

MINISTER FOR RURAL AFFAIRS, MINISTER FOR LOCAL GOVERNMENT AND MINISTER FOR EMERGENCY SERVICES

OVERVIEW

<i>Agency</i>	<i>Budget 2003-04 \$m</i>	<i>Budget 2004-05 \$m</i>	<i>Variation %</i>
Department of Local Government			
Total Expenses	90.3	89.7	-0.6
Asset Acquisitions	0.3	0.2	-55.9
New South Wales Fire Brigades			
Total Expenses	401.8	430.1	7.0
Asset Acquisitions	37.9	43.3	14.1
Department of Rural Fire Service			
Total Expenses	129.4	150.2	16.1
Asset Acquisitions*	14.4	8.0	-44.5
State Emergency Service			
Total Expenses	28.5	30.6	7.4
Asset Acquisitions	4.3	3.7	-14.1
Total, Minister for Rural Affairs, Minister for Local Government and Minister for Emergency Services			
Total Expenses	650.0	700.6	7.8
Asset Acquisitions	56.9	55.2	-3.0

* Rural Fire Service asset acquisitions in 2003-04 included \$5.1 million of capital fit-out costs associated with the re-location of the Department's headquarters from Rosehill to Homebush Bay.

DEPARTMENT OF LOCAL GOVERNMENT

The Department of Local Government's primary functions are to:

- ◆ provide strategic direction to the local government sector;
- ◆ develop and oversee the legislative and policy framework within which local councils operate;
- ◆ examine and investigate issues affecting local government performance and operations;

- ◆ improve accountability for performance of local government to their residents and ratepayers; and
- ◆ manage the State's relationship with local government.

The Department provides an overall framework for the system of local government. Major service delivery outputs are generally in the form of legislation, policies, programs, publications, training, mediation and strategic advice.

Current operations focus on increasing community involvement in reforming local government, improving accountability for performance of local government, and responsibility for the investigation and prosecution of pecuniary interest complaints about councillors and staff.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The Department of Local Government continues to adopt a more proactive role in fostering improvements in the performance of the local government sector.

During the 2003-04 financial year, the Department supported five regional reviews managed by independent facilitators considering reform across a number of local government areas and three public inquiries conducted under Section 740 of the *Local Government Act 1993*.

During the last five years rate rebates for pensioners increased by \$3.6 million to \$74.5 million and payments to councils from the Companion Animals Fund rose by \$2.3 million to \$6.1 million in 2002-03 when the deadline requiring companion animals to be registered was reached. A subsequent reduction in 2003-04 to \$3.8 million reflects fewer proceeds from registrations as only new companion animals are registered.

STRATEGIC DIRECTIONS

The Department of Local Government provides a high-level analytical and intervention capacity, concentrating on:

- ◆ legislation and policy;
- ◆ finances of councils;
- ◆ major investigations and pecuniary interest matters; and
- ◆ performance management.

The Department encourages the implementation of structural reforms by councils to better meet the needs of current and future communities and provides support for the independent regional reviews examining options for communities considering reform.

2004-05 BUDGET

Total Expenses

Estimated total expenses for the Department in 2004-05 are \$89.7 million, including:

- ◆ \$76 million for the pensioner council rates rebate scheme;
- ◆ \$1 million under the local government reform program;
- ◆ \$0.4 million for additional investigators that provide an early intervention capacity to councils experiencing operating difficulties and/or undergoing amalgamation or boundary change; and
- ◆ \$4.6 million for Companion Animals administration and payments to local councils.

Asset Acquisitions

The capital allocation of \$0.2 million provides for replacing fully depreciated and obsolete computer and office equipment.

NEW SOUTH WALES FIRE BRIGADES

The New South Wales Fire Brigades serves and works with the community to prevent fire and to respond to fire, hazardous material and rescue incidents in order to protect and preserve life, property and the environment. The Brigades is responsible for providing fire protection to developed centres throughout the State. In times of emergency, such as a bushfire crisis or other natural disaster, the Brigades also supports the other emergency services in both urban and non-urban areas and maintains a significant capability to assist in the response to major structure collapse and counter terrorist incidents.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The New South Wales Fire Brigades is funded 73.7 percent by the insurance industry, 12.3 percent by local government with a net cost to the State of 14 percent.

Between 1998-99 and 2002-03, there has been a 14.7 percent growth in the number of incidents attended by the Brigades. In 2003-04, the Brigades are expected to respond to approximately 129,000 incidents, a response on average every four minutes.

The Brigades has received significant funding increases over recent years. Brigades' expenditure totalled \$298.4 million in 1998-99. In 2004-05 expenditure is budgeted at \$430.1 million, an increase of 44 percent over this period.

In 1997, the Government embarked on the first major fire station building program in 75 years. Strategic programs in the greater Sydney area, Central Coast, the Hunter Valley and regional New South Wales, have seen 23 new stations built and made operational. Twenty two stations have been significantly refurbished including a significant rebuild of No 1 Fire Station in Sydney.

Since 1998-99, \$2.2 million has been committed for Community Fire Units bringing the total established to 251. The units operate in residential areas with a high level of bushland nearby. To date, approximately 3,500 volunteers attached to the various units have received training. These units and volunteers are an integral part of the Brigades' public education and fuel reduction strategies in bushfire prone areas.

In 2003-04 additional budget and other funding was provided to undertake tasks and projects to:

- ◆ commence the payment of Death and Disability benefits to firefighters under the provisions of the *Crown Employees (NSW Fire Brigades Firefighting Staff Death and Disability) Award 2003* (\$14.2 million);
- ◆ provide additional relieving firefighters (\$1.9 million) and critical operations support staff (\$0.7 million);
- ◆ undertake additional training of new firefighters (\$1.8 million);
- ◆ establish a health and fitness assessment and support program (\$1.6 million);
- ◆ continue the upgrade of occupational health and safety (\$1.7 million);
- ◆ enhance counter terrorism preparedness (\$1.6 million); and
- ◆ meet increased Retained Firefighter call-out costs (\$0.2 million).

STRATEGIC DIRECTIONS

The New South Wales Fire Brigades aims to minimise the impact of emergency incidents on the community. The Brigades continues to develop initiatives to maximise the effectiveness and efficiency of core business processes including incident prevention, fire suppression, management of hazardous material incidents, the provision of rescue services and response to natural hazards.

Over the next four years, the Brigades will also receive nearly \$72 million to purchase state-of-the-art urban and rural fire engines and just over \$11 million for improved communications.

Since 1997 new stations have been completed at St Andrews, Blacktown, Kellyville, Horningsea Park, Rosemeadow, Narellan, Huntingwood, Regentville, Bonnyrigg Heights, Kariong, Bateau Bay, Berkeley Vale, Umina, Dubbo, Kelso, Doyalson, Toronto, Lawson, Schofields, East Maitland, Shellharbour, Portland and Mt Victoria.

The Brigades will receive \$6.1 million in recurrent counter terrorism funding over the next four years and will share the operational capabilities of a helicopter with NSW Police. This will significantly increase the Brigades' capability for counter terrorism and hazardous materials response.

2004-05 BUDGET

Total Expenses

Total expenses in 2004-05 are estimated at \$430.1 million. In 2004-05, the Brigades will receive additional funding to:

- ◆ increase funding for long service leave costs (\$5.1 million);
- ◆ continue payment of Death and Disability benefits (\$4 million);
- ◆ undertake additional induction, basic first-aid training, advanced gas detector and advanced life support training to retained firefighters (\$2.4 million);
- ◆ continue the upgrade of occupational health and safety (\$0.9 million); and
- ◆ upgrade health and fitness assessment and support (\$0.6 million).

Asset Acquisitions

The Brigades' 2004-05 asset acquisition program of \$43.3 million provides for:

- ◆ continuation of the new fire station and training facility building program in the greater Sydney area (\$3.6 million), the lower Hunter (\$2.5 million) and the central coast and country locations (\$4.4 million);
- ◆ continuation of the fire station renovation program (\$0.6 million);
- ◆ heritage restoration works at Sydney No 1 Fire Station (\$4 million);
- ◆ continuation of an ongoing program to acquire and replace firefighting appliances (\$18 million);
- ◆ upgrading of information technology, communications and paging equipment (\$6.1 million);
- ◆ acquisition of additional rescue equipment (\$1.7 million); and
- ◆ other miscellaneous equipment and other minor works.

These asset acquisitions will benefit both city and rural areas of New South Wales and will continue to address the needs for additional facilities in growth areas.

DEPARTMENT OF RURAL FIRE SERVICE

The Department of Rural Fire Service is responsible for the promotion of effective rural fire fighting services within the State, including the co-ordination of bushfire fighting and bushfire prevention activities.

The Rural Fire Service is also the host agency for the Office for Emergency Services. The Office is responsible for policy advice to the Minister and administrative support to the State Emergency Management Committee and the State Rescue Board. The Office also undertakes risk assessments and planning for the protection of critical infrastructure and manages the Natural Disaster Mitigation Program.

The prevention and containment of bushfires would not be possible without the work of around 67,000 volunteers, who operate through 2,099 community based bushfire brigades attached to 122 local councils.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Expenditure by the Rural Fire Service on bushfire fighting activities is financed from the Consolidated Fund (13 percent), local government (13.3 percent) and the insurance industry (73.7 percent).

The State's contribution towards fire-fighting services is paid into the Rural Fire Fighting Fund, along with the fire levies from insurance companies and councils. These funds are then dispersed in accordance with the advice of the Rural Fire Service Advisory Committee.

The level of funding provided to the Rural Fire Fighting Fund has increased significantly over recent years. The total amount provided to the Fund in 1998-99 was \$70.4 million. The total amount to be provided in 2004-05 will be \$134.2 million, an increase of 91 percent over this period.

Enhancements provided in the 2003-04 Budget largely enabled the Service to:

- ◆ fund additional grants for fire tankers (\$6.9 million);
- ◆ upgrade the Fire Investigation Unit (\$0.3 million); and
- ◆ meet costs of the relocation to Homebush Bay including relocation, make good, contingency and project management costs (\$1.6 million).

During 2003-04 the Office for Emergency Services received additional funding to:

- ◆ enable the State Emergency Management Committee to review emergency management and other arrangements for the protection of Critical Infrastructure (\$0.8 million);
- ◆ increase grants to volunteer rescue units (\$0.1 million); and
- ◆ administer the Natural Disaster Mitigation Program (\$0.3 million) and the associated grants (\$1.2 million).

STRATEGIC DIRECTIONS

The Department of Rural Fire Service is an integral part of a complex bushfire management infrastructure comprising volunteer rural fire brigades, local government councils, land management agencies and other fire authorities.

The Service continues to respond to a wide range of emerging priorities and issues driven by government and community expectations, developments in emergency sector technology and doctrine and the contributions of staff and volunteers.

The Service responds to the community's expectations by:

- ◆ improving the safety of the community by mitigating the impact of fire through the implementation of programs associated with raising community fire awareness, regulating land use and the management of fuel levels;
- ◆ establishing planning, management and information systems to improve the allocation of resources; and
- ◆ recognising the importance of our volunteers, by improving their safety and identifying programs that will accommodate the demands of lifestyles as well as facilitating their involvement in Service activities.

The Service will relocate to new headquarters at Homebush Bay in July 2004. A new Emergency Command Centre will accommodate essential personnel and facilities including state of the art fire meteorological and mapping technology.

During 2004-05 the Service is hoping to significantly increase the number of volunteers trained as bushfire instructors. Training opportunities can be constrained if fire seasons are prolonged and severe.

2004-05 BUDGET

Total Expenses

Department of Rural Fire Service 2004-05 expenses are estimated at \$150.2 million. This is an increase of 16.1 percent over the 2003-04 Budget. A large part of this increase is related to Natural Disaster Mitigation Program grants.

This level of funding will allow the Rural Fire Service to continue to purchase new and refurbished tankers (\$25.5 million) and fund maintenance, equipment and operating subsidy grants to local brigades (\$32 million).

Additional funding of \$9 million has been provided to the Rural Fire Service to:

- ◆ provide an additional contribution to the Bushfire Fighters' Compensation Fund (\$2.2 million);
- ◆ increase funding to the emergency firefighting fund (\$2.2 million);
- ◆ enhance operational communication networks (\$1.5 million);
- ◆ provide councils with advice about appropriate bushfire protection measures for residential and other developments in bushfire prone lands (\$0.7 million);

- ◆ upgrade Occupational Health and Safety programs (\$0.6 million);
- ◆ provide additional funding for firefighting aircraft under State contracts and provide associated training (\$0.6 million);
- ◆ upgrade Command Centre communications equipment (\$0.4 million);
- ◆ update training documentation (\$0.5 million); and
- ◆ improve membership application processing (\$0.3 million).

The Office for Emergency Services will receive an additional \$13.7 million for:

- ◆ Natural Disaster Mitigation Program administration and grants (\$12.5 million);
- ◆ the review of critical infrastructure protection (\$0.8 million); and
- ◆ increase grants to volunteer rescue units (\$0.4 million).

Asset Acquisitions

The New South Wales Rural Fire Service's \$8 million 2004-05 asset acquisition program includes provision for the following projects:

- ◆ the acquisition of fire control and other motor vehicles (\$6.5 million). This will be partly off-set by the sale of motor vehicles (\$4.8m); and
- ◆ the purchase of computers and other small items of equipment (\$1.5 million).

STATE EMERGENCY SERVICE

The State Emergency Service (SES) is a volunteer based organisation dedicated to providing timely assistance in times of natural or man-made incidents or emergencies. While its main responsibilities reflect its role as the combat agency for floods and storms, the SES is also the major provider of land and inland water search and rescue throughout the State. Additionally, the SES provides significant support to NSW Police, the Rural Fire Service and other emergency services in a wide range of emergency situations. Currently there are around 9,000 SES volunteers responding to over 30,000 incidents per year.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

The SES has received significant funding increases over the past ten financial years.

Since 1994-95, funding provided to the SES has increased from \$14.4 million to \$34.2 million representing an increase of 137 percent. This additional funding has enabled the SES to address major priorities in the area of rescue equipment, improve protective clothing for all 9,000 volunteers, provide nationally recognised competency based training, purchase and maintain communication equipment, construct new division headquarters, and employ paid divisional controllers, learning and development officers, flood planners and public education officers.

Additional funding in 2003-04 included:

- ◆ \$0.2 million to meet day to day expenses of SES volunteer units increasing the program to \$1 million;
- ◆ \$0.5 million for Rescue Vehicle Subsidy used in partnership with local councils to purchase rescue vehicles bringing the total to \$0.8 million;
- ◆ \$0.6 million for paging transmission and maintenance expenses;
- ◆ \$0.8 million towards the Hawkesbury-Nepean Floodplain Management project;
- ◆ \$0.2 million for increase in the number of hours worked by part-time divisional controllers; and
- ◆ \$0.5 million to construct a new headquarters for the Illawarra/South Coast Division.

STRATEGIC DIRECTIONS

The State Emergency Service will continue to improve its capability to deal with floods, storms, and other incidents and emergencies.

This will be achieved through developing public communication and flood planning programs to ensure that communities at risk are aware of the nature of the risks and how to protect themselves and their property.

State Emergency Service volunteers will continue to be trained in emergency operation and rescue procedures which are of world class standard. The volunteers are also provided with protective clothing and equipment that meet Occupational Health and Safety requirements. These factors are essential in providing the community with a response agency that will assist them during flood and storm operations.

2004-05 BUDGET

Total Expenses

The State Emergency Service's total expenses for 2004-05 are projected to be \$30.6 million.

Additional funding of \$0.1 million has been provided for Volunteer Unit Support – Critical Incident Stress programs. The program will assist all SES volunteers who may suffer or be exposed to situations where they could suffer stress as a result of their involvement with SES during emergency situations.

Information Management and Technology program will receive \$1.4 million as part of a \$5.9 million three year program to provide the SES with up to date information management and technology systems.

An amount of \$0.6 million has been allocated for paging transmission and maintenance expenses incurred by the SES. Paging, in conjunction with radios and mobile telephones, provides the communication link essential for volunteers to conduct operational activities.

Asset Acquisitions

In 2004-05 the total capital acquisition program is estimated at \$3.7 million.

An amount of \$2.1 million will be allocated to install new radio systems in divisions as well as maintaining a repair pool for all radio across New South Wales.

An amount of \$1.3 million will be used to continue to purchase essential rescue equipment, including road rescue equipment, flood rescue boats, emergency lighting, vertical rescue equipment and rescue call out systems.

Volunteer units, division headquarters and state headquarters will receive \$0.2 million to purchase paging hardware and paging facilities to assist during emergency operations.