

# Fire and Emergency New Zealand Transition Project: End of Year Progress Summary

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## Purpose

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1. This End of Year Progress summary outlines work completed to date within the Fire and Emergency New Zealand (FENZ) Transition Project (the Project).

## Summary from the Transition Director

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At this point in the Project it is timely to look back and reflect on the establishment of the Project and how far it has come in the past four months.

As outlined in this report, there has been a significant amount of work undertaken since August 2016 to establish the Project, confirm workstreams and scope the requirements for each to deliver for Day One and beyond, and to establish a dedicated Transition Team. We have brought together over 80 individuals in a short timeframe to form a team that is galvanised, motivated and every day, are finding solutions to build FENZ.

The Project received its first set of funding in September and the second tranche in early December. We have plans in place for each of our seven workstreams, have established the first pilot working group to consider Local Advisory Committees, and have completed seven of the nine high level designs needed to ensure operational policies and processes are in place for 1 July 2017. We have been gathering a significant volume of data, primarily in the rural sector, to help inform our planning and detailed design.

We also know that there is a lot more the Project *could* be doing but need to ensure our effort remains focussed on the *right* things rather than the *nice* things. This will also be a focus for the Project in the New Year as, in line with our principles, we need to focus on the objective and maintain momentum.

The level of engagement with the sector has been positive. The Project is serious about co-design and is working closely with the sector to ensure that wherever possible. We also acknowledge the demand this places on the sector, in terms of both engagement and information gathering. The goodwill and support from the sector throughout this has been a significant contributor towards our collective success over the past few months.

The Project is working closely with New Zealand Fire Service National Headquarters, in a number of functions and both groups are aligned and largely integrated, particularly ICT and Finance. This needs to go further, which requires effort on both parts, so that we all are “FENZ Transition”. This will have impacts on ‘Business As Usual’ work from NHQ in preparation for 1 July.

## Background and summary of progress

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2. The FENZ Transition Project has been set up to establish Fire and Emergency New Zealand, an amalgamation of the New Zealand Fire Service (NZFS), the National Rural Fire Authority (NRFA), 12 enlarged rural fire districts and 26 territorial authority rural fire authorities.
3. This End of Year Progress Update focuses on work undertaken since the appointment of the new Board and the Transition Committee in April 2016, with greatest focus on the period 1 August to

15 December 2016. This period covers the establishment phase of the Project as well as high level design and discovery phases which have been undertaken, to some extent, in parallel.

4. Whilst the Project was active in the period prior to April 2016, the small team operating within NZFS were focussed on early establishment activity and continuing to support the Department of Internal Affairs (DIA) with the development of policy and legislation. The team had a limited remit to complete outstanding actions of the Fire Services Review and undertake establishment work outlined in a draft project plan (dated November 2015 for the period to June 2016), under existing governance arrangements and based on the assumptions outlined in advice to Cabinet.
5. Since the establishment of the Project in April 2016, a large volume of work has been progressed, particularly in the high-level design of operational policy and processes, development of the machinery of government requirements for a crown entity, discovery of the environment and work to be completed and in the engagement of key stakeholders.
6. Overall the Project is on track against the plan for major deliverables agreed this year which is pleasing given the short duration and the newness of the team. However, there is a significant amount of work in preparation for Day One, particularly in the detailed layer which the Project has now embarked on, and this needs rigorous prioritisation.

## Workstream updates

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7. The Project is structured into five workstreams and supported by three key functions:
  - Governance, Strategy and Performance
  - Operational Policy and Processes
  - Infrastructure and Technology
  - People and Change
  - Implementation and Pilots
  - Stakeholder Engagement function
  - Communications function
  - Project Office.

### Governance, Strategy and Performance

8. An update on key deliverables for the workstream is provided below.

#### **Accountability Documentation (Statement of Intent and Statement of Performance Expectations)**

9. Develop the first Statement of Intent and Statement of Performance Expectations for FENZ:
  - Scoping has been undertaken including a draft outline of the SOI, and high level outcome areas and priorities. These will now be tested with the sector and coordinated with the levy consultation document development.

#### **Performance Framework**

10. The objectives of this work include:
  - Establishing a performance framework linking Outputs, Impacts and Outcomes
  - Identifying a preliminary set of metrics for performance reporting in 2017/18 and developing required data requirements to allow performance reports to be built
  - Develop a roadmap showing how the performance will be fully implemented in the future.
11. A draft performance framework that will inform the 2017/18 Statement of Performance Expectations has been prepared, and an initial set of metrics for 2017/18 is under development.

### **Phase 2 Blueprint**

12. The Board have agreed an approach paper which confirmed the scope of the Phase 2 Blueprint. A draft Phase 2 Blueprint is due in March 2017. The delivery of a quality Phase 2 Blueprint will require external support.

### **Formal and informal arrangements**

13. This work will ensure that FENZ has strong relationships and operational arrangements with its partner agencies and other organisations. This includes the Operational Service Agreements (OSA) required in the Bill with the NZ Defence Force (NZDF) and the Department of Conservation (DOC). This also includes identifying the large number of contracts and informal arrangements that are integral to providing a rural fire response. This work is essential to successful operations.

### **Supporting progress of the FENZ Bill**

14. The Select Committee process for the FENZ Bill is nearly complete. The Select Committee received public submissions after the Bill's introduction in July 2016 and hearings were held in September and October. The Select Committee reported the Bill back to the House in December, with recommended amendments shown, and a commentary which explains the issues considered.
15. There may be further changes to the Bill as it progresses through the final stages before Royal Assent (estimated in March or April 2017). Any changes or delays may create design and timeline challenges for the Project.
16. Principal Advisors will continue to provide advice to DIA through the Select Committee process and the further progress of the Bill, and on the proposed regulations to support the Bill. There will also be a focus on continuing to assist the Transition Team in the development of detailed design to reflect the requirements of the Bill and any regulations.

### **Assessment of the costs of rural fire**

17. Cabinet requested that the Board develop a consolidated financial picture of the rural fire sector to inform the transition to the new organisation and its likely costs. The investigation into the costs of rural fire servicing was undertaken during this period, and will inform the process for setting the 18/19 levy rate and the development of the 2017/18 budget for FENZ.
18. A reference group was formed to guide the project. This group included membership from the rural sector and the NFRA. NZFS also attended to ensure alignment and coordination between this and other financial projects.

19. Information requests were sent to all rural sector organisations and 12 field visits were undertaken during November. In total, 81% of RFAs, ERFDs and TAs and 79% of forestry companies returned information, which was validated through comparative analysis. The missing data was largely from smaller entities, and a methodology was designed to extrapolate the gaps.
20. The draft data analysis was tested with technical practitioners from NZFS and the rural sector during December. A final report was presented to the Board in January.
21. The strong engagement of the sector in this project was in part as a response to an effective approach, and in recognition that the information is critical for FENZ planning and budgeting.

## Operational Policy and Processes

22. The Operational Policy and Processes workstream was established in July with the first deliverable being the Day One Blueprint, which was approved by the Board later that month.
23. The Blueprint identified nine functional areas (Local Committees, Reduction, Readiness, Response, Recovery, Compliance and Enforcement, Dispute Resolution Scheme and Levy) and the workstream undertook to describe each of these in a High Level Design (HLD) document before the end of the 2016 calendar year.
24. All of these are expected to have been endorsed by the Transition Committee and approved by the Board by the end of January 2017, with the exception of the Levy HLD where the most significant changes take effect from 1 July 2018. In addition, the workstream has also developed a HLD for Industry Fire Brigades and an initial impact assessment of Corporate policies and processes.
25. The following table sets out the key activities planned for the New Year:

Topic	Sub Topic	Product
Reduction	Fire permits	Detailed design Forms Policies and processes Permits External guidance
	Fire safety promotion collateral	Initial impact analysis
Readiness	VRRFs responding to non-fire incidents	Due diligence
	Existing industry fire brigades	Due diligence
	Interim fire plans	Advice to the Board
Response	Day One command and control	Operational policy
	Incident reporting	Requirements

Topic	Sub Topic	Product
	Operational personnel delegations and authorisations	Operational policy
	Hazardous substances notification and reporting	Detailed design Policies and processes
Recovery	Cost recovery processes	Decommission
Local committees	Public consultation on boundaries	Advice to the Board
Compliance and enforcement	Compliance and enforcement strategy	
	FENZ inspector appointment	Detailed design Policies and processes
	FENZ inspector powers	Detailed design Policies and processes ID cards
	Voiding of existing warrants	
	Prosecution policy	
Dispute resolution scheme	Public consultation on scheme rules	Advice to the Board
	Interim dispute resolution process	Detailed design Policies and processes External guidance
Corporate policies and processes	Rewrite of required policies and processes	Policies and processes
	“Debranding” of interim FENZ corporate policies and processes	Policies and processes

## Infrastructure and Technology

26. Work has been focussed on detailed planning, building the team and working on the detailed design and validation of Day One scope. Work to deliver on the ICT workstream has been divided into six sub-streams: Finance Systems; HR Systems; Ops Systems, Web Systems, Technology and Support; and Assets:
- The priority is to deliver a rapid transition of the NZFS, NRFA and 38 Rural Fire Authorities (RFA/ERFD) onto a single ICT platform using existing systems with minimal changes for Day One.

- The NZFS ICT 2020 Vision programme will continue outside of the workstream, although some aspects maybe leveraged by the FENZ project to enable some quick wins.
- Wherever possible, existing system changes will be limited to 'data', rather than requiring logic or process changes.
- The likely exception for new system developments will be to support FENZ identity changes, replacing the NZFS Safety, Health & Wellbeing system (Aerik), and the need to implement at least the core functionality required for a national fire permitting system.
- Where there are areas of risk in achieving a preferred option for Day One, a Plan B option will be identified.

## **Assets**

27. The commitment for the Assets sub-stream for 1 July 2017 is that:
- FENZ will know what assets it can use
  - agreements will be in place with existing owners
  - operational personnel will be confident about their vehicles and equipment because they will comply with national standards
  - assets will be insured by FENZ
  - sector personnel will have been involved and brought along the journey.
28. Work to date has largely been focussed on data gathering for rural. A data request was distributed to all PRFOs in October, and as at 12 December 93% of the data had been received.
29. This exercise has given clear visibility of rural assets across the country and helps to provide an understanding of the dynamics of the property, buildings, equipment, fleet to better understand needs going forward.
30. The next steps for the Assets sub-stream are to address access agreements, insurance and asset compliance with national standards.

## **People and Change**

31. The overarching objective of the People and Change workstream is to design and manage the people change aspects of amalgamation.
32. The workstream has been structured into six key functions and the Workstream Brief was approved by the Board in November 2016. Detailed plans for all workstream functions have been completed.
33. An update on the workstream functions is provided below:

### **Change Management**

34. A programme of leader-led support activities has been developed and a draft People Support Framework (Change Management approach) is currently under development.
35. The next steps are to have the People Support Framework approved by the Transition Committee in January 2017 and to ensure Change Champions and Advocates are identified from across the sector and informed to support transition.

### **Day One Transition**



36. Work is focussed on:

- planning visits to all Rural Fire Authorities to gather data on their personnel required to enable the legal transfer of staff
- establishing good working relationships with key stakeholders across the workstream, the wider Transition Team, and out in the rural sector
- validating information and ensuring good understanding of the intent of the FENZ Bill and what it may mean for execution of Day One personnel requirements, e.g. leave liability, equivalent employment.

### **Organisational Design**

37. Options for Day One organisational design were approved by the Board in October 2016 and are now being progressed. Next steps will be focussed on:

- Completing the high-level structure for FENZ (what roles/people will form FENZ from 1 July)
- Developing the organisational design principles to guide the work to a structure for 1 July 2017
- Commencing engagement with the business to explore what resourcing requirements will be needed for Day One.

### **People Capability**

38. This stream is focussed on identifying and analysing the high level essential capability focus areas for Day One and what the mechanism of delivering the capability development could be.

39. Scope for the capability development work is mapped (which includes 'new' and 'changed' functions, roles, processes, systems, and policies). By the end of January 2017, the capability work will provide a high level capability development approach which will include the scope, the focus areas for Day One, the constraints and enablers, audience, and the capability building approach.

### **Safety, Health and Wellbeing**

40. Initial due diligence of the state of safety, health and wellbeing across future FENZ operations has been completed and an action plan for 1 July 2017 has been recommended to the Board.

41. Working groups for determining technology solutions for essential systems and development of policy and processes across FENZ have been developed.

42. A detailed project plan and timeline of key milestones will be provided to the Board in December 2016, and assignment of resources to support the work outlined in the plan.

### **Volunteer Support**

43. This work is focussed on establishing relationships with key stakeholder groups within the Project, Rural Fire, NZFS, UFBA and FFRANZ. A Volunteer projects co-design model has been completed, and includes a Volunteer Reference Group, a governance function and a key stakeholder map.

44. Scoping of the work required under each of the four pillars identified in Volunteer Support (Relationship the volunteer has with FENZ, Dispute Resolution and Advocacy and Support and Volunteer Strategy, including day one initiatives) has also been completed.
45. The current focus is on finalising papers that set out:
  - How the relationship FENZ will have with its volunteers will be developed before 1 July 2017 and how this will be different from current arrangements
  - The scope of a FENZ Volunteer Strategy and how this will be developed (to be provided to the Transition Committee in January)
  - A small number of day one initiatives that will demonstrate improved support to Volunteers.

## Implementation and Pilots

### Local Advisory Committee Pilots

46. Local Advisory Committees (LAC) are designed to help FENZ stay close to the risks and needs of communities across New Zealand. Each LAC may have a different makeup as they'll reflect the locality they will advise Fire and Emergency NZ on. The workstream is currently establishing the pilot stakeholder working group in the Greater Auckland region. Approximately 16 community stakeholders across greater Auckland, and representation from the UFBA and PFU, have been invited to participate and all have accepted. The first working group workshop was held on 16 December.

### Day One Events

47. Work is now underway with the Communications Team to progress next steps for Day One Events to provide firmer costings for options and planning. Further stakeholder consultation will be required throughout this process.

### Affected Entities – Planning for Transition

48. The workstream is also investigating the requirements for 'affected entities' in preparation for Day One (and beyond – e.g. for transfer of assets, debts, engagements etc). Emphasis has been on the 38 'affected rural fire authorities' to date and will include all entities.

### Integrated Implementation

49. Integrated implementation discussions have commenced across all workstreams. A detailed implementation plan which will focus on the 'what' is expected to be completed by the end of March.
50. Key priorities to the end of January 2017 include:
  - *Pilots* – holding two working group workshops in Auckland. Early thinking will be in the process of being drafted and analysis for the next pilot location will be underway.
  - *Day One Events* – commence planning to support the campaign. Long lead in times are identified and being progressed.
  - *Affected entities* – establish working group (initial focus rural fire authorities) and hold first workshop to identify and prioritise work for plans.

- *Integrated Implementation* – tabulating the totality of implications in an integrated design and implementation register.

## Stakeholder Engagement

51. The Stakeholder Engagement function is responsible for both relationship and stakeholder event management to support the Project.
52. The function has three high-level goals:
  - establish trust and confidence in the FENZ Transition Team
  - maintain stakeholder trust in the process of engagement and quality of decisions
  - achieve a ‘steady-state’ in the months prior to 1 July 2017. For stakeholders to feel quietly confident that preparation for the establishment of FENZ is heading in the right direction.
53. During the five-month period July to December 2016, there have been approximately 300 transition engagements with stakeholders, all made possible by leveraging existing business-as-usual meetings, forums, industry conferences, and the scheduling of special discussions, workshops, events, presentations and station visits.
54. For the period January to June 2017, a number of proactive stakeholder engagement forums are currently being planned (including national, regional and local forums, and leveraging existing business-as-usual sector stakeholder forums). The Stakeholder Engagement function will also support the Implementation and Pilots workstream for Day One activities.

## Communications

55. The Communications function is responsible for delivery in three focus areas:
  - Internal and external communications for all stakeholders
  - Development of FENZ Website, Intranet and social media for 1 July 2017
  - Development of the new FENZ Identity by 1 July 2017.
56. Milestones include:

### **Communications/FENZ Digital Channels/FENZ Identity (for delivery on 1 July)**

- developed, and continue to develop, a fit for purpose suite of information collateral. This includes articles for Ignite, K1 and other similar publications
  - further improved FENZ Project website and launched FENZ project Facebook page
  - developed speeches, presentations, talking points and other requirements to support the huge number of stakeholder engagement events
  - developed and implemented communications plans for the Day One Blueprint release, leader led presentations, Local Government liaison, Pilot Committees, Asset Register process, Rural Costs assessment, Organisational Design and Data Collection.
  - completion of RFP process and appointment of both the Website and intranet agencies.
  - completion of RFP process and appointment of design agency
  - stakeholder engagement and consultation process commenced.
57. The focus to the end of January 2017 includes:

- consultation, engagement and discovery work required for the development of the FENZ website, Intranet and Identity is well underway
- developing a media and issues management process for approval
- developing, alongside the transition workstream, the strategy for Day One events.

## Monitoring and Assurance

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58. A Memorandum of Understanding for transition has been agreed and signed by the Minister of Internal Affairs and Board Chair. The MoU sets out the measures that the FENZ Transition Project will report to the Minister, and the frequency of that reporting. In future years, transition performance measures will be included in the FENZ Statement of Performance Expectations.