

Estimates and Financial Operations Committee
2017-18 Annual Reports questions prior to hearings

Department of Fire and Emergency Services

The Committee asked:

1. For each matter that had an impact in 2017-18, how much was spent on
 - (a) each spending change identified in the 2017-18 Budget and the 2018-19 Budget

| Spending Changes identified in the 2017-18 Budget Papers | 2017-18 Actual \$'000 |
|---|-----------------------------|
| 2016-17 Estimated Outturn | - |
| Freeze Salaries and Allowances Tribunal Determined Salaries | - |
| Local Government Grant Scheme Backlog | - |
| Revision to Indexation for Non-Salary Expenses | - |
| State Emergency Service Response and Recovery Operations | 449 |
| Transfer of staff from Office of Bushfire Risk Management to Office of Emergency Management | - |
| Wild Fire Suppression | 4,105 |
| Spending Changes identified in the 2018-19 Budget Papers | 2017-18 Actual \$'000 |
| Senior Executive Service Reduction | - |
| Are you Ready Bushfire Campaign | 100 |
| Bushfire Centre of Excellence | 32 |
| Contaminated sites evaluation | 431 |
| Continuation of South West Emergency Rescue Helicopter | 8,224 |
| Contribution towards replacement of Gingin Volunteer Fire and Rescue Service Fire Station | - |
| Equalisation of Volunteer Marine Rescue Services | 201 |
| Government Office Accommodation Reform Program | - |
| Mitigation works on unallocated Crown land | 1,351 |
| New Public Sector Wages Policy | - |
| Rural Fire Division Support | 99 |
| State Fleet Initiative | - |
| Voluntary Targeted Severance Scheme | 3,859 |

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| Western Australia Fire and Emergency Services Conference | 152 |
| Spending Changes identified in both the 2017-18 and 2018-19 Budget Papers | 2017-18 Actual \$'000 |
| Comprehensive Crew Cab Protection (also referred to as Fire Crew Protection) | 7,292 |
| Bushfire Risk Management Planning Program and Mitigation (includes Bushfire Risk Management Plan) | 4,448 |

(b) Each capital project listed in the 2018-19 Budget asset investment program?

| | 2017-18 Actual Expenditure \$'000 |
|--|--|
| WORKS IN PROGRESS | |
| Intangible Asset Development | |
| Computer Aided Dispatch Replacement Project | 9,416 |
| Land and Building Works | |
| CFRS Cockburn Fire Station ^(a) | 70 |
| CFRS Vincent Fire Station | 6,510 |
| Urgent Minor Works | 1,583 |
| Plant and Equipment Works | |
| Equipment Replacement Program | 702 |
| Mobile Data Terminal Replacement Program | 1,394 |
| Vehicle Programs | |
| CFRS Combined Ladder Platform Half Life Refurbishment | - |
| CFRS Incident Control Vehicle Replacement Program | 6 |
| CFRS Specialist Equipment Tender & Pod Carrier Replacement Program | - |
| CFRS Urban Pump Replacement Program | 2,445 |
| Communication and Information and Communication Technologies Support Replacement Program | 150 |
| Fire Crew Protection - Appliance Modification | 2,278 |
| Light Tanker Replacement Program | 1,876 |
| Personnel Transport, Training and Fleet Asset Replacement Program | - |
| VFES Unit Fleet Replacement Program ^(a) | 1,226 |
| VFRS Road Crash Rescue Trailer Replacement Program ^(a) | - |

| | |
|--|---------------|
| VFRS Urban Tanker Replacement Program | 1,609 |
| COMPLETED WORKS | |
| Intangible Asset Development | |
| Volunteer Portal | 569 |
| Land and Building Works | |
| CFRS Albany Fire Station | 179 |
| CFRS Bunbury Fire Station | 97 |
| CFRS Cockburn Land Acquisition | 4,704 |
| CFRS Wangara Fire Station Modifications | 34 |
| South West Emergency Rescue Helicopter Service | 40 |
| Plant and Equipment Works | |
| CFRS Radio Equipment Replacement | 1,652 |
| Vehicle Programs | |
| CFRS Appliances Vincent Fire Station | 856 |
| | |
| NEW WORKS | |
| Land and Building Works | |
| CFRS Kensington Fire Station | - |
| VFRS/VFES Upgrade and Replacement Program | - |
| Total Cost of Asset Investment Program | 37,396 |

2. How frequently do you review your

(a) key performance indicators

Answer: As required.

- Review underway due to Machinery of Government changes.
- Previous review undertaken in 2017 following qualification of KPI results in Annual Report.

(b) key performance indicator targets?

Answer: KPI targets are reviewed annually as part of the Budget Paper #2 preparation.

3. When were your key performance indicators last reviewed?

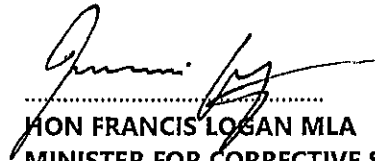
Answer: 2017

4. Can you provide any documentation from your last review of your key performance indicators?

Answer: Yes. We are able to provide the submission to Treasury and their approval.
[Please find attached.]

5. Can you list any new key performance indicators for this year?

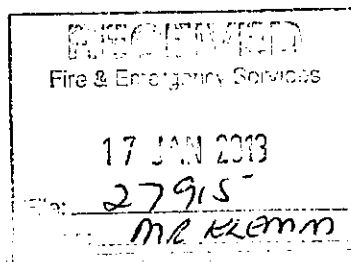
Answer: As part of the current review of our KPIs, new KPIs are in development. At this date we are unable to provide any new key performance indicators for the 2018-19 year.



HON FRANCIS LOGAN MLA
MINISTER FOR CORRECTIVE SERVICES;
EMERGENCY SERVICES



Government of Western Australia
Department of Treasury



Our ref : 00444383
Enquiries : Darren Hurdle
Telephone : 08 6551 2767

Mr Darren Klemm
Commissioner
Department of Fire and Emergency Services
PO Box P1174
PERTH WA 6844

Dear Mr Klemm

OUTCOME BASED MANAGEMENT STRUCTURE AMENDMENT

Thank you for your submission dated 21 December 2017 seeking amendments to the Department of Fire and Emergency Services (DFES) Outcome Based Management (OBM) reporting structure.

I am pleased to advise that the proposed amendments to your OBM reporting structure have been approved and will apply from the 2017-18 reporting period.

The revised reporting structure is set out in **Attachment A**.

The OBM reporting structure changes should be disclosed in line with the reporting requirements set out in Treasurer's Instructions 904 – Key Performance Indicators (TI 904).

For any further clarification please refer to TI 904 or contact Darren Hurdle on 6551 2767.

Yours sincerely

Kaylene Gulich
ACTING UNDER TREASURER
12 JAN 2018

Enc.

| <p style="text-align: center;">DEPARTMENT OF FIRE AND EMERGENCY SERVICES</p> <p style="text-align: center;">OUTCOME BASED MANAGEMENT REPORTING STRUCTURE</p> |
|--|
| <p>Government Goal: Strong communities: Safe communities and supported families</p> |
| <p>Agency Level Government Desired Outcomes and Key Effectiveness Indicators</p> |
| <p>Desired Outcome 1: Minimised occurrence and impact of preventable emergencies</p> <p>Key Effectiveness Indicator 1.1: Number of accidental residential fires per 100,000 households</p> <p>Key Effectiveness Indicator 1.2: Proportion of dangerous goods sites with current Fire and Emergency Service Emergency Response Guides</p> <p>Key Effectiveness Indicator 1.3: Proportion of building plans assessed within specified timeframes</p> |
| <p>Desired Outcome 2: Minimised impact of natural hazard emergencies</p> <p>Key Effectiveness Indicator 2.1: Number of community based Bushfire Ready Groups established</p> |
| <p>Desired Outcome 3: An operational workforce that is trained and equipped to respond</p> <p>Key Effectiveness Indicator 3.1: Number of operational personnel endorsed as Level 3 Incident Controllers</p> <p>Key Effectiveness Indicator 3.2: Proportion of the Department's operational volunteers actively engaged in Pathways training</p> <p>Key Effectiveness Indicator 3.3: Proportion of assets within specified replacement period parameters</p> <p>Key Effectiveness Indicator 3.4: Proportion of first round Local Government Grant Scheme offers accepted</p> |
| <p>Desired Outcome 4: Minimised impact from emergencies through timely and effective response</p> <p>Key Effectiveness Indicator 4.1: Proportion of responses to incidents in Emergency Service Levy 1 and Emergency Service Levy 2 areas within target timeframes</p> <p>Key Effectiveness Indicator 4.2: Proportion of the Department's volunteer</p> |

| |
|---|
| <p>turnouts within target timeframes</p> <p>Key Effectiveness Indicator 4.3: Proportion of structure fires confined to the object or room of origin</p> <p>Key Effectiveness Indicator 4.4: Proportion of Level 2 and Level 3 bushfires where no structures are lost or significantly damaged</p> |
| Services and Key Efficiency Indicators |
| <p>Service1: Community Awareness, Education and Information Services</p> <p>Key Efficiency Indicator 1.1: Average cost per WA household to deliver emergency hazard information and awareness programs</p> |
| <p>Service 2: Compliance and Technical Advisory Services</p> <p>Key Efficiency Indicator 2.1: Average cost per building plan assessed</p> <p>Key Efficiency Indicator 2.2: Average cost per engaged local government to support bushfire risk management</p> |
| <p>Service 3: Training and Organisational Resourcing Services</p> <p>Key Efficiency Indicator 3.1: Average cost per participant to deliver pathways training</p> |
| <p>Service 4: Frontline Services</p> <p>Key Efficiency Indicator 4.1: Average cost to deliver frontline services per Western Australian</p> |



Our Ref: 27915; 17/232170

Mr Michael Court
Acting Under Treasurer
Department of Treasury
Locked Bag 11
CLOISTERS SQUARE WA 6850

Dear Mr Court

OUTCOME BASED MANAGEMENT STRUCTURE AMENDMENTS

The Department of Fire and Emergency Services (the Department) developed performance indicators in accordance with instructions received from the Economic and Expenditure Reform Committee in June 2014. They were first audited in 2016/17.

As an outcome of this audit, the Department received a qualified audit opinion for electing not to report on the key performance indicator (KPI) 'Average cost per Fire and Emergency Services Emergency Response Guide reviewed'. The audit found that the Department was still developing a system to accurately and completely capture the time spent reviewing the response guides at all sites and elected to not report this KPI for 2016/17.

Following receipt of the qualification, and at the Auditor General's recommendation, the Department has undertaken a review of all its KPIs. The review recommended that one KPI should be removed and a further two KPIs should be amended as outlined in the attached Outcome Based Management Structure Amendment request.

The request and the findings of the review have been discussed with representatives of the Department of Treasury and the Office of the Auditor General. Both support the Department's request.

Accordingly, I submit the request to amend the Department's Outcome Based Management Structure for your approval.

Yours sincerely

DARREN KLEMM
COMMISSIONER

21 December 2017

Agency Returns

OBM Structure Amendments

Justification for proposed amendments

Key performance indicators (KPIs) enable agency performance to be measured, monitored, evaluated, reported, and improved. They relate to both effectiveness and efficiency, and results are reported in Budget Papers No. 2 and the Annual Report. Transparent reporting of indicators ensures the agency is accountable for the expenditure of public monies.

The Department developed KPIs in accordance with instructions received from the Economic and Expenditure Reform Committee in June 2014. They were first audited in 2016/17. As an outcome of this audit, the Department received a qualified audit opinion for electing not to report on the KPI 'average cost per fire and emergency services emergency response guide reviewed'. The audit found that the Department was still developing a system to accurately and completely capture the time spent reviewing the response guides at all sites and elected to not report this KPI for 2016/17.

As a result, the Department has reviewed all its KPIs to assess their suitability and relevance as an indicator to increase stakeholders' understanding of agency operations and accountability for the expenditure of public monies.

Summary of significant changes and how the proposed changes will increase stakeholders' understanding of agency operations

Indicator discontinued:

1. The indicator 'Average cost per Fire and Emergency Services Emergency Response Guide reviewed' should be removed as:
 - the KPI is not material and is not a good representation of the service
 - significant effort with associated cost would be required to ensure that the data is complete and accurate
 - the risk of human error would remain regarding accuracy
 - there are other substantive KPIs for reporting on Service 2: Compliance and Technical Advisory Services.

Indicators amended:

1. The indicator 'Proportion of hazardous material sites with current Fire and Emergency Services Emergency Response Guides' to be amended to 'Proportion of dangerous goods sites with current Fire and Emergency Services Emergency Response Guides' to reflect the relevant legislation's reference to 'dangerous goods sites', not 'hazardous material sites'.
2. The counting rules for the indicator 'Average cost per engaged local government to support Bushfire Risk Management programs' to be amended to more appropriately reflect the cost to develop bushfire risk management plans and programs. For this reason:
 - the cost of the Office of Bushfire Risk Management will no longer be included as the support provided to local governments (LGs) is not for the development of bushfire risk management programs

- the number of LGs supported is reduced from 137 to 38 to correctly reflect the number of LGs supported to develop bushfire risk management plans. If these counting rules were used in 2016/17, the cost per local government would have been \$61,975.84, not \$24,972.53 as reported.

Summary of consultation and issues identified in that consultation

The findings of the Department's KPI review have been discussed with both a senior representative of the Office of the Auditor General (the OAG), and our analyst at the Department of Treasury (Treasury). This Outcome Based Management Structure Amendment Request was circulated for review by the OAG and Treasury. No issues were identified through these consultations. Both support the Department's proposed amendments to the KPIs which are to be submitted as part of the 2018/19 budget process.

| DEPARTMENT OF FIRE AND EMERGENCY SERVICES PROPOSED OUTCOME BASED MANAGEMENT STRUCTURE | |
|--|--|
| Government Goals¹ | |
| Government Goal 3: Strong communities: Safe communities and supported families | |
| | |
| Agency Level Government Desired Outcomes and Key Effectiveness Indicators | |
| Desired Outcome 1: Minimised occurrence and impact of preventable emergencies Key Effectiveness Indicator 1.1: Number of accidental residential fires per 100,000 households Key Effectiveness Indicator 1.2: Proportion of hazardous goods sites with current Fire and Emergency Service Emergency Response Guides Key Effectiveness Indicator 1.3: Proportion of building plans assessed within specified timeframes | |
| Desired Outcome 2: Minimised impact of natural hazard emergencies Key Effectiveness Indicator 2.1: Number of community based Bushfire Ready Groups established | |
| Desired Outcome 3: An operational workforce that is trained and equipped to respond Key Effectiveness Indicator 3.1: Number of operational personnel endorsed as Level 3 Incident Controllers Key Effectiveness Indicator 3.2: Proportion of DFES operational volunteers actively engaged in Pathways training Key Effectiveness Indicator 3.3: Proportion of assets within specified replacement period parameters Key Effectiveness Indicator 3.4: Proportion of first round Local Government Grant Scheme offers accepted | |

¹ **Sustainable Finances:** Responsible financial management and better service delivery
Future Jobs and Skills: Grow and diversify the economy, create jobs and support skills development
Strong Communities: Safe communities and supported families
Better Places: A quality environment with liveable and affordable communities and vibrant regions.

Desired Outcome 4: Minimised impact from emergencies through timely and effective response

Key Effectiveness Indicator 4.1: Proportion of responses to incidents in Emergency Service Levy 1 and Emergency Service Levy 2 areas within target timeframes

Key Effectiveness Indicator 4.2: Proportion of DFES volunteer turnouts within target timeframes

Key Effectiveness Indicator 4.3: Proportion of structure fires confined to the object or room of origin

Key Effectiveness Indicator 4.4: Proportion of Level 2 and Level 3 bushfires where no structures are lost or significantly damaged

Services and Key Efficiency Indicators

Service 1: Community Awareness, Education and Information Services

Key Efficiency Indicator 1.1: Average cost per WA household to deliver emergency hazard information and awareness programs

Service 2: Compliance and Technical Advisory Services

Key Efficiency Indicator 2.1: Average cost per Fire and Emergency Service Emergency Response Guides reviewed

Key Efficiency Indicator 2.2: Average cost per building plan assessed

Key Efficiency Indicator 2.3: Average cost per engaged local government to support bushfire risk management

Service 3: Training and Organisational Resourcing Services

Key Efficiency Indicator 3.1: Average cost per participant to deliver pathways training

Service 4: Frontline Services

Key Efficiency Indicator 4.1: Average cost to deliver frontline services per Western Australian

Section 1

GOVERNMENT GOALS

Discussion²

Consider how do each of the Government Goals link to the activities of the agency?

Government Goals

to be Continued³

DFES delivers services to the Western Australian community in line with its mission:

Government Goal 3: Strong communities:
Safe communities and supported families

'To improve community safety practices and provide timely, quality and effective emergency services, in partnership with local communities and emergency management partners'.

DFES' primary role is to support the community by minimising the inevitable impact of emergencies.

to be Added⁴ nil

to be Discontinued⁵ nil

In Sections 1, 2, 3, 4 and 5:

² in the Discussion section include any relevant information, specifically, how does each element increase Stakeholders (the Public's, Parliament's, Government's and/or the groups that the agency services) understanding of agency operations.

³ continued, meaning those elements of the agency's current Outcome Based Management (OBM) reporting framework that are proposed to remain in the new framework.

⁴ added, meaning those elements proposed to be a part of the agency's new OBM reporting framework that previously were not.

⁵ discontinued, meaning those elements of the agency's current OBM reporting framework that are proposed to be removed.

KEY EFFECTIVENESS INDICATORS

| Key Effectiveness Indicators | Linked Desired Outcome | Discussion |
|---|---|--|
| to be Continued | | |
| Number of accidental residential fires per 100,000 households | Desired Outcome 1: Minimised occurrence and impact of preventable emergencies | No change. This indicator measures the effectiveness of prevention campaigns in minimising the occurrence of preventable residential fires. The indicator is currently reported at the national level through the Report on Government Services |
| Proportion of building plans assessed within specified timeframes | Desired Outcome 1: Minimised occurrence and impact of preventable emergencies | No change. This indicator measures the Department's capacity to provide assessments of building plans. Assessment services support the concept of shared responsibility and ensure the safety of community members are considered as part of development planning decisions. |
| Number of community based Bushfire Ready Groups established | Desired Outcome 2: Minimised impact of natural hazard emergencies | No change. This indicator counts the number of community based Bushfire Ready Groups which research has shown to support increased levels of preparedness planning to manage bushfire related community risk. DFES' role is to support groups through facilitator training and education sessions. |
| Number of operational personnel endorsed as Level 3 Incident Controllers | Desired Outcome 3: An operational workforce that is trained and equipped to respond | No change. This indicator measures DFES' capacity to manage multiple Level 3 bushfire, urban and natural hazard incidents. |
| Proportion of DFES operational volunteers actively engaged in Pathways training | Desired Outcome 3: An operational workforce that is trained and equipped to respond | No change. This indicator measures the take up within volunteer groups of training Pathways which builds capability of volunteers to meet their role responsibilities. |
| Proportion of assets within specified replacement period | Desired Outcome 3: An operational workforce that is | No change. This indicator measures the replacement of facilities and response fleets within specified replacement periods, ensuring they |

KEY EFFECTIVENESS INDICATORS

| Key Effectiveness Indicators | Linked Desired Outcome | Discussion |
|--|--|---|
| parameters | trained and equipped to respond | remain fit for purpose and for minimising maintenance costs. |
| Proportion of first round Local Government Grant Scheme offers accepted | Desired Outcome 3: An operational workforce that is trained and equipped to respond | No change. This indicator measures the effectiveness of DFES' planning processes in meeting the requirements of local government stakeholders. |
| Proportion of responses to incidents in Emergency Service Levy 1 and Emergency Service Levy 2 areas within target timeframes | Desired Outcome 4: Minimised impact from emergencies through timely and effective response | No change. This indicator measures the time to respond to incidents located in Emergency Service Levy Category 1 and Category 2 areas which are covered by paid fire response crews. |
| Proportion of DFES volunteer turnouts within target timeframes | Desired Outcome 4: Minimised impact from emergencies through timely and effective response | No change. This indicator measures the time taken for all DFES volunteer groups to turnout to incidents. |
| Proportion of structure fires confined to the object or room of origin | Desired Outcome 4: Minimised impact from emergencies through timely and effective response | No change. This indicator measures effectiveness in minimising the impact of structure fires by minimising the spread of the fire from its origin. The indicator is currently reported at the national level through the Report on Government Services |
| Proportion of Level 2 and Level 3 bushfires where no structures are lost or significantly damaged | Desired Outcome 4: Minimised impact from emergencies through timely and effective response | No change. This indicator measures the success of suppression strategies during significant bushfires. The protection of infrastructure, wherever possible, is important for reducing financial and emotional impact of emergencies on the community of WA. |
| to be Amended | | |

KEY EFFECTIVENESS INDICATORS

| Key Effectiveness Indicators | Linked Desired Outcome | Discussion |
|---|---|--|
| Proportion of dangerous goods sites with current Fire and Emergency Service Emergency Response Guides | Desired Outcome 1: Minimised occurrence and impact of preventable emergencies | <p>Slight change to wording only. The legislation that supports this indicator refers to 'dangerous goods' sites. Currently the indicator refers to 'hazardous materials' sites. This amendment will correctly reflect the legislation.</p> <p>The Office of the Auditor General supports amendment of this indicator.</p> |

KEY EFFICIENCY INDICATORS

| Key Efficiency Indicator | Linked Service | Discussion |
|--|---|--|
| to be Continued | | |
| Average cost per WA household to deliver emergency hazard information and awareness programs | Linked Service 1: Community Awareness, Education and Information Services | No change. This indicator measures the cost of community awareness programs for natural hazards including residential structure fires, bushfire, flood and cyclone target household preparedness. |
| Average cost per building plan assessed | Linked Service 2: Compliance and Technical Advisory Services | No change. Building plans for specific building types are submitted to DFES for review as part of the WA planning process. This indicator measures the cost of Departmental staff providing technical advice in relation to compliance with the <i>National Construction Code Regulations</i> (previously the <i>Building Code of Australia</i>). The review process supports community safety and minimising the impact of structure fire. |

| | | |
|--|---|--|
| Average cost per participant to deliver operational pathways training | Linked Service 3: Training and Organisational Resourcing Services | No change. DFES has developed the Pathways training model to ensure that training is consistent and relevant to frontline requirements. This indicator measures the cost of providing role specific training to support effective incident response |
| Average cost to deliver frontline services per Western Australian | Linked Service 4: Frontline Services | No change. This indicator measures the cost to deliver frontline service and includes expenditure related to the maintenance of a response capability, including resourcing, as well as the costs directly related to incident response. |
| to be Amended | | |
| Average cost per engaged local government to support Bushfire Risk Management programs | Linked Service 2: Compliance and Technical Advisory Services | <p>Change to counting rules only. This indicator has been amended so the basis of the calculation more appropriately reflects the cost to support local governments to develop bushfire risk management plans, reduce fuel loads and increase asset protection through prescribed burning. For this reason:</p> <ul style="list-style-type: none"> the cost of the Office of Bushfire Risk Management will no longer be included as the support provided is not specifically for the development of bushfire risk management plans the number of local governments supported is reduced from 137 to 38 which correctly reflects the number supported to develop bushfire risk management plans the Office of the Auditor General supports amendment of this indicator. <p>It should be noted that if these counting rules were used in 2016/17, the cost per local government would have been \$61,975.84, not \$24,972.53 as reported.</p> |
| to be Discontinued | | |
| Average cost per Fire and Emergency Service | Linked Service 2: Compliance and Technical Advisory | <p>Indicator should be removed as:</p> <ul style="list-style-type: none"> significant effort with associated cost would be required to ensure |

| | | |
|------------------------------------|----------|--|
| Emergency Response Guides reviewed | Services | <p>that the data is complete and accurate</p> <ul style="list-style-type: none">• the risk of human error would remain• the KPI is not material and is not a good representation of the service• there are other substantive KPIs for reporting on Service 2: Compliance and Technical Advisory Services• the Office of the Auditor General supports removal of this indicator. |
|------------------------------------|----------|--|