



National Rural Fire Authority

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NATIONAL RURAL FIRE AUTHORITY CIRCULAR 2010/06

Enlarged Rural Fire Districts Strategy Update

1. Purpose

The purpose of this circular is provide a progress update and status report on the implementation of the National Rural Fire Authority (NRFA) Enlarged Rural Fire Districts Strategy.

2. Background

In 2009, the New Zealand Fire Service Commission (Commission) as the NRFA approved to increase its efforts to promote the voluntary amalgamation of smaller rural Fire Authorities into larger Fire Authorities and the creation of enlarged Rural Fire Districts (ERFD's).

This objective was translated into a key strategy for the NRFA - "To develop a robust framework to promote the establishment of enlarged Rural Fire Districts."¹ - which the Commission has supported with the creation of a new Administration Grant fund for ERFD's meeting certain criteria.

3. Executive summary

We can report that, generally, forest and rural fire stakeholders around the country have received the Enlarged Rural Fire Districts Strategy guardedly but moving at an executive level to a position of being positive once more information becomes available. We are also aware that those that have a potential to be impacted in some way are reserved in their support.

We are encouraged by the keen interest of several of the existing ERFD's to align their structures and business models with the enlarged Rural Fire Districts Framework proposed, and of other regions (where current arrangements are still disparate) to commit time and resources to investigate the opportunities further.

At this time, 15 of the proposed 17 enlarged Rural Fire Districts are tracking well; the remainder are experiencing various issues that may delay progress.

The NRFA is in discussions with the Rural Fire Authorities of four existing ERFD's to agree the terms and conditions for access to the Enlarged Rural Fire Districts Administration Grant. It is likely that Grant payments for two of these Fire Authorities may begin in the third quarter of the 2009/2010 financial year with the further two in the fourth quarter.

¹ National Rural Fire Authority Statement of Strategic Direction 2009-2014.

4. Progress update

Overview

The 2009 Enlarged Rural Fire Districts green booklet provides an overview of the Enlarged Rural Fire Districts programme of work, which is described in three main work streams²:

1. Engagement - the National Rural Fire Officer (NRFO) and Managers Rural Fire engaging with stakeholders to facilitate amalgamations.
2. Framework - developing governance and management guidelines, and supporting tools and templates to assist the Fire Authorities of ERFD's.
3. Communications - creating and implementing a Communication Strategy.

The following sections describe the progress of these work streams.

Engagement

The Engagement work stream was officially kicked off at the annual meeting of the National Rural Fire Stakeholders Group in Wellington on 21 July 2009. The purpose of the meeting was to enable the NRFA to gather input and feedback by the Stakeholder Group members on the key elements of the proposed enlarged Rural Fire Districts Framework.

All key stakeholder groups were well represented, and the strong presence of the Commission (Dame Margaret Bazley and Bob Francis) and of the Minister of Internal Affairs, the Hon Nathan Guy, set an appropriate tone for the two days of workshops and presentations.

Subsequently, the NRFA has enjoyed the active support of the Minister, through his liaison with the Ministers of other portfolios that may influence the success of the Enlarged Rural Fire Districts Strategy (for example, the Minister of Agriculture on 16 December 2009, and the Ministers of Conservation and Local Government on 15 February 2010), and his attendance at stakeholder meetings in the regions.

Throughout this time, the NRFO and Managers Rural Fire have undertaken an extensive schedule of meetings and discussions with key stakeholder groups across the country, including:

- Existing Rural Fire Authority governance, management and operational groups and individuals (e.g. RFA boards and committees, Principal Rural Fire Officers).
- Local Government departments and organisations (e.g. Chief Executives of territorial authorities, rural fire managers, civil defence stakeholders).
- Managers of State and defence land (e.g. Department of Conservation, Ministry of Defence).
- Forest owners (e.g. New Zealand Forest Owners Association, New Zealand Farm Forestry Association).
- Rural organisations (e.g. Federated Farmers).
- Forest and rural fire organisations (e.g. Forest and Rural Fires Association of New Zealand, Volunteer Rural Fire Forces, Rural Fire Contractors).
- Other interested parties (e.g. research organisations, industry training organisations).

The meetings and discussions have ranged from initial contact to raise the awareness of stakeholders to specifically focused workshop sessions, such as the NRFA-led Funding Analysis Workshops, which are also attended by the Department of Internal Affairs. (Refer below for more information about the Funding Analysis process).

² NRFA Enlarged Rural Fire Districts Booklet, September 2009, pg.13.

Much of the engagement has been targeted towards the various stakeholder groups within each of the proposed enlarged Rural Fire District regions³, but the NRFO has also utilised opportunities to address specific stakeholder groups on a National scale, for example by presenting at Local Government New Zealand Zone meetings throughout the later part of 2009.

Within each of the proposed enlarged Rural Fire District regions, the engagement has been dependent on the goodwill of the various stakeholder groups, but this, in general, has been good. (Refer to Appendix 1 for a list of stakeholder groups engaged with, by proposed enlarged Rural Fire District region).

Framework

The Framework work stream has progressed steadily with the contribution of resources from the Department of Internal Affairs and the NZFS. The focus to date has been to produce practical tools that can assist stakeholders with some of the more difficult aspects of establishing an enlarged Rural Fire District.

The Enlarged Rural Fire District Guidelines⁴ was the first major achievement, providing:

- comprehensive background information about the sector, roles and responsibilities of the fire services and how rural Fire Authorities carry out their responsibilities;
- discussion of funding mechanisms and options available to rural Fire Authorities;
- best practice guidelines regarding governance models and practice;
- advice on tax, legal liability and auditing matters; and,
- references to other sources of useful information.

The Guidelines have been circulated widely and are available on the NRFA's website.

Another key achievement has been the development of the NRFA's Funding Analysis Guidelines for establishing an enlarged Rural Fire District⁵, which provides Rural Fire Authorities and stakeholders that wish to establish an enlarged Rural Fire District with a standard method to help them understand, analyse, negotiate and establish fair levels of contributions (financial and non-financial) for the funding of the administration costs of the proposed enlarged Rural Fire District.

The Funding Analysis Workshops (refer above) take stakeholders through the Funding Analysis methodology, applying real data and information about their region. This process is supported by a range of standard tools and templates, including data analysis and maps created by the NZFS's Data and Spatial Applications team.

The latest key deliverable and component of the Framework is the NRFA Purchase Agreement template, which is the instrument by which the Fire Authorities of enlarged Rural Fire Districts can access the NRFA Enlarged Rural Fire Districts Administration Grant.

The Purchase Agreement has undergone internal and external legal review to align it with other agreements of the NZFS and good practice.

The NRFA is currently in discussions with the Rural Fire Authorities of four existing enlarged Rural Fire Districts to agree the terms and conditions for access to the Enlarged Rural Fire Districts Administration Grant fund. It is likely that Grant payments for these Fire Authorities will begin in the both the third and fourth quarters of the 2009/2010 financial year.

³ Refer to the NRFA Enlarged Rural Fire Districts Booklet, September 2009, pp. 15-16.

⁴ Enlarged Rural Fire District Guidelines, October 2009.

⁵ Funding Analysis Guidelines for establishing an Enlarged Rural Fire District, January 2010

Communications

The Communications work stream supports the Engagement and Framework work streams.

The NRFA's first action was to develop a Communication Strategy for the Enlarged Rural Fire Districts Strategy. The Communication Strategy underwent sector peer review by way of the National Rural Fire Advisory Committee, the National Rural Fire Stakeholders Group and the Department of Internal Affairs.

The main objectives of the Communication Strategy⁶ are to:

- Ensure that forest and rural fire stakeholders have a consistent understanding of the Enlarged Rural Fire Districts Strategy and the Framework.
- Facilitate and encourage positive participation of forest and rural fire stakeholders in the delivery of the Enlarged Rural Fire Districts Strategy.
- Support the successful delivery of the Enlarged Rural Fire Districts Strategy outcomes i.e. the reduction of the number of rural Fire Authorities.
- Demonstrate a transparent process of engagement, consultation, and information sharing.

The Communication Strategy is based on a thorough SWOT analysis of the NRFA, the forest and rural fire sector and the current environment, and defines the communications required to support the delivery of the Enlarged Rural Fire Districts Strategy, including key messages and channels. The diagram below shows the communications phases and timelines for the communications.

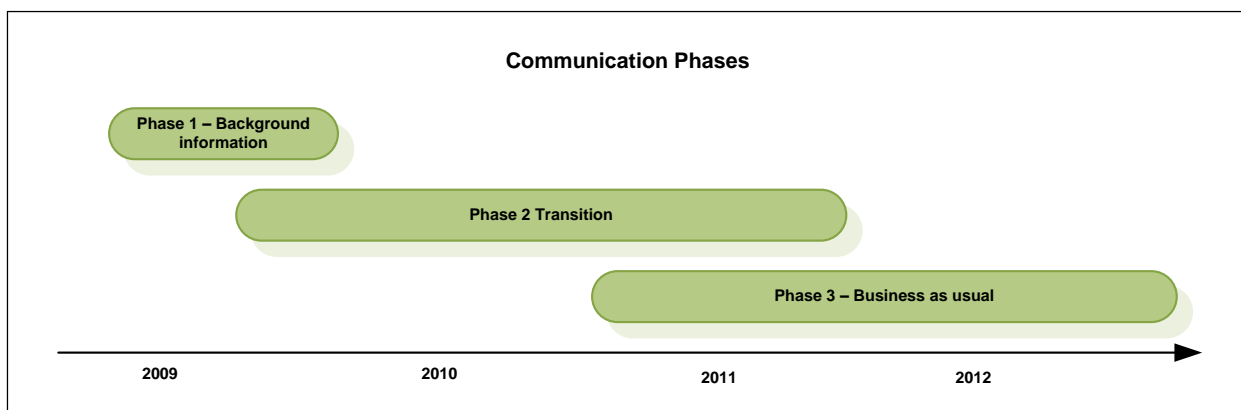


Diagram 1: Communications Phases

Phase 1 is completed, with the major deliverables of the NRFA Enlarged Rural Fire Districts Booklet and updated NRFA website completed in 2009.

The Booklet, endorsed by the Hon Nathan Guy and Dame Margaret Bazley, provided an overview of the Enlarged Rural Fire Districts Strategy and programme of work, including a depiction of the Vision for enlarged Rural Fire Districts and a map of the proposed enlarged Rural Fire Districts. It was mass produced and circulated widely across all regions and stakeholder groups, and has proved to be a much referred to tool throughout the initial engagement with stakeholders.

The NRFA website has been updated to reflect the enlarged Rural Fire Districts activities of the NRFA, and copies of key documents and information are available from the site.

Phase 2 is tracking well. Extensive face to face meetings with key stakeholders, presentations at relevant stakeholder forums and conferences and several media opportunities have been completed. These will continue for the foreseeable future.

⁶ Communication Strategy for the Enlarged Rural Fire Districts Strategy, November 2009.

5. Current status

Overview

We can report that, generally, forest and rural fire stakeholders around the country have received the Enlarged Rural Fire Districts Strategy guardedly but moving to a position of being positive once more information becomes available.

Stakeholders in several regions are actively engaged with NRFA in developing plans to establish enlarged Rural Fire Districts, and several of the existing ERFD's are taking the opportunity to review and/or align their business models with the ERFD Framework proposed.

Status maps

The maps below show the current status of enlarged Rural Fire Districts progress in the regions. (Refer to Appendix 1 for a commentary and current status of the proposed enlarged Rural Fire Districts.)

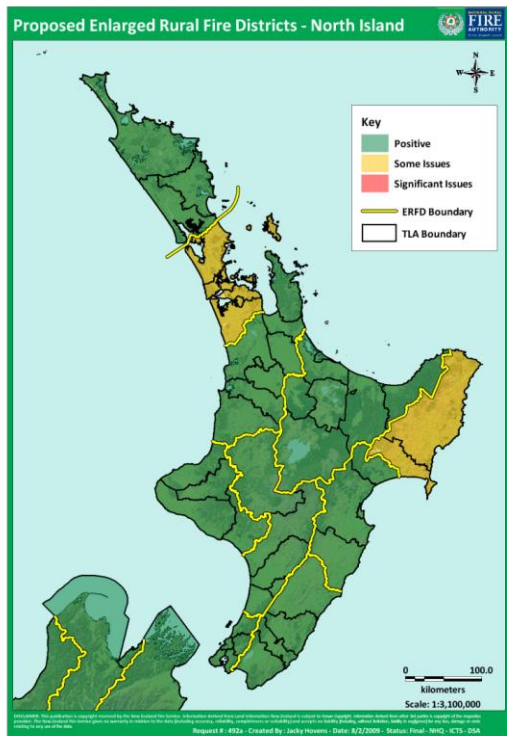


Diagram 2: North Island ERFD progress status

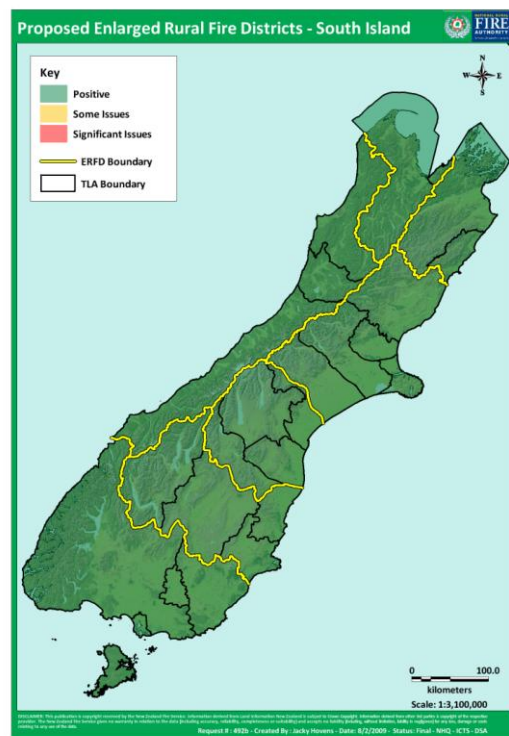


Diagram 3: South Island ERFD progress status

6. Plans for the next period

Engagement

Over the remainder of this calendar year, the NRFA will continue to engage with stakeholder groups around the country.

The NRFA will prioritise, and divert resource to, regions that confirm that they wish to proceed with the establishment of a new ERFD, with the goal of establishing three to five new ERFD's within the remainder of this calendar year. At this time, regions utilising NRFA assistance include Wairarapa, Marlborough-Kaikoura, Waimea, Northland and the Central North Island.

In regions where the stakeholders have exhibited low interest or require time to work through local issues, the NRFA will monitor the situation and attempt to reconvene engagement at an appropriate time in the future.

Framework

A revised edition of the Enlarged Rural Fire Districts Guidelines will be released during the final quarter of the 2009/2010 financial year. The revision will include new material, additional information on existing subjects covered (e.g. tax, auditing and governance), and new templates.

The new templates under development include: Constitution and Operating Rules; and several Memorandums of Agreement for various purposes.

Communications

The NRFA will develop a new ERFD Governance/CE/PRFO training course during the final quarter of the 2009/2010 financial year. The course will cover governance and management topics, and the responsibilities of the CE/PRFO roles within the new enlarged Rural Fire Districts Framework.

We are also considering the development of communications outlining the business of Enlarged Rural Fire Districts and the role of a Rural Fire Authority body corporate, as the roles and responsibilities of the Chief Executive/PRFO of an enlarged Rural Fire District body corporate are not yet well understood.



Murray Dudfield
National Rural Fire Officer

Appendix 1 - Commentary and current status

Proposed Enlarged Rural Fire District ⁷	Stakeholders	Commentary	Current status
Northland	Far North DC, Whangarei DC, Kaipara DC, DoC Northland Conservancy, Aupouri Karikari RFD, NZ Fire Service, NZ Forest Owners, Federated Farmers	<p>The NRFA conducted a Funding Analysis Workshop with Far North stakeholders on 7 December 2009; the outcome was very positive.</p> <p>It is likely that the Northland ERFD will be achieved in a two part process: part 1 amalgamating the Far North DC, DoC Northland Conservancy, the Aupouri Karikari RFD and Forest Owners; and part 2 incorporating the remaining TA's at some point in the future.</p>	The NRFA is awaiting the decision from Far North stakeholders to proceed with part 1.
Auckland	Rodney DC, North Shore CC, Waitemata DC, Waitakere CC, Auckland CC, Manukau CC, Papakura DC, Franklin DC, DoC Auckland Conservancy, Woodhill Riverhead RFD, NZ Fire Service, NZ Forest Owners, Federated Farmers	<p>Initial high level discussions and meetings with various stakeholders in this region have indicated that there may be little progress until the new Council has been formed.</p> <p>Engagement with the Auckland Transition Agency (ATA), DoC Auckland Conservancy and Forest Owners is ongoing.</p>	The NRFA is awaiting an indication from the (ATA) that the new Council is ready to begin discussions.
Waikato, Coromandel	Thames Coromandel DC, Hauraki DC, Matamata-Piako DC, Waikato DC, Hamilton CC, Waipa DC, Otorohanga DC, Waitomo DC, DoC Waikato Conservancy, Thames Valley RFD, NZ Fire Service, NZ Forest Owners, Federated Farmers	Waikato DC has taken the lead in this region, appointing a Project Manager to develop a project plan to investigate the feasibility of an ERFD.	The NRFA is awaiting an invitation to conduct a Funding Analysis Workshop with stakeholders.

⁷ NRFA Enlarged Rural Fire Districts Booklet (2009).

Proposed Enlarged Rural Fire District ⁷	Stakeholders	Commentary	Current status
Central North Island (CNI)	Western BOP DC, Tauranga DC, South Waikato DC, Rotorua DC, Taupo DC, Whakatane DC, Opotiki DC, Kawerau DC, DoC BOP Conservancy, DoC Tongariro/Taupo Conservancy, Pumicelands RFD, Lake Taupo RFD, Western Bay Moana RFD, NZ Fire Service, NZ Forest Owners, Federated Farmers	Initial high level discussions and meetings with various stakeholders in this region have agreed to take the next step. A more in depth meeting with a group of key stakeholder representatives was held on 8 February 2010 in Rotorua.	The establishment of an ERFD Steering Committee has been agreed and a project plan is under development.
East Coast	Gisborne DC, Wairoa DC, Eastland RFD, DoC East Coast BOP Conservancy, DoC Wellington Hawkes Bay Conservancy, NZ Fire Service, NZ Forest Owners, Federated Farmers	Initial high level discussions and meetings with various stakeholders in this region have been supportive. However, recently, there has been some tension in this area caused by current funding and resourcing inequities. The Gisborne DC is considering options.	The NRFA is awaiting the outcome of the Gisborne DC deliberations.
Hawkes Bay	Napier CC, Hastings DC, Central Hawkes Bay DC, Bay Forests RFD, DoC Wellington/Hawkes Bay Conservancy, NZ Fire Service, NZ Forest Owners, Federated Farmers	Initial contact with various stakeholders in this region has been reasonable.	Agreement in principle by all parties has been provided to engage in further discussion.
Wairarapa	Tararua DC, Masterton DC, Carterton DC, South Wairarapa DC, Wairarapa RFD, DoC Wellington/Hawkes Bay Conservancy, NZ Fire Service, NZ Forest Owners, Federated Farmers	Wairarapa stakeholders, excluding Tararua DC, have been operating as an ERFD for some years. The Wairarapa RFD recently requested the NRFA's assistance to address some issues with its current funding model. This work is in progress. Tararua DC has indicated that it is willing to participate in an ERFD in the longer term, but sees a greater	The NRFA is in discussions with the Wairarapa RFD to agree the purchase agreement terms for the ERFD Administration Grant.

Proposed Enlarged Rural Fire District ⁷	Stakeholders	Commentary	Current status
		affiliation with the Hawkes Bay region due to the similar climate and hazardscape, and alignment with NZFS boundaries.	
Ruapehu, Manawatu, Horowhenua	Ruapehu DC, Rangitikei DC, Manawatu DC, Palmerston North CC, Horowhenua DC, DoC Wanganui Conservancy, NZDF Waiouru RFD, NZDF Linton RFD, NZDF Ohakea RFD, NZDF Raumati RFD, NZ Fire Service, NZ Forest Owners, Federated Farmers	Initial contact with various stakeholders in this region has been positive. It is likely that Horowhenua DC, Manawatu DC, Rangitikei DC, Palmerston North CC, DoC Wanganui Conservancy and other stakeholders will form an ERFD in time. Ruapehu DC is more likely to align with Wanganui. NZDF RFD's are likely to remain as currently gazetted for security reasons.	The NRFA is formulating an approach to progress this region.
Taranaki, Wanganui	New Plymouth DC, Stratford DC, South Taranaki DC, Wanganui DC, DoC Wanganui Conservancy, NZ Fire Service, NZ Forest Owners, Federated Farmers	Initial high level discussions and meetings with various stakeholders in this region have been positive. It is likely that New Plymouth DC, Stratford DC, South Taranaki DC, DoC Wanganui Conservancy and other stakeholders will form an ERFD in time. Wanganui DC is more likely to align with Ruapehu DC.	The NRFA is formulating an approach to progress this region.
Wellington West	Kapiti Coast DC, Porirua CC, Upper Hutt CC, Lower Hutt CC, Wellington CC, DoC Wellington/Hawkes Bay Conservancy, NZ Fire Service, NZ Forest Owners, Federated Farmers	The Councils have formed a Shared Services Steering Committee (SSSC) to review the provision of Civil Defence and Emergency Management (CDEM) services in the region. The NRFO sits as a member of the Committee to represent rural fire.	The NRFA is awaiting the outcome of the Governance Group deliberations.

Proposed Enlarged Rural Fire District ⁷	Stakeholders	Commentary	Current status
		<p>The NRFA conducted a Funding Analysis Workshop with Wellington West stakeholders on 10 December 2009. The stakeholders agreed in principle that the opportunity of an ERFD in Wellington West warrants further investigation.</p>	
Waimea	<p>Tasman DC, Nelson CC, DoC Nelson/Marlborough Conservancy, Waimea RFD, NZ Fire Service, NZ Forest Owners, Federated Farmers</p>	<p>Waimea stakeholders have been operating as an ERFD for some years, however they were interested to see the NRFA's Funding Analysis process applied to the District, and are taking the opportunity to review the RFD's business model.</p> <p>The NRFA conducted a Funding Analysis Workshop with Waimea stakeholders on 21 January 2010.</p>	<p>The NRFA is awaiting the outcome of the Waimea RFD's internal review.</p>
Marlborough-Kaikoura	<p>Marlborough DC, Kaikoura DC, DoC Nelson/Marlborough Conservancy, Marlborough North RFD, NZDF Woodbourne RFD, NZ Fire Service, NZ Forest Owners, Federated Farmers</p>	<p>The NRFA conducted a Funding Analysis Workshop with Marlborough-Kaikoura stakeholders on 14 October 2009 and 9 December 2009; the outcome was very positive.</p> <p>Stakeholders presented a recommendation to the Councils in February.</p>	<p>The NRFA is awaiting the outcome of the stakeholder deliberations.</p>

Proposed Enlarged Rural Fire District ⁷	Stakeholders	Commentary	Current status
North Canterbury	Hurunui DC, Waimakariri DC, Selwyn DC, Christchurch CC, Ashburton DC, DoC Canterbury Conservancy, NZDF Burnham RFD, NZDF West Melton RFD, NZ Fire Service, NZ Forest Owners, Federated Farmers	<p>While aware of the ERFD Strategy and the NRFA's activity to encourage amalgamations, stakeholders in this region have been investigating the opportunity independently of the NRFA.</p> <p>However, recent high level discussions and meetings with various stakeholders in this region have been positive.</p> <p>The North Canterbury stakeholder have used a consultant to investigate options and costing for an ERFD in North Canterbury.</p>	The NRFA is engaging and monitoring progress in this region.
South Canterbury	South Canterbury RFD, Timaru DC, MacKenzie DC, Waimate DC, Waitaki DC, DoC Canterbury Conservancy, NZ Fire Service, NZ Forest Owners, Federated Farmers	<p>South Canterbury stakeholders, excluding DoC, have been operating as an ERFD for some years.</p> <p>Initial high level discussions and meetings with stakeholders with regards to incorporating DoC lands in the ERFD have been positive by the current South Canterbury RFD stakeholders with some DOC reservation.</p>	The NRFA is in discussions with the South Canterbury RFD to agree the purchase agreement terms for the ERFD Administration Grant.

Proposed Enlarged Rural Fire District ⁷	Stakeholders	Commentary	Current status
West Coast	West Coast RFD, Buller DC, Grey DC, Westland DC, DoC West Coast Conservancy, NZ Fire Service, NZ Forest Owners, Federated Farmers	<p>This region has an existing ERFD. The West Coast RFA is constituted from three TA's, DoC West Coast Conservancy, Fire Service and Forest Owners.</p> <p>The NRFA held discussions with stakeholders in February to work through a number of governance and management issues.</p>	Further discussion will be undertaken to work through these issues.
Otago	Queenstown Lakes DC, Waitaki DC, Central Otago DC, Dunedin CC [includes Dunedin RFD], DoC Otago Conservancy, NZDF Tekapo Military Training RFD, NZ Fire Service, NZ Forest Owners, Federated Farmers	<p>Initial high level discussions and meetings with stakeholders have progressed tentatively.</p> <p>The NRFA has engaged an independent consultant to work with stakeholders to develop a SWOT analysis for the region.</p>	The NRFA is awaiting the outcome of the SWOT analysis, and will then formulate an approach to progress this region.
Southern	Southern Rural Fire District, Clutha DC, Southland DC, Gore DC, Invercargill CC, NZ Fire Service, NZ Forest Owners, Federated Farmers	Southland stakeholders have been operating as an ERFD for some years. Some adjustments will be required on the Northern Boundary of this ERFD to ensure all lands within the District are contiguous.	The NRFA is in discussions with the Southern RFD to agree the purchase agreement terms for the ERFD Administration Grant.