

## Submission Number: NND.001.01158

### Submission Of: Trevor Ierino

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What is your submission based on? I am making this submission based on my professional knowledge, qualifications or experience or on behalf of a group or organisation

What is your area of professional expertise?

If you are lodging your submission on behalf of a group or organisation, what is the name of the group or organisation? Indigo Shire Council

#### Your Submission

In your experience, what areas of the bushfire emergency response worked well?

Vic emergency apps and emergency coordination in general is far superior to what it was 11 years prior during the so-called Black Saturday fires.

Federal Government assistance was welcomed, albeit a little slow at first. One major oversight was eligibility for assistance for businesses severely impacted by nearby fires and the associated poor air quality issues, but without an actual fire in the Local Government Area.

In your experience, what areas of the bushfire emergency response didn't work well?

Submission to Royal Commission into National Natural Disaster Arrangements by Indigo Shire Council

Indigo Shire appreciates the opportunity to make this input into the enquiry. The thrust of this submission is in relation to the recent bushfires that impacted in the North East of Victoria amongst other areas, from December 2019 to February 2020.

Grants for affected businesses

Indigo is a small rural Shire with a resident population of 16,490. Amongst a series of smaller hamlets the Shire comprises 4 main small towns linked by their heritage and gold history.

Our economy is heavily reliant on tourism and visitation with approximately 51% of the economy based on visitor spend.

Predominantly a small business economy we have inherent exposure to economic crises due to the relatively low capacity for small businesses to manage significant and sustained cash flow disruption.

Our economy comprises approximately 1,100 businesses generating a Gross Regional Product of \$757million.

Indigo is nestled between 2 main fire impacted Shires of Alpine and Towong.

The recent bushfire event has decimated Indigo Shire's business capacity and confidence and the current pandemic environment has compounded the impact.

Many small businesses, have experienced significant reduction in income and are in need of support to manage their cash commitments in the short term and in many cases prevent insolvency.

Hazardous smoke was present for the duration of the bushfire event that started 29 December 2019 in New South Wales as a result of lightning strikes which spread south into Victoria on December 30, 2019.

Additional fire activity commenced in Abbeyard on 31 December 2019 and near Wodonga on 10 January 2020. The fear of approaching fires, and the impact of poor air quality carried well into February.

Indigo Shire's postcodes have been omitted from virtually all significant assistance eligibility.

Indigo Shire is classified by bushfire authorities as 'indirectly' affected, with no direct fire impacted areas. However the devastating effect on Indigo Shire's economy was no less significant than the neighbouring Shires which were deemed 'directly' impacted.

Tourism virtually ceased over the peak annual period of trade as Indigo Shire supported messaging in accordance with VicEmergency for smoke affected areas.

The key message to all travellers was "get out of the North East".

Modelling developed by Tourism North East, and replicated by Council's own surveying has indicated that approximately 75% of businesses reported revenue losses of 75% or more during the important January-February trading season.

In addition, traders experienced significant reduction in local consumer spending, impacted by safety and supply chain issues.

Indigo Shire has maintained extensive engagement with businesses, and in February undertook an Industry Impact Survey. The survey included a cross-sector representation of impacts across Indigo's diverse economy. Some key insights gained from the businesses included:

- An average 47% reduction in budgeted revenue December 1 to January 31. (therefore, on average, the entire Shire falls above the 40% loss threshold!)
- This equated on average to 28% reduction of projected annual revenue
- 71% of businesses had up to two staff affected by reduced and deleted hours.
- 24% of businesses had 3+ employees affected by reduced and deleted hours
- 14% of businesses stated they were unable to withstand the impact and could potentially cease trading
- 56% of businesses stated the impact requires significant revision of operations and/or budgets

Our business have experienced loss of jobs, unsustainable and unhealthy workloads for owners and significantly reduced livelihood. The Easter and our Autumn Events season was seen as an opportunity to regain some of these losses. The Coronavirus events and associated shutdowns ruled out any chance of such recovery.

We are working with multiple agencies and departments to support the businesses in building capacity and resilience to recover and ongoing, to manage future disasters of all kinds, and are currently working with businesses as to how the \$200k federal grant funding can be best spent. This has now paused as we reassess for the devastating uncertainty of the COVID-19 landscape. The industry has spoken clearly that short term cash stimulus is critical to sustaining their operations. There is deep concern and frustration that the critical short term needs of Indigo's small businesses are not being supported and that the bushfires and its effect on them have now been forgotten. A majority of Indigo's 1,100 businesses can demonstrate eligibility and need for the Federal Government's \$10,000 Small Business Grant program. This grant is urgently needed to ease the cash flow impact of bushfires at a minimum. Further cash and support assistance is urgent required to counter the compounding effects of the Coronavirus outbreak.

#### Community Resilience

It is clear that climate change is real, and it is having a significant impact on rural communities. The impacts are real. Longer and deeper droughts, worst bushfires on record, summer temperatures consistently in the high 40's! We no longer use the term "summer", or "holiday season". December to February (and beyond) is now referred to as "the bushfire season". We face the increasing prospect of climate change refugees and the possibility of rural inland communities losing confidence in their ability to live in regional areas. This has a flow-on effect to the ability to attract city dwellers to relocate to the regions. The branding of a "tree change" is being replaced with constant images of "trees on fire". More research and funding is needed to assist with community resilience. Investment is needed in rural areas to improve liveability, the provision of services, and the development of strategies to ensure the ongoing viability of regional towns for decades to come. Such funding could include investment in "Placemaking Plans" on both a town by town, and a regional basis.

#### Resourcing

From a Relief and Recovery perspective, a key issue is the under resourcing of regional and rural local government in this space. Currently, staff who have fulltime normal roles are all appointed to relief and recovery positions (MRMs), with limited training and with a Council that does not have the resources to give them adequate time to conduct the duties of their emergency management role. In short, rural Local Governments do their best with what they have, which is not much.

A possible solution to this is for State Governments having dedicated fulltime regional relief and recovery team who come in and lead the relief and recovery obligations during an incident, with support from Council emergency staff support. This includes providing local contextual knowledge and expertise.

#### Neighbouring Shires

There was a significant draw on Councils that neighboured directly fire affect Councils. This had impacts on those Shires and increased their risk profile during the high risk days.

#### Delays

There were delays between active firefighting and recovery and trained professionals for Building and Environmental Health were particularly hard to get on the ground (despite many offers of help).

This delayed the assessment process and significantly delayed the recovery.

#### Coordination

One problem was the coordination of local government offers of assistance (mainly sending qualified and trained staff). A better system needs to be put into place to mobilise these offers of help in a quicker way.

#### Provision of assistance to residents and businesses

Assistance to residents and businesses was not well communicated to affected people and the disconnect between the 3 levels of government was obvious. A better distribution of information is needed so that people affected can easily access all of the options (from whichever department of whichever level of government)

#### Reimbursement Claims

The direct claims to State Government for shires that were assisting, but not on fire, was a good idea and saved Councils from having to claim through the councils they were assisting. This should be the standard from now on because these affected shires have enough to do without having to process claims.

#### Neighbourhood Safer Places

This terminology is a misnomer. It was clear that many residents believed there was a "safer place" to go, and that in the event of an approaching fire they would be directed to such place. Despite exhaustive messaging we couldn't break this thinking.

Terminology and advice needs to be clear. The safest place to be is somewhere else where there is no fire!

#### Regards

Trevor Ierino  
CEO  
Indigo Shire Council

28 April 2020

In your experience, what needs to change to improve arrangements for preparation, mitigation, response and recovery coordination for national natural disaster arrangements in Australia?

Is there anything else you would like to tell the Royal Commission?

Do you agree to your submission being published? Yes I agree to my submission being published in my name

