.5 million in savings; \$2.5 million went straight to fire and fire funded that.

...

The difficulty for Government and the fire service is that the Government can give the fire service money to defray the operating costs of the brigade. The SES is not part of the brigades. They cannot even give them money to help with that because the act does not allow for it. It is a very deliberate fiscal strategy that is effectively hamstringing the fire services. By this year, when they do not have the budget fixed, it will be over \$8 million that the fire service had to find that would otherwise have been funded out of consolidated revenue to police force. That is wrong. The best thing the government could do was recognise that was wrong. They have already given \$1.5 million back as a result of a campaign we ran. They should make the shortfall. They should get back the other \$6.5 million, give it to the fire service, apologise to them so they can fix their truck re build program and then continue to fund SES as it was funded out of consolidated revenue. Until they do all the due diligence, they should have done before they made this initiative happen. That would be the way to fix it, in my view.⁶⁵

Dependence on Councils

7.28. The Committee heard from a number of witnesses on issues relating to the funding the SES receives from local governments. Overall, the majority of witnesses did favourably view the current arrangements.

7.29. The State Emergency Service commented:

With the current fiscal environment and competing funding priorities, some councils have not initially been willing or able to support municipal SES volunteer unit facilities according to SES standards. SES staff are spending increasing amount of time and effort negotiating funding contributions from councils, or applying for competitive grants, with declining levels of success due to increasing council budget pressures and greater competition for funds. There is also a growing view that SES branded vehicles and unit facilities should be a State responsibility because it is the SES, not local government, which sets the standards and controls all SES operations. Despite the provisions of the Emergency Management Act 2006 and the good will of the majority of councils towards SES, future funding sources and appropriate levels of support from councils cannot be guaranteed, which poses a significant risk to the SES. This is particularly the case when SES needs to upgrade its standards to meet regulatory and safety requirements and to maintain a motivated, skilled and well equipped volunteer workforce (e.g. vehicle load issues

⁶⁵ Transcript of evidence, 2 March 2016, p51

requiring vehicle standards to be upgraded to more expensive options; appropriate Unit training facilities to meet growing training standards; and the requirement for rescue tool upgrades to meet new vehicle technologies; etc.).⁶⁶

7.30. The State Emergency Service commented:

*There is an increasing trend towards combining SES unit facilities with other emergency service organisations, particularly the TFS. This is primarily because of the improved facilities standards available with other emergency services and the closer relations between the services. As a result, and with the assistance of various government and non-government grants, SES, in consultation with the councils and other emergency services, have capitalised on opportunities to develop combined facilities. As a result, only half of the existing SES unit facilities are currently owned by councils. With plans for more combined unit facilities with TFS, Police or Ambulance Tasmania the level of council involvement is expected to continue to decline.*⁶⁷

7.31. Mr Andrew Taylor, Tasmanian Retained Volunteer Firefighter Association commented:

*I honestly believe the models within councils are flawed. George Town Council has an excellent record with the George Town SES but there are a number of councils around this state, which do not have such positive relationships. Our municipal coordinators are the linchpin between the volunteers and the community. If the municipal coordinator and/or deputy are doing their job, we should not lose that recognition or the role the SES is still performing in the community. I don't see that that would be compromised if the marketing and communication strategies were effective and considered. George Town does it well in terms of being looked after by council. We still have to submit everything we need, whereas in other councils some of our SES units are screaming for support and aren't getting it. A model that is far more equitable with a different funding model to what we have now - appropriately resourced and funded - would be a huge benefit to the majority of the units that exist within this state.*⁶⁸

7.32. The State Emergency Service commented:

Section 48 of the Emergency Management Act reflects a longstanding partnership arrangement between SES and the councils (since 1976) where the councils are responsible for the establishment and maintenance of municipal volunteer SES units. Under section 49, Councils are specifically responsible for the effective operation of their municipal volunteer SES units, including the provision of facilities and resources necessary to perform unit functions and training. In practical terms, this has required applicable councils to provide adequate storage, garaging and internal work places; purchase of SES vehicles (with SES grants); maintenance of

⁶⁶ Submission 2, State Emergency Service, p7

⁶⁷ Submission 2, State Emergency Service, p8

⁶⁸ Transcript of evidence, 2 March 2016, p63

unit facilities, grounds, vehicles and other unit equipment; and operational expenses such as fuel, phones, utilities and certain consumables. MOUs between SES and most councils have been developed to clarify these arrangements. The levels of support councils provide to these units vary, but in monetary terms, the State-wide average per council per year is about \$20,000 (this does not include depreciation, council asset management staff salaries, on-costs, etc.).

While this partnership approach has always been valued, it has progressively become more complex because:

- half the unit facilities are no longer owned by councils - there has been a growing trend of taking up unit enhancement opportunities and co-locating within TFS, AT and/or Police owned facilities;
- some council members and officials have questioned whether the establishment and maintenance of SES units, together with the operation of SES unit facilities/assets, should be managed and funded centrally by SES, per the TFS and AT model; and
- SES continues to progressively struggle to maintain consistent standards in all unit facilities due to council ownership and control of the assets and associated cost pressures.⁶⁹

7.33. Mr Rod Sweetnam commented:

Going back to local government, the act requires that each municipality will have an emergency management plan. The scope to do that on a regional basis - my understanding is generally that is done on a municipal basis - and that doesn't necessarily recognise natural catchments so far as the risk is concerned. The other thing that pops up out of that is that in two or three municipalities all planning in close proximity to, hypothetically, a riverine flooding situation, they all do their plans around the personnel and resources available within the region - through Tasmania Police, TFS and all those - but by the time the flooding gets down to the bottom of the municipality a lot of those resources could have been used up, but the plans stand alone. That is one of the challenges with the funding arrangement at the moment and the way it is written around emergency planning.⁷⁰

7.34. The Local Government Association of Tasmania commented:

The amount provided by councils to support the SES volunteer units varies depending on the council's capacity and does not necessarily correspond to the risks present within the municipality.⁷¹

7.35. The Local Government Association of Tasmania commented:

⁶⁹ Submission 2, State Emergency Service, p9

⁷⁰ Transcript of evidence, 2 March 2016, p43

⁷¹ Submission 4, LGA, p1

... there has been general consensus from council officers that resourcing of SES volunteer units should be centralised, potentially through an extension to the Fire levy. Such a move would ensure that SES volunteers and resources could be coordinated strategically and allocated in a prioritised manner during an emergency and not constrained municipal boundaries. It should be noted there was concern with Local Government regarding the collection of the Fire Levy, specifically it being perceived by community members as Local Government Levy. Any extension to the Fire Levy for SES needs to be accompanied by an education program to ensure the community understands what it is being collected for.⁷²

7.36. The Local Government Association of Tasmania commented:

Councils have consistently advocated for more recurrent funding to be provided to SES to support a planning unit. Such a unit would be able to provide expertise in emergency management planning and risk management at the State level as well as expert advice and support for Municipal and Regional planning. It would also ensure consistency of approach across the three levels of planning at the local, regional and State level.⁷³

7.37. Ms Katrena Stephenson, Local Government Association of Tasmania commented:

if you are well-resourced council and you have a high capability and you are also injecting considerable resources in that partnership, but you do not have a high fire risk, is that a value-for-money proposition compared to how you manage a small poorly resourced that cannot afford to keep equipment maintained to the level that SES want? Maybe some sort of redistribution to align risk and investment is needed.

...

Even things like how you approach procurement. If you are a centralised model, you can garnish savings because you are not having separate tender processes. You can do things collectively so you are not duplicating administrative costs. There are efficiencies that can be gained.⁷⁴

7.38. Mr Rod Sweetnam commented:

The SES management is currently required to negotiate with each Council individually the level of resourcing (cash and in kind) the Council will provide. This varies dependant on capacity of Councils to contribute and/or perceived need within the Community.

This funding model hinders the SES's capacity to plan, resource and respond on a risk/needs basis. Where a Local Government body is directly supporting Volunteer

⁷² Submission 4, LGA, p2

⁷³ Submission 4, LGA, p3

⁷⁴ Transcript of evidence, 2 March 2016, p30

unit, there is an element of 'ownership' and an inclination for units to only be deployed within their respective municipality, or alternatively being retained in case of local need.

SES management are often required to deal through Local Government Officers to mobilise units for operations outside municipalities adding a layer of complexity to the process. The above is a result of the direct funding model that currently exist.

A transition to a more reliable and less direct funding model would better enable SES management to develop long term business planning and apply funds on a needs basis, with better service delivery outcomes for the community.

The transition of funding arrangements from local government should be cost neutral on a state-wide basis.⁷⁵

7.39. Mr Rod Sweetnam commented:

The funding of the SES at the moment and previous people have spoken about it, is with 29 councils. I believe, there is 29 different arrangements. A lot of that funding, the requirement of managers at SES is for them to negotiate that on a year-by-year basis often. That does not encourage good, long-term planning and budgeting, in my mind, when you have to rely on a yearly basis for your funding or a significant proportion of your funding, and you cannot be clear about what level of funding that is going to be year in, year out.

I believe that that model of funding also drives a level of ownership with the local government units or the municipalities. If you are directly paying for a service, you would have a fair bit of ownership of it. Then that to some extent leads to the units that have been raised by municipalities to be contained within those municipalities for their activities. In my employment experience, albeit a long time ago now, I had to deal with a wind storm that went through Launceston. I found at that time that I had to ring up neighbouring councils to try and get assistance from SES units in neighbouring councils.⁷⁶

Review of the Emergency Management Act 2006

7.40. The State Emergency Service commented on the issue of the SES being centrally managed:

Consultation during the initial stages of the 2012 Review had suggested that there would be benefits in SES centrally managing and funding its volunteer unit facilities, its fleet and all its operational expenses in a similar manner as TFS, Police and Ambulance Tasmania. Respondents suggested that SES would be better able to maintain appropriate standards, if these statutory responsibilities shifted from councils to SES.⁷⁷

⁷⁵ Submission 5, Rod Sweetnam, p2

⁷⁶ Transcript of evidence, 2 March 2016, p41

⁷⁷ Submission 2, State Emergency Service, p9

Funding Model

7.41. The State Emergency Service argued that given the current budget outlook for the SES, a new funding model is required:

To accommodate the funding issues faced by the SES, the ambiguity in the governance and the control over assets, a fresh funding model is required. Given the model currently in place for TFS, the similarity in operations and the advantages of a consistent model, consideration should be given to:

Remove the requirements from local government to resource local units/vehicles and place this requirement on the Director SES according to a fully funded Strategic Asset Management Plan. Local Government funding contributions could continue where appropriate to support emergency response capability and hazard/risk awareness.

Extend the Fire Contribution Levy to meet the need of both the SFC and the SES. Some council feedback has indicated that any council-collected funds from ratepayers should only be spent within the council of origin, however the view of SES is that these funds need to be centrally managed to support regional and statewide capabilities, per the TFS approach.

Enable the provision of additional funding from State Government to deal with protracted or unfunded incidents.

Fully funding the extra SES staffing support to address organisational risks identified by Wise Lord and Ferguson, to centrally manage all SES assets and to fulfil the recommendations arising from the Department of Justice review of emergency management arrangements for SES to provide more emergency management support to the councils.⁷⁸

7.42. The Tasmania Fire Service commented:

The Emergency Management Act 2006 requires that local council establish units and provide certain levels of equipment and/or facilities whilst the Director SES is responsible for the units and the outcomes. This creates a potential conflict with the Director potentially having limited capacity to influence the appropriateness of resourcing yet being accountable for outcomes. Ultimately, the risks associated with this model are reflected in the first three risks identified by Wise Lord and Ferguson, as outlined above.

To accommodate the funding issues faced by the SES, the ambiguity in the governance and the control over assets, a fresh funding model is required. Given the model currently in place for TFS, the similarity in operations and the advantages of a consistent model consideration should be given to:

- *expansion of the role of SFC to incorporate SES*

⁷⁸ Submission 2, State Emergency Service, p9

- remove the requirements from local government to resource local units and place this requirement on the Chief Officer, TFS
- extend the Fire Contribution Levy to meet the need of both the SFC and the SES
- enable the provision of additional funding from State Government to deal with protracted or unfunded incidents.
- explore with the MAIB the opportunity to replace the existing funding for Road Crash Rescue on a case by case basis with a fixed term fixed sum agreement.

This would mean that there was greater combined expertise and experience in key functional emergency management areas and an efficient all hazards approach and reduced duplication in emergency management planning across the state.

Other advantages that would be apparent include:

- increased interoperability and common standards in equipment, resources, procedures and processes that would lead to more effective operations and allocation of resources.
- better matching of resource allocation to identified hazards and risk management needs.
- cost effective emergency management including efficiencies to reduce support costs.
- central funding model which matches resources to risk across Tasmania and is not limited by community or local government capacity to contribute.
- cost effective and logical arrangements for servicing and maintaining vehicles, equipment and developing and supporting volunteers.
- improved and standardised resources and equipment for SES.
- greater resource sharing across land management and local government boundaries.
- greater opportunities for collaborative purchasing arrangements which deliver cost benefits and greater equipment and resource standardisation.
- joint collaborative learning model.
- organisational specialisation and concentration on volunteer management, administration, development and support.
- configuration of the most optimal operational command and management structure.
- capacity for greater investment in roles and functions that match skill and interest and the opportunity for a broadening of the skills base.

- retention of operational expertise and skills due to greater opportunities for employment.
- greater surge capacity.
- streamlined Chain of command.
- seamless transition from emergency response to relief and recovery.
- improved response and recovery actions that are not constrained by local government or other boundaries.
- effective and accountable command and control arrangements.
- This model will take some time to implement and whilst consultation surrounding a longer term funding model is undertaken, the interim measures to be considered include:
 - maintain Fire Service levy at the current level.
 - explore further opportunities for savings from within TFS and SES with an emphasis on a reduction of duplication or inefficiencies.
 - continued additional funding through the DPEM as per existing arrangements.
 - additional government funding to meet a proportion of the costs until such time as these can be absorbed through the levy. This will not constitute an abrogation on the part of the Government of its responsibilities for emergency management and will not represent a cost shifting exercise onto rate payers. Any changes will be cost neutral to local government communities on a state-wide basis in the first instance. Over time the level of service required will be defined and efficiencies realised with the change in reporting arrangements.
 - in the absence of additional funding streams a delay in capital expenditure will be required which will impact upon the SFC's asset base.⁷⁹

Strategic Asset Management (Vehicles and Facilities)

7.43. The State Emergency Service commented:

SES can currently only allocate approximately \$150,000 per year towards SES vehicle procurement and fitting out and is totally dependent upon the councils making contributions, taking ownership and funding running costs, maintenance and insurance. Over time and, despite significant time spent negotiating with councils, the SES has fallen behind with the replacement of its rescue trucks. This is having an effect on operational effectiveness, organisational capacity and

⁷⁹ Submission 1, Tasmanian Fire Service p15 to 17

volunteer morale. Extensive negotiation activities with councils also draw regional operational staff away from other SES priority areas.⁸⁰

7.44. The State Emergency Service commented:

*SES has no capacity to meet increasing demands of certain councils to fund large maintenance or repair work. SES also needs to address a number of vehicle load issues, which requires the vehicle standards to be upgraded to more suitable vehicles, with increased purchase costs.*⁸¹

7.45. The State Emergency Service commented:

*In order to be in a position to strategically manage the vehicle fleet, SES should begin to transition towards full ownership and management of these vehicles and their running costs and maintenance, it is estimated the SES would need an additional \$750,000-\$850,000 in recurrent funding for vehicle standards to be maintained.*⁸²

7.46. The State Emergency Service commented:

*Under the Emergency Management Act, councils are required to establish and maintain municipal SES volunteer units. Over time, many have struggled to comply with SES standards and volunteer expectations, which has jeopardised volunteer recruitment and retention. As a consequence, SES has taken opportunities to co-locate with TFS, police or ambulance stations, which better meet SES standards.*⁸³

7.47. The State Emergency Service commented:

*SES does not have a facilities budget and must compete for the required funds through sponsorships, election commitments or various government and nongovernment grants to pay for these improvements. Some councils also rely on these grants to support SES unit facilities.*⁸⁴

Committee Comment

7.48. The Committee notes that the money used to fund the State Emergency Services during the 2014-14 budget period was sourced from funds allocated to the State Fire Commission. It is the opinion of the Committee that such a funding model is not sustainable, and as such, the State Emergency Service must be funded directly or the budget of the State Fire

⁸⁰ Submission 2, State Emergency Service, p9

⁸¹ Submission 2, State Emergency Service, p9

⁸² Submission 2, State Emergency Service, p9

⁸³ Submission 2, State Emergency Service, p9

⁸⁴ Submission 2, State Emergency Service, p9

Commission must be increased equal to the amount that the State Fire Commission is to provide to the State Emergency Service.

- 7.49. The Committee acknowledges the complex funding arrangements of the SES and the necessity for the SES to have a sustainable funding model going forward.
- 7.50. The Committee notes with concern the issues relating to the viability of local councils being responsible for asset management and planning for risk, and the issues this causes for the SES and for ratepayers.
- 7.51. The Committee notes the widespread support for a more centralised funding model by stakeholders.
- 7.52. The Committee acknowledges that Fire Services Act 1979 needs to be reformed to adequately govern the current and future funding and operations of the Tasmania Fire Service and the State Emergency Services.
- 7.53. The Committee also notes that there is clear merit in a streamlined approach to fire fighting between TFS Parks and wildlife Forestry Tasmania and other relevant agencies.
- 7.54. The Committee considers that there is merit in allocating resources according to the risk and not according to local government municipal boundaries.
- 7.55. The Committee notes the significant support for Tasmania having a singular fire service as opposed to the multi-services used in other jurisdictions.

Recommendation 1: The Committee finds that on the evidence presented, that a review and reform of the Fire Services Act 1979 is necessary. An investigation should be undertaken to assess how the legislation can be amended or replaced to best service the organisations subject to the Act and should be undertaken and completed within 12 months. The Fire Services Act 1979 must be reformed or replaced to allow for:

- (1) A centralised funding model for the State Emergency Services;**
- (2) Streamlined approach to fire fighting between Tasmania Fire Service, Tasmania Parks and Wildlife Service, Forestry Tasmania and other relevant agencies;**
- (3) Resources to be allocated according to the risk and not according to local government municipal boundaries;**
- (4) The continuation of Tasmania having a singular fire service;**
- (5) Clear reporting lines;**

- (6) Improved governance structure; and,
- (7) Include the fire permit system and inter- agency protocols.

8. FUTURE FUNDING ARRANGEMENTS FOR TASMANIA FIRE SERVICE AND STATE EMERGENCY SERVICES

- 8.1. The Committee heard from a number of witnesses about the problematic nature of the current funding arrangements for the Tasmania Fire Service and the State Emergency Services.
- 8.2. The Committee notes that Wise, Lord and Ferguson undertook a strategic review of the State Emergency Services. The Tasmania Fire Service commented:

Wise Lord and Ferguson were engaged to conduct an independent strategic review of SES in June 2013, which confirmed that there were a number of related organisational risks. These risks included:

Current governance and financial arrangements with local government limit the ability of SES to strategically manage their financial assets.

SES unable to budget effectively as unable to forecast revenue streams or contributions from local government. Local Government contribution varies under current arrangements.

Number of risks associated with Workplace Health and Safety.

Ability of SES to respond to large-scale prolonged incident is limited under current arrangements.

With National Agenda, placing greater emphasis on risk assessments, community resilience and disaster planning there is a risk that planning requirements, both statutory and delegated, may not be able to be met.

The Report confirmed that the current governance arrangements with council ownership and control of key SES assets, such as facilities and vehicles, were not sustainable. Some councils support SES units very well, financially or in-kind, but others struggle due to competing priorities, often despite a good deal of good will.

It is apparent that the operating environment of the SES currently requires funding of around \$5.4 million per annum. At present, there is little certainty around any of the existing funding sources.⁸⁵

- 8.3. The Committee heard from a number of witnesses who called for a centralised funding model to be implemented.
- 8.4. Mr Gavin Freeman, the Tasmania Fire Service commented:

⁸⁵ Submission 1, Tasmanian Fire Service, p13

I am saying we need a centralised approach to the funding - a fire service contribution plus the funding for the State Emergency Service would be a logical place to start... The fire service was in that position many years ago and since we've taken a state-wide centralised funding approach, we are able to assess the risk and provide resources relevant to that risk. I think we need to take that approach with all our emergency management.⁸⁶

8.5. Mr Gavin Freeman, the Tasmania Fire Service commented further:

A lot of work needs to be done with local government to work through any changes. There has been some preliminary work done already in the form of discussions with local government. They are in agreement that a centralised approach would be a better approach. What that looks like is yet to be determined. There is very wide agreement that a central funding model is a better way to go.⁸⁷

8.6. Ms Andrea Heath, State Emergency Services, commented:

Whilst the TFS and SES alignment is welcomed, there has been broad acknowledgment for some years that the SES funding model is not sustainable into the future. It is a mixture of state, commonwealth and local government contributions. The SES funding arrangements are provided in detail in the submission, but there are a couple of points I would like to highlight. There is not one single funding stream. There is the funding provided now through the State Fire Commission. Some of our non-operational activities are supported under the National Partnership Agreement for Disaster Resilience. That is \$135 000 to conduct the emergency management framework, which is really a grants program to support building community resilience. The MAIB provide funding to support road crash rescue activities. Under the act, the councils have responsibility to establish and maintain SES volunteer units. In the submission, we talk about a strategic asset review in 2012 that was updated in 2014. It was revealed that, on average, each council contributes around \$20 000 per annum to a unit each year. That level of funding varies significantly from council to council.

In most of these arrangements, whilst we enter into a memorandum of understanding around the funding that is provided to those units, the SES doesn't have a lot of direct control over those funds. They are managed through the council.

These arrangements are negotiated through a memorandum of understanding. This approach makes it very difficult for the SES to ensure consistent standards across units. Also, we do not have responsibility for maintaining the fleet or the units. I think page 7 of the submission gives some examples of that.

We are working very closely at the Tasmania Fire Service on looking at a model going forward. The first step for us has been to identify the true cost of running the SES. That means working with local councils to find out what they are contributing. We have been working with Wise, Lord and Ferguson to get them to come up with a figure.

⁸⁶ Transcript of evidence, 2 March 2016, p13

⁸⁷ Transcript of evidence, 2 March 2016, p16

Whilst we had the previous report back in 2013, we want to quantify what those costs are by working with councils. We're in the process of doing that.

Then, we will be working together to identify a model that will consider what funding is required and where we can work more closely with the Tasmania Fire Service. We will look at opportunities for collaboration between both organisations to support communities in a more holistic way.⁸⁸

8.7. Ms Andrea Heath, State Emergency Services, commented:

Going forward it is something I have to work through with the Chief, the Fire Commission and government and Mr Crawford with Treasury and the department. My first step is to identify the true costs of running the State Emergency Service and from there we will look at options. As I said, some of them may require additional funding but others could be done through alignment, but this will take a little bit of time.⁸⁹

8.8. Ms Katrena Stephenson, Local Government Association of Tasmania commented:

At an officer level and I think generally in the sector, there would be support for a move away from the funding of the SES units at the municipal level to a more centralised model. Historically we have had a variety of arrangements in place, differing funding levels, differing loss of control, largely through MOUs and other agreements. It has meant there has not been the ability to reflect the different capacity of councils, the differing risk levels in different municipal areas. It also has provided different levels of control to SES in managing their resources and functions. The alignment is not there. It seems to make sense that you align your resources where your risk is and that is a very modern and practical approach to such governance.

The timing of such a move would be opportunistic, given the movement of SES to the Tasmania Fire Service. The benefits, we believe, include cost efficiencies with servicing and maintenance of vehicles and equipment, collaborative purchasing agreements for equipment and resources, integration of headquarters and operational units as well as managing resources on a risk based basis.

The area where I do not think there would be consensus across our sector is in how you fund the centralised model. One of the suggestions on the table is an extension to the current fire service levy. Historically local government has had issues of being the collector of the fire levy because of the perception that it is a council tax, not a state government tax. But even in relation to the collection of the levy we don't have consistency across our sector. Some councils make some small amount of revenue as collectors of the fire levy. That would be something we would have to test with our members.

⁸⁸ Transcript of evidence, 2 March 2016, p20

⁸⁹ Transcript of evidence, 2 March 2016, p20

If there were to be an extension to the levy, clearly the process would need to be transparent and cost-neutral to ratepayers. What we would not want to see is a continued expectation that local government provides funding in some form or other as well as an extension to the levy. It should be one or the other so that ratepayers pay only once, not twice. The levy should not be seen as an opportunity by government to reduce their recurrent funding for emergency services or as a mechanism to meet current shortfalls in funding.

LGAT is working with Tasmania Fire Service and SES at the moment through our working group to establish the current real costs of volunteer SES units to councils. Wise Lord & Ferguson have been engaged to undertake that work and the results of the audit should be available soon and we'll have a much clearer picture at that point.

Once the data is available we will work again with Tasmania Fire Service and SES around the modelling of potential funding models and take those options to our members for their input.⁹⁰

8.9. Ms Katrena Stephenson, Local Government Association of Tasmania commented:

if you are well-resourced council and you have a high capability and you are also injecting considerable resources in that partnership, but you do not have a high fire risk, is that a value-for-money proposition compared to how you manage a small poorly resourced that cannot afford to keep equipment maintained to the level that SES want? Maybe some sort of redistribution to align risk and investment is needed.

...

Even things like how you approach procurement. If you are a centralised model you can garnish savings because you are not having separate tender processes. You can do things collectively so you are not duplicating administrative costs. There are efficiencies that can be gained.⁹¹

8.10. Mr Rod Sweetnam commented:

With the current ad hoc funding arrangements between SES and local government a significant percentage of funding is off the balance sheet of the SES. Cash and in kind expenses provided at the local government level is expensed within the accounts of the municipality that provides the particular revenue or facilities.

This proportion of the SES revenue and support needs to be transitioned to a more predictable, transparent and accountable funding stream.

Increasing the Fire Service Contribution through the State Fire Commission may be one way of achieving this. This however, would require detailed analysis of the

⁹⁰ Transcript of evidence, 2 March 2016, p30

⁹¹ Transcript of evidence, 2 March 2016, p30

current value of cash and in kind provided by local government to SES and any necessary changes to legislation enacted.

The above should not in any way jeopardise the sustainability of the TFS and its ability to deliver the range of services currently provided in particular response to fire threat within the Tasmanian community.

With the onset of climate change and the changing nature of wild fire threats within the landscape, funding for TFS activities will come under continuing pressure. The areas of response and prevention will be critical to minimising the risk to life and property. Equally, people need to be educated on how to protect themselves and their communities from wild fire. To achieve this Governments and the community need to provide adequate funds for the level of protection desired and affordable.⁹²

8.11. Mr Rod Sweetnam commented:

I believe that the central funding model would be a much better arrangement for the SES, for the units and for management so that they can manage on a longer term basis. They can budget on a longer term basis and they can be accountable for all of their funding. At the moment a good proportion of the funding is off the balance sheet of the SES. It is with the municipalities that fund it whether it be in kind or in cash. They cannot be held accountable for money that they do not control.⁹³

8.12. Mr Rod Sweetnam commented:

As to the future funding of the SES, the obvious thing to go to is the fire contribution and whether that can be reconfigured to accommodate the shift from a local government-funding model to a central funding model. There is a bit of work associated with that. The actual cash component should be relatively easy but it's the in-kind component that is going to be difficult. The extraction from that would be over a number of years, not happen within a 12-month period because we are talking about physical assets. There has been a movement to shared facilities - TFS, SES and Tasmania Ambulance in some areas - and that seems to be working very well. It makes sense that in a small community you don't have a fire service building, an SES building and an Ambulance Tasmania volunteer building all lined up in a row, that they all come together in the one building and get some economies in that way. Moving from what we have at the moment to something like that on a statewide basis is going to take some time. In any transition such as that, the TFS funding needs to be preserved within the whole gamut of things because there are pressures across the board on all emergency service funding, as you would appreciate.⁹⁴

⁹² Submission 5, Rod Sweetnam, pp3-4

⁹³ Transcript of evidence, 2 March 2016, p42

⁹⁴ Transcript of evidence, 2 March 2016, p42

Committee Comment

- 8.13. The Committee acknowledges the widespread support for a centralised funding model for the State Fire Service, State Fire Commission and the State Emergency Services.
- 8.14. The Committee notes the strong evidence that the creation of such a centralised model would improve the certainty with which each organisation can budget and plan for resources for the long-term.

Recommendation 3: The Committee finds that on the evidence presented, that the Government should aim to establish a centralised funding model for the State Fire Service and State Emergency Services and to investigate the best options to progress this objective to ensure the sustainability of these services.

9. THE STRUCTURES OF THE DEPARTMENT OF POLICE AND EMERGENCY MANAGEMENT

- 9.1. In the Department of Police and Emergency Management (DPEM), the Secretary is the Head of agency. The Secretary has responsibility for the Police, TFS, SES and FSST, and can delegate powers and functions to other officers.
- 9.2. The structure of the Department of Police and Emergency Management is, according to the State Fire Service:

The Chief Officer is the chief executive officer of the Fire Service as set out in the Fire Service Act 1979. He is responsible, amongst other things, for the control and management of fire-fighting resources of the Fire Service and the training of officers and firefighters. On operational matters concerning TFS the Chief Officer reports directly to the Minister for Police and Emergency Management.

While TFS is a statutory authority under the Fire Service Act 1979, it is not recognised as a statutory authority under the State Service Act. As such, the Chief Officer TFS is not a Head of Agency and for State Service matters essentially reports to the Secretary. In effect, the Secretary has delegated a range of functions and powers to the Chief Officer, but the Secretary has ultimate responsibility.

As noted above, under the Emergency Management Act 2006, the Director SES still reports directly to the State Controller on issues relating to emergency management and is the Executive Officer of the State Emergency Management Committee, of which the State Controller is the Chair. At the moment, the State Controller is the Secretary of the Department of Police and Emergency Management.

Therefore, it can become unclear when the Director SES should report directly to the State Controller or when he should report through the Chief Officer TFS.

Likewise, it can become unclear when the Chief Officer should report directly to the Minister as specified in the Fire Service Act or when he should report through the Secretary of DPEM on matters concerning the administration of the State Service Act.

There is also potential tension in determining how involved the Secretary should become in the operations of the TFS or how far the Chief Officer should become involved in the operations of the SES.⁹⁵

- 9.3. The State Emergency Service commented:

⁹⁵ Submission 1, Tasmanian Fire Service, p8

Relations are such that these issues are often worked out quickly and efficiently as they occur, but any ongoing review of structures and responsibilities should take these issues into account to reduce any future ambiguity.⁹⁶

Committee Comment

- 9.4. The Committee acknowledges the excellent work done between the Tasmania Fire Service and the various state fire services to achieve mutually beneficial relationships working relationships, which maximise the utilisation and allocation of firefighters and resources. The strength and success of such relationships between the state fire services was apparent during the recent bushfires in the north-west Tasmania, where interstate firefighters and resources providing significant assistance and relief to the Tasmania Fire Service during in exceptional and challenging circumstances.
- 9.5. The Committee notes the importance of a coordinated and collaborative approach to emergency management between the State and Federal services. The Committee is of the opinion that the Tasmania Fire Commission and the State Emergency Service must ensure their relationship with federal emergency management departments is as co-operative and beneficial as possible. The Committee notes that clear communication pathways and the resources that are available to Tasmania during emergency events from Federal agencies must be well documented to ensure that all available resources are being utilised.

⁹⁶ Submission 2, State Emergency Services, p16

10. THE DPEM CORPORATE SERVICES REVIEW, INCLUDING THE SCOPE AND CONDUCT OF THE REVIEW AND ITS IMPLICATIONS

10.1. The Committee notes that as part of the Tasmanian Government 2014-15 Budget savings strategies, the Department of Police and Emergency Management undertook a review to ensure a cohesive and sustainable model for the delivery of corporate services across the operational arms of the Agency.

10.2. The Tasmania Fire Service commented:

As part of the Government's 2014-15 Budget savings strategies, DPEM undertook a review to ensure a cohesive and sustainable model for the delivery of corporate services across the operational arms of the Agency. This was to ensure funding is primarily focussed on frontline services and not unnecessarily diverted towards administrative functions.

Auditors Wise, Lord and Ferguson were commissioned to undertake a review of the existing service delivery model for corporate support activities across all portfolio areas. This included reviewing organisational structures, systems and processes to eliminate areas of duplication wherever possible.

The initial review was conducted in consultation with the senior executive and relevant Corporate Services personnel and, importantly, was directed at establishing a strategic direction and governance framework for the delivery of corporate services taking into account the evolving nature of these services and the broader whole of government support roles.⁹⁷

10.3. The Tasmania Fire Service commented:

Upon the completion of the Review, the Steering Committee elected to adopt a single Corporate Services model which will support all areas of the Department including Tasmania Police, Tasmania Fire Service, State Emergency Service and Forensic Science Service Tasmania.

It was decided that functional responsibilities for corporate services would be split between the two existing Directors and that the position of Deputy Director, Corporate Services would not be filled. The two key functional areas are a Finance and Physical Resources stream and an Information and Communications stream. Both Directors report directly to the Secretary.⁹⁸

⁹⁷ Submission 1, Tasmanian Fire Service, p19

⁹⁸ Submission 1, Tasmanian Fire Service, p19

10.4. The Tasmania Fire Service commented:

It was decided fully integrated support services would minimise duplication and ensure high levels of support to front-line activities. This approach will not only ensure skilled and experienced technical support is available to front-line activities but support services are also be able to respond and provide assistance in an emergency or incident. Moreover, the benefits from scale and leveraging across the Agency restrict growth in the cost of essential support services, whilst enabling a greater percentage of funding to be dedicated to frontline activities, where the greatest community benefit exists. A shared services model also provides better career and training options for staff and an increase in surge capacity potential should a major incident arise.

Whilst support services will be integrated, it is important to acknowledge that the responsibility for the delivery of specific emergency services will remain with the individual emergency service organisations. This means that the statutory roles and responsibilities of Tasmania Police, the TFS and the SES will remain operationally distinct and the role of the Commissioner of Police and the Chief Officer leading those services will not be compromised.⁹⁹

10.5. The Tasmania Fire Service commented:

The Department of Justice's Review of Emergency Management is yet to be released. However, it is probable that the Review will recommend changes to the Emergency Management Act which may require consequential amendments to the Fire Service Act. This would provide an opportunity to review both Acts not only to ensure consistency in emergency management but also to reflect the changed funding and reporting arrangements for the SES. It is envisaged that this review would also encompass the Tasmanian Emergency Management Plan (TEMP). While it is acknowledged that the TEMP is not legislation, it is logical to review it in the context of all emergency management legislation and plans. It also provides an opportunity to re-design the Acts into common emergency management legislation.¹⁰⁰

10.6. The State Emergency Service commented:

SES is very reliant on corporate services support and has little direct control over the corporate service function. Prior to the decision to change the reporting arrangements of SES, corporate service support was provided to SES by the Department of Police and Emergency Management (Tasmania Police). This still remains largely the case with finance and human services support being provided by Police. As corporate services integration continues, support services will be provided to SES by the integrated units.¹⁰¹

⁹⁹ Submission 1, Tasmanian Fire Service, p20

¹⁰⁰ Submission 1, Tasmanian Fire Service, p10

¹⁰¹ Submission 2, State Emergency Service, p17

10.7. The Tasmania Fire Service commented:

To ensure the general terms and principles that will govern the provision of Corporate Services to other areas of the Agency are clear, a Memorandum of Understanding (MoU) between stakeholders has been developed. The MoU facilitates the provision of Corporate Services to the Agency which are understood, appropriate and balance business requirements with available resources. The specific purpose of the MoU is to:

- *define the roles and responsibilities, including governance and reporting arrangements for both parties.*
- *facilitate partnership and cooperation between DPEM Corporate Services and their clients.*
- *build commitment to a strong long-term relationship.*
- *define the suite of services to be provided by DPEM Corporate Services.*
- *define the reciprocal obligations of clients to support the operational requirements.*
- *provide mechanisms for issue management and conflict resolution.*
- *establish a framework for an agreed level of service.¹⁰²*

10.8. The Tasmania Fire Service commented:

Wise, Lord and Ferguson have commenced a review of other DPEM and TFS support areas, in particular Human Services and Executive Support. Meetings have been held with all members of the Steering Committee, the DPEM Commanders Human Resources and Executive Support, the TFS Director Human Services and the Principal Staff Officer and two Managers from Corporate Services.

WLF will consider and report on:

- *the current status of the Corporate Services integration.*
- *the key benefits realised from the integration.*
- *any risks identified, both current and emerging.*
- *opportunities to further integrate and streamline the delivery of support services within the Agency.*
- *recommendations to assist the Agency to continue to develop the most efficient and effective model for the combined delivery of support services.¹⁰³*

¹⁰² Submission 1, Tasmanian Fire Service p22

¹⁰³ Submission 1, Tasmanian Fire Service p22

10.9. The Tasmania Fire Service commented:

The cost of Corporate Services salaries pre-integration is \$12,003,002 (source: Wise Lord & Fergusson Corporate Services Review Report September 2014). An immediate saving has been the removal of one Senior Executive Service role (Deputy Director Corporate Services DPEM) at a saving of approximately \$120, 000.

The direct costs incurred by the TFS in relation to the project to date exclusively relate to salaries or to seconded fire service employees who are working with the project. Approximately \$50 000 is projected to the end of the financial year, attributed to salaries to those employees. The remainder of the costs are being met by the Department of Police and Emergency Management.¹⁰⁴

10.10. The Tasmania Fire Service commented on industrial relations issues associated with integration:

There have been a number of industrial relations issues that have arisen as a result of the planned integration of Support Services.

DPEM Corporate Services employees receive the rate of salary as prescribed in Part II of the Tasmanian State Service Award (the Award), that is, they work 36 hours and 45 minutes per week between the hours of 7.00 am to 7.00 pm, whereas, certain conditions of employment for TFS Corporate Services employees are prescribed in Appendix 9 of the Award, namely:

Communications Services Employees

These employees receive the salary prescribed in Part II of the Award plus an additional 4.8% in remuneration in compensation for working additional ordinary hours of work – 38 hours per week.

These conditions currently apply to eight TFS employees. There have been a number of industrial relations issues that have arisen as a result of the planned integration of Support Services.

DPEM Corporate Services employees receive the rate of salary as prescribed in Part II of the Tasmanian State Service Award (the Award), that is, they work 36 hours and 45 minutes per week between the hours of 7.00 am to 7.00 pm, whereas, certain conditions of employment for TFS Corporate Services employees are prescribed in Appendix 9 of the Award, namely:

Engineering Services Employees

These employees receive the rate of salary as prescribed in Part II of the Award plus an additional 6.5% in remuneration in compensation for working additional ordinary hours of work and for an increase in the span of hours. The average hours worked is to be 38 with a span of hours 6.00 am – 10.00 pm. Employees work 9 days of 8.27 hours in a 10 day work cycle.

¹⁰⁴ Submission 1, Tasmanian Fire Service p21-22

These conditions currently apply to 22 TFS employees.

All other TFS employees

These employees receive the rate of salary as prescribed in Part II of the Award plus an additional 6% in remuneration in compensation for working additional ordinary hours of work (38 hours per week) and for wearing of a corporate uniform.

These conditions currently apply to 36 TFS Corporate Services employees.

Employees in other Divisions of TFS also receive these conditions.

Given the integration of Corporate Services delivered to DPEM and TFS the situation will arise where employees of DPEM and TFS are working in the same work units and completing the same work but are receiving different levels of remuneration, some will be provided with uniform, and be working different standard hours. In respect of Engineering Services employees, they will also be working a different span of hours.

This situation is not ideal and a range of options to standardise the remuneration levels, hours of work and other conditions have been examined.

Extensive consultation has been undertaken with employees and the CPSU and the Australian Manufacturing Workers Union (AMWU) on future employment conditions for corporate support employees and, more generally other TFS employees who are employed under the Tasmanian State Service Award.

Negotiations are still ongoing with the CPSU and AMWU but the Department's negotiating position is essentially:

- all employees currently covered by Appendix 9 of the TSSA will continue to receive their current terms and conditions, including relevant allowances, contained in Appendix 9 until such time they resign from their current position or on promotion to new position in the Agency. Hours of work will not be altered until this change.
- all employees currently covered by Appendix 9 of the TSSA will no longer be required to wear a TFS uniform; rather, an employee representative group will be convened to consider issues relating to a possible optional future corporate uniform. This will not impact on allowances referred to above.
- all new positions and all vacancies will be filled in accordance with TSSA terms and conditions. Appendix 9 terms and conditions will not apply to any new role or existing vacancy. New Statements of Duties will be developed accordingly.
- the opportunity to apply to access the Workplace Renewal Incentive Program (WRIP) will be made available to all employees throughout the Department. This will be managed in accordance with the Managing Positions in the State Service Guidelines around offering WRIPS. This process is purely focussed on re-profiling of the agency workforce in areas determined to be appropriate.

- *an option will be made available to TFS employees currently covered by Appendix 9 to receive an upfront payment equivalent to the difference between TFS salary and DPEM salary for 12 month period. Any TFS employee who took up this option would then receive the same remuneration and work the same hours as a DPEM employee.*

Negotiations concerning the most appropriate implementation methodology are currently ongoing with the CPSU and AMWU.¹⁰⁵

¹⁰⁵ Submission 1, Tasmanian Fire Service p22-24

11. THE FUNDING OF THE FUEL REDUCTION BURN PROGRAM

11.1. The Fuel Reduction Burn Program was launched on 23 March 2015 and utilises the resources of the TFS, the Parks and Wildlife Service, Forestry Tasmania and local councils to mitigate bushfire risk.

11.2. The responsibility for the Fuel Reduction Burn Program sits with the Department of Primary Industries, Parks, Water and Environment (DPIPWE).

11.3. The Tasmania Fire Service commented:

TFS is one of three main organisations involved with the management of bushfires in Tasmania, along with the Parks and Wildlife Service and Forestry Tasmania.

A high-level Steering Committee oversees the coordination and implementation of the program. Steering Committee members are: Secretary DPIPWE (Chair), Secretary DPAC, Chief Officer TFS, CEO Forestry Tasmania and Chair State Fire Management Council (SFMC). The Steering Committee met for the first time in November 2014.

Ian Sauer, Chairperson of the SFMC, has been appointed by the Steering Committee as spokesperson for the program.¹⁰⁶

11.4. The Tasmania Fire Service commented:

The Fuel Reduction Program utilises the resources of the TFS, the Parks and Wildlife Service, Forestry Tasmania and local councils to mitigate bushfire risk in a strategic, systematic way in urban, semi-rural and some wilderness areas.

The Fuel Reduction Program was successfully launched on 23 March 2015 by Minister Groom and Ian Sauer, with key agency representatives in attendance.

The Fuel Reduction Unit is implementing the business plan, implementation framework and a communications strategy, previously endorsed by the Program Steering Committee.

In the first 12 months of the program, 116 fuel reduction burns on 28,419 hectares of land including 2,008 hectares of private land, were completed.¹⁰⁷

11.5. The Tasmania Fire Service commented under the heading 'Financial Implications':

¹⁰⁶ Submission 1, Tasmanian Fire Service p25

¹⁰⁷ Submission 1, Tasmanian Fire Service p25

Prior to the Government allocating funding for strategic fuel management and the formation of the Fuel Reduction Unit, three positions were established in the TFS budget to assist the State Fire Management Council to meet its statutory requirements under the Fire Service Act to prevent or mitigate the risk of vegetation fires and manage vegetation fire management policy. TFS is of the view that this is an integral function of TFS and should be funded from the State Fire Commission budget rather than through the government investment of \$28.5m.

It should be noted that the funding for this Program is for four years but the Fuel Reduction Unit has been staffed with permanent employees in some instances.

Some consideration will need to be given to how this Unit/Program is funded if it continues in some form beyond the four-year current funding arrangement and if the Program does not receive Government funding.¹⁰⁸

11.6. Mr Gavin Freeman, Tasmania Fire Service commented:

A comprehensive risk assessment was undertaken, which included vegetation risk using the Bushfire Risk Assessment Model, or BRAM. It overlays across the state and takes into account where people live, the fuel type, the usual weather patterns, and works out the probability of ignition and fire extent. That report is available if the committee would like to see it. It is quite comprehensive and quite solid reading but it needed to be done. It was the first task our fuel reduction unit undertook and we based our fuel reduction burning program on that risk assessment across the state. Most of the initial fuel reduction burning was done in the dry sclerophyll-type forests in the east and south-eastern part of the state and across the north-east. Having said that, with areas such as Sisters Beach and Arthur River, the fire history tells us they are impacted by fire quite frequently so areas there were targeted specifically as well.¹⁰⁹

11.7. Mr Gavin Freeman, Tasmania Fire Service commented on the success of the program:

The fuel-reduction burning program has been successful but it is only one tool and you obviously cannot fuel reduce the whole state every year, as you pointed out. Some parts of the south-west are difficult to fuel reduce and there would be some polarising community views if we did, I would suggest, in those areas. It is difficult because it is wet rainforest most of the time. There were successes around the Temma Rocks-Arthur River area where we have done fuel reduction burning and it altered and slowed fires enabling us to combat those, so that is a positive. That proves fuel reduction burning works. Just to re-emphasise, we can't do the whole state. More money at this point in time towards that would be difficult to expend. Just to reinforce that, this year due to the high summer activity, we have had and

¹⁰⁸ Submission 1, Tasmanian Fire Service p26

¹⁰⁹ Transcript of evidence, 2 March 2016, p20

our planners being involved in response, we probably won't be able to execute all of the fuel reduction burning plans this autumn. There are small windows.

...

With the window, we are literally in the hands of the gods because of the weather and the need to fuel reduce under the right weather conditions, so if it is too hot, too dry or too wet, clearly that is an issue.

...

The outcomes we deliver on our fuel-reduction burning program this year will be reduced. More money at this point won't help us because we won't be able to get it done.¹¹⁰

11.8. Hobart City Council supported full funding of the program:

On the basis of the role and degree of certainty fire breaks provide in the reduction of fuel, the City recommends that the Fuel Reduction Program is resourced appropriately to advise, support and provide resources to help with the establishment of more significant fire breaks, adopting a similar strategic and "tenure blind" approach as it has established for fuel reduction burns.¹¹¹

11.9. Hobart City Council commented on its fuel reduction work:

The City recently conducted burns of 40 to 60 hectares in size as part of its Spring 2015 Burn Program. This was only possible through the supporting resources of the Fuel Reduction Program as provided by the Fuel Reduction Unit. With the increasing need to conduct such burns regularly, the City calls upon the Fuel Reduction Program to be continued and resourced adequately.¹¹²

11.10. Hobart City Council commented further:

Recent fire management planning undertaken by the city has recommended the aggregation of burn units (areas treated by individual fuel reduction operations for operational efficiency in order to maintain fuel levels within prescribed limits. The recommended burn units of 20 to 30 hectares in size are significantly larger than those previously undertaken. Given the complexities and risks of undertaking burns of this scale within urban and peri-urban areas, the City will require assistance in terms of both funds and resources to implement these plans.¹¹³

11.11. The United Firefighters Union of Australia Tasmania Branch United commented:

¹¹⁰ Transcript of evidence, 2 March 2016, p11

¹¹¹ Submission 3, Hobart City Council, p2

¹¹² Submission 3, Hobart City Council, p1

¹¹³ Submission 3, Hobart City Council, p1

The fuel reduction burn programme as announced by the State Liberal Government in the 2014 budget papers is welcomed by the UFU. This initiative was developed following the 2009 Victorian Bushfires; however, the Tasmania model for fuel reduction burns is superior than other state government initiatives to tackle this problem. This is because the Tasmanian model is "tenure blind" and not specifically linked to hectares burnt or public lands. The programme required an establishment phase and this is where the budgetary impacts were felt by the SFC/TFS.¹¹⁴

11.12. Mr Greg Cooper, United Firefighter Union of Australia Tasmania Branch commented:

Tasmania Fire Service can't appropriate that money so they have to lose it. They have to find that in their budget. The budget that has been allocated for trucks, for station rebuilds, for new fire fighters, for accident mitigation programs and training has to be drawn upon to fund this new direction from government. Further to that, the Government introduced a fuel reduction burns program, which is a good tenure-blind program, the best in the country, but they said to the Fire Service, 'You need to help set that up'. In year one of that program the Fire Service had to find another \$770 000 to fund that program, and that is in addition to the \$2.5 million, so we are up around \$3.2 million now. The TFS had no way of appropriating that money because it already had its budgets done. These are direct hits on the budget that the TFS has just had to wear. It has meant they have lost income as a result of less cash and they have had to borrow and are paying interest on borrowings. The TFS is basically \$8 million behind where it should have been had it not been for these initiatives.¹¹⁵

Committee Comment

- 11.13.** The Committee notes the universal praise for the Fuel Reduction Burn Program.
- 11.14.** The Committee acknowledges that the Fuel Reduction Burn Program is limited in its application as it is not appropriate in large sections of the state due to the type of forests (for e.g. rainforests), the inaccessibility of the area, or the constraints of suitable weather conditions.
- 11.15.** The Committee notes the concerns of the State Fire Service in relation to how the program will be funded in the future. The Committee recommends that the Government investigate financing this program through the state Fire Commission's budget.

¹¹⁴ Submission 7, United Firefighters Union of Australia Tasmania Branch, p31

¹¹⁵ Transcript of evidence, 2 March 2016, pp52-53

Recommendation 5: The Committee finds that on the evidence presented, that the Fuel Reduction Burn Program should be maintained and have its budget directly funded to ensure that the program continues and does not hinder other services or programs.

12.COMMUNITY SAFETY PROGRAMS

12.1. The Committee heard that the Tasmania Fire Service and the State Emergency Service currently use a suite of community safety programs to engage and educate the community as a way of minimising the risks of fire.

12.2. Mr Gavin Freeman, the Tasmania Fire Service commented:

The Bushfire-Ready Neighbourhoods program and the fuel reduction burning program are only a couple of years old, both of those, and I think they are making great headway. My position would be that I would like to see how impact they have and measure that impact before we say we need to throw more at it. I think they have had a great impact. If you look at the Temma Rocks area where there were some shacks and houses impacted upon, it was quite dramatically reported in the media that everyone evacuated to the beach but that was planned. That was planned three days in advance because of the community engagement people we had in there. That is where we need to make a difference.

I suppose anything is possible but it really depends on how much the community wants to put into something like that. At the moment, I think we are resourced adequately to deliver the service that we deliver and it is a good service. We have got pretty good outcomes if you look at our response and what happens there - the fact that in 2013 and this year no lives were lost. That is a pretty important measure, in my view.¹¹⁶

12.3. Mr Gavin Freeman, the Tasmania Fire Service commented:

As a matter of normal business, we often review our budget and we are able to identify an opportunity to save \$200 000. It was on the television campaign and research has shown us that is not a very effective way of getting the message out. It is one way, but not a very effective way. As I mentioned, our Bushfire-Ready Neighbourhoods program, which we have invested money into, is having a better impact, in our view, in the community engagement area so we felt it unnecessary to continue with the television advertising campaign..¹¹⁷

12.4. The Tasmania Fire Service commented:

¹¹⁶ Transcript of evidence, 2 March 2016, p8

¹¹⁷ Transcript of evidence, 2 March 2016, p13

The State Government provided funding for three years from January 2010 to support the development of Community Protection Plans throughout Tasmania. The objective was to develop plans to mitigate the impact of fire and other natural hazards on Tasmanian communities, with an initial focus on bushfire. Given the nature and number of plans being developed, the focus remains on bushfire.

...

The program received national recognition in 2013, winning the State & Territory Government category of the Resilient Australia Awards.

Protection plans enhance the safety of Tasmanians by providing community members with local emergency planning advice and information, including the location of shelters of last resort called 'nearby safer places'.

Mitigation plans assist Fire Management Area Committees address community bushfire risk. A best-practice planning framework is used to address fuel management across different land tenures. This work is undertaken in consultation with the State Fire Management Council and TFS's Fuel Reduction Unit.

Response plans and mitigation plans are available to all emergency management partners (Fire, Police, SES, Parks & Wildlife, Forestry Tasmania and local government) on the TFS intranet.

Eighty-seven bushfire protection plans and response plans covering approximately 208 of the most bushfire-prone communities in Tasmania have been developed to date. More are in draft.

Mitigation plans for at-risk communities and specific assets are also being developed.

Mitigation plans have been completed for seven at-risk communities.¹¹⁸

12.5. The Tasmania Fire Service commented:

The Bushfire-Ready Schools initiative is an example of asset-specific mitigation planning. Schools are assessed for their bushfire risk. Of 238 Department of Education schools, 159 have been assessed and detailed plans to mitigate risks from radiant heat and ember attack have been completed for 109 schools. Fifty schools have been assessed as low risk, not requiring bushfire mitigation plans.

Plans have also been developed for three private schools and one nursing home in high-risk areas.

Once bushfire risk mitigation plans have been implemented, students and staff are able to shelter safely there during bushfires.

Recognising the value of community protection planning, TFS is funding the project beyond the initial three years.¹¹⁹

¹¹⁸ Submission 1, Tasmanian Fire Service p37

¹¹⁹ Submission 1, Tasmanian Fire Service p38

12.6. Mr Gavin Freeman, the Tasmania Fire Service commented:

*I am extremely confident that by the next bushfire season every school will have been assessed. There is significant work going on, really solid partnership with education, they have been fantastic in working with us and we are making great progress on that.*¹²⁰

12.7. The Tasmania Fire Service commented:

The State Government provided funding for three years from January 2010 to support the development of Community Protection Plans throughout Tasmania. The objective was to develop plans to mitigate the impact of fire and other natural hazards on Tasmanian communities, with an initial focus on bushfire. Given the nature and number of plans being developed, the focus remains on bushfire.

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Response plans and mitigation plans are available to all emergency management partners (Fire, Police, SES, Parks & Wildlife, Forestry Tasmania and local government) on the TFS intranet.

Eighty-seven bushfire protection plans and response plans covering approximately 208 of the most bushfire-prone communities in Tasmania have been developed to date. More are in draft.

Mitigation plans for at-risk communities and specific assets are also being developed.

*Mitigation plans have been completed for seven at-risk communities.*¹²¹

12.8. Mr Gavin Freeman, the Tasmania Fire Service commented:

There have always been elements of TFS that were focused on planning developments in bushfire areas and the development of community protection plans. We have recognised the synergies in those areas, pushed them together to get more efficiency and developed the Bushfire Planning and Policy Unit. They

¹²⁰ Transcript of evidence, 2 March 2016, p8

¹²¹ Submission 1, Tasmanian Fire Service, p37

work very closely with developers, architects and town planners to ensure that the code is complied with when building in bushfire prone areas. They work hand in glove with our people that develop the community protection plans that inform the community what to do should a fire impact on their specific area. There are three components of those: The community aspect of it for the householder; the brigade aspect, which guides the brigade in their response; and the mitigation component, which then feeds into the Fuel Reduction Unit. If mitigation includes fuel reduction burning that is all tied in. There is significant effort going into that and I have already mentioned the Bushfire Ready Neighbourhoods program, which works with those more at-risk and more vulnerable communities to ensure that they understand the plan that has been developed for them and understand and how to execute their own bushfire survival plan.¹²²

12.9. Mr Gavin Freeman, the Tasmania Fire Service commented:

We recognise the issues around literacy levels in some areas and that is why we are shifting out focus more away from television campaigns and printed literature - which is still important - to more face-to-face engagement so we can ensure the message is being received and understood. One thing I haven't really covered, and something we should never underestimate, is the amount of work brigades do on this. We don't record it very well but we need to get better at it; we need to record it. They do a significant amount of work in their local communities. They know where the at-risk and vulnerable people are. They talk to them and that is why I believe we have a high level of success in people reacting in the appropriate way.¹²³

12.10. The Tasmania Fire Service commented on the reduction in expenditure on social marketing campaigns:

In 2015-16, as the Community Fire Safety Division's contribution to TFS budget savings, expenditure on summer and winter social marketing campaigns has been reduced by \$75,000 for each of those campaigns. Reducing expenditure on TV advertising has enabled funding to be retained for more effective, targeted, evidence-based programs.

Recent advice from Bushfire and Natural Hazard CRC researchers indicate that TV advertising is not a cost-effective way to influence people to prepare for bushfires and other emergencies. More effective ways include, for example, community engagement and community development initiatives like TFS's Bushfire-Ready Neighbourhoods program.

It should be noted that the recent reduction in television campaigns specific to smoke alarms were not as a result of budget reduction. Rather, this information program was sponsored by Duracell Batteries.

¹²² Transcript of evidence, 2 March 2016, p18

¹²³ Transcript of evidence, 2 March 2016, p19

Importantly, holistic community fire safety programs were not adversely affected by any budget reductions or fiscal savings; instead funds were targeted towards initiatives that displayed evidence of tangible impacts on public safety.

12.11. The Tasmania Fire Service noted that in relation to Community Education initiatives:

- *The School Fire Education Program was unaffected*
- *The Juvenile Fire Lighter Intervention Program was unaffected*
- *Project Wake Up! will be unaffected (but realise savings of \$40,000 due to the purchase of less expensive smoke alarms)*
- *Bushfire safety resources and home fire safety resources (DVDs, publications etc.) were unaffected*
- *Community Protection Planning, and services delivered by TasFire Training, TasFire Equipment and Building Safety were unaffected*

Savings amounting to \$150,000 will be found in the bushfire safety and home fire safety social marketing campaigns. Expenditure of residual funds available for these campaigns (approx. \$60,000 for each campaign) will depend on advice from our marketing consultants to ensure we continue to deliver the most cost effective campaigns possible.

12.12. The State Emergency Service commented on the growing expectations on the State Emergency Service:

Over the last few years, the expectations on SES emergency management support within the State and Regional Headquarters have grown considerably. More is expected regarding emergency management planning, community engagement, education and awareness and the smaller councils often lack support with emergency management planning, risk assessment work and various emergency management priorities being driven by State or National level agenda including the National Strategy for Disaster Resilience. SES Regional Managers and the two Senior Education and Planning Officers within the Emergency Management Unit of SES have carried some of this additional work load, but at the expense of other important SES priorities.

12.13. The State Emergency Service commented further:

For flood and storm, limited SES resources are currently incapable of keeping up the same pace and quality of work as the TFS for its bushfire community preparedness and associated community engagement, education and awareness work. Other SES organisations in Victoria and New South Wales have recently established additional resources to support similar community preparedness, engagement and education strategies, e.g., local community flood hazard mapping and related community preparedness initiatives.

12.14. The State Emergency Service argued for additional staff to be able for the organisation to undertake greater community engagement:

In the light of the success of TFS's work with regard to bushfire preparedness and community engagement, the State Emergency Management Advisory Group (SEMAG) resolved that the community protection planning work conducted by TFS should also be done as a matter of priority for other hazards such as flood and storm. However, for SES to achieve more in the areas of community engagement, planning and project work associated with floods and storms it would be highly desirable to fund one additional FTE Community Resilience Officer in each region to provide community engagement, community education/awareness and emergency management planning support and to better support priority projects at the regional and local level.

12.15. The State Emergency Service commented further :

Ideally, similar functions should also be supported at State level by an additional 1.0 FTE for a Community Resilience Coordinator within State headquarters whose focus would be on specific state-wide SES planning, community engagement and emergency management projects, particularly relating to SES specific hazard areas, such as flood, severe weather and tsunamis. Currently these functions are supported where priorities allow by the Emergency Management Unit, which has more of a whole-of-government, multi-hazard focus.

12.16. Mr Rod Sweetnam spoke of the benefit of the transfer of the SES to the State Fire Commission in relation to community safety programs:

*I think there has been some advantage with the SES coming into the TFS. TFS has been very active in the community education field for quite a while and has won national awards for some of its programs. The learnings from that have to be of value to the SES in dealing with an all-hazards approach to education and building resilience within communities. There are some real advantages in that, so I will leave it at that so far as my submission is concerned.*¹²⁴

12.17. Mr Rod Sweetnam commented:

The inclusion of SES within the auspice of the State Fire Commission should enable community safety programmes to take an all hazards approach to community education. Communities exposed to fire, flood or other threats could be provided education programs at single forums.

This should result in less demand on community member's time and greater consistency regarding messaging and education of community members to threats and actions required.

¹²⁴ Transcript of evidence, 2 March 2016, p42

The TFS currently has a strong community education component in their operations, with programmes like Bushfire Ready Neighbourhoods, Community fire plans delivered into at risk communities. SES will be able to utilise the learnings acquired by TFS on effective delivery of programmes.¹²⁵

12.18. Hobart City Council commented:

In terms of Community Safety Programs, the City believes the preparedness of individuals and their property is critical to mitigating the impacts of a bushfire. The City has worked closely with the Bushfire Ready Neighbourhood Program, as a substantial part of bushfire risk management in Hobart since the program's inception. Our experience in working with the Bushfire Ready Neighbourhood program is that it is a highly effective program meeting recognised community demand for this form of information delivered in accessible ways to build understanding and resilience. Therefore, the City wishes to see a continuation of sustainable funding for the program.

12.19. Robert Mather, Hobart City Council commented:

We strongly favour the ongoing support for the programs that are in place. We recognise that preparedness of properties is critical to the chances of survival and they are critical regardless of the measures undertaken on council land. By that I mean that we may undertake fuel reduction burning. We may have a fire break in place but if a private property adjoining that regime is not adequately prepared, it is all at risk of burning down. You can only gain the best benefit if continuous maintenance is undertaken from the back door of the properties into the bushland. Through our work maintaining and augmenting fire breaks, our advice has been that we really need to engage with the community so that it is a combined and collaborative effort. That is where we see community education as critical through the Fire Service.¹²⁶

Committee Comment

12.20. The Committee recognises the critical importance of community engagement and the Committee notes that funding is essential for community engagement programs to be successful.

12.21. The Committee notes and commends the community engagement programs undertaken by the State Fire Service and the State Emergency Service.

¹²⁵ Submission 5, Rod Sweetnam, p2

¹²⁶ Transcript of evidence, 2 March 2016, p37

- 12.22. The Committee notes the shift away from television advertising to face-to-face programs and the evidence that face-to-face programs are more successful in message delivery.
- 12.23. The Committee acknowledges the vital role this work plays in improving community preparedness in relation to emergencies. The Committee notes that such work requires significant resources.
- 12.24. The Committee notes that the State Fire Service is confident that all schools in bushfire-prone areas will have been assessed and have bushfire preparedness plans in place by the end of 2016. The Committee considers that it is essential that this does occur.
- 12.25. The Committee also notes the potential for centralisation of the various community engagement programs run by the Tasmania Fire Commission and State Emergency Service.

Recommendation 6: The Committee finds that on the evidence presented, that the State Fire Commission should assess whether community engagement programs of the State Fire Services and State Emergency should be centralised.

Recommendation 7: The Committee finds that on the evidence presented, the State Fire Commission introduces key performance indicators reporting in relation to its work in community engagement to measure its success in program delivery and community engagement.

13. FIRE SERVICE RESOURCES INCLUDING FIREFIGHTER NUMBERS

- 13.1. The Committee took evidence of the current fire service resources, including firefighter numbers, equipment and gear, and stations.

Firefighter numbers

- 13.2. In 1997 an agreement was formed with United Firefighters Unions on minimum numbers of Firefighters and Fire Officers within TFS:
- 285 Uniformed career personnel
 - 208 officers and firefighters in career brigades (112 in Hobart; 58 Launceston; 38 Burnie/Devonport)¹²⁷
- 13.3. As of 31 March 2015, there were 322 FTE firefighters in Tasmania, up from 318 FTE in 2014 and 306 FTE in 2013.¹²⁸
- 13.4. The Tasmania Fire Service commented:

Fifteen Trainee Firefighters commenced employment in TFS on 4 August 2014 all have completed their initial training and probationary period.

A further nine Trainee Recruits commenced on 24 August 2015. Following the completion of the Trainee Firefighter Development Program, they have commenced operational firefighting duties at Launceston, Devonport and Burnie Fire Brigades.

It is anticipated that, due to retirements and separations, a further recruitment process will be undertaken in 2016. A final decision is subject to ongoing review of staffing numbers.

TFS aims to remove minimum staffing numbers from the Industrial Agreement. It is not considered appropriate for minimum staffing levels to be in an Industrial Instrument and it constrains TFS in managing its workforce appropriately.¹²⁹

- 13.5. The Tasmania Fire Service argued that the transfer of the SES had not affected State Fire Commission resources:

It has been suggested that due to funding of SES by SFC that there has been a reduction in the amount of training and development that is delivered, the number of cancer mitigation programs being rolled out and in the purchase and

¹²⁷ Submission 1, Tasmanian Fire Service, p29

¹²⁸ Submission 1, Tasmanian Fire Service, p29

¹²⁹ Submission 1, Tasmanian Fire Service, p29

maintenance of emergency response equipment. SFC would like to make the following observations on these areas.

Training and Development

2014-15 saw a number of significant developments in operational training. In late 2014, TFS participated in a Registered Training Organisation (RTO) audit by the Australian Skills Quality Authority (ASQA), the national VET training regulator. As a result, TFS completed a significant body of work to ensure compliance with the Standards for Registered Training Organisations in 2015.

Development of Incident Management Team (IMT) training materials continued with funding from the Federal Attorney- General's department. Considerable progress was made towards its completion by the December 2015 deadline.

...

Significant career and volunteer member training activity continued in 2014- 15.

TFS training is conducted at the workplace, at TFS training centres in each region by volunteer and career training instructors, and at external providers. All volunteers are required to complete the Induction program and all operational volunteers must complete Brigade Basics. Remaining skills not covered in these programs only need to be undertaken by a proportion of volunteers depending on their individual roles and community risk levels. Given the average 10% turnover in volunteer numbers each year, it is not possible for volunteers to achieve a 100% skill achievement level in Induction and Brigade Basics. ¹³⁰

13.6. The Tasmania Fire Service commented further:

Cancer Mitigation Programs

There has been some suggestion that funding has not been available to run cancer mitigation programs. TFS is dedicated to ensure the health and wellbeing of all firefighters, both career and volunteer and has undertaken a broad range of strategies to mitigate potentially harmful exposures.

...

A Diesel Particulates Working Party was established by TFS to consider the proposed approach to diesel particulate monitoring and assessment strategies. They also determined what testing to be undertaken to identify TFS member's exposure to diesel particulates and ensure that the management of diesel particulate is appropriately prioritised based on the assessed risk of exposure.

A total of \$50,000 has been allocated to this Program. ¹³¹

¹³⁰ Submission 1, Tasmanian Fire Service, pp33-34

¹³¹ Submission 1, Tasmanian Fire Service, p35

13.7. Mr Greg Cooper, United Firefighters Union of Australia Tasmania Branch commented:

To answer your question, could we resource a Tasmania Fire Service up to fight every bushfire that ever happened? The answer is 'no', but we could do better.¹³²

13.8. The United Firefighters Union of Australia Tasmania Branch commented:

Recommendation 1:

That the Tasmania Fire Service should introduce a programme of recruitment and resourcing of career firefighters to maintain the appropriate level of protection for the community. This includes the consideration of the forecasts of population growth, asset value and the implications of climate change and extreme weather events.¹³³

13.9. Mr Greg Cooper, United Firefighters Union of Australia Tasmania Branch commented on the loss of Forestry Tasmania resources:

Forestry not only had resources in the bush, it had plant and equipment that you could use. It had spotters and towers. They were there. They are all gone. For him to say that they never had a drama would mean, I think, that he was probably making people not worry about it; but there was a concern with resourcing. I've only been in this job for four years, but I've never seen a thousand people deployed. I think 300 or 400 in any one day from interstate is massive. It was huge, so finding resources to fight on the ground is a problem. Without resources - that is, bodies - in Parks and Forestry you have to rely on either interstate people or your volunteers. There is an issue.¹³⁴

13.10. Mr Gavin Freeman, the Tasmania Fire Service responded to the comments by Mr Greg Cooper in relation to the loss of Forestry Tasmania resources:

Mr Cooper made statements that are either unsubstantiated or incorrect on some occasions:

He suggested that my comments in relation to Forestry resourcing "... was probably making people not worry about it" My response to that question was underpinned by evidence in the numbers of Forestry assets including contractors that we utilised in the recent bushfire season. Whatever we ask for from Forestry was provided and for Mr Cooper to suggest "they are all gone" is incorrect.¹³⁵

¹³² Transcript of evidence, 2 March 2016, p58

¹³³ Submission 7, United Firefighters Union of Australia Tasmania Branch, p4

¹³⁴ Transcript of evidence, 2 March 2016, p59

¹³⁵ Correspondence from Mr Gavin Freeman, dated 5 April 2016, p1

Volunteer Firefighters

13.11. The State Emergency Service commented:

In order to maintain an effective emergency service capability, SES maintains a motivated, trained and well equipped volunteer workforce which comprises 35 SES volunteer units, 530 active volunteers and a fleet of over 72 SES emergency response vehicles. SES also has 23 permanent staff operating from five main work areas (State Headquarters, Emergency Management Unit, and three Regional Headquarters).¹³⁶

13.12. Ms Andrea Heath, State Emergency Services, commented:

At the moment, we have 530 volunteers. That enables us to have a workforce to service the state. We are working with the University of Tasmania to look at the demographics of Tasmanian communities and overlay that with the impacts of climate change to plan for our workforce. At the moment, we are well positioned to respond, but we are also planning for the future.¹³⁷

13.13. The State Emergency Service commented:

Over time volunteer expectations on the level of support, they receive and the quality of their resources/facilities has increased proportionately with the increased community expectations placed on the emergency services they provide. These expectations, coupled with some significant intra- and interstate disasters has resulted in a steady increase in the commitment by the volunteers. State-wide contact hours by volunteers have increased an average of 1,000 hours per year for the last six years. If SES cannot sustain appropriate standards of facilities and resources (including vehicles) to support this commitment, volunteer recruitment and retention rates will decline. Since 2013-14, there has been a 2.7% decline in volunteer numbers throughout the State.¹³⁸

13.14. Mr Robert Atkins, Tasmanian Volunteer Fire Brigades Association commented:

If we take the incident up the far-north-west now, from where I was in the staging area talking to brigades as they went out and came back in, I think our numbers might increase because of what has happened. If nothing happens for the next two or three years, it will level out or go down. I understand that is the nature of

¹³⁶ Submission 2, State Emergency Service, p3

¹³⁷ Transcript of evidence, 2 March 2016, p24

¹³⁸ Transcript of evidence, 2 March 2016, p7

volunteerism. We're always looking for volunteers. There is a level-through there; it peaks down on the low side and you have problems keeping volunteers with the different age groups. You'll find you get the junior cadets come through and they're keen until they find out there is something else happening and life changes. A certain percentage will come back to the system after they've got married and had a family. It is a very big balancing act keeping that level there. There are some programs in place in the Fire Service that is helping that happen. The junior cadet programs are running reasonably well and it helps brigades through the system.¹³⁹

13.15. Mr Andrew Taylor, Tasmanian Retained Volunteer Firefighter Association commented:

I honestly believe the models within councils are flawed. George Town Council has an excellent record with the George Town SES but there are a number of councils around this state which do not have such positive relationships. Our municipal coordinators are the linchpin between the volunteers and the community. If the municipal coordinator and/or deputy are doing their job, we should not lose that recognition or the role the SES is still performing in the community. I don't see that that would be compromised if the marketing and communication strategies were effective and considered. George Town does it well in terms of being looked after by council. We still have to submit everything we need, whereas in other councils some of our SES units are screaming for support and aren't getting it. A model that is far more equitable with a different funding model to what we have now - appropriately resourced and funded - would be a huge benefit to the majority of the units that exist within this state.¹⁴⁰

Resources - fire-fighting equipment

13.16. The Tasmania Fire Service commented:

A budget allocation of \$2.5m has been provided in 2015-16 to purchase and fabricate 25 Toyota Land Cruiser Light Tankers with CAFS (Compressed Air Foam System).

The new vehicles, which are purpose designed and built locally, provide greater safety and efficiency for brigades responding to fires. The CAFS facility is leading edge technology and extremely effective for structure fires and bush/urban interface.

In 2014-15, the program saw the construction of 14 heavy tankers, including the addition of CAFS facilities on each one.

These new trucks will all play a crucial role as frontline fire vehicles and will afford the community the highest level of protection against fire. The new trucks are highly functional with CAFS adding versatility to their capability. They are very

¹³⁹ Transcript of evidence, 2 March 2016, p10

¹⁴⁰ Transcript of evidence, 2 March 2016, p67

reliable and safe for fire crews and will assist TFS crews to fight fires and combat other emergencies.

Over the three years beginning 2016-17 the program allows for the further construction of approximately 30 light tankers, 25 medium tankers and up to a further 30 light or medium tankers are to be built. All of these appliances will have a CAFS facility.

During this three year period it is also planned to build an aerial platform appliance for a cost of \$1.2m.¹⁴¹

13.17. The Tasmania Fire Service commented:

*The reduction in the order for new trucks from 32 to 25 is not due to budget cuts or because of the funding of SES through SFC. The order for new trucks has been reduced to a level that TFS Engineering Services has the capacity to build within normal working hours, without the requirement to pay overtime. The fleet replacement program remains on target.*¹⁴²

13.18. Mr Gavin Freeman, the Tasmania Fire Service commented:

*For the truck rebuild program, it is a correct statement that the number being built was reduced. That doesn't mean those trucks won't be built; what that does is reflect the capacity of our engineering workshops. To meet our targets they were working overtime and spending too many hours on it. We said okay, it's not we've cut the trucks and they won't be built. They will be built, they just won't be built this year because of the capacity of the workshop was becoming exceeded. Those trucks will be built. The operational need didn't dictate to us that they all had to be built in the first year.*¹⁴³

13.19. Mr Gavin Freeman, the Tasmania Fire Service commented:

*I do not think any jurisdiction can afford to have a lot of resources funded and sitting there for 'what if' and 'maybe'. I think that throwing more money into response resources is admitting defeat before we start. I do not think that is the right approach. If we have very solid interstate arrangements, I think that is the right way. The surge capacity then comes in when it is required from other states, and indeed New Zealand, and that works well and has worked for a number of years.*¹⁴⁴

13.20. Mr Greg Cooper, United Firefighters Union of Australia Tasmania Branch commented:

¹⁴¹ Submission 1, Tasmanian Fire Service pp31-32

¹⁴² Submission 1, Tasmanian Fire Service, p32

¹⁴³ Transcript of evidence, 2 March 2016, p8

¹⁴⁴ Transcript of evidence, 2 March 2016, p8

The question about fixed wing aircraft is an interesting question. Do we need to invest in the asset of fixed wing aircraft when we have an arrangement that is very cost-effective for us. There is an hour, and you have a fixed wing aircraft and we have arrangements in place for them. We do not have any aircraft at all. We contract all of them. It is an efficient way of doing things.¹⁴⁵

- 13.21. Mr Gavin Freeman, the Tasmania Fire Service was asked about whether the utilisation of fire resources was adequate in relation to fighting fires in the World Heritage Area, he commented:

Ms WOODRUFF - Is it your approach that when you detect fires in the World Heritage Area or other park areas that you would apply the maximum possible response to extinguish, curtail or manage the fires as you possibly can?

Mr FREEMAN - Yes, that is right. That is exactly what we do. Particularly in the middle of summer we know that they will cause us issues if we don't get on to them early enough.

Ms WOODRUFF - At the time I think there were other fires happening around the state that you were putting a lot of resources into and required to expend a lot of resources. There was a question raised early on about the timeliness of getting into the fires in the south-west?

Mr FREEMAN - I don't think there is a question around that. Once we identified the fires that were there we responded to them. We had remote area crews on them. Some of them were difficult to contain. We had crews on the Maxwell River South fire, for example, and it took a big run but more crews wouldn't have made any difference. It's just the way bushfires work and the nature of the job. It is very dangerous terrain. I've said on many occasions it is as unforgiving as it is beautiful in that part of our state. When we have fires that burn under button grass or peat that can't be detected and pop up and take a big run under weather conditions, I am not prepared to put firefighters in front of that.¹⁴⁶

- 13.22. Mr Gavin Freeman, the Tasmania Fire Service commented:

Ms WOODRUFF - Is this something you're looking at, providing additional budgeting in the future for this situation? It seems we know now from climate change projections that the whole of Tasmania, but especially the World Heritage Area because of lightning strikes, because of the increased drying, are going to be more affected in future, there is going to be a greater risk. In terms of making a decision about which assets to protect and when, is this the sort of planning that you have done or are thinking of doing now? What are the budget implications? Have you had a chance to think about that yet? It is a busy summer.

Mr FREEMAN - Absolutely... There is a lot of research being done across the country into the impact of changing weather and changing environment and what

¹⁴⁵ Transcript of evidence, 2 March 2016, p58

¹⁴⁶ Transcript of evidence, 2 March 2016, p6

that means for fire agencies. We have been thinking about this for quite a while and in fact there has been a number of arrangements put in place.

In terms of budget implications for response, as I mentioned earlier, I do not think any jurisdiction can afford to have a lot of resources funded and sitting there for 'what if' and 'maybe'. I think that throwing more money into response resources is admitting defeat before we start. I do not think that is the right approach. If we have very solid interstate arrangements, I think that is the right way. The surge capacity then comes in when it is required from other states, and indeed New Zealand, and that works well and has worked for a number of years.

In terms of preparing and preventing, we have already invested quite a lot into the fuel reduction burning program, which is only in its second year, but that will help. It is yet to be seen what impact that might have in areas like the World Heritage Area because that sort of terrain is very difficult, if not impossible, to do fuel reduction burning in.¹⁴⁷

The recent union ban of interstate workers

- 13.23. During the recent bushfires across the Northwest of the Tasmania, an incident occurred in which the Tasmania Fire Service brought in firefighters from New South Wales to Tasmania to assist relieve Tasmanian firefighters. At the last moment, the United Firefighters Unions instituted a ban on the use of interstate workers citing safety concern.

- 13.24. Mr Gavin Freeman, the Tasmania Fire Service commented on the incident:

Through interstate arrangements, we had prior to that a number - around 400 - interstate firefighters at that point. There have subsequently been about 1000 in. In other states, New South Wales has been into Victoria career stations, Queensland has been into New South Wales. It is a common practice that occurs.

When it was flagged with us at the state control level that our career firefighters were becoming fatigued to the point where they were struggling to get backfill to maintain the crews in the career stations and people were working too many hours in the bush, we thought this was an opportunity to bring in 16 qualified senior career firefighters out of Sydney head station and provide some relief for the Tasmanian career firefighters, or if they were all rested well enough, to go out and develop their own professional development in terms of things like the air base management and those expert roles.

That was instigated; I was sent advice by the secretary of the UFU in writing on the morning they started that bans had been escalated because of my failure to consult with the UFU secretary. I will correct that, the statement said with the UFU, not the UFU secretary personally. Those bans weren't saying that the New

¹⁴⁷ Transcript of evidence, 2 March 2016, p7-8

South Wales firefighters couldn't work, but they restricted or prevented the Tasmania Fire Service firefighters from doing the induction program which, on the first day clearly there were a couple of hours that needed to be done - this is the way our trucks work, et cetera. We were going to put one person on each crew in the back seat. It wasn't like they were going to run the whole state on their own. There were some bans put in place.

I had a subsequent discussion with the UFU and we were unable to make any resolution in a short time frame. It had already distracted two of my senior people for the afternoon previous, trying to work through it, and it was starting to distract, in my view, as senior commanders at our state level, so I cancelled the deployment and said we would work around it another way, and we just requested more remote area fire fighters from interstate to cover it, so we didn't have to use TFS people as much. We got around it. It was unfortunate. It was disappointing and I have to say it was the only time I felt ashamed to be part of the organisation in 30 years. It was poor form, but it happens so we get on with it.

CHAIR - So what happened to those New South Wales firefighters?

Mr FREEMAN - We sent them home back to New South Wales.

CHAIR - How many were there?

Mr FREEMAN - Because of the way the shift system works there were four coming in to work and then two days later there would be the next four, because of the rotating way the shift works, so there was only four of them in the state, plus their liaison officer. On the first day, inductions were commenced in the Hobart fire brigade but then when the union bans became apparent they were ceased. I had no option but to say sorry and pack them off home.

CHAIR - You felt you needed to do it obviously for safety, health and other reasons.

Mr FREEMAN - That was the only reason we made the call because it was flagged with us that people were becoming fatigued to the point of where it was becoming an impact on their safety.

CHAIR - Noted, so you were upset and disappointed big time by that?

Mr FREEMAN - I was, yes. From my personal point of view it was a sad indictment given that we have now had about 1000 other interstate firefighters doing different roles.

13.25. Mr Greg Cooper, United Firefighters Union of Australia Tasmania Branch also commented on the incident:

I can confirm that Gavin, the acting chief officer, said to me that he was disappointed and felt I had acted abhorrently that week. We've had that discussion, and we are allowed to do that. The issue was that it was an ill-conceived plan that was going to fail from the day it was conceived. It was conceived on a misnomer. You are fighting fires and there is a huge problem in fatigue management up the coast. Prior to the bushfires, in the north-west coast

you had five officers short as a result of the Fire Service not acting appropriately, prudently or in a timely manner on vacancy control. I don't know if you understand a rotation, but a rotation in the Tas Fire Service is two 10-hour days, two 14-hour shift nights, four days off. Your first night shift is off and then you have three more days off and then you come back and do 10 and 14. Before the bushfires broke out, officers in the north-west region were working seven out of eight days, so having one day off in a rotation because they were short of officers. That is where the fatigue problem came in. They identified a problem in Hobart which was on the basis of trying to manage an overtime roster that is out of kilter and needs to be tidied up, and there have been proposals to fix that. They got somebody to have a look at that but they didn't manage it very well and said, 'I think there might be a fatigue problem'. They thought the fatigue problem stemmed from RAT deployment - remote area teams. There are 47 firefighters out of 112 in Hobart trained in that discipline. They take them out and they do the hard yards - they cut the tracks and do all that work. On the basis that they were going to pull out up to 19 RATs at any one time, people said, 'This could be a strain on the Hobart fire brigade', so the duty officers - who are officers who sit in the station to look after the 112 firefighters on shifts - did an availability [analysis] and they found out they had between eight and 12 firefighters available every day of a day off they could call on, so there was no problem once they were identified. The fatigue management was suggested as a problem, but it wasn't a problem.

On Friday, the fire service wrote to New South Wales and said, 'We need some firefighters down here', with the understanding they would like to send them up the coast and to other areas. New South Wales said it would be better if we sent them all to one place. The best place to accommodate them on the basis of one on a truck was Hobart, which had five crews. They didn't tell us about that. They have an obligation under their industrial instrument to tell us about that. Not only tell us about it, tell the firefighters. They said it was an emergency situation. The emergency was in the bush, not in the fire station. There were no fatigue management problems in the fire station. They inducted these firefighters and confirmed at 5 o'clock on Tuesday night that these firefighters were coming in on Hobart station at 8 o'clock the next morning as part of the Hobart response crew.

There are a couple of things you have to understand as to the Hobart fire station and Burnie and Launceston. The Tas Fire Service must have a complement on station at the start of each shift. At 8 o'clock in the morning when the shift starts they have to have the complement. They have to have two crews in Hobart, a crew at Glenorchy, a crew at Rokeby, a crew at Clarence and Bridgewater. What they decided to do was bring this New South Wales crew in, untrained and uninducted, on station as a crew - so they had already dropped a crew. Because there was four in that crew and no officers, they had dropped two crews. So they had to run night shift on two crews until 11 o'clock the next morning - that was a 17-hour shift they gave Hobart crews to run on so they could get these boys inducted. You need to understand induction. The only thing the New South Wales firefighters and the Hobart firefighters had in common was the backplates that hold their BA together. A BA is the breathing apparatus, a cylinder. For training for a firefighter he does a

16-week intense program and goes on shift. If he comes off shift for anything over six months to a year, to get back on shift they do two rotations - two days, two nights, two days, two nights - to familiarise themselves again with the trucks and they do another BA refresher, a road crash refresher, and make sure they are confident. Somehow magically the fire service decided they could, in three hours, induct these New South Wales firefighters onto the back of our big red trucks. It was never going to work. It was fraught with danger and the reason they went home at 10 o'clock was because the overtime ran out at 11 o'clock and they would have had to recall two more crews to allow the inductions to continue. There was no way known they could have had those firefighters inducted, ready, in three hours to respond.

Mr Freeman said this morning that they were going to be on the back of a truck. They weren't going to be an officer and they weren't going to drive. That's true. I don't know if you are aware of what the people in the back seat of the truck do when you go to a structure fire. They are either first or second in on the branch. They go into the building and they squirt the water around and put the fire out. They call it painting. It is a process they go through to make sure they maximise the amount of water to steam ratio to put the fire out.

These people had to be fully conversant with our BA, had to be fully conversant with our gear, lockers, stowage and they had to be disciplined in road crash because we do road crash, haz-mat, technical rescue, vertical rescue, trench rescue, and it goes on. There was no way known that this plan was ever going to work.

The other issue we had with the Fire Service that they wouldn't answer was that the Fire Service Act allows for an industry brigade to be created for the purpose of responding to bush fires and other areas. It doesn't allow for people to be incorporated upfront into a fire brigade. To be a member of the Hobart Fire Brigade, you have to be a member of the Tasmania Fire Service and we asked the question, 'Are you going to join them up in the Fire Service?', 'Who's going to pay them?', because if you want to employ people there is a merit principle. That merit principle is that this was an emergency. It was not well thought out. The duty officers said, 'This is just thwart with danger. I don't know if I can safely manage people in a structure fire by giving them a minimum three hour induction, I need longer than that'. It was never going to work, chair.¹⁴⁸

13.26. Mr Gavin Freeman, the Tasmania Fire Service responded to the comments by Mr Greg Cooper about the incident:

Mr Cooper made statements that are either unsubstantiated or incorrect on some occasions:

...

- He suggested that the Fire Rescue NSW (FRNSW) people were untrained, this is false, we requested and were provided with qualified firefighters

¹⁴⁸ Transcript of evidence, 2 March 2016, pp55-56

out of Sydney who were very experienced in structural firefighting and offensive fire attack (referred to by Mr Cooper as 'painting'). We also requested that these firefighters were Rescue trained. To suggest that the training is vastly different and that bushfire management is much easier than structural firefighting is also very misleading and incorrect, It is true an induction was required and our operational officers responsible for this induction told me personally that this would be achieved to a satisfactory standard within 2 hours, this was underway until the UFU bans were put in place.

- Mr Cooper stated that the reason the FRNSW firefighters were sent home is because "the overtime ran out" this is incorrect. I cancelled the deployment solely due to UFU work bans.
- Mr Cooper also stated that bringing in other firefighters was alright as they were brought in as "part of an industry Brigade" This is not that case and has never been. All firefighter deployed to assist interstate are done so under the Agreement for Interstate Assistance which outlines all obligations, responsibilities and expectations including 'employment' arrangements. This is exactly the methodology employed to request and deploy the FRNSW firefighters.¹⁴⁹

Committee Comment

- 13.27. The Committee notes the opinions of both the Fire Service and the United Firefighters Union of Australia Tasmania Branch that there is a limit to how much resources can be utilised and that it is impossible to adequately resource the Tasmania Fire Service to the point where it can immediately respond to every fire across the State.
- 13.28. The Committee notes the preference for well-performing interstate arrangements instead of over-resourcing the Service. The Committee agrees that the utilisation of inter-state firefighters and fire-fighting equipment is the most effective and cost-efficient method of ensuring Tasmania is as fire-ready as possible.
- 13.29. The Committee notes the concerns of the United Fire Fighters Union in relation to the problems associated with non-standardised firefighting gear across jurisdictions.
- 13.30. It is the opinion of the Committee that if the State is to rely on interstate firefighters and equipment during large-scale fire situations is imperative for firefighting gear to be as standardised as possible moving forward.

¹⁴⁹ Correspondence from Mr Gavin Freeman, dated 5 April 2016, p1

13.31. The Committee commends the work that volunteer firefighters perform and notes that they are essential to fighting fires and ensuring the safety of all Tasmanians. The Committee notes that these volunteers are at risk of being under-valued and underrated.

13.32. The Committee notes that the State Fire Commission responded to questions about the loss of world heritage bushland during the recent bushfires in Tasmania by stating that additional resources would not have been of assistance as it was in their opinion too dangerous to put additional firefighters in the area during this time.

Recommendation 8: The Committee finds that on the evidence presented, that the Government should undertake a review of how firefighting equipment and gear in Tasmania can be better standardised with interstate equipment and gear to improve cross-jurisdiction resource utilisation.

Recommendation 9: The Committee finds that on the evidence presented, that volunteer firefighters are at risk of being undervalued and underrated and the Government should best endeavour to ensure the full acknowledgement and recognition of these services.

14. THE NEED FOR APPROPRIATE AND MODERN GOVERNANCE PRACTICES IN THE STATE FIRE COMMISSION

14.1. The Committee heard from a majority of witness that there is need for changes to how the State Fire Commission is governed, with almost universal support for the establishment of an independent chair for the Commission.

14.2. The Tasmania Fire Service commented:

Certain aspects of the governance arrangements for TFS/SFC mirror those for government business enterprises, for example, the portfolio Minister must issue a ministerial charter specifying their broad policy expectations for the Commission, and the processes for developing corporate and strategic plans.

However, the Commission is largely composed of nominees of interest groups, particularly employee associations and local government, which is fundamentally inconsistent with it exercising the role of a governing board. It is also chaired by the Chief Officer of Tasmania Fire Service rather than an independent person.

Therefore, despite it having many attributes of a governing board, the Commission is assessed as a policy board operating in an area of whole of community effect.¹⁵⁰

Chair of the Commission

14.3. The Tasmania Fire Service commented:

Under the Fire Service Act, the Chair of the Commission is the Chief Officer. It is the considered view of SFC that the governance provided through the Commission would be significantly improved by the creation of an independent chair. That is, the Chair would not be the Chief Officer of TFS. This would require some legislative amendment. The Chief Officer would remain CEO of the TFS.

While the Commission is not responsible for the appointment of the CEO, who is appointed by the Governor-in-Council, there are a number of advantages in having an independent Chair of the Commission. These include:

- a separate chairman empowers the Commission vis-à-vis the CEO. The Commission has a clear leader for whom its functioning is a top priority. In general, an independent chairman pays much attention to the functioning of the board - its agenda, the adequacy of the information provided, the quality of debate - because that's their primary role. This role enhances the board's oversight capabilities.*

¹⁵⁰ Submission 1, Tasmanian Fire Service, p45

- The Commission is directly responsible for general oversight TFS' affairs and its management. As a result, installing the CEO, the one person directly responsible for that management, as Chairman could indicate a conflict of interest.
- An independent Chairman of the Commission can create an independent source of authority with tangible authority to address the concerns of the Commission.
- the CEO can focus on running the TFS without having to worry about leading the Commission. Furthermore, a chairman who is able to help represent the Commission externally can lighten the CEO's load substantially. Indeed, a high-status chairman can have tremendous value in representing SFC to governmental bodies, trade associations, employees and suppliers as well as assuming other responsibilities.

Although strategy formulation is a core executive responsibility - clearly in the domain of the CEO - many chairmen can and do offer valuable input in the strategy discussion before a proposal is brought to the full Commission. Finally, the chairman can be a mentor, adviser and confidant to the CEO, providing someone to talk with more openly than might be possible with subordinates.

The Corporate Governance Principles published by the Department of Treasury and Finance also state that the person holding the position of Chief Executive Officer should not concurrently hold the position of Chair of the organisation.

A natural time to consider the non-executive chairman position is with the appointment of a new CEO, particularly a first-time CEO. In such situations, the chairman can provide experienced counsel to the CEO and allow the new CEO to acclimatise to the new responsibilities and focus on the business. As a general rule, the outgoing CEO should not serve as chairman, except for a short-term, well-defined transition period.¹⁵¹

14.4. Mr Gavin Freeman, the Tasmania Fire Service commented:

The State Fire Commission is a representative board and that can put the chief officer as chair in a compromising position, in my view, from time to time where the views of the representatives of the board may differ from that of the Government. As a Senior Executive Service person, as the chief, I think there is potential there for a blurring of the lines. It is my belief that a chair of the commission other than the chief officer - and that could be either an independent chair or one of the elected commission members - should chair the meeting. That occurs on occasions when the chief officer is unable to attend and it works quite well but it would need some legislative review for that to be enabled.¹⁵²

¹⁵¹ Submission 1, Tasmanian Fire Service, p46

¹⁵² Transcript of evidence, 2 March 2016, p2

14.5. Mr Gavin Freeman, the Tasmania Fire Service commented:

*I do not have a fixed view on whether it should be an independent chair or a member of the commission. At times, as I have mentioned, members of the commission chair meetings and that works. As to the role and responsibilities of an independent chair, I would reserve my decision on that until we flesh that out a little bit. It could work. We have the State Fire Management Council, which is a separate body under the act which has an independent chair at the moment and that works very well. It has very clearly defined responsibilities and probably a fairly limited scope for the State Fire Management Council compared to the responsibilities of the State Fire Commission. In answer to your question, I do not have a fixed view on that but all options could be considered.*¹⁵³

14.6. Mr Gavin Freeman, the Tasmania Fire Service commented:

*If you have an individual representing a body on the commission and that body had a different view to where the Tasmania Fire Service were going at a particular time, there could be some conflict there.*¹⁵⁴

14.7. Mr Rod Sweetnam commented:

*From a good governance point of view, I think an independent chair would be a healthy step forward for the State Fire Commission. In talking about conflicted, the chief officer in having to run the operations of the organisation and manage the organisation and then step in to running the governance of the organisation is a pretty broad church. I should be careful with my words I suppose, but modern governance doctrine would say that is not a good model. To separate the two, the CEO of the fire service operations focuses on fire service operations, reports in and becomes part of that governance group, but doesn't have to worry about the governance arrangements associated with it; that is picked up by the chairman.*¹⁵⁵

14.8. Mr Rod Sweetnam commented:

There are fundamentally four bodies with the Local Government Association, but the volunteer organisation, the retained organisation and the union all are representing a different level of employee. I think the answer to your question as far as I am concerned is, if the act stays relatively the same in relation to the commission then the representation as it stands is probably okay. Not probably okay, it is okay.

If there was a significant change towards the commission becoming a fully operational board in the commercial sense, then I think yes probably the skills-

¹⁵³ Transcript of evidence, 2 March 2016, p2

¹⁵⁴ Transcript of evidence, 2 March 2016, p2

¹⁵⁵ Transcript of evidence, 2 March 2016, p44

*based board would be more relevant. But that would take a significant shift away from where we are at the moment.*¹⁵⁶

14.9. Mr Andrew Taylor, Tasmanian Retained Volunteer Firefighter Association commented on the problems with the reporting structures of the organisation:

Other states and other models have an independent secretary and that is something, without knowing all the ins and outs of that, would be more favourable to us in terms of the model, so we have appropriate governance and insurance practices.

We have a recent MOU, for instance, as a good example in terms of the recent work that Wise Lord and Ferguson did. They put forward the new corporate services structure. There is this MOU, which is fundamentally flawed. I have had not answered yet, from the department that if there is any disputing around any finances or decisions, that goes back to the secretary of the department, which happens to be the Commissioner of Police. We have the current Chief and the Assistant Commissioner as the two heads of agencies for the figure of this MOU but in terms of transparency and fairness, the secretary -

CHAIR - Who is the MOU between?

Mr TAYLOR - Between the three agencies - SES, TFS and Department of Police. That is an example of where we believe there are some flaws. We see some value and benefit in bringing together some of these aspects of the agency. We are in 2016, we can't have independent pay systems, we can't have independent other administrative systems. We understand and support that.

CHAIR - So you see that marriage of the SES working within the TFS but you would like to see the relationship -

*Mr TAYLOR - I would like see a clinical relationship with clear lines of accountability and responsibility, which then doesn't threaten the current structures of the State Fire Commission. As it is now, even with the Fire Service Act and the roles and responsibilities with the Emergency Services Act, if we have a state disaster, who does the director of the SES report to? That director reports to the state controller, who happens to be the Commissioner of Police, yet the line of reporting is through the chief officer. There is some housekeeping that needs to be done.*¹⁵⁷

¹⁵⁶ Transcript of evidence, 2 March 2016, p44

¹⁵⁷ Transcript of evidence, 2 March 2016, p63

Conflict of interest

- 14.10. Mr Rod Sweetnam commented in response to a question regarding potential conflict of interest with respect to various stakeholders on the Commission:

*Not within the context of the act as it stands at the moment and the activities the commission has to deal with, because they are fundamentally around those groups and, to be blunt, there are other levels of governance above it that mean it is not as independent as a commercial board.*¹⁵⁸

- 14.11. Mr Tony Ferrall commented:

*... it is an unusual governance arrangement. If you looked at government businesses or state-owned companies, you would generally have a board, which is skills based, independent and doesn't represent individual groups. It is an unusual model in that sense and there are a lot of good reasons why that is how boards are normally structured.*¹⁵⁹

- 14.12. Mr Andrew Taylor, Tasmanian Retained Volunteer Firefighter Association commented:

*Likewise, in the model around DPEM and the State Fire Commission there are some fundamental flaws in the current legislation, as I understand it. Whether they are auspiced appropriately, whether that is a legislative change that can happen in five minutes to reflect what the responsibilities are, having the secretary of the department as the head of agency is also something we have concerns about. It is the fox in charge of the hen house, and we have shared that with the commissioner and the chief. As to having a true head of agency, we don't have that anymore with the current configurations of DPEM and the State Fire Commission.*¹⁶⁰

- 14.13. Mr Greg Cooper, United Firefighters Union of Australia Tasmania Branch was positive about the current governance in place when he commented:

We think it is a good governance arrangement for a number of reasons. The chief officer is appointed by the Governor under the Fire Service Act but he also complies in the main with the State Service Act and guidelines in terms of behaviours. Therefore he is bound by government policy per se and if you say something as a government to him he cannot really stand up and say 'I do not agree with that', whereas an independent chair could do that and the chief officer could concentrate

¹⁵⁸ Transcript of evidence, 2 March 2016, p44

¹⁵⁹ Transcript of evidence, 2 March 2016, p43

¹⁶⁰ Transcript of evidence, 2 March 2016, p63

on his activity of being the chief officer - looking after the money and the role of running fire stations. I do think that is a good model.¹⁶¹

Committee Comment

- 14.14. The Committee acknowledges the widespread support for the establishment of an independent Chair of the State Fire Commission.
- 14.15. The Committee notes the potential benefits of an independent skill-based board, including the reduction in perceived conflicts of interests and improved governance practices

Recommendation 10: The Committee finds that on the evidence presented, that the State Government should establish an independent Chair to govern the State Fire Commission and that this governance arrangement should be included in the reform of the governing legislation.

¹⁶¹ Transcript of evidence, 2 March 2016, p54

15. REVIEW OF LEGISLATION

15.1. The Committee heard from a number of witnesses support for a review of the governing legislation, the *Fire Service Act 1979*, or at least amendments to be made to the Act.

15.2. The Tasmania Fire Service did commented:

*While it is appropriate that the Fire Service Act is reviewed at some time in the future due to the length of time since the last review, TFS does not support a wholesale review of the Fire Service Act at this time. TFS remains effective at managing fire risk to people and property under the current governance arrangements. However, there are a number of amendments to the Act that TFS considers would improve the governance and functions of the Commission.*¹⁶²

15.3. The Tasmania Fire Service commented:

*The Tasmania Fire Service Act, in any case, is from 1979 - it is quite old - and there are a number of things in there we have already identified, not just in relation to what we are talking about here but things like fire permit systems and those sorts of things that would need to be reviewed in any case. I would suggest that at some time over the next two to three years we would need a full and comprehensive review of the Tasmania Fire Service Act.*¹⁶³

15.4. Mr Gavin Freeman, the Tasmania Fire Service commented:

I think the act provides quite well for fire-fighting operations and the responsibilities the Fire Service have at present. It is clear that the chief officer has responsibility for fire services across the state. TFS led the response to the recent fire campaign which is across land tenures. We have a tenure-blind fuel reduction program and I think the act provides sufficiently for all of that. That is not to say that with a full and comprehensive review, we should make sure there are no sticking points around that subject. ¹⁶⁴

15.5. Mr Rod Sweetnam commented in response to a question regarding potential conflict of interest with respect to various stakeholders on the Commission:

Yes, it needs to be brought up to reflect where the SES sits within that because at the moment the reporting arrangements are not reflected in the act. This is just an opinion with no qualification around it, but it seems to work okay from an

¹⁶² Submission 1, Tasmanian Fire Service, p45

¹⁶³ Transcript of evidence, 2 March 2016, pp1-2

¹⁶⁴ Transcript of evidence, 2 March 2016, p2

operational sense. It has been tweaked as time goes on so the operations can operate as they need to and it has the authority it needs to deal with wildfire in bushland areas and structural fires and those sorts of things, but the governance side of it seems to have lagged and definitely needs a relook at. ¹⁶⁵

Committee Comment

- 15.6. The Committee notes that the current act was written over 37 years ago.
- 15.7. The Committee finds that the drafting of the current act, in many ways does not reflect the current operations of firefighting and emergency management in Tasmania.
- 15.8. The Committee notes the merit in a wholesale review of the Fire Services Act 1979. Such a review would allow for new legislation or amendments to be made to enable greater clarity in how the Tasmanian Fire Service, Tasmania Fire Commission and the State Emergency Services operate and how in which these organisations are funded. The review should also address reporting lines, governance structure, fire permit system, and inter-agency protocols.

¹⁶⁵ Transcript of evidence, 2 March 2016, p44

APPENDIX A: SUBMISSIONS RECEIVED

1. Tasmanian Fire Service, 8 January 2016
2. State Emergency Services, 8 January 2016
3. Hobart City Council, 8 January 2016
4. Local Government Association of Tasmania, 8 January 2016
5. Rod Sweetnam, 8 January 2016
6. Simon Warriner, 7 December 2015
7. United Firefighters Union of Australia Tasmania Branch, 22 February 2016
8. Gavin Freeman, Correspondence dated 5 April 2016

APPENDIX B: DOCUMENTS RECEIVED¹⁶⁶

1. Tasmania Fire Crises, United Firefighters Union of Australia Tasmania Branch
2. Letter dated 5 April 2016 addressed to the Committee Secretary from Mr Gavin Freeman, Tasmania Fire Service

¹⁶⁶ Does not include documents received on a confidential basis

APPENDIX C: HEARINGS AND WITNESSES¹⁶⁷

2 March 2016, Parliament House, Hobart:

- a. Gavin Freeman AFSM, Chief Officer, State Fire Service and Mr Todd Crawford, Director of Finance and Physical Resources, DPEM
- b. Gavin Freeman AFSM, Chair, State Fire Commission
- c. Andrea Heath, Acting Director, State Emergency Services
- d. Katrena Stephenson, CEO and Georgia Palmer, Senior Policy Officer, Local Government Association
- e. Robert Mather, Group Manager Open Space, Hobart City Council
- f. Rod Sweetnam
- g. Tony Ferrall, Secretary, Department of Treasury and Finance
- h. Greg Cooper, Branch Secretary, United Firefighters Union of Australia Tasmania Branch
- i. Robert Atkins, State President, Tasmanian Volunteer Fire Brigades Association
- j. Andrew Taylor, President Tasmanian Retained Volunteer Firefighter Association

¹⁶⁷ Does not include documents received on a confidential basis

APPENDIX D: DISSENTING STATEMENT OF MS ROSALIE WOODRUFF MP, MEMBER FOR FRANKLIN

1. General Comments

The Inquiry into the State Fire Commission was established in October 2015 to report on an extensive Terms of Reference. This was an important Inquiry that was established in part to investigate the funding and governance arrangements for the Tasmanian Fire Service and the State Emergency Service. It was also constituted to investigate other Terms of Reference. Relevant to this Dissenting Statement are the Terms:

- (1)(a)(v) the funding of the Fuel Reduction Burn Program,
- (1)(a)(vi) community safety programs,
- (1)(a)(vii) fire service resources including firefighter numbers,
- (1)(c) the future finding arrangements for the TFS, and
- (1)(d) the need for appropriate and modern governance practices in the State Fire Commission.

The Committee of the Inquiry into the State Fire Service (the Committee) did not seek evidence from Forestry Tasmania and the Parks and Wildlife Service, two of the three agencies most closely involved in bushfire management in Tasmania. Neither of these organisations provided written comment or appeared as witnesses.

In light of the critical inter-connection between these three agencies – Forestry Tasmania, Parks, and the TFS – in fuel reduction, the resourcing of bushfire fighting, and in ensuring community safety, this lack of evidence has meant it has not been possible to properly investigate the Terms of Reference listed above.

The summer 2016 fires in the Tasmanian Wilderness World Heritage Area, and the devastating, irreversible and unprecedented impacts that occurred there, transpired during the course of this Inquiry – although prior to witnesses appearing to provide evidence. Given the lack of information from Parks and Forestry Tasmania, the Committee was not able to properly reflect on and respond to the circumstances of these fires.

This is a huge missed opportunity. The scale of those fires and the level of resourcing that was mounted, from state, interstate, and overseas sectors was unparalleled in Tasmania. Many questions about timing, coordination and resourcing have been raised in the community, and were tangentially raised in the Inquiry, but were not properly investigated or answered.

Given the expected increase in bushfires in coming summers due to climate change, from lightning strikes, heat, and dryness, it is a priority that Tasmania grapples with the realities before us. Clearly, our response this summer was not adequate given the conditions that occurred, and there are many ways our prevention, protection and response systems can – and have to be – improved. We have lives, communities, and natural values to protect.

2. Findings

On the basis of the evidence presented, this Dissenting Statement finds that:

- 2.1 There appears to have been a significant under-resourcing in the ability of the Parks and Wildlife Service to undertake the required level of fuel reduction burns within PWS properties.
- 2.2 There appears to have been a significant loss of resources and expertise that used to previously be supplied by Forestry Tasmania to the bushfire fighting effort.
- 2.3 The devastation of the summer 2016 bushfires on TWWHA vegetation have raised questions about the timeframes within which the TFS engages interstate and international fire fighting resources, the communication protocols guiding this engagement, and the firefighting resourcing required within the state.
- 2.4 The impact of global warming on weather conditions is resulting in increasingly narrow time periods each year within which fuel-reduction burns can be safely conducted.
- 2.5 There are low literacy levels across Tasmania (estimated to be greater than 50%) that present significant resourcing challenges in the education of communities about bushfire risk.
- 2.6 There is not enough knowledge about the number of households in high-risk bushfire areas with a household Bushfire Management Plan, the changing risk profile in rural communities given changing demographics, or the reasons people fail to enact a Plan during a fire event.

3. Recommendations

On the basis of the Findings listed, this Dissenting Statement recommends that:

- 3.1 Parliament re-constitute the Inquiry into the State Fire Service and properly complete the task of investigating and reporting on the Terms of Reference, specifically including the evidence of Forestry Tasmania and the Parks and Wildlife Service.

- 3.2 A formal investigation be conducted into the level of resourcing required for the Parks and Wildlife Service to conduct fuel reduction burns, within Parks' properties, of the right frequency, intensity, place and time.
- 3.3 A formal investigation be conducted into resources and expertise that were previously supplied by Forestry Tasmania into the bushfire fighting effort, and the impact of this loss on the fire management program within Forestry and Parks areas.
- 3.4 A review be undertaken into the conditions and timeframes within which the TFS engages interstate and international fire fighting resources, including the communication protocols and management requirements needed to engage and support these sectors.
- 3.5 The TFS assess the impact of global warming on management practices in relation to the timing and intensity of fuel-reduction burns.
- 3.6 Community education about bushfire risk and protection be focused around face-to-face delivery, and local volunteers be trained and supported in effective education techniques.
- 3.7 The TFS establish targets for all households in high-risk bushfire areas to have household Bushfire Management Plans.