

Greg Leach
Chief Executive Officer
Country Fire Authority
8 Lakeside Drive
BURWOOD EAST VIC 3151

22 January 2025

Dear Mr Leach,

REGULATORY IMPACT STATEMENT FOR THE COUNTRY FIRE AUTHORITY REGULATIONS 2025

I would like to thank your staff at the Country Fire Authority (CFA) for working with the team at Better Regulation Victoria to prepare a Regulatory Impact Statement (RIS) for the proposed Country Fire Authority Regulations 2025.

As you know, the Commissioner for Better Regulation provides independent advice on the adequacy of the analysis provided in all RISs in Victoria. A RIS is deemed to be adequate when it contains analysis that is logical, draws on relevant evidence, is transparent about any assumptions made, and is proportionate to the proposal's expected effects. The RIS also needs to be written clearly so that it can be a suitable basis for public consultation.

I am pleased to advise that the final version of the RIS received by us on 21 January 2025 meets the adequacy requirements set out in the *Subordinate Legislation Act 1994*.

Background and problems

The *Country Fire Authority Act 1958* (the Act) provides for the CFA's governance, powers and functions, and imposes a regulatory regime for fire prevention in the country area of Victoria.¹ The CFA explains in the RIS that it is comprised of volunteers and paid employees that support volunteers.

¹ This area is defined as that part of Victoria which lies outside the Fire Rescue Victoria fire district, but does not include any forest, national park or protected public land. Fire prevention and

In the RIS, the CFA explains that the Regulations supporting the Act cover a range of matters, including:

1. CFA administration and management;
2. rights and obligations of CFA volunteers;
3. obligations for the purposes of fire prevention and control; and
4. fees and charges.

The CFA explains that a combination of regulations and policies are used for its internal administration and management and states that regulations are used when more certainty is needed relating to the governance of the CFA and obligations on members of the public to reduce fire risk.

The CFA notes that it relies on its volunteers to provide its services to the community. It explains that the Regulations play an important role in supporting the recruitment and retention of volunteers, for example by establishing a compensation scheme. Without these regulations, the CFA argues that the community would not enjoy the social and economic benefits provided by its volunteers through the management of emergencies.

In the RIS, the CFA argues that merely establishing and equipping fire services is insufficient to deal with human acts or omissions that can cause fires. It notes that while criminal laws apply to those who light fires to cause damage, the operations of many legitimate businesses and private activities involve the risk of fire. As such, without regulations relating to fire prevention and control obligations, the Government would be unable to reduce the risk of fire, which would lead to a greater loss of life and property, and lead to other harms including health and environmental impacts.

The CFA explains that while many of the CFA's services benefit the public, some of its activities largely provide a direct benefit to businesses and individuals. It also explains that responding to false alarms and providing certain services cause the CFA to use resources that otherwise could be used for other operations with a broader public benefit. As such, the CFA considers it appropriate to prescribe fees for these activities in the Regulations.

Options and analysis

In the RIS, the CFA breaks down the four categories into several topic areas:

- For CFA administration and management, the three topics are management and administration of CFA brigades, elections of officers and employee discipline.
- For rights and obligations of CFA volunteers, the three topics are eligibility for CFA membership, volunteer discipline and appeals, and volunteer compensation.

suppression in these areas, as well as on private land within 1.5 kilometres of these areas is the responsibility of Forest Fire Management Victoria.

- For obligations for the purposes of fire prevention and control, the four topics are controls during fire danger periods, requirements for forest industry brigades, alarm monitoring information, and regional and municipal fire prevention committees.
- For fees and charges, the two topics are fees for specialist services (e.g., inspections, advice and equipment testing) and fees for attendance in specific circumstances (e.g., hazardous material incidents, fires on vessels and false alarms).

In the RIS, the CFA uses a combination of qualitative discussion and multi-criteria analysis (MCA) to assess its options for the different topic areas.

The CFA uses qualitative discussion for the following topics, explaining that it considers these topics do not impose a significant burden but includes these in the RIS in the interest of transparency:

- all topics under CFA administration and management;
- CFA membership, and volunteer discipline and appeals; and
- controls during fire danger periods and alarm monitoring information.

For the remaining topics, which are where the CFA considers there are significant impacts, the CFA assesses options using a multi-criteria analysis (MCA). For volunteer compensation and forest industry brigades, the same MCA criteria and weightings are used, which relate to safety, equity and cost. For fees and charges, the CFA uses criteria that reflect the Victorian Pricing for Value Guide.

CFA administration and management

For topic 1 – model rules for the management of brigades and groups of brigades,² the CFA proposes to shift to “process regulation”, which will specify the process that the CFA must follow when making changes to model rules, rather than the current approach of prescribing the model rules in Regulations. In the qualitative discussion, the CFA explains that this approach provides greater flexibility for the CFA to amend model rules as required while ensuring changes are made with proper consultation with volunteers.

For topic 2 – elections of brigade and group officers and topic 3 – employee discipline and appeals, the CFA proposes to remake the current Regulations with some changes, including removing terms and conditions of employment which are now covered by the Commonwealth *Fair Work Act 2009*.

² Model rules specify matters such as rules about meetings and procedures, record keeping, purchasing, and financial management and reporting.

Rights and obligations of volunteers:

For topic 1 – CFA membership requirements, the CFA proposes to remake the current Regulations with minor changes that allow the Chief Officer to determine sub-categories of memberships. In the qualitative discussion, the CFA explains these changes will enable formal recognition of the various ways its members contribute to the CFA, and allows for more flexible role descriptions relative to the current Regulations.

For topic 2 – volunteer discipline and appeals, the CFA proposes to remake the current Regulations with changes to enable greater flexibility, proportionality and efficiency. In the qualitative discussion, the CFA argues that this new approach will not adversely affect volunteers' rights and is less complex to design and administer.

For topic 3 – the CFA compensation scheme, the CFA proposes to remake the current Regulations with changes to improve the scheme's administration and clarify the CFA's powers. In the analysis, the CFA argues that clarification of the CFA's powers is required to help assess whether a volunteer is entitled to continued compensation, and to enable the CFA to cease compensation payments when a person is no longer entitled to those payments.

Fire prevention and control:

For topic 1 – controls during periods of increased fire danger, the CFA proposes to remake the current Regulations with changes to account for complexity and risk when granting permits to burn vegetation. In the qualitative discussion, the CFA notes that while its stakeholders largely found no reason to change the current Regulations, CFA officers identified this change which introduces more flexibility to permit conditions, allowing the public to undertake reasonable activities lawfully.

For topic 2 – forestry industry brigades, the CFA proposes to remake the current Regulations with no changes. In the qualitative discussion, the CFA notes industry is exceeding the minimum standards set and industry feedback indicates the current Regulations are working well.

For topic 3 – alarm monitoring information, the CFA proposes to remake the current Regulations with changes to align the requirements for alarm monitoring businesses to provide the same information as they would provide to Fire Rescue Victoria under the Fire Rescue Victoria (General) Regulations 2020. In the qualitative discussion, the CFA explains that it considers consistency between the two sets of Regulations to be important, and the additional information would assist in imposing charges for false alarms.

For topic 4 – regional and municipal fire prevention committees, the CFA proposes to allow the current Regulations to sunset without replacement. The CFA notes these committees have been superseded by other committees established under the *Emergency Management Act 2013*.

Fees and charges:

For topic 1 – fees for specialist services, the CFA proposes to fix fees for services such as inspections, advice and equipment testing without change from the previous Regulations. The CFA states that this allows the fees to reflect the individual services provided and enables the CFA to charge TAC and WorkSafe-agreed fees for road accident services.

For topic 2 – fees for emergency services, the CFA proposes to charge fees for false alarms, hazardous material incidents and fires in other specific circumstances based on the amount of time appliances³ are away from a fire station. Three options were chosen for analysis: charging fees at 8, 15 (current fee) or 20-minute intervals. The fees were also increased to enable full-cost recovery for these services. The CFA assessed the 20-minute interval as the preferred option as it is the most simple to calculate, while only incurring a moderate amount of cross-subsidisation between fee payers.

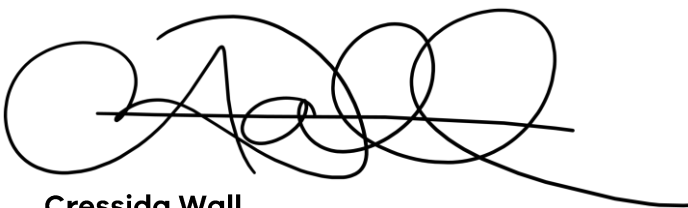
Implementation and Evaluation

The CFA outlines multiple actions for implementing the new Regulations. This includes communicating any changes through multiple digital and in-person avenues, updating policies and procedures that interface with the Regulations, reviewing and amending the model rules and changing CFA systems (in particular, the fire permit system).

While a midterm evaluation will not be undertaken for the Regulations, the CFA commits to using ongoing processes for obtaining feedback on the Regulations and their implementation from members, businesses, local government and the wider community.

Should you wish to discuss any issues raised in this letter, please do not hesitate to contact my office on (03) 7005 9772.

Yours sincerely,

A handwritten signature in black ink, consisting of a large 'C' followed by a series of loops and a long horizontal stroke extending to the right.

Cressida Wall

Commissioner for Better Regulation

³ Fire response vehicles such as tankers and pumpers.