



Leaders Pack – Part I

A resource providing background on the transition and project

March 2017

Overview

- We are pleased to provide you with the background information you may need to answer questions from your teams and other interested parties
- An update on progress, and next steps, is included in Part 2 of this Leaders Pack.
- If you or your team have any questions about the content of this presentation, get in touch with your leaders or the project team (myvoice@fenzproject.co.nz).
- If you haven't already, follow the project on Facebook so you can keep up to date with the latest news.

Key messages

- On 1 July 2017, New Zealand's urban, rural, paid and volunteer fire services will be combined into a single organisation, in the biggest fire service reform in 70 years.
- Our focus is on ensuring core services continue with minimal disruption. Over the next three years, urban and rural fire services will gradually integrate, and full unification is expected from 2020.
- On Day One, there won't be much change internally, and the public won't see much change at all.
- The majority of existing structures and roles will remain unchanged from 1 July 2017.
- Overall fire services will be better supported under the new organisation, and better resourced.
- Current functions will still be done under the new organisation.
- A lot of progress has already been made to establish the new organisation. This includes confirming the leadership structure for Day One. Many more decisions will be made over the next four months, with stakeholders' input, and these will be shared with you.

Context and background messages

- In November 2015, Internal Affairs Minister Peter Dunne announced the reform that would combine the fire services into a single entity by mid-2017.
- New legislation is being developed that recognises the greatly expanded role of the fire services.
- Feedback highlights the need for change, and for modernisation, recognising the passion and commitment of our fire services, and the importance of fire services to communities.
- The Government is expected to allocate \$303 million of new funding over four years to support the amalgamation, creating the new Fire and Emergency New Zealand organisation.
- Most of the funding for Fire and Emergency NZ will come through the fire levy. This covers the costs of fire service callouts to car crashes, medical emergencies and natural disaster, as well as extra investment in historically underfunded rural fire services.



BACKGROUND

Fire services legislation and structure needs updating



There hasn't been substantive change to the basic structure of New Zealand's fire services since the Ballentynes store fire in 1947.

The legislation currently governing fire services dates back to the days when John Walker was a track star, Rob Muldoon was Prime Minister, and a firefighter's role was largely to put out fires. It's out of date, and doesn't reflect the greatly expanded role of the fire services since then.

What you told us: Top 5 themes from Review 2015 consultation

- **Community:** Importance of retaining community involvement and local identities
- **Service delivery:** Increase effectiveness by leveraging national opportunities, give clarity on non-fire responsibilities, recognise the differences between rural and urban fire delivery in any new model
- **Volunteers and rural fire services:** Need better support
- **Funding:** Clarity around how funding is allocated, who should fund (particularly rural fire) and how, a need for fairness and equity
- **Transition:** There is an appetite for change, the importance of a well managed transition, and importance of keeping stakeholders involved.



A clear message that New Zealand's fire services needed to be structured differently emerged from the extensive consultation done during the Fire Services Review.

More than 230 submissions were received from individuals or on behalf of groups such as brigades, volunteers, local authorities or other emergency services. The discussion document, released at the end of May 2015, asked for public feedback on funding models, ways to improve support for firefighters, reflect local needs, and enhance the governance of fire services.


Consultation was undertaken with firefighters, rural and urban, along with local councils, forest owners, farmers, and community representatives in small towns and big cities.

Themes that came up at the consultation meetings around New Zealand and in the submissions emphasised the importance of strong links between the fire services and their communities, the need for strong support for volunteers, effective service delivery and options for improving funding sources.

Another clear message was that every community in New Zealand has different conditions and circumstances that must be taken into account.

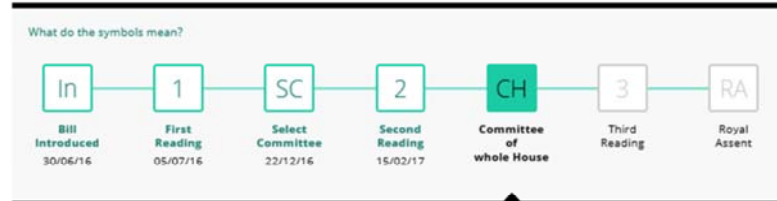
More information: The submissions made during public consultation on the Fire Services Review: Discussion Document are at www.FENZproject.co.nz/information/. Go to "Timeline for the Fire Services Reforms" and then to the tab "Consultation on changes".

Where we've come from: Key dates

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1. **2012** – **Fire Review Panel** report paved way for legislative change; 2014 election interrupted progress
 2. **2015** – Cabinet agrees to **Fire Services Review** (FSR), and for it to include funding and overall effectiveness of fire services
 3. **Jun 2015** – Public consultation on **Discussion Document**
 4. **Nov 2015** – Government announces a **unified fire services organisation** to be set up with local committees, subject to funding
 5. **Apr 2016** – new **Board appointed**
 6. **Apr 2016** – Government announces **name** (Fire and Emergency New Zealand); detailed government **policy design**, and **funding package** of \$303 million to implement reforms
 7. **Jun 2016** – **Draft legislation** introduced in the House, and Discussion Document for Tranche 1 **Regulations** released for public consultation
 8. **Jul 2016** – **Transition Director appointed**, and project gears up
 9. **Aug 2016** – Select Committee consults on proposed legislation
 10. **Sep 2016** – **Day One Blueprint** (Phase 1) shared with sector
 11. **Nov 2016** – NZFS consults on **levy**
 12. **Dec 2016** – Board announces new **leadership structure**
 13. **Dec 2016** – Select Committee **reports back** on the Bill
 14. **Feb 2017** – Bill passes its **2nd reading**

New legislation & regulations: Fire and Emergency New Zealand Bill

Progress of the bill



- Repeals two Acts governing fire services
- Reflects modern legislation
 - enabling vs prescriptive to allow fire services to be responsive to changing risks and needs of communities it serves
- Creates single, unified fire services organisation – 1 July 2017
- Expected to pass in March/April 2017
- Board responsible for implementing the legislation

The Fire and Emergency New Zealand Bill repeals two Acts: Fire Service Act 1975 and Forest and Rural Fires Act 1977

Select Committee process:

- Select Committee - 6 months to examine Bill and prepare a report for the House of Representatives
- Invite public submissions and holds public hearings to listen to some submissions
- Work through the issues raised, decide what changes, if any, should be made to the Bill
- Prepare Select Committee report - a reprint of the bill with recommended amendments with supporting commentary
- Second reading – House debates and votes on the Bill as reported from the Select Committee
- Committee of whole House – MPs consider the Bill in detail and vote on changes
- Third reading – House debates and votes on the Bill. If successful, Bill is passed
- Royal Assent – Bill signed by Governor General and Bill becomes an Act.

Provisions of the Bill come into force at different times:

- some provisions are on day after Act receives Royal Assent, estimated March/April 2017
- most provisions are 1 July 2017
- a later date (by Orders in Counsel)

Web links

- https://www.parliament.nz/en/pb/bills-and-laws/bills-proposed-laws/document/00DBHOH_BILL69468_1/fire-and-emergency-new-zealand-bill
- http://www.legislation.govt.nz/bill/government/2016/0148/latest/versions.aspx?search=ts_act%40bill%40regulation%40deemedreg_fire_resel_25_a&p=1
- <https://www.dia.govt.nz/Fire-Services-Transition>

Regulations: existing & new

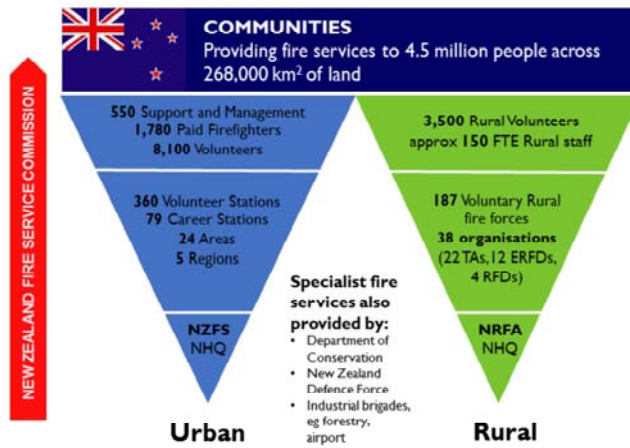
The Bill provides **new** regulation making powers to:

- **set different levy rates** for residential and non-residential levy payers, and to cap levy payments
- **exempt different types of property** from the levy
- **establish a disputes resolution process** for levy disputes
- **prescribe details for the infringement offence scheme** (including offences, and penalties)
- specify requirements on **operating processes for local advisory committees**

The Bill **keeps** many existing regulation making powers:

- the **collection, receipt and payment of levy**, and the requirement to make returns and keep books and accounts
- **fire plans and permits**
- **fire safety in and around buildings** (including offences for breaching fire safety requirements), and **evacuation schemes**

Fire services in NZ: Now



Day One: Amalgamating 40 entities into 1 by 1 July 2017

New Zealand Fire Service Commission (2)

1. National Rural Fire Authority
2. New Zealand Fire Service

Enlarged Rural Fire Districts (12)

1. Auckland Council
2. Marlborough/Kaikoura Rural Fire District
3. Northern Rural Fire District
4. Otago Rural Fire District
5. Puncelands Rural Fire District
6. Mid-South Canterbury Rural Fire District
7. Southern Rural Fire District
8. Taranaki Rural Fire District
9. Waimaea Rural Fire District
10. Wairarapa Rural Fire District
11. West Coast Rural Fire District
12. Wellington Rural Fire District

Rural Fire Districts (4)

1. Ashley Rural Fire District
2. Bay Forests Rural Fire District
3. Eastland Rural Fire District
4. Thames Valley Rural Fire District

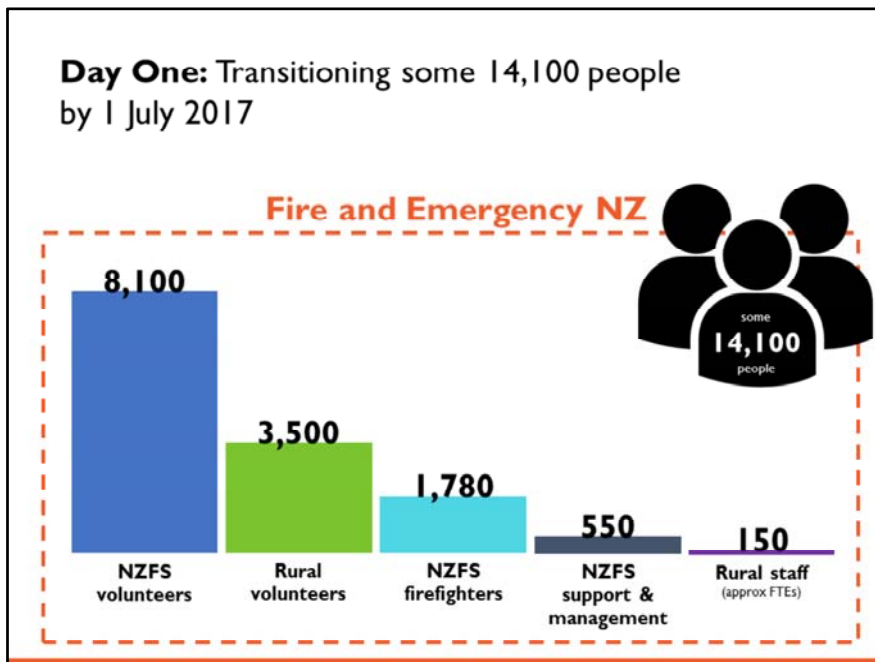


Territorial Authorities (22)

1. Central Hawke's Bay District Council
2. Chatham Islands Council
3. Christchurch City Council
4. Gisborne District Council
5. Hastings District Council
6. Horowhenua District Council
7. Hurunui District Council
8. Kaipara District Council
9. Manawatu District Council
10. Otorohanga District Council
11. Palmerston North City Council
12. Rangitikei District Council
13. Ruapehu District Council
14. Selwyn District Council
15. Taranaki District Council
16. Waikato District Council
17. Waimakariri District Council
18. Waipa District Council
19. Wairoa District Council
20. Waitomo District Council
21. Wanganui District Council
22. Whangarei District Council

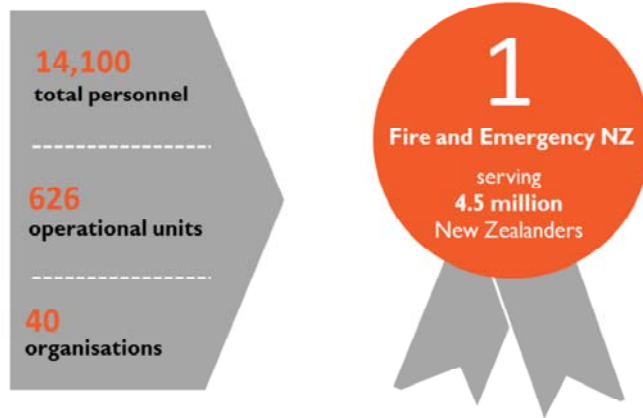
What we're doing is amalgamating 40 entities into one, national organisation – Fire and Emergency NZ – from 1 July 2017.

Day One: Transitioning some 14,100 people
by 1 July 2017



We're transitioning some 14,100 people into one, national organisation – Fire and Emergency NZ – from 1 July 2017.

By the numbers



In summary, we are creating a single, national organisation that will serve 4.5 million New Zealanders.

Fire and emergency in NZ: Future



Total additional investment over 5 years

On top of current funding for NZFS and NRFA, and the estimated additional \$35 million cost for funding rural fire



A total of \$303million is being invested in Fire and Emergency NZ over the next five years (2016/17 to 2020/21).

- \$191m is additional funding over four years from 2017/18, for ongoing support costs. This will come from increased fire levy on insurance payers, and a Government contribution for public good, non-fire activities.
- Up to \$112 million for the cost of transitioning 40 entities into one. These costs are funded from a repayable capital injection over four years, from 2016/17. Fire and Emergency NZ will increase its revenue from the fire levy to repay the Crown, an amount to be repaid over nine years. This includes the costs of bringing the 40 entities into one by 1 July 2017, and for the next three years of “integration”. This includes costs such as equipping incoming personnel, merging ICT systems, building new intranet etc, running pilots, and developing the Fire and Emergency NZ identity. Its funding also covers the cost of the project team.
- This is on top of current funding for NZFS and NRFA, and the estimated additional \$35 million cost for funding rural fire

Proposed annual allocation of the new funding, by 2020/21

There will be more investment in volunteers, rural fire, and supporting a single unified organisation that represents broad community interests



- \$191m is additional funding over four years from 2017/18, for ongoing support costs. This will come from increased fire levy on insurance payers, and a Government contribution for public good, non-fire activities.
 - This will mean approximately \$47.75 million new funding, a year, for fire and emergency services in New Zealand. Averaged out over four years, this should mean:
 - \$23.3 million a year approximately for volunteer support, such as additional support services, financial incentives for employers, self-employed, and volunteers, employer recognition programme, wellbeing initiatives etc.
 - \$1.3 million a year approximately to support local committees
 - \$17.3 million a year approximately for rural fire services, such as reduction activities, urgent capital upgrades, personal protective equipment, training needs, maintenance gaps etc
 - \$5.9 million a year approximately for finance, ICT, and other central and supporting functions to support a single, national organisation.

This is not then

1990s



Funding cuts
Firefighter disestablishment
Political agenda
Three person crews

Now

\$303m additional investment for Fire and Emergency NZ

All personnel (paid, volunteer, urban, rural) become part of Fire and Emergency NZ from 1 July 2017

Cross party support for unified fire AND emergency services

No intention to move away from four person model

Working with stakeholders

In the 1990s, Jim Bolger led the country, MMP was introduced, and New Zealand won the America's Cup. It was also the decade in which the Fire Service Amendment Act was introduced and changed the make-up of the Fire Service Commission. The 90s also saw a series of restructures and proposed cuts to the number of fire fighters.

This time round, not only are the changes different, but so too are the ways in which they are taking place. We're working with stakeholders to design the new organisation.

Who has a stake in this transition?



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ABOUT THE PROJECT

Transition overview

Objectives

- Establish new organisation by 1 July 2017 (Phase 1)
- Design future state for Fire and Emergency NZ beyond 1 July 2017 (Phase 2)



Principles

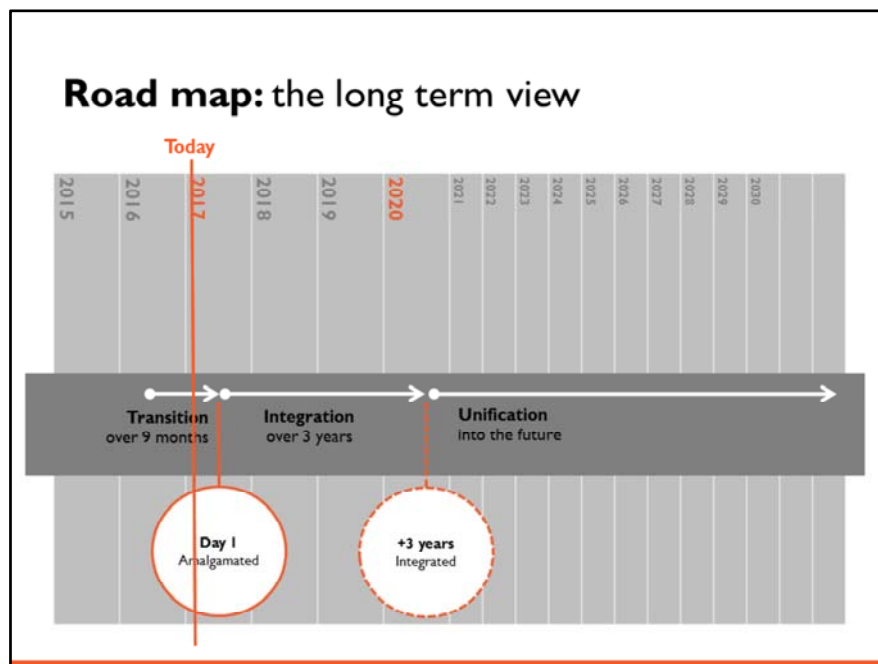
- Focus on the objective
- Collaboration
- Transparency
- Impartiality
- Momentum
- Leader-led
- Mutual respect
- Maintain health & safety

The Transition has two objectives:

- Establish new organisation by 1 July 2017 (Phase 1 – amalgamation)
- Design future state for Fire and Emergency NZ beyond 1 July 2017 (Phase 2 - integration)

A big task. But this is a fantastic opportunity for New Zealand, one that comes along once in a generation.

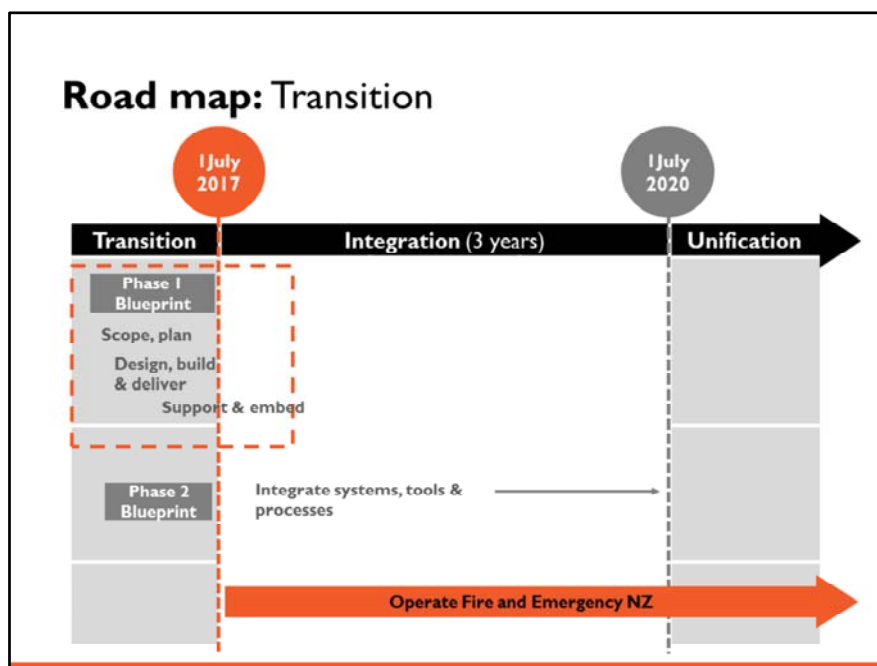
To guide us, we have the following principles that underpin everything we do.



Building Fire and Emergency NZ is a phased activity:

1. Amalgamation (1 July 2017 – Day One) – 40 organisations come together: NZFS, NRFA, and RFAs (some of which are ERFDs)
2. Integration (from 2017 to 2020) – urban and rural working together
3. Unification (from 2020 onwards) – Fire and Emergency NZ firefighters and support staff

The project team started gearing up in July 2016, and now we're four months away from Day One.



- Building Fire and Emergency NZ is a phased activity:
 1. Amalgamation (1 July 2017 – Day One)
 2. Integration (from 2017 to 2020)
 3. Unification (from 2020 onwards)
- We're approaching this large task by breaking it down into manageable chunks.
- The Transition Project is tasked with facilitating Phase 1 - the transition – the coming together of 40 organisations on 1 July 2017.
- The Project is also responsible for doing the work required before Day One to inform, and establish, Phase 2 so there is a clearly understood path forward.
- The work we're doing for this first phase is outlined the **Day One Blueprint**, and shared with you in September last year. A copy is on the project website. This is what we're doing to get us to the start line – 1 July 2017.
- Remember - what Fire and Emergency NZ looks like on Day One, will not be what it ends up looking like.
- We are **currently in the detail and implementation planning stage of Phase 1**. We have a good understanding of what is currently in place to ensure that the transition to Fire and Emergency NZ is done as smoothly as possible. This is due to your assistance with the many requests for information you have received on subjects such as rural fire costs; the people who currently provide fire services and support; ICT systems; and operational assets. We will continue to work together with the sector to make sure what is put in place on Day One is fit for purpose.
- We're also now looking at the work required to manage the integration in the three years post 1 July 2017. This is when we design the systems, tools, and processes required to work as a single organisation. However, until these are built and delivered, there will be some **interim arrangements**. This is being captured in the **Phase 2 Blueprint** – a pragmatic document. We will share this with you once it has been approved by the Board, in May 2017.
- One thing the Board Chair, and the Minister have repeatedly said in recent months is that we need to get this right. And we will take our time to make it right.
- A fully unified Fire and Emergency NZ will take years to achieve. But what are the things that are the most important? Its too early to have this conversation, but it will be had once Fire and Emergency NZ is established.

The big five: Our focus for Day One

- Health & safety of our people
- Ability to respond on Day One
- People know who they report to
- Pay people
- Maintain the reputation of the fire services



These are the project's "must haves" for Day One. Obviously there are more but these are top of the list.

The health and safety of our people

The ability to respond on Day One

- Beat lists stay the same
- Technically the boundaries around RFAs will be removed but practically, they will remain the same on Day One
- Access to assets, not own, for Day One

People know who they report to

- Most of this work involves the rural sector, primarily those who work for Councils, and for whom fire fighting is one part of their job. About 0.1% of the workforce. We will be talking to Councils about who and how to bring these people into Fire and Emergency NZ. Open to arrangements.

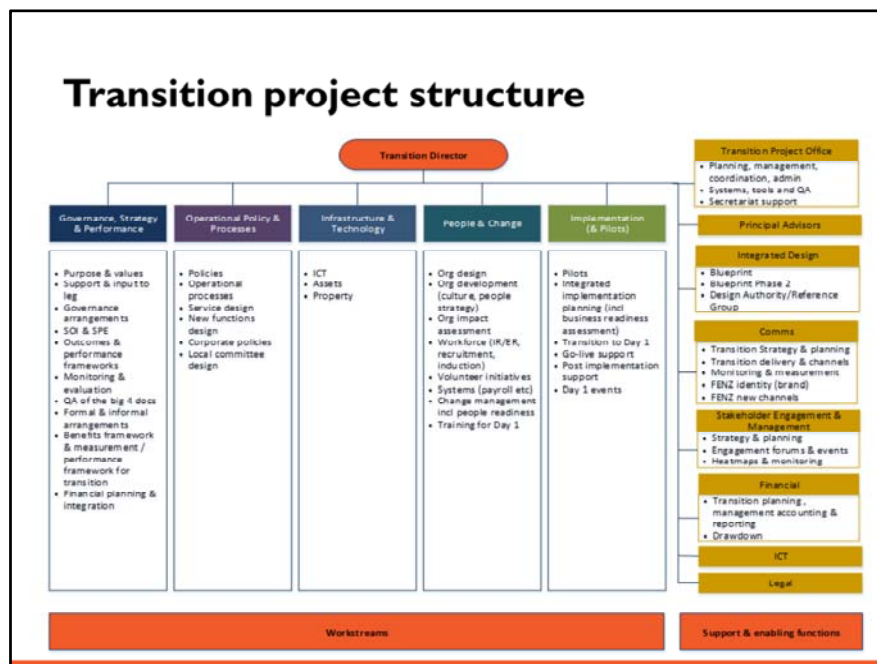
People get paid

And we maintain the reputation of the fire services.

Transition governance & management



More detail is available on: <http://fenzproject.co.nz/team/>



Bringing together 40 organisations and 14,100 people under one roof by 1 July 2017 requires having in place, and testing, a number of components.

The project is organised into **five workstreams**:

Governance & Strategy:

- Be transparent in how Fire and Emergency NZ is funded, where it spends its money, and demonstrate the value it delivers
- Ensure Fire and Emergency NZ has strong relationships and operational arrangements with its partner agencies and other organisations
- Support DIA to produce quality legislation and regulation.

Operational Policy & Processes:

- Ensure Fire and Emergency NZ has operational processes continue to perform effectively and efficiently before, during, and after, 1 July 2017
- Ensure Fire and Emergency NZ has policies and processes in place to meet its obligations under the (yet to be passed) Fire and Emergency NZ Act, by 1 July 2017.

Infrastructure & Technology:

- Deliver all ICT components required on Day One so Fire and Emergency NZ can perform the core operational functions that support the delivery of fire and emergency services.
- Ensure Fire and Emergency NZ has the use of the land, buildings, vehicles, and equipment that make up the rural response assets required to respond effectively and efficiently to fire and other emergencies on Day One.

Implementation & Pilots:

- Integrate all of the project's implementation plans to ensure a seamless transition to Day One
- Establish and run pilots to test concepts on a small scale, eg Local Committees
- Coordinate activities and events to commemorate and celebrate Day One.

People & Change:

- Design, manage and support people through the transition and into the new organisation.
- Develop the Fire and Emergency NZ organisational design to the point where there is a clear picture of what the new organisation will look like on 1 July 2017.

Working together

Fire and Emergency NZ is being created in collaboration – **firefighters and other stakeholders with skills and expertise are involved** in helping shape the decisions, and this co-design approach will continue after Day One. This includes: development of the organisation's strategies, policies, processes and systems.



Some examples of how we're working collaboratively:

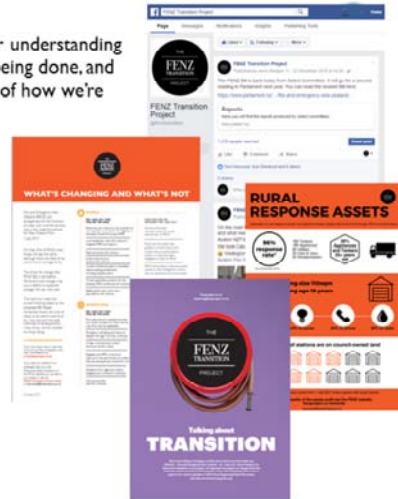
- Having fire services **subject matter experts (SMEs)**, **principal advisors**, and **senior advisors** as part of the project team
- Establishing **reference and working groups** to further inform development of specific Fire and Emergency NZ strategies, policies, processes and ICT systems
- Holding **dedicated transition events** and information sessions
- Attending **existing meetings and conferences**
- **Visiting brigades, stations, training centres, teams** etc throughout the country to provide information about the transition, and its progress, and find out more first hand
- Seeking input through **surveys** eg:
 - Intranet content

- Having 8 fire services **subject matter experts (SMEs)** – and more coming on board soon, 2 **principal advisors**, and 2 **senior advisors**, on the project team to help inform overall development of Fire and Emergency NZ strategies, policies, processes and ICT systems
- Establishing **reference and working groups** to further inform development of specific Fire and Emergency NZ strategies, policies, processes and ICT systems, eg:
 - Corporate policies
 - Health, safety and wellbeing
 - Volunteer strategy
 - The new identity
 - Command and control
 - Greater Auckland pilot
- Holding **dedicated transition events and information sessions**, eg:
 - Leading through Change forums
 - Annual stakeholder events
 - NZFS NHQ lunch box sessions
 - Forestry sector meetings
 - Risk management sessions
- Attending **existing regular meetings and conferences** to build and maintain good working relationships with the sector
- **Visiting brigades, stations, training centres** etc throughout the country to:
 - Gather more information about existing rural assets, personnel, ICT
 - Find out first hand what challenges and opportunities exists
 - Provide information about the transition, and its progress

Communicating with stakeholders

Our aim is to ensure that stakeholders have a clear understanding of the transition, why its happening, what work is being done, and when any changes will take place. Some examples of how we're communicating:

- Providing information about the transition through, eg:
 - Dedicated transition content eg **emails, fact sheets, flyers**
 - **Facebook** updates
 - Resources on the project **website** eg FAQs, videos
 - **Articles** and inserts in stakeholders' newsletters
- Providing opportunities for anyone to directly ask the project team questions, eg
 - MyVoice email address
 - Facebook



Some examples of our communication and information sharing activities:

- Seeking everyone's input through **surveys**, eg:
 - What the new intranet should include (survey link is on the project website: <http://fenzproject.co.nz/your-voice/>)
- Providing opportunities for anyone to directly ask the project team questions, eg:
 - MyVoice email address: myvoice@fenzproject.co.nz
 - Facebook messages: @fenztransition
- Providing information about the transition through, eg:
 - Dedicated transition **emails, fact sheets, flyers,**
 - **Facebook** updates
 - Resources on the project **website**: www.fenzproject.co.nz
 - Articles in stakeholders' newsletters
- Holding **dedicated transition events and information sessions**
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- **Visiting brigades, stations, training centres** etc throughout the country to:
 - Gather more information
 - Find out first hand what challenges and opportunities exists
 - Provide information about the transition, and its progress

What Day One may look like for ...

Community

- Continue to call 111 for fire and emergency services
- New national website
- Fire Permitting process in place
- New identity known
- New email addresses
- Interim community relationship arrangements post ERFD / pre Local Advisory Committee establishment



Operations

- Minimal change to Ops systems
- Same ComGen emergency turnout processes
- Same local turnout processes for rural contractors
- Access to rural response assets
- Operational Service Agreements in place with DOC & Defence

FENZ central

- Statement of Intent, Statement of Performance Expectations in place
- Single corporate systems & business processes
- New intranet
- Cost of rural fire factored into Levy setting processes

Workforce

- Confirmed leadership structure for Day One
- People clear on their functions, powers, delegations, and who they report to
- Mobile access to Fire and Emergency NZ network for transferring rural employees: includes new laptops, cell phones, etc)
- Endorsed Health Safety & Wellbeing system(s)
- Volunteer strategy in place, and progress on better support for volunteers
- HR self service kiosk

Single corporate systems (e.g. HR, payroll, finance, vendor payment, leave application, procurement, filing) and data sources

HR self service kiosk (e.g. personal data, timesheets, leave, etc)

Let's keep the conversation going

- Email
 - myvoice@fenzproject.co.nz
- Follow
 - @fenztransition on Facebook
- Visit
 - 88 The Terrace, Wellington
- Find out more
 - www.fenzproject.co.nz



Let's keep the conversation going. You can:

- Talk to your leaders
- Email the project team on myvoice.fenzproject.co.nz
- Check out the website
- Follow the project on Facebook
- Or pop in and see them when next in Wellington.

We're in this together. Together we can make this transition a success. For us, our teams, and most importantly, for our communities. Keeping them safe is why we're all here.