All communications to be addressed to:

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Ref No.: DOC20/157183

22 July 2020

The Hon Robert Borsak MLC Chair Portfolio Committee No 5 Parliament House Macquarie Street Sydney NSW 2000

Dear Mr Borsak

Inquiry into the Rural Fires Amendment (NSW RFS & Brigades Donations Fund) Bill 2020

I refer to your letter of 17 July 2020 in which you asked the Trustees of the NSW Rural Fire Service & Brigades Donations Fund (the Trust) a number of questions related to funds contained within the Trust. Please find attached our response to those questions.

The Trust is managed by six Trustees, of which four are long term volunteers with the NSW RFS. I am one of those volunteers. The other two Trustees are senior staff of the NSW RFS.

People and organisations who raised money in which the Trust was the recipient did so on their own initiative, and we are grateful for the efforts of all who donated in support of NSW RFS members.

In regards to the recent fundraising efforts of Ms Celeste Barber, we wish to recognise the incredible work of Ms Barber and the more than one million donors who contributed to her campaign, making it the most successful online fundraising platform in history.

The issue of funds being used for purposes outside the Deed that governs the Trust is a complicated one, and one which we have sought to resolve in a way that is fair and transparent.

When the NSW RFS and the Trust learnt that Ms Barber sought to distribute funds more broadly the Service, on behalf of the Trust, suggested to Ms Barber and her team that the fundraising appeal be closed, and a new one created which could benefit her proposed beneficiaries. This occurred on the 6 January 2020, approximately three days after her fundraising campaign was established.

However, as Ms Barber indicated in her submission, concern was expressed that if this occurred, the level of momentum associated with the fundraising campaign could be lost.

In recognition of her exceptional contribution the Trust wrote to Ms Barber on 17 June, 2020 congratulating her on her successful campaign and informing her of the initiatives being undertaken to support volunteer firefighters.

This included the establishment of a \$20 million brigade grants program to provide every brigade across NSW with the option of applying for a \$10,000 grant for firefighting equipment, resources or training that they need. More recently, the Trust has announced the allocation of \$70 million to key projects and initiatives which will support volunteers and transform the way they respond to emergencies, and support their local communities.

The funds raised through Ms Barber's appeal and from other donors are already being put to good use – in accordance with the Trust Deed, and the recent decision of the Supreme Court of NSW.

The Trust understands that the NSW RFS has also written to Ms Barber outlining how the funds raised in her campaign will be used to support the health and wellbeing of volunteers, and continue to deliver a high standard of fire and emergency services to communities in NSW.

Independent of the activities of Trust, the NSW RFS has also provided financial support, through the provision of ex-gratia payments of \$10,000, to meet the immediate needs of volunteers whose homes were lost whilst they were engaged in active duty.

The Trust supports these efforts and will work collaboratively with the NSW RFS to ensure that an appropriate level of support and assistance continues to be provided to volunteers directly affected by 2019/20 bush fire season.

The Trust operates for members of the NSW RFS, and through the support of donors, volunteers will benefit.

Yours sincerely,

Andrew Macdonald B Com CA CFP JP

Chair

NSW Rural Fire Service & Brigades Donations Fund

Question 1 - Celeste Barber appeal

Given the Trust received in excess of \$100 million in donations for the financial year ended 30 June 2020, and has one bank account, it is not possible to separately identify and report specifics for individual donations or fundraising activities.

Questions 2 and 3 - Supreme Court decision and Welfare Fund

The Supreme Court decision handed down on 25 May 2020 gave the Trustees clarity, and extended the Trustee's ability to distribute funds wider than was previously understood. The Trust has, to date, allocated \$90 million of public donations to a range of initiatives.

This includes the establishment of a \$20 million brigade grants scheme, where brigades can apply for a \$10,000 grant for equipment or resources in accordance with the Trust Deed. More than 400 brigades have received funding, and applications and disbursements are continuing.

On 2 June 2020, the Trustees met to consider a number of project proposals which could be funded. Some of these projects will require a significant investment, and further work is required to understand the full cost implications.

The total allocation to these projects is \$70 million. These were outlined in our announcement available at https://www.rfs.nsw.gov.au/news-and-media/general-news/\$90-million-of-donations-supporting-volunteers-and-nsw-communities.

This includes an allocation of approximately \$15 million to a number of volunteer welfare programs including an ongoing benevolent/legacy type fund.

Whilst the governance and operation of a NSW RFS benevolent/legacy fund is still being investigated, the intent of the Trust is to provide benefits and services that could include and are not restricted to:

- The funding of grief and trauma counselling
- Welfare-related services which should include some additional funding from the NSW Government, similar to the NSW Police Force's BACKUP for Life program.
- Provision of education grants
- Awarding of a range of scholarships
- Referrals for professional advice
- Management of trust funds for NSW RFS legatee children
- Organising social functions to help family members stay in touch with the NSW RFS fraternity and family

This is a great outcome for all NSW RFS volunteers and is fully supported by all Trustees. At the moment the Trustees are working with the Service to establish this fund.

In handing down his decision in the Supreme Court on 25 May 2020, The Hon Justice Michael Slattery referred to the Attorney General's submission that such a benevolent fund would encourage people to volunteer with the NSW RFS.

As a benevolent fund did not exist, and at the time appeared to be not permitted under the Trust Deed, the NSW RFS established separate bank accounts to collect donations for the families of firefighters killed during the recent bush fire season. The community responded by donating significant amounts to these accounts. The NSW RFS has kept the Trust briefed on the arrangements established for the families of the deceased firefighters, and the support being provided to them in what is a very difficult time.

Question 4 - Respiratory protection

The Trust has allocated \$15 million to the areas of Personal Protective Equipment including respiratory protection and head protection.

Question 5 - Welfare

Please see our response to questions 2 and 3.

Question 6 and 7 - Trustees appointment, Qualifications and other positions

All Trustee details are publicly available on the ACNC website.

Trustees are appointed in accordance with the Trust Deed and our Standard Operating Procedures. The Trustees will provide information in relation to their personal qualifications and other positions held if this is relevant to the proposed *Rural Fires Amendment (NSW RFS & Brigades Donations Fund) Bill 2020.* The connection between qualifications, positions held and legislation is not clearly understood.

However, as the Chair of the Trust I am happy to disclose my qualifications and involvement with other relevant organisations as follows:

- Bachelor of Commerce degree with majors in Accounting and Economics
- Member Chartered Accountants Australia and New Zealand
- Certified Financial Planner
- Justice of the Peace
- NSW Rural Fire Service Association State Council Representative