

# EMERGENCY SERVICES LEGISLATION AMENDMENT BILL 1998

## EXPLANATORY NOTES

### GENERAL OUTLINE

#### **Policy objectives of the Bill and the way in which they will be achieved**

The Bill retains the Queensland Ambulance Service (QAS) and the Queensland Fire and Rescue Authority (QFRA) as statutory authorities but establishes a more appropriate management and corporate governance structure.

The impetus for the Bill was an independent financial audit of the QFRA Trust Fund. The financial audit confirmed Departmental financial projections on the deterioration of the QFRA Trust Fund and identified problems associated with the QFRA board structure, questioning the relevance of a board structure for a service delivery organisation such as the QFRA and, by implication, the QAS .

Under the current board structure both statutory authorities are retained as “departments” for the purposes of the *Financial Administration and Audit Act 1977* with the Director-General of the Department of Emergency Services the accountable officer. The Director-General is ultimately responsible for the financial management and performance of the statutory authorities. This role is inconsistent with the management role of the boards which are ostensibly independent policy making boards. The level of accountability currently attributed to the position of the Director-General is not matched by an appropriate level of authority.

The current board structures are an expensive, overly complex and cumbersome decision making process. The distancing of the management of the statutory authorities from the Minister by the presence of boards is inappropriate in view of the importance of the essential services provided by both the QFRA and the QAS and the large amount of public funding they both receive.

The Bill will remove the board structures for both the QAS and the QFRA and streamline decision making, accountability and reporting processes for both entities. The management function previously held by the Boards will be held by the chief executive. The Bill will match the management responsibilities of the chief executive with the responsibilities imposed under the *Financial Administration and Audit Act*. Importantly, the functions and authority of the Chief Commissioner, QFRA and the Commissioner, QAS will not change. They will retain their existing responsibilities for the day to day management of their respective operations.

The people of Queensland have a significant stake in the effective and efficient delivery of emergency services by the QAS, QFRA, Department of Emergency Services and other community based organisations which receive government funding. It is essential there is an effective mechanism to allow the community to provide advice to the Minister and the Government regarding the efficiency and effectiveness of the delivery of emergency services. The Bill will establish the Emergency Services Advisory Council to provide advice to the Minister on the extent to which current service delivery satisfies community needs. The Emergency Services Advisory Council will have a much broader community base than the membership of the existing Boards. The Emergency Services Advisory Council will include representatives from major stakeholder groups such as the Local Government Association of Queensland, relevant major unions, Local Ambulance Committees, business communities, universities and the rural sector.

The Bill will also amend the *Ambulance Service Act 1991* to ensure that people who receive free ambulance continue to be eligible for appointment to Local Ambulance Committees.

### **Alternative ways to achieve policy objectives**

There are no alternative ways to achieve the policy objectives. The board structures for the QAS and the QFRA are established by legislation. Therefore, legislation is necessary to replace the existing corporate governance arrangements, which have been found to be flawed, with a more appropriate corporate governance framework.

**Administrative Cost to Government**

The removal of the board structures for QAS and the QFRA will reduce administrative costs. It is estimated over \$300,000 will be saved in Board members' meeting fees per annum. In addition, administrative time spent servicing the board structure will be better used to improve service delivery.

**Fundamental Legislative Principles**

The Bill does not breach fundamental legislative principles.

**Consultation**

Treasury, the Policy Coordination Division, Department of the Premier and Cabinet and the Office of the Public Service were consulted in relation to the Bill.

**NOTES ON PROVISIONS**

**Short Title:** *Emergency Services Legislation Amendment Bill*

***Part 1—Preliminary***

*Clause 1* sets out the Act's short title.

***Part 2—Amendment of Ambulance Service Act 1991***

*Clause 2* provides part 2 and the schedule, part 1, amend the *Ambulance Service Act 1991*.

*Clause 3* amends the definition of subscriber. The purpose of the amendment is to allow a person exempted from payment of charges for the use of ambulance services by regulation under section 54 to be a subscriber for the purposes of the *Ambulance Service Act* and to be eligible for appointment to a Local Ambulance Committee.

*Clause 4* deletes section 3 of the *Ambulance Service Act*.

*Clause 5* deletes part 2, division 2 of the *Ambulance Service Act* and inserts a new division 2 containing sections 3F and 3G.

*Section 3F* provides the chief executive is the chief executive officer of the service and establishes the role of the chief executive officer of the service. The chief executive officer of the service replaces the Board and has the same functions and powers as the Board. The Bill does not amend the powers of the commissioner in section 9.

*Section 3G* establishes the circumstances under which the Minister can direct the chief executive officer of the service. The Minister can only direct the chief executive officer of the service if the Minister is satisfied it is necessary to give the direction in the public interest and if the Minister has first consulted with the chief executive officer and the commissioner.

*Clause 6* amends section 20 so the service will no longer be a statutory body for the purposes of the *Statutory Body Financial Arrangements Act 1982* but will be part of the department for the purposes of the *Financial Administration and Audit Act 1977*.

*Clause 7* inserts a new section 53A which outlines functions of the Emergency Services Advisory Council. The Council is established by amendments to the *Fire and Rescue Authority Act* contained in this Bill.

*Clause 8* inserts division 2 in part 8 and a new section 68.

*Section 68* provides the members of the QAS Board go out of office on the commencement of the section.

## ***Part 2—Amendment of Fire and Rescue Authority Act 1990***

*Clause 9* provides part 3 and the schedule, part 2, amend the *Fire and Rescue Authority Act 1990*.

*Clause 10* deletes section 8 of the *Fire and Rescue Authority Act*.

*Clause 11* deletes part 2, division 2 of the *Fire and Rescue Authority Act* and inserts a new division 2 containing sections 8F and 8G.

*Section 8F* provides the chief executive is the chief executive officer of the authority and establishes the role of the chief executive officer of the authority. The chief executive officer of the authority replaces the Board and

has the same functions and powers as the Board. The Bill does not amend the powers of the chief commissioner in section 12.

*Section 8G* establishes the circumstances under which the Minister can direct the chief executive officer of the authority. The Minister can only direct the chief executive officer of the authority if the Minister is satisfied it is necessary to give the direction in the public interest and if the Minister has first consulted with the chief executive officer and the commissioner.

*Clause 12* amends section 19A so the authority will no longer be a statutory body for the purposes of the *Statutory Body Financial Arrangements Act 1982* but will be part of the department for the purposes of the *Financial Administration and Audit Act 1977*.

*Clause 13* inserts a new part 4A containing sections 34 to 44 which establishes the Emergency Services Advisory Council.

*Section 34* establishes the Emergency Services Advisory Council.

*Section 35* lists the Council's functions. The Council is an advisory body only providing advice to the Minister on matters relevant to the QFRA's service delivery and other matters referred to it by the Minister relevant to the functions of the QFRA or relating to activities carried out or funded by the Department of Emergency Services. The Council will not provide advice on matters listed in section 49 (a) and (b) which outline the functions of the Rural Fire Council. The Emergency Services Advisory Council may also have functions assigned to it under other Acts including the *Ambulance Service Act*.

*Section 36* provides the Council may have up to 14 members who are appointed by Governor-in-Council.

*Section 37* provides the Governor-in-Council is to appoint a chairperson of the Council. The chief executive officer of the QFRA or the QAS, the chief commissioner, QFRA, the commissioner, QAS or a public service officer may not be appointed chairperson.

*Section 38* provides the appointment of members or the chairperson of the Council is to be by gazette notice.

*Section 39* provides the term of a member must not exceed 3 years.

*Section 40* provides for the manner in which members may be removed.

*Section 41* provides for the manner in which the quorum of the Council is to be calculated.

*Section 42* provides the Council may conduct its business and its meetings in the way it considers appropriate.

*Section 43* provides the Council must keep minutes of its meetings.

*Section 44* provides a member is entitled to the fees and allowances decided by the Governor-in-Council.

*Clause 14* inserts division 2 in part 12 and a new section 171.

*Section 171* provides the members of the QFRA Board go out of office on the commencement of the section.

## **Schedule**

The Schedule to the Act provides for minor amendments to the *Fire and Rescue Authority Act* and the *Ambulance Service Act*.