



**Royal Commission**  
into National Natural  
Disaster Arrangements

## Submission Form

Please complete this form if you would like to provide input or comments about coordination, preparedness for, response to and recovery from the 2019-20 'Black Summer' bushfires.

### Personal and Background Information

1. Full Name **Australian Risk Policy Institute**

2. Email

[REDACTED]

3. Mobile/Telephone

[REDACTED]

4. What is your preferred method of contact if we want to follow up with you?

Email

5. The Commission would like to understand the views of community groups based on their respective experiences and background.

- a. Please select Option 1 if you are providing input and comments primarily based on your personal situation.
- b. Please select Option 2 if you are providing input and comments primarily based on your professional knowledge, qualifications or experience, or on behalf of a group or organisation

**Option 1:** Based on your personal situation, please complete the following.

- a. What was your personal situation in relation to the 2019-20 Bushfires? Please choose all that apply.
  - I was not living in an area affected by bushfire
  - I lived in an area affected by bushfires but was not evacuated, and didn't suffer personal or financial loss
  - I lived in an area affected by bushfires and was evacuated, but didn't suffer personal or financial loss
  - I lived in an area affected by bushfires and was evacuated, and I suffered personal or financial loss
  - I was part of the emergency response as a fire fighter on the ground
  - I was part of the emergency response as an aerial fire fighter

- I was part of the emergency response as health professional
- I was part of the emergency response as an Australian Defence Force member
- I was part of the emergency response as a Commonwealth or State government employee
- I assisted the emergency response as a community support volunteer
- I assisted the emergency recovery (i.e. after the fire event) as a community support volunteer
- Other

b. Where do you live? Please provide your Local Government Area, town name and post code.

Local Government Area      Choose an item.  
Town name  
Post code

**Option 2:** Based on your knowledge, qualifications or experience, or your role representing a group or organisation, what is your area of expertise? Please choose all that apply.

- Emergency/disaster response and/or management
  - Environment/land management
  - Land use, planning, building standards
  - Impacts of changes in climatic conditions
  - Wildlife conservation
  - Traditional land and fire management practices of Indigenous Australians
  - Community welfare
  - Other
-

## Input / Comments

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

Spirit and culture of Australians were paramount. Reactions to fires were community-based. Emergency services performed brilliantly. Nationally co-ordinated leadership recognised the sovereign risk.

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

Legacy issues meant inadequate preparation and prevention e.g. non-compliance with recommendations from the 2010 Bushfire Royal Commission, thus exacerbated the extent of the bushfires and greatly hindered responsiveness.

Lack of a single, strategic national responsive plan - as fires don't know borders - initially unco-ordinated leadership and inadequate understanding: hence responsiveness by governments was considered reactive and based on out-of-date, linear, silo-centric, and limited traditional 'risk management' thinking and processes.

Attached are two public releases on the limitations of traditional risk management processes - noting those processes are still being promoted in the Australian Public Service, and secondly, a release on the alternative, contemporary approach of Strategic Risk Policy.

ARPI's submission explains this and provides examples of 'cause and effect' to illustrate.

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

Adoption of Strategic Risk Policy - which enables informed decision-making based on Exposure <=> Vulnerability <=> Dependency <=> Assumption - that is, strategically looking at the Potentiality or Possibility of risks - to protect against Exposure - thereby reducing the severity and extent of Risk as well as preventing Wicked Problems - with the latter applying to the Bushfires.

Preparation, protection against and responsiveness will be greatly enhanced through better situational awareness and qualitatively measured responsiveness.

Strategic Risk Policy addresses situational awareness, sudden change, random events, risk sentinels, disruption and much more.

Global adoption of Strategic Risk Policy in critical areas of life is accelerating.

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

Informed decision-making at all stages before, during and after emergencies can only be achieved if contemporary thinking, approaches and frames are adopted. In the words of the late Terry Connolly, ACT Attorney-General, having the 'right information on the right issue at the right time' - this is what Strategic Risk Policy enables.

In practice, this contemporary approach also identifies opportunities for better integration of services, improvement overall and innovation.

**10. Do you intend to provide supporting material?**

Yes

No

If you are providing any supporting material, please include it with your Submission if possible. If you need to send it separately (e.g. if you make a Submission over the phone), please ensure supporting material can be clearly identified as relating to your Submission by including your name or other identifier so that it can be considered with your Submission.

**11. Do you agree to your submission being published? (Mandatory)**

Yes, I agree to my submission being published in my name

---

- Yes I agree to my submission being published anonymously
- No I don't agree to my submission being published

Once you have completed this form, email it to [rcnda.submissions@royalcommission.gov.au](mailto:rcnda.submissions@royalcommission.gov.au) or print the form and post it to the Royal Commission at:

National Natural Disaster Royal Commission  
Locked Bag 2000  
Manuka ACT 2603

---

## **Submission by Australian Risk Policy Institute (ARPI) to the Royal Commission into the National Natural Disaster Arrangements – Summer 2019/2020 Bushfires**

---

Thank you for the opportunity to make a submission to the Royal Commission.

The Australian Risk Policy Institute, convener of the Global Risk Policy Network, has developed new thinking and new approaches to ‘Risk’ to assist leaders with timely and informed decision making. The concept is titled Strategic Risk Policy (SRP) - the ARPI website is [www.arpi.org.au](http://www.arpi.org.au).

Strategic Risk Policy was developed because of the inability of traditional risk management (RM) processes to provide the “right information on the right issue at the right time.” We submit that illustrations include the Global Financial Crisis through to the Bushfires and COVID-19. We submit that RM no longer meets contemporary needs, being closed, siloed, delayed, reactive and linear.

Strategic Risk Policy operates in a space and time before risks arise by considering at leadership level the existence of strategic Exposure or Vulnerability – the potentiality or possibility of risks – enabling early, pre-emptive and protective strategies to be put in place. This results in fewer and less severe risks or wicked problems occurring - and then only when full protection against Exposure or Vulnerability is impossible.

The rationale for the SRP concept is that we are now interconnected like never before: we must view the environment as a series of whole systems: and that information today resides in networks requiring paradigm change from organisation-centric to network-centric thinking.

Paradigm change by leaders is required to adopt this new thinking and new approaches. The concept of risk itself has been redefined with a more contemporary meaning – no longer the RM definition of ‘what can go wrong’ or uncertainty – to the impact of decisions and non-decisions. A more strategic and positive hence engaging approach.

A ‘New Risk Landscape’ frame creates a leadership dashboard covering the life cycle of risk for an event, underpinned by recognition that Risk is now a trilogy of policy, management and governance.

SRP intrinsically addresses the critical areas RM does not cover, vital to bushfire prevention through optimal preparation, including sudden change and situational awareness.

Furthermore, SRP identifies two significant improvements needed to RM, namely:

1. Introduction of a new concept of Systemic Risk – where plural, multiple legal ownership exists – requiring formal (not informal) and collaborative management; and
2. As some consequences today are unthinkable, the standard RM equation must no longer be automatically applied. Every organisation and event requires a Risk Policy defining when ‘consequence’ must dominate the equation.

To further assist decision-makers, ARPI has published an equation for the evolution of an Exposure or Vulnerability into a Risk against which complete protection is impossible, namely:

Risk is the conjunction of Exposure/Vulnerability + Threat + Threat Actor.  $Risk = V \times T \times TA$

## **Empirical Assessment of Strategic Risk Policy Issues: The Tallaganda Wilderness Research Program**

In part, the conclusions in this submission are based on an in-depth side-by-side study sponsored by ARPI of an extensive section of burnt and unburnt forest along the Bald Hill Firetrail and the Jinglemoney Firetrail in the Tallaganda NP, just south of Captains Flat in NSW (The Tallaganda Wilderness Research Program).

This study has involved a detailed assessment of a high impact area of the South East forests. The study assesses vulnerabilities before, during, immediately after, and into the future. The study is continuing despite the present coronavirus crisis and is revealing startling results relating to the impact of prior and post-fire management practices (lawful and unlawful) in the wilderness area and identification of systemic vulnerabilities (the failure of collaborative management) in decision-making processes essential to deal with either real-time emergencies or more extended timeframe management.

Observational data and conclusions based on the Tallaganda Wilderness Research Program are being cross-checked with the sampling of data from Currowan Mountain (Budawang NP) and Buckenbowra River (Monga NP), also in NSW.

## **Preliminary Assessment: The Tallaganda Wilderness Research Program based on Strategic Risk Policy**

A preliminary assessment of The Tallaganda Wilderness Research Program based on SRP reveals two current bushfire examples of the alternative SRP approach as follows:

### **1. Fuel Loads**

The SRP network approach would inform decision-makers of the effectiveness, avoidance, or evasion of bushfire prevention by safe fuel reduction. In the case of the 2020 Bushfires, it is submitted that the failure to reduce fuel load on the forest floor (previously identified in many past enquiries such as in Victoria and as recommended by the 2010 Royal Commission) was a significant contributor to Exposure or Vulnerability to the bushfires.

In the case of the side-by-side study, an examination of the unburnt section of the wilderness area found that it was choked with deep drifts of highly inflammable eucalypt material that simultaneously creates risk and defeats the objective of National Park management, encouraging local diversity. The failure to meet primary operational objectives and goals created a dangerous fire-prone environment.

Similarly, restrictions on the clearing of large areas in NSW classified as National Parks appear to be a proximate cause of the catastrophic firestorms that engulfed our south-east forests.

## **2. 'Organisation-Centric' Approach**

An analysis of the initial reaction to fire after fire in the South East demonstrates a singular failure of decision making under crisis, based on a failure to delegate appropriate control to local actors. Local actors advise that initial efforts to quell the fire after ignition were thwarted by an inability to obtain central permissions to take action.

Similarly, the ACT bushfires, reportedly triggered by a Defence exercise in a national park, appear to be an example of the linear, reactive, delayed, organisation-centric approach rather than an SRP network-centric, pre-emptive approach sharing up-to-date situational awareness for informed decision-making.

## **Ongoing research**

The research being sponsored by ARPI will continue for the foreseeable future and is intended to guide the development of effective and appropriate local control of forest areas. Within a relatively short time, even in high impact areas in the research zone, our team has reported an explosion of local diversity in fire areas, unrivalled in the unburnt, fuel choked control zone. The fire has exacted a terrible impact on the region, and past failures in management are the proximate cause for this impact.

## **Summary**

In summary, ARPI suggests that the scale of the bushfires was foreseeable, and to a large extent, preventable.

Decision-making must be informed and pre-emptive - before fires occur: not reactive. It must be made with 'real-time' local input through an intelligent, network-centric approach and frame – not in isolation from cities working with limited information or within jurisdictional boundaries – albeit exercising best judgement but without necessarily the 'right information at the right time on the right issue.'

Informed decision-making is the essence of bushfire preparation and prevention – network-centric approaches are the enabler. Informed decision-making will only be achieved through a more contemporary approach – Strategic Risk Policy – which meets today's needs. Paradigm change is required by Governments to act pre-emptively and to discontinue promoting failed, reactive, silo, linear, traditional risk management processes while the country is burning.

ARPI offers to meet virtually with the Royal Commission to expand on this online submission and further discuss the benefits of and adoption of a national Strategic Risk Policy approach as a significant contributor to prevent or limit future bushfires.

Strategic Risk Policy is being promoted globally with exceptional responses, including areas such as resilience of global infrastructure, cyber, security, and complex project management.



Contact:

[Redacted]

[Redacted]

Australian Risk Policy Institute

[Redacted]

[Redacted]

E: [Redacted]

M: [Redacted]

### [Introducing Strategic Risk Policy for Leaders - Risk 4.0](#)

ARPI – the Australian Risk Policy Institute – promotes new thinking, new approaches and new frames about ‘Risk’ for effective leadership, decision-making and public policy.

Traditional risk management processes continue to fall short, leaving society exposed and vulnerable, operating without all available and accessible information.

ARPI offers a fresh approach – ‘Strategic Risk Policy’ – which redefines risk, firstly as the impact of decisions or non-decisions and secondly, the impact on networks. A more contemporary approach which replaces the old ‘uncertainty’ definition. It introduces pre-emptive thinking and frames around ‘exposure and vulnerability’ to empower leaders and decision-makers – and also reduce risks.

ARPI has developed Strategic Risk Policy (SRP) as the new approach, operating before and separate from risk management, based on often-unknown ‘potentialities’ facing organisations. Not only will this assist decision-makers but it will avoid responses to regulators, boards and shareholders that ‘we didn’t know’ which are increasingly common today.

Strategic Risk Policy requires paradigm change through transformational leadership to understand today’s new environment, how to access all available information, and identify and protect against exposures and vulnerabilities – which are still too often missed.

Paradigm change recognises the need for New Civics by:

1. understanding and working with today’s network and digital interconnectedness;
2. appreciating the essentiality of whole-system perspectives;
3. adopting a network-centric approach in place of organisation-centric or ‘silo’;
4. recognising that many of today’s problems require new solutions;
5. accepting that some consequences today are unthinkable;
6. adopting a more strategic and contemporary definition of risk to meet today’s needs;
7. introducing ARPI’s New Risk Landscape – a risk analytics trilogy as a leadership dashboard;
8. ensuring that limitations of traditional risk management have been addressed; and
9. enhancing risk management processes to recognise the concept of Systemic Risk and change application of the risk equation to prescribe when consequence must dominate.

ARPI’s website is [www.arpi.org.au](http://www.arpi.org.au) and a summary of key limitations of traditional risk management appears at <https://www.arpi.org.au/media>. ARPI is an independent, non-profit, incorporated association whose sole purpose is to promote Strategic Risk Policy. ARPI has convened and leads a Global Risk Policy Network with the first affiliated Risk Policy Institute – European Risk Policy Institute [www.erpi.be](http://www.erpi.be) - operating in three locations. Further Institutes are underway.

ARPI also maintains a global network of Special Interest Groups and advises government, corporate and community sectors on security, cyber, complex project management, counterfeiting, counter-terrorism, anti-money laundering and fraud. ARPI enjoys strategic partnerships with the Australian National University and peak professional bodies.

ARPI assists organisations to introduce Strategic Risk Policy. Also, a global accreditation – Certified Risk Policy Specialist – will be available in 2020. Inquiries can be made to [academy@arpi.org.au](mailto:academy@arpi.org.au)

## **ARPI Issues a Warning on the Limitations of 'Risk Management'**

In light of continuing failures of 'risk management' in Australia and around the world, some with significant consequences, ARPI today warns Governments, corporates, regulators and shareholders that they must not continue to rely on traditional risk management processes.

A common theme across these failures is that traditional risk management failed to provide decision-makers with 'the right information on the right issue at the right time' – and stakeholders are losing patience with the same excuse that 'we didn't know' – followed by a defence of 'plausible deniability.' Information is available and accessible if the right approach is taken. But new thinking is required. Australian regulators have clearly put Boards and Executives on notice.

Fundamentally, traditional risk management is limited in today's world – at best it comes up short on both 'approach and information' towards enabling 'best' decision-making. The frameworks within which traditional risk management operates create constraints that hinder appropriate and timely decision making.

A few specific examples of the limitations of risk management are illustrative of this:  
Risk management:

- has not kept pace with the environment in which it operates;
- lives in 'silos' and is void of 'network-centric' thinking required today;
- remains 'reactive' – commencing only after a risk has been identified;
- relies on receiving 'intelligence' to manage risks;
- believes all risks are linear and behave rationally – a 'mechanistic' approach;
- fails to recognise sudden changes to the external environment;
- standard risk equation of likelihood v consequence must no longer be automatically applied because some consequences today are unthinkable, hence every entity must have a Risk Policy to define when consequence should dominate the equation;
- fails to cope with High Consequence ⇔ Low Likelihood situations;
- fails to distinguish 'Systemic' risks (which can be precursors to Wicked Problems);
- has a poor record of quantifying and qualifying consequences;
- can be adversely affected by internal financial considerations; and
- fails to handle ambiguity.

ARPI offers a fresh approach – 'Strategic Risk Policy' – which redefines risk as firstly, the impact of decisions or non-decisions and secondly, the impact on networks: in place of the traditional 'uncertainty' definition. It introduces pre-emptive approaches and frames around 'exposure and vulnerability' to empower leaders and decision-makers – and also reduce risks.

Strategic Risk Policy has been called the new 'front-door' to risk. Our message is that paradigm change is required by leaders to adopt new thinking and new approaches. Strategic Risk Policy is Risk 4.0.

ARPI is establishing a global network of affiliated Risk Policy Institutes and Special Purpose Groups and is directly influencing thinking on major global issues such as social media regulation, cryptocurrency, security and resilience. Further details are at [www.arpi.org.au](http://www.arpi.org.au)