

**ITEM NO: 7****SUBJECT: COSTS TO THE COUNCIL OF GROSE VALLEY FIRES****FILE NO: F00598**

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**Recommendation:**

*That the Council receives and notes this report.*

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**Report by Group Manager, Community and Corporate:****Introduction**

At the ordinary meeting of Council on 30/1/07, Minute No. 24 Council resolved that a report be made available outlining:

*“That the Council receive a report, when compiled by the RFS, on the costs to the Council of the November 2006 Grose Valley fire and that the report include, but not be limited to:*

- a. the estimated expenditure by the Council during the fire fighting stage;*
- b. the estimated cost to repair or replace damage Council assets, including nature based recreation amenities;*
- c. an evaluation of the long term effect of the fire on the environment and the resource and the other implications for the Council e.g. use of water from the Glenbrook Lagoon; and*
- d. which of the immediate or long term costs will be covered by S44.”*

(Minute No. 24, 30/01/07)

**Lawson’s Long Alley Fire Summary**

On 13 November 2006 the Blue Mountains and Lithgow Districts experienced dry lightning. It is estimated that two fires started as a result of this lightning, one at Lawson’s Long Alley (Lithgow area on private property) and the other in the vicinity of Burra Korain Head (Blue Mountains National Park). On 15 November 2006 a Section 44 under the Rural Fires Act 1997 was declared. Over the ensuing 19 days the fire burnt 12,750 ha and required a substantial inter-agency effort to control the fire. On 3 December the declaration was lifted. During the course of the fire the following resources were used:

757 Incident Management personnel,  
3888 fire fighters,  
758 Fire Fighting Appliances,  
187 aircraft, and  
33 items of plant.

The Section 44 Incident Controllers Report for the Lawson Long Alley Fire, prepared by the RFS, will be presented to the 17th May Bushfire Management Committee Meeting for

consideration by stakeholders including Council. The Blue Mountains World Heritage Institute is preparing a report on the Grose Valley Fire Forum held on February 17<sup>th</sup>. When complete, this report will be available on the Blue Mountains World Heritage Institute website.

**a. The estimated expenditure by the Council during the fire fighting stage**

Most of the expenditure incurred during the combat of the Lawson Long Alley Section 44 fire (Grose Valley fire) was processed through the Council financial system; as required under the provisions of the Rural Fires Act. Subsequently two costs can be identified:

- 1. The extra costs **incurred by council** in its support of the fire’s combat; and
- 2. The total cost of combating the fire, incurred by **all agencies** and processed through the Council financial system to be processed as the Section 44 Claim.

All expenditure was broken down into nine appropriate ledgers to enable systematic financial management.

The following is a summary of the extra costs incurred directly by the Council and included in the Section 44 Claim:

Overtime	152,723.63
Meal Allowance	3,160.30
Other Consumables & Sundries	29,430.29
Plant & Heavy Machinery – Fuel & Oils	35,620.63
Internal Plant & Vehicle Hire	25,608.68
Plant Hire Heavy – External	175,324.00
Sustenance	170.77
<b><u>Total Council Incurred Claim</u></b>	<b><u>\$422,020.30</u></b>

Basic wages incurred by Council on fire activities during standard working hours cannot be claimed under the Section 44.

The following is a summary of the costs incurred by all agencies (including Council) charged through the Council finance system:

Overtime	152,723.63
Meal Allowance	3,160.30
Other consumables & Sundries	219,097.64
Light Vehicles – Fuel and Oils	13,978.74
Plant & Heavy Vehicles – Fuel and Oils	72,005.91
Internal Plant & Vehicle Hire	25,608.68
Plant Hire Heavy – External	547,862.96
Sustenance	139,751.06
Accommodation Expenses	178,224.19
<b><u>Total Section 44 Claim</u></b>	<b><u>\$1,352,413.11</u></b>

The 1,352,413.11 and has been claimed for full reimbursement from the State Government through the Section 44 Claim. In the past the RFS has refused reimbursement of some elements of the claim, even if the expenditure was generated by another organisation including the RFS itself. The Council has had to absorb any shortfall in reimbursement.

#### *Council's Lost Productivity Costs*

During the 19 days of the fire, 13 days were 'work' days for Council employees. City Services estimate that 3,312 hours (442 person days) were spent by their staff on fire related activities. They further estimate that the cost to productivity, based on activities planned for the period of the fire was \$195,000.

Productivity costs incurred by staff, other than City Services; during the fire was approximately 758 hours, (101 person days).

Productivity costs post fire incurred by staff preparing the Section 44 Claim and other administrative duties was approximately 375 hours (50 person days).

In total, approximately 4,445 hours (593 person days) were spent by the Council staff on fire related duties.

This does not include staff that were absent from their Council duties volunteering for the Rural Fire Service and other emergency services during the fire. The Council gives those staff Emergency Services Leave during the absence and therefore covers this cost as well. Emergency Services Leave is not included in the figures above.

#### **b. The estimated cost to repair or replace damaged Council assets, including nature based recreational amenities.**

The fire had limited impact on Council assets, occurring mainly in the National Park. The only damage to Council owned/managed assets were the Pulpit Rock walking track and lookout and an area of council managed land in Fairy Dell Reserve, Mount Victoria.

During the fire, **Fairy Dell Reserve** had a control line bulldozed across it from east to west. The cost of the restoration of this community and Crown land was \$9,000. This cost was included in the Section 44 claim.

Fire impacted heavily on the **Pulpit Rock** walking track and lookout. This area required 83 steps to be replaced. The cost of the restoration for this area was \$4271.30. In addition to this approximately \$6,000.00 of additional work was required for damaged trees. The total cost to restore this area is \$10,271.30 and is the subject of a claim to the Natural Disaster Relief Program.

In summary the total cost to repair or replace damaged Council assets, including nature based recreational amenities was \$19,271.30.

**c. An evaluation of the long-term effect of the fire on the environment and the resource and other implications for the Council.**

Bushfire is a naturally occurring event in the Australian landscape and species and ecosystems have adapted to both resist the negatives associated with fire, and in many cases prosper through its existence. Bushfire can result in a number of long-term environmental impacts. These include a localized decline in biodiversity, erosion, and sediment deposition within streams.

Fire reduces or removes canopy cover and ground cover. Once exposed the soil is at the mercy of rainfall whose capacity to erode is exacerbated by the lack of protection. An increase in sheet and minor gully erosion always follows bushfire, and it may take several months before there is sufficient canopy and ground cover to once again protect the soil. Erosion leads to the movement of sediment into streams where it fills pools destroying the many different habitats that the pools support. This results in a loss of in-stream biodiversity. High flows or floods are the only mechanism available to flush the pools of sediment and this process may take years or even decades to regain the diversity of habitats.

Infrequent or too frequent bushfire is also recognised as causing a decline in species diversity. There are now recognised fire thresholds, a minimum and maximum time since fire whereby a fire outside of these times may lead to a decline in species diversity. These thresholds vary depending on the vegetation type, for example the minimum fire threshold for dry sclerophyll forest is 7 years and for wet sclerophyll forest 25 years.

Parts of the Blue Gum forest in the Grose Valley did not reach the minimum fire threshold before being burnt by the November 2006 fire. Within these areas there is likely to be a decline in species diversity at this locality. There is no existing monitoring so the decline cannot be quantified. This fire like all others must be viewed in the context of how it contributes to a mosaic of vegetation with differing age classes across the landscape. The Blue Mountains World Heritage Area supports several hundred different vegetation types, each with a range of post fire age, generating perhaps thousands of different habitats that in turn support a wealth of species diversity. This is “biodiversity”, the diversity of both ecosystems and species, and fire is a necessary component of its conservation. The Grose Valley fire contributes to the generation and maintenance of a range of habitats at a landscape scale and maintains species diversity in the long-term. Even at the local scale, where the minimum fire thresholds were not met and species diversity may decline there may still be positives derived from this situation. Where an event or a series of events in nature is disadvantageous to one species it will no doubt advantage another and will in the long-term contribute to conservation of those species it advantaged and contributes to the protection of species diversity at the landscape scale.

There is no doubt that the Grose Valley fire will result in some localised long-term environmental impacts. The extent and quality of these impacts cannot be determined at this point in time. There may be species decline in some areas and the health and vigor of some communities, such as the Blue Gum Forest is likely to be affected. With time the impact of this fire will lessen. Fire is however a natural event and brings many positives including biodiversity conservation at a landscape scale. The focus should now be turned towards ensuring that future fire regimes are appropriate and commensurate with the past regime because the future will have a far greater influence on biodiversity in the Grose than the past.

*Use of water from the Glenbrook Lagoon*

Glenbrook Lagoon supports a population of *Cabomba caroliniana* a highly virulent noxious aquatic weed. This weed can regenerate from pieces as little as 4 cm in length and there is real potential for the plant to be transported between waterways by water tanker or heli-bucket. The Council has given written notification to the RFS of the potential for fire fighting activities to spread *Cabomba*, and banned the use of Glenbrook Lagoon for these purposes. Despite this notice, the Lagoon was used for heli-bucketting in November 2006. The Council was unable to determine which helicopter was used and whether it used other waterways.

The long-term environmental cost associated with bucketing of water by helicopter from Glenbrook Lagoon cannot be determined at this point in time. It cannot be confirmed that the use of the lagoon for fire fighting purposes in November 2006 has led to the potential contamination of another waterway. The plant can grow at depths of up to 8 m, and infestations may take years to become apparent to land managers. If outbreaks are identified early then control, and even eradication, is possible reducing the impact upon the environment.

The Council has informed the Hawkesbury Nepean Catchment Management Authority, Department of Primary Industry and Sydney Catchment Authority of the potential for *Cabomba* to have been transported to other waterways. These regulators and land managers regularly inspect waterways under their control for noxious weeds, allowing early identification and control of any future outbreaks.

**d. Which of the immediate or long-term costs will be covered by the Section 44?**

All costs incurred by Council, with the exception of normal wages and productivity losses are included in the Section 44 claim. The claim includes the recovery of overtime, meal allowance, other consumables & sundries, plant & heavy vehicles – fuel & oils, internal plant & vehicle hire, plant hire heavy – external and sustenance.

The actual cost incurred by the Council under these criteria was \$422,020.30.

All response and recovery/restoration costs representing immediate and long term expenditure processed through the Council financial system totalled \$1,352,413.11 and has been claimed for full reimbursement from the State Government through the Section 44 Claim. In the past the RFS has not fully refunded the claim under Section 44. The Council has had to absorb any shortfall in reimbursement, even if the expenditure was generated by another organisation.

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