

# **COMMUNITY DEVELOPMENT AND JUSTICE STANDING COMMITTEE**

## **INQUIRY INTO WESTERN AUSTRALIA'S NATURAL DISASTER RELIEF ARRANGEMENTS**

**TRANSCRIPT OF EVIDENCE TAKEN  
AT ALBANY  
TUESDAY, 5 SEPTEMBER 2006**

### **SESSION ONE**

#### **Members**

**Mr A.P. O’Gorman (Chairman)**  
**Mr M.J. Cowper (Deputy Chairman)**  
**Mr S.R. Hill**  
**Ms K. Hodson-Thomas**  
**Mrs J. Hughes**

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**Hearing commenced at 9.45 am****FENN, MR ROBERT****Executive Director, Development Services,  
City of Albany, examined:****GRAY, MR STEPHEN DONALD****Emergency Management Coordinator,  
City of Albany, examined:**

**The CHAIRMAN:** Thank you for speaking to the committee. The committee hearing is a proceeding of Parliament and warrants the same respect as proceedings in the house itself demand. Even though you are not required to give evidence on oath, any deliberate misleading of the committee may be regarded as a contempt of Parliament. Have you completed the "Details of Witness" form?

**The Witnesses:** Yes.

**The CHAIRMAN:** Do you understand the notes attached to it?

**The Witnesses:** Yes.

**The CHAIRMAN:** Did you receive and read an information for witnesses briefing sheet regarding giving evidence before parliamentary committees?

**The Witnesses:** Yes.

**The CHAIRMAN:** Before we start, you have not given us a submission but do you have any opening statements you would like to make to the committee about natural disaster relief arrangements, as opposed to emergency response?

**Mr Fenn:** No, other than we had first-hand experience of a natural disaster in April 2005, so we were in a position to find out about what arrangements were in place to provide financial assistance as a result of a disaster. It is fair to say that some of that information was not well known at that stage. As a result of that exercise, we received a substantial amount of funding to cover the city's cost as a result of that disaster. We also discovered that as a result of having to keep the books on that funding, we had to change the way that funds will be allocated in future during a natural disaster.

**The CHAIRMAN:** Is it true to say that you were not aware because you had never dealt with a natural disaster on that scale before? Was a lot of it new to you? Everything was there, but you did not know how to get to it.

**Mr Fenn:** We have dealt with bushfires and other programs. Certainly, we were fully conscious of the arrangements during bushfires. We experience those cyclically and during the course of the year. Those arrangements are well known and understood. We simply did not know because natural disasters happen so infrequently. You get caught up in the process of responding and you fail to take notice of what is needed to be done to complete the follow-up.

**Mr Gray:** In the past two years, FESA has been sending out NDRA forms more often since that event. More and more now have been sent than in the last four plus years. FESA is starting to get out there more and is sending to local government to get a response. I refer to the past two years.

**The CHAIRMAN:** It is more at the front of FESA's mind to be proactive.

**Mr Gray:** Yes.

**Mrs J. HUGHES:** Was that because of the flooding incident?

**Mr Gray:** I do not think it was that. It might be how the emergency management services procedure was managed in FESA and making people more aware.

**The CHAIRMAN:** Will you provide some background about that natural disaster and how and when it was proclaimed and the impact it had on the area?

**Mr Fenn:** We are talking about a substantial rain event in April 2005. During that period, we experienced approximately 200 millimetres of rainfall. As a result, a number of houses were inundated with water. Local roads were blocked; we had to close off roads. On the Friday afternoon, we arranged with FESA to call an emergency meeting and we had to close schools down and get kids home before gravel roads were closed off. As a result of the rainfall event, which was followed up with isolated rain of a similar magnitude in other parts of the district, some of the rural roads out east were closed for up to a two-month period. That meant we had a disaster in the urban area that lasted for about 24 hours. That water eventually got away, but in the rural areas it tended to pool for a long time - it dragged on for a considerable period. As a consequence, roads were closed for several months.

**The CHAIRMAN:** As a result of that rainfall and flooding, did you have any assistance from the Department of Land Information on mapping the flooding and tracking it to see where it was going?

**Mr Fenn:** No, we did not. We had the foresight immediately after the event to engage engineers to go around while it was still fresh in everyone's mind; we engaged someone externally and specifically sent that person into the field to interview people. We logged all the complaints and sent someone back in the field to physically work out the impact on individuals. We were able to build up a map as a result. More recently, we have secured NRM funding through SCRIPT, the South Coast Regional Initiative Planning Team, to now have that particular creek system's floodplain mapped. That work is being completed at the moment. We are taking that event, which was in excess of one in 100 years storm, and we are now getting that plotted so we can determine some scenarios for the future to resolve drainage issues and various other things.

**The CHAIRMAN:** The flood was as a result of pure rainfall. It was not as a result of rivers flooding and tracking into areas. It was pure rainfall in the city?

**Mr Fenn:** Yes.

**The CHAIRMAN:** It tracked out to country areas.

**Mr Gray:** It was a bit of both, actually.

**Mr Fenn:** Yes. The immediate impact on the city was direct rainfall. The drainage system simply could not cope with it, and we had water backed up all over the place. Also, the drains could not cope with the event. In rural areas, it was water eventually coming off catchments and taking a long time to get out of the district. One farmer in the east recalled to me an incident in which a sandpit that he dug with flowing sand below it to a depth of approximately 30 metres filled to a depth of two metres, and the water stayed there for two months. That was the magnitude of water and the way it permeated through the subsoil - it could not get away.

**Mrs J. HUGHES:** Did you have an indication that this event was coming?

**Mr Gray:** We usually do. There are severe weather warnings through the Bureau of Meteorology. It is only a severe weather warning. Sometime how bad or severe it will be is open to interpretation. We have severe weather warnings quite often down here.

**Mrs J. HUGHES:** Can it not indicate to you that a heavy rainfall event is on its way?

**Mr Gray:** No, unless we look at the radars - we have access to the web sites - that show the rainfall and where it is heading. It depends on whether it comes north or south of the Stirling ranges. They

are pretty good at the local bureau - they try to interpret. They are on our local emergency management committee now.

**The CHAIRMAN:** Are they pre-emptive if a similar event approaches again?

**Mr Gray:** We initiated the first plan for the works and services department to respond to severe flooding as well as fires. The works and services department guys undertake post-disaster assessment. As Rob said earlier, one of the big things is trying to get the information. You cannot always get to the sites. You can look up to a fortnight to get a true idea of what happened. As a final draft, our recovery management arrangements take into account NDRA funding and how it is accessed. More assessment was done of how to go about that. One of the things I have looked at - I have discussed it with FESA - is that with any disaster, whether it be rainfall, storm or fire, once you get to the key point of \$240 000 in funding, you say, "Heads up; we could get something. We should head down that path at least to start that ball rolling and get the lead time."

[9.50 am]

**The CHAIRMAN:** You have touched on it but can you give us an overview of the role you played in managing it; that is, in getting the relief arrangements in place and getting the city back on track?

**Mr Fenn:** That was probably our first major disaster. Certainly we were, to a large extent, ill-equipped to handle it. The rains started on the Thursday night and continued most of Friday. By Friday lunchtime Steve had asked the regional manager of FESA to call together an emergency management meeting. We contacted Main Roads at that stage because it had closed part of the Albany Highway near Kojonup. We could see we were heading to a similar situation. At that point the Department of Education and Training was advised to advise all schools in the region to get children home as quickly as possible. We then called in all our work force that was working on jobs else where. To give an example of the magnitude of the problem, I went home at 5.30 that evening and the road I drove on was fine. I went out two hours later and the road that I had driven on was under some 450 to 500 millimetres of water. Three hours after that, it had gone down. In the meantime, cars had run off the road and gone down drains. Roads were blocked all over the urban area. Our outside work force worked through to the early hours of the morning after doing a complete day shift. Some in fact worked through the night and did not finish until eight o'clock the following morning. We then brought in a second crew to look operationally at what was happening around the place. Most of the water had gone by then. Roads had washed away completely. Drainage holes had subsided and there were issues of danger. It was a care and maintenance mode that week end. On Monday morning, our crews had swung into a full recovery and repair program to get back in place the infrastructure. Our works programs was suspended and all our work force was committed to doing drainage repairs and so on. Effectively, that lasted for a good month. As roads were drying out in the east we were making determinations about whether to open them or what level of repairs was needed. We ended up with a rolling program that went for a good month to a month and a half.

**The CHAIRMAN:** The city was the first area to get hit and therefore the first area to start to be cleared up. As it dried out, you moved out into the east and sustained that program. Is that right?

**Mr Fenn:** The city's drainage system worked, but could not cope with the volume of water on that occasion. Once the rain had abated slightly, the drainage system allowed the water to get away. That allowed us to get back into the city and clean that up. The flatter areas in the rural countryside area were our next priority.

**The CHAIRMAN:** You have mentioned a couple of state agencies or departments. Were you happy with their response? Were they on time? Did they accept your word? You said you called an emergency management meeting and contacted the Department of Education and Training.

**Mr Fenn:** A number of issues arose out of that. At that meeting we decided that because Main Roads was already making announcements over the radio, we would feed all road closure

information through Main Roads. Its liaison officer was providing ABC radio with an update every half hour. We were feeding stuff to Main Roads. They were the point of contact for the press. We set up that protocol early in the process. FESA took a fairly minor role in the overall program, and rightfully so. It fell back primarily to Main Roads and us to do the bulk of the work.

**Mr Gray:** FESA worked with the district emergency management committee. It had a regional approach. To add to the commitment, volunteer fire and rescue and bush fire brigades helping the SES. That was the first time down here that fire brigades have helped with a flooding incident. It worked quite well and we would use it again next time.

**The CHAIRMAN:** Was that pumping out what could be pumped out?

**Mr Gray:** They were pumping out water as well as helping blocked traffic in flooded areas. They helped pull two cars out of a drainage hole.

**Mr Fenn:** We also opened up the tip for damaged carpets and that sort of thing.

**The CHAIRMAN:** I was going to ask about private dwellings. What was the recovery process for those? Was it largely left to the home owners?

**Mr Fenn:** To a large extent it was. As I said, we have a tracking system for all complaints at the city. Essentially, every time the phone rang, we logged the complaint, even it was someone who phoned because water had gone through the middle of his house. We were simply logging at that point. As the calls were logged, we sent out crews and they reinspected drainage to make sure it was not blocked. It was then up to the private landowner to go through insurance companies, or the council itself referred claims to our insurance company when the landowner felt the flooding was as a result of our drainage failure.

**Mrs J. HUGHES:** Some local governments have talked about the administrative burdens associated with fulfilling the needs to fulfil the WANDRA or the natural disaster funds. Did you find that that was an issue?

**Mr Fenn:** The simple answer is that it was an issue because our accounting processes were not set up to quantify where the expenditure went. Essentially the guys were filling out a time sheet for flood relief. We were not able to say that so much was spent on this road or whatever.

**The CHAIRMAN:** You needed that, did you?

**Mr Fenn:** We needed that extra level of detail to justify the expenditure. To give a quantum, our total bill at the end of it was \$1.4 million. To claim that sort of money from government, there must be an accountability component. Although we were confident that we had spent the money, it was difficult to say exactly where we had spent the money.

**Mrs J. HUGHES:** You needed to acquit that funding somehow. Is that a requirement of what they are asking you for as an acquittal?

**Mr Fenn:** Particularly the likes of Main Roads. It needed to be convinced the money was spent on flood damage and we were not simply using the funding to upgrade roads that needed to be upgraded.

**The CHAIRMAN:** That meant that you had to change your systems. Because this has never happened before, you were not aware of what you had to do?

**Mr Fenn:** Exactly.

**The CHAIRMAN:** In future, that should not be an issue.

**Mr Fenn:** We now have an accounting program. We no longer have funding for "bush fire"; it is simply for "emergency management". Within that, we can break it down to bushfire components other emergency management. We have set it up so that every road has a cost centre. Drainage systems have cost centres. The guys can break it down now so that we can the detail whether

money has been spent on a road as a result of maintenance or an emergency. We have had to change our accounting procedure.

**Mrs J. HUGHES:** Has it been a huge exercise?

**Mr Fenn:** It is.

**The CHAIRMAN:** You said it cost the City of Albany \$1.4 million. How much of that was recoverable?

**Mr Fenn:** That was our claim.

**The CHAIRMAN:** You got \$1.4 million?

**Mr Fenn:** I believe it was that sort of figure.

**Mrs J. HUGHES:** You were responsible for 25 per cent over and above that cost. Is that what you have recouped? Was the damage bill 25 per cent higher than that?

**Mr Fenn:** That is correct.

**The CHAIRMAN:** From the City of Albany's point of view, it was \$1.7 million -

**Mr Fenn:** It was \$1.8 million; something like that.

**The CHAIRMAN:** - and you got \$1.4 million back.

**Mr Gray:** I clarify that: The \$1.4 million was through Main Roads for our roads. A smaller amount of about \$36 000 was given directly from FESA to upgrade the road infrastructure for one of our repeaters out east. Two separate applications were made.

**The CHAIRMAN:** Was it a huge burden on the council to find that \$400 000?

**Mr Fenn:** There are two components to that. Yes, it is a burden because inevitably it must be taken off something. You do not simply manufacture \$400 000; you must decide not to do something else. The other thing is that that expenditure basically cancelled our whole road program and because our road program is basically a program that starts on 1 July and finishes on 30 June, a large section of our road program for that year could not be completed. That money had to be carried forward. The costs of roads have gone up. In fact, there was not only a direct cost for the incident but also an indirect cost associated with having to catch up with work or employ contractors to do work we would normally do in house. Alternatively, we would use contractors to do the emergency management program if we could find them.

[10.00 am]

**The CHAIRMAN:** I want to ask about insurance. Did you manage to recoup any moneys from insurance?

**Mr Fenn:** I cannot answer that question but I can find out.

**The CHAIRMAN:** As a private resident, if a flood went through my house I would like to think that apart from the initial payout that I would need to make - the excess - my insurance would pick up the whole cost.

**Mr Fenn:** Certainly in terms of council buildings, yes, we did claim on those. There was substantial damage to our recreation centre. In terms of specific infrastructure owned by council, that was recouped on insurance. That was not directly booked out to the emergency.

**The CHAIRMAN:** But your roads, your drainage and all those types of things that had failures directly related to the flood were not claimable or insurable?

**Mr Fenn:** As I have said, I do not have the answer to that but I can supply it.

**The CHAIRMAN:** That would be great. Ideally if you could get back the whole lot from the state government, the federal government and your insurers, if that was appropriate, that would be far

better and would leave you in a situation whereby you would not have to cancel your road programs and the other programs you have in place.

**Mrs J. HUGHES:** Since that exercise have you now set up a fund for possible future emergencies so that you do not need to take \$400 000 out of your works program? Are you now putting \$50 000 or \$100 000 into a fund on a yearly basis so that if, God forbid, you came across another emergency you would have those funds available?

**Mr Fenn:** At this stage we are not setting up a reserve fund for emergencies.

**Mrs J. HUGHES:** Is there any reason for that?

**Mr Fenn:** Primarily if an emergency occurs, because they are so infrequent essentially we meet it out of something else. We cancel some other program. In this instance most of that program was the roadworks program. We were able to cover the costs in that year. Normally we would find some way of recouping from within our existing budgetary constraints.

**The CHAIRMAN:** Do you think there are any deficiencies in the natural disaster relief arrangements through the state system? Is anything glaringly obvious, such as you cannot talk to such and such?

**Mr Gray:** It is lack of awareness. As I have said, the information is probably out there now since that event. However, it is knowing how to dig for it. That is where I have been lucky with Nick Barker and FESA's emergency management services looking after the WANDRA stuff and looking at the draft stuff they are putting out. One of the clear things is that, as I always say, it is not a substitute for insurance. That is why there is not always that much information out there. Another problem is learning how to manage it. We have put together some emergency management arrangements in the past 12 months. We are now doing recovery arrangements. We are also trying within the city to coordinate works and development and community services and the whole approach and to work smarter.

**Mrs J. HUGHES:** What about timeliness? While we are talking about the same issue of departmental help, was the response time adequate?

**Mr Gray:** When it comes to Main Roads, and when you look at the impact of the whole of the great southern from Narrogin to Denmark and out east, I suppose to pull in the whole region would not have been an easy feat. There was a bit of a delay there. Some of that was caused by us just in trying to get the correct information. We had to try to go through how we would put the cost to certain roads and work out what was due to flood and what was normal stuff.

**The CHAIRMAN:** As far as you are aware, were any private businesses impacted on severely? Are there any businesses that were out of operation for a long time or have not resumed normal operations as yet? You might not be aware of them.

**Mr Fenn:** In this instance most of it was residential-related property. The only businesses would be the farmers out east. Because it happened in April, it was not the time of the year when most of the stock was coming off the paddocks or grain had to be moved around. There was also some degree of flexibility, as you should appreciate, with Albany being a working port with grain shipments through here, so CBH was able to access grain from elsewhere. Therefore, in the overall scheme of things the impact tended to be isolated to individual landowners in being able to get on and off their property, rather than to commerce per se.

**The CHAIRMAN:** To follow up on that particular point, farmers seem to be the ones who bear the brunt of a fair amount of this stuff. Do you have financial counsellors and people at the city who can advise farmers about where to go and how to deal with their banks or anything like that?

**Mr Fenn:** No. When looking at the terms of reference, we thought we would inquire around that. However, I think it is fair to say that is an area we do not get involved in. The Department of

Agriculture and various other organisations have the expertise within their organisations to do that. It is an area we do not have an opinion on, because we do not get involved in it.

**The CHAIRMAN:** Do you have a financial counsellor for residents of the City of Albany who are experiencing hardship?

**Mr Fenn:** No, we do not.

**The CHAIRMAN:** Other councils do. My local council certainly does. That is why I am asking.

**Mr Gray:** We are trying to look at that with the draft recovery management plan. There is a business enterprise centre. As Rob said, the Department of Agriculture will assist. The RAC has offered to coordinate all insurance claims, if we have a major disaster down here, on behalf of the other insurance companies. They provide assistance, whether you are insured or not, to give you the best advice on where to go next. It is a draft plan. As we go along we will see how it all fits together.

**The CHAIRMAN:** This may not have happened the last time, but when you have a natural disaster, is there one point of call? Is it FESA, and FESA then coordinates the Department of Agriculture and the other departments, or do you have to ring all of them to get coordination?

**Mr Fenn:** What we are endeavouring to do through our emergency management plan is quantify who we would put as the lead agency. In the case of a natural disaster, normally it would go to FESA. Often FESA will defer back to us in terms of on-ground work, and maintain a coordinating role. Again, we would form some protocol at that time. Under our emergency management program we try to set up a lead agency at the start. Whether that agency then devolves it off to someone else is part of an agreement we reach at the time, depending on the magnitude of the emergency.

**Mrs J. HUGHES:** Three have been through a natural disaster. Have you as a local government looked at some of your major risk areas since that time and tried to mitigate some of those risks?

**Mr Fenn:** We certainly have looked at all the areas that failed as a result of that incident. As I have said, we are currently doing flood mapping of the main tributary system. We have done flood mapping of other systems. We are doing a program of flood mapping so that we can get houses out of flood planes. Some drainage culvert works need to be done. Some of that work is programmed for this year. As part of an ongoing program we have identified where upgrades are required and we are working through the process of achieving those upgrades. It is fair to say that the flood made us do that. We are now responding to that. Steve and I are looking at broader issues; for example, if it were a landslide or some other natural disaster, what are the things that we would need to do. We are now trying to look at scenarios of other disasters and how we would manage those.

**Mr Gray:** We have been given some funding under the Aware project from FESA to do a community risk analysis and to look at the public's perceptions as opposed to what is actually happening. We are tapping into all the different communities to see what the public's perception of risk is, and we will then start to look at some mitigation strategies.

**The CHAIRMAN:** You have moved a long way from not being prepared for a natural disaster, to being hit by one, to now being proactive and looking at how you can deal with the next one.

**Mr Fenn:** That is very much so. We want to have the plan in place. If Steve is not available on a particular day, we need to have a plan that we can swing into action. We have all that documented. The liaison that has developed over the past few years between the police, FESA and various other organisations has been strengthened so that we do not have individual agencies trying to jump over the top of each other. We work as a coordinated unit.

**Mrs J. HUGHES:** Do you need to pre-fund these works and wait for reimbursement from the fund? How does that work?



[10.10 am]

**Mr Fenn:** The act allows us to expend money in the case of an emergency. In that situation, essentially, we would give the appropriate order for the money to be spent and we would find out at the end of the process how we recoup it and absorb the cost.

**Mrs J. HUGHES:** There is some angst as to whether the total amount of what you are claiming will be claimable? Are there any issues in that regard?

**Mr Fenn:** Steve said that essentially once there is a disaster, we put into a separate account. Once you get to the magical \$240 00, we feel more comfortable about it. Up to that point of \$240 000, we must bear the cost of it; it is not budgeted for, but, again, it is part of our community obligation.

**The CHAIRMAN:** Is that \$240 000 variable across councils - does it depend on their size and population?

**Mr Fenn:** It is a straight-out formula supplied by the government.

**Mrs J. HUGHES:** How long did you have to wait for reimbursement?

**Mr Gray:** Three months. Once again, it was a matter of us learning the system and the accounting.

**Mrs J. HUGHES:** Would it be quicker next time?

**Mr Fenn:** Certainly. We would have the accounts flowing quickly. Another issue, coming back to your question, Tony, is that if we look at the disaster that happened in Australind recently, as a local government, we almost have a community obligation to assist communities. There they had council equipment on private property removing trees off powerlines and removing trees that had fallen across driveways. It is arguable whether that should be an insurance cost for the private individual or is picked up by the council. Some stuff blurs regarding whether it is a legitimate cost that the community should bear to get things back in order versus benefit for private individuals. In the case of flooding, it is probably a little bit easier because once the water goes down, you repair the pipe or whatever. Not much can be done about the damage to a large degree. That boundary is blurred very quickly with a storm.

**Mr Gray:** Our aim in the first 24 hours is to do what we have to do, and, as Rob talked about, we will sort it out in the background, but the main thing is to get the community going again.

**Mrs J. HUGHES:** The bigger population the more the line blurs.

**Mr Fenn:** Exactly.

**The CHAIRMAN:** Thank you for making yourselves available - for a second time, Steve. Is there anything you would like to add or have you covered everything you need to cover?

**Mr Fenn:** We have covered everything we wanted to say. As I said, it is an awareness issue that was of concern to us. We are aware of it; I am sure that many others are not.

**The CHAIRMAN:** Like many things, you are not aware until it hits you and you have to go through it.

**Mrs J. HUGHES:** If there were a wish list of anything you would change, what would it be?

**Mr Fenn:** Like all things, it would be good to have an operations manual so everything is clear cut and our accountants know what is happening and so on. In creating an operations manual, you probably create a pile of scenarios that you must work around. Having flexible rules is probably desirable with some broad principles that are clearly understood. We were not aware that there were principles out there.

**Mr Gray:** The draft recovery management plan we have in place which covers WANDRA is at page 64 now. Even that does not cover everything. Local government has found a place. I do not know where we are all sitting, but the recovery management arrangements are that next step. There are not too many around now. We are learning.

**The CHAIRMAN:** Many are not prepared for an emergency that you expect on a fairly regular basis.

**Mr Gray:** We looked at what happened at Australind. Our emergency management committee has people from Western Power and Main Roads involved in the Lake Grace incident, and we learn from others' misfortunes. What happened there? What would happen here? Scenario-based learning is the best way to do it.

**The CHAIRMAN:** Thank you for seeing the committee again. A transcript of the hearing will be forwarded to you for your correction of typographic errors or errors of transcription or fact. New material cannot be introduced in the sense that the evidence cannot be altered. Should you wish to provide additional information or elaborate on particular points, you should submit a supplementary submission for the committee's consideration. If the transcript is not returned within 10 days of receipt, we will deem it to be correct. Thank you.

**Hearing concluded at 10.15 am**

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