

ANNUAL REPORT 2020-2021



Our Cover

Our cover features FRV firefighters engaging with the community, firefighters in their protective turnout uniform, and the shoulder of a firefighter wearing the new FRV badge on their station uniform.

Imprint

Fire Rescue Victoria respects Victorian Traditional Owners as the original custodians of Victoria's land and waters, and their unique ability to care for Country and deep spiritual connection to it. We honour Elders, past and present and emerging, whose knowledge and wisdom has and will ensure the continuation of culture and traditional practices.

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Designed by VETRO

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Letter to the Minister

The Hon. Jaclyn Symes MP
Minister for Emergency Services
Level 26, 121 Exhibition Street
Melbourne VIC 3000

Dear Minister,

I have much pleasure in submitting the 2020–21
Annual Report of Fire Rescue Victoria in accordance
with the *Financial Management Act 1994* (Vic).



Ken G. Block
Fire Rescue Commissioner
Fire Rescue Victoria
Tuesday, 26 October 2021

The FRV brand which includes the badge is important to our people and the community as a symbol of safety and of the vital work FRV undertakes to protect the community.



Fire Rescue Commissioner foreword



Our new, enhanced fire and rescue service was introduced to meet the needs of a growing and evolving Victoria. The advent of FRV provided the opportunity for us to become more strategic in our approach, to assess risks, identify any gaps, and ultimately enhance our services.

Throughout the year we have worked towards the delivery of a more contemporary fire and rescue service for our community. We have promoted safety and resilience, and worked collaboratively with our key stakeholders and sector partners to respond to incidents and drive legislative change, while navigating the significant challenges of the COVID-19 pandemic.

The last twelve months has seen Fire Rescue Victoria and our CFA colleagues working together as one to keep the Victorian community safe. This collaboration and harmonisation in training and processes has been evident on the incident ground in Melbourne's urban fringe, regional cities and suburban and rural settings.

This progress towards effective interoperability as part of the fire service reforms has also extended into other areas of the two organisations, including the establishment of Fire Permits Victoria, a digital fire permits platform to register burn-offs, and a prime example of effective enhancement and streamlining of services for the benefit of the Victorian community, wherever they reside. We have also enhanced our organisational capacity and capability through the delivery of initiatives such as the Interdivision Firefighter Program and FRV-CFA Secondment Program.

Our collective number one priority is to keep our community and firefighters safe and to deliver enhanced services to the community across the state alongside our partners. The CFA is an integral partner to FRV in the provision of these services, and we recognise the essential role that volunteers play in the service delivery model. We work as one to protect our communities throughout Victoria and both agencies strive to work seamlessly together with a common purpose of keeping Victorians safe.

We have provided additional resources, staff and facilities to increase safety outcomes across the state that demonstrate our commitment to providing the best possible service to Victorians, while delivering programs to improve community safety and build resilience. This includes FRV's advocacy work to assist Victoria in becoming the first Australian state to ban combustible cladding materials in February 2021.

FRV is investing in fit-for-purpose information management and communication systems to enable us to meet our statutory obligations and support decision making. As an organisation we have sought to further elevate the importance of health and wellbeing, as a key enabler of individual and organisational performance.

From an operational perspective we have provided Emergency Medical Response at thousands of incidents, successfully completed our first summer fire season, fulfilled our first interstate deployment to support the New South Wales flood response, welcomed over 100 new recruits, and our current data indicates that we will have responded to more than 50,000 incidents throughout the year.

Over the year we have reviewed our response capability and capacity and reviewed opportunities for improvement. As Victoria has grown and evolved, so too have the demands on our services. Our service delivery model continues to be enhanced where possible, to better reflect recognised international industry best practice models, supported by science and data.

FRV is placing priority on working towards international accreditation through the Commission of Fire Accreditation International (CFAI) process. Our organisation will learn much in the many months ahead as we undertake the processes required on the journey to accreditation.

I wish to acknowledge the exceptional commitment and work of FRV's executive leadership team who have provided their skills and expertise as we have navigated and embedded FRV's first year of operations. I also wish to acknowledge our relationship with the United Firefighters Union over the last year, and the importance of this collaboration. Working together we have remained solution focused and this relationship remains key to FRV's success as we take the organisation forward.

This has been an extraordinary, challenging, complex year due to the current COVID-19 pandemic, and all FRV staff in all areas continue to deliver for their communities. I have been impressed with the dedication, collaboration and commitment shown by all, and I commend them for their services to the community.

As we look ahead to the future, we will work towards progressing along our journey of continuous improvement, seeking to build capability and capacity, investing in technology and equipment, and further elevating the importance of health and wellbeing within our organisation, while delivering our vital services.

It has been an honour to lead Fire Rescue Victoria through its first year of operations and I look forward to the opportunities still ahead of us.



Ken G Block
Fire Rescue Commissioner

The establishment of Fire Rescue Victoria began an exciting new chapter for Victoria's fire and rescue services, and I am proud of what we have achieved over the past twelve months.

Introduction

Reforming Victoria's fire and rescue services

Following more than a decade of reviews into Victoria's fire services, including the 2009 Victorian Bushfires Royal Commission, it was clear that the state's services were in need of reform.

As Victoria grew and changed, the demands on its fire services also changed.

On 1 July 2020, Fire Rescue Victoria (FRV) was launched as a new organisation, bringing together all of the former Metropolitan Fire and Emergency Services Board (MFB) employees, the Country Fire Authority (CFA) career firefighters and a number of CFA's corporate employees, to deliver a modern fire and rescue service that would enhance services to the Victorian people.

FRV serves metropolitan Melbourne and major regional centres –24 hours a day, 7 days a week– operating 85 stations across the state, and supporting volunteer response where required, and working seamlessly with its sector partners.

Regardless of whether the area is serviced by FRV, CFA or one of the co-located stations, a fire and rescue service will respond to help Victorian residents in an emergency, with all Victorians receiving an exemplary service no matter where they live.

As a new entity FRV has created a new logo and our staff proudly wear our new FRV uniform.

The FRV brand is important to our people and the community as a symbol of safety and of the vital work FRV undertakes to protect the community.

The badge, which appears as the graphic element of the FRV logo, was selected from 95 potential designs and was chosen through a collaborative process involving nearly 2,000 former MFB and CFA staff. It can be seen on FRV firefighting appliances, stations and staff uniforms.



As a new entity FRV has created a new logo and our staff proudly wear our new FRV uniform.

The badge's crossed axes are a classic symbol of the tools of fire and rescue work. The shield bearing the Southern Cross represents the strength and protection FRV provides to the people of Victoria, surrounded by the laurel wreath representing honour and anchored by a traditional helmet, which signifies Victoria's proud firefighting history. These features come together to make the badge uniquely FRV.

Purpose and functions

FRV is a statutory authority established in Victoria by the *Fire Rescue Victoria Act 1958* (FRV Act).

FRV's purpose is to keep Victorian communities safe. We achieve this through:

- delivering safe and sustainable fire and rescue services to the community we serve
- collaborating and coordinating with the CFA and other partner fire services agencies to best meet the safety needs of the Victorian community
- driving systemic change to the built environment through reforms to building design, regulations and legislation
- educating the community through fire prevention programs that improve community safety and build resilience.

Powers and duties

FRV is required to perform its functions and exercise its powers under the *Fire Rescue Victoria Act* with the following objectives:

- to contribute to a whole-of-sector approach to emergency management
- to promote a culture within the emergency management sector of community focus, interoperability and public value.

It is also required to provide operational and management support to the CFA to deliver the CFA's services within the country area of Victoria. FRV is also empowered to respond to requests from other States or Territories for assistance in preventing or suppressing fires or protecting life and property in those jurisdictions.



Vision and strategy

FRV proudly serves and protects communities across Melbourne and Victoria's major regional centres.

Its shared vision with partner agencies is building safer and more resilient communities.

As required under section 140 of the *Fire Rescue Victoria Act 1958*, FRV developed a Year One Outcomes Framework. FRV will continue to refine the Framework in alignment with the outcomes architecture set out by the Victorian Government.

The Year One Outcomes Framework, together with the FRV Plan 2020–21, was used to articulate the strategic direction for FRV's inaugural year.

FRV's strategic pillars for 2020–21 are:



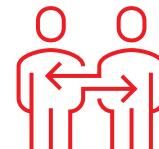
Community



Service



People



Collaboration

FRV Outcomes Framework

Community

Outcome 1.1

FRV is a trusted and respected community partner

Outcome 1.2

Community members understand risk in their local environment

Outcome 1.3

FRV engagement is tailored to the risks of the local community

Service

Outcome 2.1

We utilise modern technology and our skilled workforce to deliver effective, responsive and sustainable services

Outcome 2.2

Our services are flexible, adaptive and collaborative

Outcome 2.3

Our services are innovative, evidence-based and forward looking to plan for the future

People

Outcome 3.1

FRV is a values-based organisation and our values are reflected in everything we do

Outcome 3.2

FRV supports and promotes the health, wellness and safety of our people

Outcome 3.3

FRV values innovation and invests in the skills, knowledge and experience of our workforce

Outcome 3.4

The diversity of our workforce reflects the community that we serve

Collaboration

Outcome 4.1

Community engagement is valued by FRV

Outcome 4.2

The contribution of our volunteer partners is recognised and valued

Outcome 4.3

Interoperability and collaboration are integral to FRV

Introduction (continued)

What we do

FRV serves and protects communities across Melbourne and Victoria's major regional centres.

Across the state there are 85 FRV fire and rescue stations (47 in metropolitan Melbourne and 38 regional stations). Most regional stations are co-located with the community-based volunteer fire service, CFA.

Volunteers are vital to Victoria's fire and rescue service capability and FRV proudly works alongside the CFA.

As an emergency responder, FRV provides services to all Victorian communities in times of crisis or disaster, responding to fires, complex rescues, road crashes, emergency medical calls and hazardous chemical spills.

FRV also performs a specialist response and emergency management function for complex incidents, and drives systemic change to the built environment through reforms to building design, regulations and legislation. The organisation invests in research and develops prevention programs that improve community safety and build community resilience.

FRV maintains a strong presence in the community to promote safety and create opportunities for Victorians to engage with our people so they feel safe when FRV staff respond to calls for assistance.

Our people are highly trained and ready to respond to emergencies in Victoria, across Australia, and sometimes further afield, working as one in the emergency services sector.

Our work

Fire Safety

The fire safety directorate is responsible for providing expert advice and specialist technical information across a range of community and fire safety portfolios:

- Community Education and Resilience
- State Fire Investigation Unit
- Alarm Assessments
- Building Inspection and Compliance
- Building Compliance and Audits
- Dangerous Goods
- Fire Safety Administration

The department's work encompasses the entire state of Victoria and it works closely with the CFA to provide community advice and education campaigns.

FRV has grown significantly since 1 July 2020, and remains focused on advocating for safety and fire prevention throughout Victoria, and working collaboratively to develop systems, processes and skills to ensure the provision of consistent and professional fire safety services and advice across the state.

Operational Training

The Operational Training Directorate has responsibility for all training development, operational training service delivery, and technical operations to train and develop FRV operational firefighters to ensure they perform their roles safely and efficiently.

Operational Training is a dynamic environment, working to harmonise training programs across FRV and to create, maintain and deliver contemporary, high quality training to all FRV firefighters in support of FRV operations. The establishment of FRV has seen a significant increase in the requirement of training delivery to operational firefighters. This has resulted in the need to review and restructure both Operational Training Service Delivery and Training Development to meet the current and future training needs of FRV.

The new Operational Training directorate consists of the following departments:

- Training Development
- Training Service Delivery
- Technical Operations

Office of the Fire Rescue Commissioner

The Office of the Fire Rescue Commissioner delivers across all aspects of the work of Fire Rescue Victoria, including the health, safety and wellbeing of staff, government liaison, performance monitoring, assurance activities and per- and polyfluoroalkyl substances (PFAS) remediation.

The Office provides support for the day-to-day activities of the organisation along with strategic input into FRV's state operations, communications, performance and assurance, stakeholder engagement, and national and international capabilities and deployments. The team has a focus on the health and wellbeing of our workforce, and works with FRV's District Health and Safety Commanders to provide enhanced support to our people.

The Office manages FRV's response, and provides advocacy to national, state and local initiatives, projects and emerging risks, including issues surrounding PFAS and High Consequence Transportation, to improve community and firefighter safety. The Office also works with sector partners to support the state during Victoria's fire season.

Since the commencement of FRV, the Office has focused on activities to move FRV closer to its core outcomes of greater collaboration, making our people safer, and delivering a service that improves safety for our communities. In the coming months, we will ensure that the learnings from the Fire Services Reforms continue to be shared across FRV, and more widely into other agencies in Victoria and across Australia.

The directorate has been working to harmonise resources, capability and rostering across the state. This work will continue in coming months, as we work to move from two rostering systems with legacy issues to one fully harmonised rostering system with increased functionality and an enhanced user experience.

Operations: Central, South and East and Operations: North and West

The most visible part of FRV's work is delivered from the 85 fire stations across Victoria. Firefighters and appliances have turned out in response to 59,359 calls for response and assistance throughout 2020–21.

The Central, South and East Operations Command has responsibility for operational service delivery in FRV's Central, Southern and Eastern Districts, encompassing Melbourne's CBD and extending through to the outer metropolitan area to Traralgon in the East, Rosebud in the South East and Wodonga in the North East.

The North-West Command has responsibility for operational service delivery in FRV's North and Western Districts. This covers the Northern and Western outer metropolitan area, including Geelong, extending as far as Portland in the South West and up to Mildura in the North West.

Despite the challenges posed by a global pandemic and the transition to a statewide response model, FRV firefighters have embraced the opportunity to deliver a brand new fire and rescue service, and the organisation has brought the combined skills and resources of its people together to strengthen our operational response, maximising service delivery to the community.

This enhancement is ongoing, with adjustments, planning, and work underway to continually improve our service delivery, with our people at the core of everything that we do.

We are all striving for the same outcomes and thrive on the opportunity to enhance services to achieve the best possible results for our community.

Strategy

The Strategy Directorate delivers FRV technical and specialist capability, including aviation coordination, research and development, operational communications and IT services and operational doctrine, along with equipment resource management. Strategy is also responsible for maximising interoperability, ensuring that FRV's high quality capabilities are delivered in collaboration with other emergency management partner agencies to reduce the impact and consequences of fire and other emergencies on Victorian communities. The directorate provides operations advocacy and advice in the development areas of property, infrastructure and fleet services.

The Strategy Directorate encompasses FRV's emergency management liaison and security/counter terrorism capabilities, the fire service communication controller service, management and servicing of FRV's protective equipment, policy planning and operational guidance and strategic and long-term planning.

The directorate aims to provide the highest level of service to the community by valuing staff and providing timely expert advice, and is dedicated to creating an efficient and effective fire and rescue service.

Corporate, Regulations and Strategic Services

The Corporate, Regulations and Strategic Services portfolio encompasses FRV's Corporate Services, People and Culture, and Strategic Services directorates, providing a broad range of expertise to empower and support FRV's workforce as we serve communities across Victoria.

As FRV maps, develops and builds its capacity and capability, service and public profile, the Corporate, Regulations and Strategic Services teams are leading and delivering multiple projects across FRV.

Our people are highly trained and ready to respond to emergencies in Victoria, across Australia, and sometimes further afield...

Introduction (continued)

Corporate Services

The Corporate Services Directorate provides planning and support in the areas of Finance, Information Technology, Fleet, Property and Information, Records and Document Management services. In addition, the directorate provides oversight of FRV's commercial arm, Fire and Equipment Services (FES). The directorate is a key enabler for the operational and corporate directorates to deliver on organisational objectives.

People and Culture

The People and Culture Directorate supports the Fire Services Reform agenda by strengthening our brand, enabling our people and enhancing our systems, culture and performance. As a new organisation, developing and embedding the desired culture and values of FRV is of critical importance and will be facilitated by the People and Culture Directorate, defining our leadership, our relationships and the way we work. The Directorate is focused on ensuring that diversity and inclusion are valued, and our workplace, workforce and culture are aligned with government and community expectations. FRV sustainability, capability and capacity are managed through strategic workforce planning, and ensuring that systemic challenges and opportunities are addressed. With multiple and duplicate legacy systems and processes from former organisations the Directorate is focused on embedding integrated systems, and services that provide a consistent experience. Through our media and communications services we build the FRV brand, community awareness campaigns and seek to enhance community trust and confidence. People and Culture is committed to a collaborative and consultative workplace relations environment in which employees and their unions are involved in the decisions that impact them.

Strategic Services

The Strategic Services Directorate drives FRV's organisational excellence, and provides expert advice, support, strategy and reporting across FRV to inform direction, implementation and evaluation of FRV's operational outcomes. Strategic Services is comprised of the following departments:

- Legal and Compliance
- Procurement
- Business Assurance
- Corporate Strategy, Performance and Project Management Office.

The Strategic Services Division oversees and implements critical strategic reporting, assurance, legal, procurement and other functions which underpin the smooth delivery of operational services. Currently there is a focus on the development of an FRV wide strategy and the accreditation process, reviewing outcomes and considering opportunities for service improvement.

Where we work

Since its commencement on 1 July 2020, FRV delivers its services to communities across Melbourne and Victoria's major regional centres. Our structural arrangements are aligned to government's regional boundaries under the state emergency management arrangements, which also forms the platform for integrated emergency management planning at local, municipal, regional and state levels.

FRV also plays a role in Victoria's State Control Centre and regional control centres. This arrangement allows regional controllers from all agencies to work together on emergencies in their areas of responsibility. FRV works with state and local government agencies, including Energy Safe Victoria, WorkSafe Victoria, the Environment Protection Authority Victoria and local councils to strengthen statewide emergency planning and preparation.

[People and Culture] is focused on ensuring that diversity and inclusion are valued, and our workplace, workforce and culture are aligned with Government and community expectations.



Introduction (continued)



Legend

Western D1

Tarneit
Point Cook
Laverton
North Laverton¹
Derrimut²
Altona
Footscray
Spotswood
Newport

Western D2

Melton
Sunbury
Caroline Springs
Taylors Lakes
St Albans
Deer Park
Greenvale
Tullamarine
Keilor
Sunshine

Southern D1

Glen Iris
Ormond
Highett
Mentone
Oakleigh
Clayton
Glen Waverley
Springvale
Rowville

Southern D2

Dandenong
Hallam
Patterson
Cranbourne
Pakenham
Frankston
Mornington
Rosebud

North & West Regional

Mildura
Bendigo
Lucas
Ballarat City
Portland
Warrnambool

Western D3

Lara
Corio
Geelong City
Belmont
Ocean Grove

Northern

Craigieburn
Somerton
Broadmeadows
Pascoe Vale
Epping
Thomastown
Preston
South Morang
Bundoora
Heidelberg
Greensborough

Eastern

Eltham City
Templestowe
North Balwyn
Box Hill
Burwood
Nunawading
Vermont South
South Warrandyte
Ringwood
Croydon
Boronia

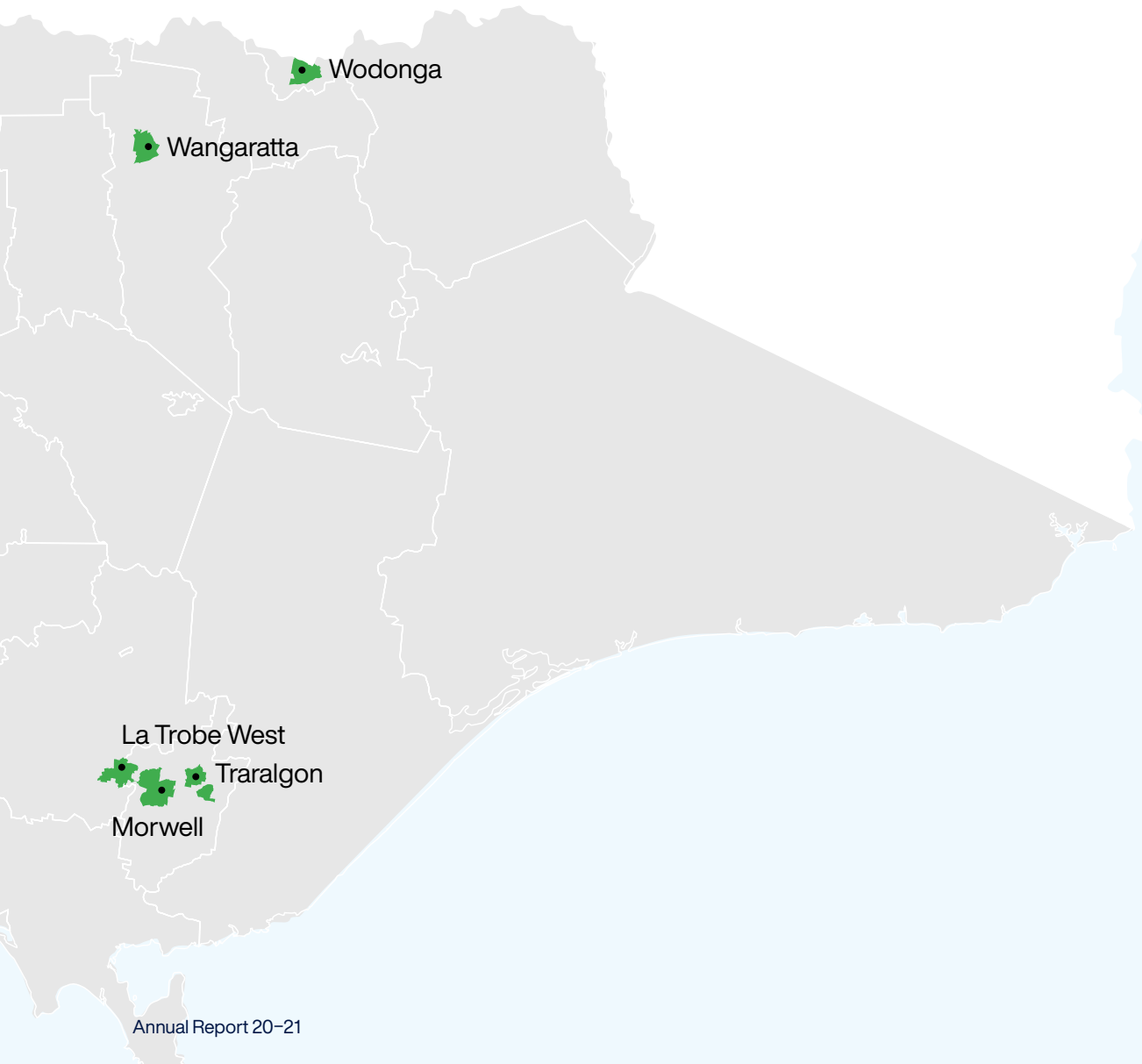
Central

Ascot Vale
Brunswick
Northcote
West Melbourne
Carlton
Eastern Hill
Richmond
Hawthorn
Port Melbourne
South Melbourne
Windsor

South & East Regional

Shepparton
Wangaratta
Wodonga
La Trobe West
Traragon
Morwell

¹ Closed August 2021
² Opened November 2020



Governance

Our Minister

The responsible Minister is the Hon. Jaclyn Symes, Attorney-General and Minister for Emergency Services.

Fire Rescue Commissioner

FRV is constituted by a single Commissioner, the Fire Rescue Commissioner Ken G Block. Commissioner Block was appointed by the Governor in Council, pursuant to section 9 of the FRV Act. The Commissioner has all the functions, duties and powers of FRV, and all acts and things done by the Commissioner in the name of, or on behalf of, FRV are taken to have been done by FRV.

Deputy Commissioners and Deputy Secretary

Six Deputy Fire Rescue Commissioners have been appointed by the Governor in Council pursuant to section 9A of the FRV Act to support the Fire Rescue Commissioner. The Deputy Commissioners are:

- Brendan Angwin, Deputy Commissioner, Operational Training
- Martin Braid, Deputy Commissioner, Strategy
- Ken Brown, Deputy Commissioner, Office of the Fire Rescue Commissioner
- David Bruce, Deputy Commissioner, North and West Operations
- Gavin Freeman, Deputy Commissioner, Central, South and East Operations
- Michelle Young, Deputy Commissioner, Fire Safety

In addition, a Deputy Secretary, Kirstie Schroder, has been appointed to lead the Corporate, Regulations and Strategic Services portfolio.

More information about Commissioner Block and each of the Deputy Commissioners and Deputy Secretary is provided below.

The FRV Strategic Advisory Committee

The FRV Strategic Advisory Committee (SAC) provides independent and expert advice to FRV on:

- cultural change
- workforce diversity and flexibility
- the future direction of FRV, including emerging opportunities and risks
- organisational governance
- FRV's engagement and integration with the broader emergency management sector
- any other matter which is relevant to FRV or on which it seeks advice.

The former Minister for Police and Emergency Services, the Hon. Lisa Neville, appointed the inaugural SAC on 5 October 2020 with the following membership:

Dr David Hayward, Emeritus Professor of Public Policy at RMIT University and a highly experienced leader in advising government and industry in the areas of research, public policy and economics.

Tasneem Chopra OAM, a driver of leadership transformation, workforce inclusivity and community and stakeholder engagement throughout Australia, who has expertise in relation to cultural competency, anti-racism and intersectionality strategies.

Mark Dixon, an established regional leader in governance, culture and organisation change management with national and international experience in operational leadership.

Tina Hosseini, an experienced advocate for culturally and linguistically diverse communities. She is a Commissioner for the Victorian Multicultural Commission and a research fellow for the Centre for Forensic Behavioural Science at Swinburne University of Technology.

Patricia Malowney OAM, who has substantial experience in providing strategic advice to government on access and inclusion and is the President of Women with Disabilities Australia.

Gregory Sword AM, an experienced senior leader in organisational management, audit, risk and workplace issues. He is a current chair of Vic Forests' Environmental and Stakeholders Committee and member of FRV's Audit, Risk and Compliance Committee. He was a member of the governing Board of the former MFB and the Chair of its Audit, Risk and Compliance Committee.

The Executive Leadership Team

The Executive Leadership Team (ELT) is FRV's internal advisory body. The ELT, through the leadership of Commissioner Ken Block, sets FRV's strategic direction, monitors organisational performance, determines key priorities and risks, manages organisational capacity and capability, establishes how government policy will be implemented and advances initiatives and reforms. Its members are:

Ken Block	Fire Rescue Commissioner
Brendan Angwin	Deputy Commissioner, Operational Training
Martin Braid	Deputy Commissioner, Strategy
Ken Brown	Deputy Commissioner, Office of the Fire Rescue Commissioner
David Bruce	Deputy Commissioner, North and West Operations
Gavin Freeman	Deputy Commissioner, Central, South and East Operations
Michelle Young	Deputy Commissioner, Fire Safety
Kirstie Schroder	Deputy Secretary, Corporate, Regulations and Strategic Services
Louise Gartland	Executive Director, People and Culture
Tony Matthews	Executive Director, Corporate Services
Margot Stork	Executive Director, Strategic Services

Ken Block **Fire Rescue Commissioner**

Victoria's inaugural Fire Rescue Commissioner, Ken Block, has been dedicated to serving and leading fire and rescue services for more than four decades.

He was the Chief Fire Officer of the Edmonton Fire Rescue Services in Canada from 2009 to 2020 and served three terms as the President of the Canadian Association of Fire Chiefs.

Ken has worked with career and volunteer firefighter organisations and allied agencies across Canada. He develops strong, productive relationships with his workforce and their unions and is a tireless campaigner for improving the safety of the community, firefighters and the fire and rescue services.

Throughout his career Ken has led significant organisational change, and delivered improvements to fire stations, appliances, equipment, building codes, as well as to community safety outcomes through fire prevention, public education, fire investigations and fire engineering. He has improved the mental and physical health and wellbeing of employees, and achieved a workforce that better reflects the community.

Ken played a significant role in enacting Canada's Fire Fighter's Presumptive Cancer legislation, which recognises that 17 primary site cancers and heart injury are related to the work career firefighters do to serve their community.

He has advocated for presumptive rights for firefighters in the United States of America, Norway, Denmark, Croatia, Iceland and Germany, and his advocacy efforts contributed to the establishment of *Victoria's Firefighters' Presumptive Rights Compensation and Fire Services Legislation Amendment (Reform) Act 2019*.

Commissioner Block worked closely with the Victorian Government and emergency service agencies to establish Fire Rescue Victoria. He joined the Department of Justice and Community Safety in February 2020 before taking up his role as Fire Rescue Commissioner with Fire Rescue Victoria on 1 July 2020.

Brendan Angwin AFSM **Deputy Commissioner, Operational Training**

Brendan Angwin was appointed to FRV with 40 years' experience working with the former MFB. Brendan's most recent position with the former MFB was as the Assistant Chief Fire Officer Operations. He was a Commander in Operational Training for the former MFB from 2008 to 2015.

Brendan began his service with the former MFB in 1981, and through this extensive experience, brings a wealth of knowledge of national training systems, emergency management, operational knowledge and practices. Brendan holds a Graduate Certificate in Management and an Advanced Diploma in Firefighting Management, and has played a key role in developing the state's training model.

Brendan has received a National Emergency Medal, National Medal and Chief Officer Commendations for Hazmat and Wildfire, and was awarded an Australian Fire Service Medal 2021 in recognition of his distinguished service as a member of an Australian Fire Service.

Martin Braid AFSM **Deputy Commissioner, Strategy**

Martin Braid was appointed to FRV after more than 30 years' experience with Victoria's Fire and Rescue Services including as Acting Deputy Chief Officer of State Capability for the former MFB. Martin provides a wealth of knowledge to FRV in key areas such as Operations, Training, Hazmat, Operational Communications, Work Health and Safety and Community Resilience, and executive leadership, coupled with extensive experience working with government bodies and community stakeholders. He was also a senior leader on transitional arrangements for FRV.

Martin holds a Postgraduate Diploma of Organisation Leadership, Graduate Certificate in Applied Management and a Diploma of Fire Technology. He is a graduate of the Institute of Fire Engineers and a member of the Australian Institute of Company Directors.

In 2019 Martin was awarded an Australian Fire Service Medal. He has also received the Emergency Services Medal and the National Medal.

Ken Brown AFSM **Deputy Commissioner, Office of the Fire Rescue Commissioner**

Ken Brown brings 38 years' experience to Fire Rescue Victoria (FRV), both as an operational firefighter and executive leader. Ken is a state and nationally accredited Level 3 Incident Controller and has led many major emergencies across Melbourne and the wider emergency management sector. He previously spent more than 10 years in executive positions, including as Assistant Chief Fire Officer and acting Deputy Chief Officer positions.

Ken has received an Australian Fire Service Medal, a National Emergency Medal, a National Medal, an MFB Long and Good Service Medal, as well as Chief Officer Commendations for his outstanding response to fires in Middle Park and Yarraville.

He holds a Graduate Certificate in Applied Management, an Advanced Diploma of Public Safety (Firefighting Management) and a Diploma in Project Management.

Governance (continued)

David Bruce AFSM

Deputy Commissioner, North-West Operations

David Bruce was appointed to FRV after 35 years' experience with the former MFB where he was Acting Chief Executive Officer/Chief Officer. David held the role of the State Response Controller for Victoria during the 2019–20 fire season, including leading response during the North-East and Gippsland fires.

David joined the former MFB in 1985 as an operational firefighter, before advancing into leadership roles. He contributed to building compliance and inspection protocols, led a project team to set the direction for the future of learning and development of staff, contributed to organisational strategic direction and provided executive leadership.

David was promoted to the role of Deputy Chief Officer at the former MFB in 2014 and has held the roles of Regional Director North West Metro Region and Regional Director South East Metro Region. In addition to his duties for fire and rescue services, David has engaged across the emergency services sector, and led response as Regional Controller, Senior Duty Officer and as State Agency Commander at the State Control Centre. He acted in the role of CEO and Chief Officer of the former MFB on numerous occasions and has performed in the role of State Response Controller for the state of Victoria.

David is a member of the Australian Institute of Company Directors, and throughout his career has continually built upon his knowledge, experience and professional development and has received an Australian Fire Services Medal, the National Emergency Medal and a National Medal.

Gavin Freeman AFSM

Deputy Commissioner Central, South and East Operations

Gavin Freeman was appointed to FRV from the CFA, where he served as Deputy Chief Officer and Executive Director for Community Service Delivery.

Gavin joined the CFA in 2017 from Tasmania where he built his career with the Tasmania Fire Service for 32 years, including seven years as Deputy Chief and Chief Officer.

Gavin previously acted as CFA's Chief Executive Officer/Chief Officer and has undertaken the role of Victorian State Response Controller since 2017, including in the damaging 2019–20 bushfire season. During his time with CFA, Gavin was instrumental in delivering major projects such as Emergency Medical Response, road crash rescue support and the integration of wellbeing services into operations.

Gavin holds a Masters Degree in Emergency Management, along with a Graduate Diploma in Executive Leadership and an Advanced Diploma of Firefighting (Management). He is a Fellow of the Institute of Fire Engineers and a Graduate of the Australian Institute of Company Directors, he is also a Certified Strategic Commander under the Emergency Management Professionalisation Scheme.

Gavin received an Australian Fire Service Medal in 2011, the National Emergency Medal in 2013 and a National Medal in 2010.



Michelle Young AFSM
Deputy Commissioner, Fire Safety

Michelle Young was appointed to FRV after 25 years with the Queensland Fire and Emergency Services (QFES) where she was Assistant Commissioner Far Northern Region Queensland.

When Michelle joined QFES in 1995, she was one of the first women to be appointed as an urban firefighter in Queensland. Throughout her 25 years of service, Michelle has held a number of different roles across areas including Operations, Training, Community Safety and Business Management, along with running emergency response to large-scale incidents including wildfires and cyclones.

In 2019, Michelle acted as the Assistant Commissioner for Queensland's North Coast Region where she led transformation and reform.

Michelle is the international Trustee for Women in Fire. She is dedicated to attracting, promoting and developing women in the fire and emergency services industries.

Michelle is a qualified mediator and has a Graduate Certificate in Public Safety Business management and a Graduate Diploma in Executive Leadership (Policing and Emergency Services) and Strategic Leadership. She is undertaking an Executive Masters in Public Business Administration.

Michelle received an Australian Fire Service Medal in 2021.

Kirstie Schroder
Deputy Secretary, Corporate, Regulation and Strategic Services

Kirstie Schroder brings to FRV more than 30 years' experience in the fire and rescue sector. She was the first woman appointed to an executive role at the former MFB in 1994 and before joining FRV served as the Acting Executive Director Strategic Services.

In this role Kirstie was responsible for supporting the former MFB Board, Legal Services, Business Assurance, Corporate Strategy Performance and Project Management Office and Procurement Departments.

Kirstie's experience spans senior roles in People and Culture, Operational Training, the Office of the Chief Executive Officer, Governance and Strategic Services.

Kirstie led the successful transition of the former MFB Operational Training Department from the Burnley Training Complex to the state-of-the-art training facility commissioned and built at Craigieburn in 2014.

Louise Gartland
Executive Director, People and Culture

Louise joined the organisation in September 2020, bringing to FRV a significant record of achievement in driving organisational change to improve strategic alignment and organisational capability to improve outcomes and the customer experience.

Louise's experience spans leadership roles across the private and public sector, with functional expertise in strategy, industrial relations, transformation, culture, HR, media and communications, Governance, OHS, workplace relations and ethical standards.

Prior to FRV, Louise held the position of Executive Director Services and Strategy at Master Builders Victoria and spent five years as Executive Director of People Culture and Strategy at VicRoads.

Tony Matthews
Executive Director, Corporate Services

Tony Matthews leads FRV's Corporate Services Directorate which encompasses Finance, Information Technology and Management, Property services, Fleet services, Information, Records and Document Management Services and Fire Equipment Services.

Tony joined FRV in October 2020 and brings senior executive experience with extensive strategic, financial, information technology, property and fleet management, people leadership, stakeholder engagement, business transformation and operational management expertise.

Tony prides himself on building strong relationships and supporting the teams he leads to operate to their maximum potential.

In previous executive roles Tony is credited with transitioning technology systems from outdated to contemporary state-of-the-art systems and for uplifting financial literacy and accountability.

Margot Stork
Executive Director, Strategic Services

Margot Stork joined FRV in October 2020 bringing more than 20 years' experience in local and state government.

With qualifications in law, economics, public relations, business administration, finance, corporate governance and project management, Margot has charted an extremely successful career in the public sector.

She has held CEO roles in local government for the past eight years and prior to that, senior executive roles in the Victorian Government Department of Treasury and Finance, and in NSW as General Manager of Murray Shire, guiding the organisation through its merger to become Murray River Council.

Governance (continued)

Compliance Framework

FRV places high importance on compliance with its legislative and regulatory obligations. FRV maintains a Compliance Framework and supporting Integrity Framework that allow the organisation to meet its legislative and regulatory obligations.

The frameworks provide assurances that FRV has the appropriate governance systems and arrangements in place to ensure roles and responsibilities for achieving and reporting on compliance activities are clearly defined and the relevant legislative and regulatory obligations are met.

Governance arrangements

Fire Rescue
Commissioner

Minister for
Emergency
Services

Executive
Leadership
Team

Emergency
Management
Victoria

Corporate Committees

Audit Risk and
Compliance
Committee

Advisory Committees

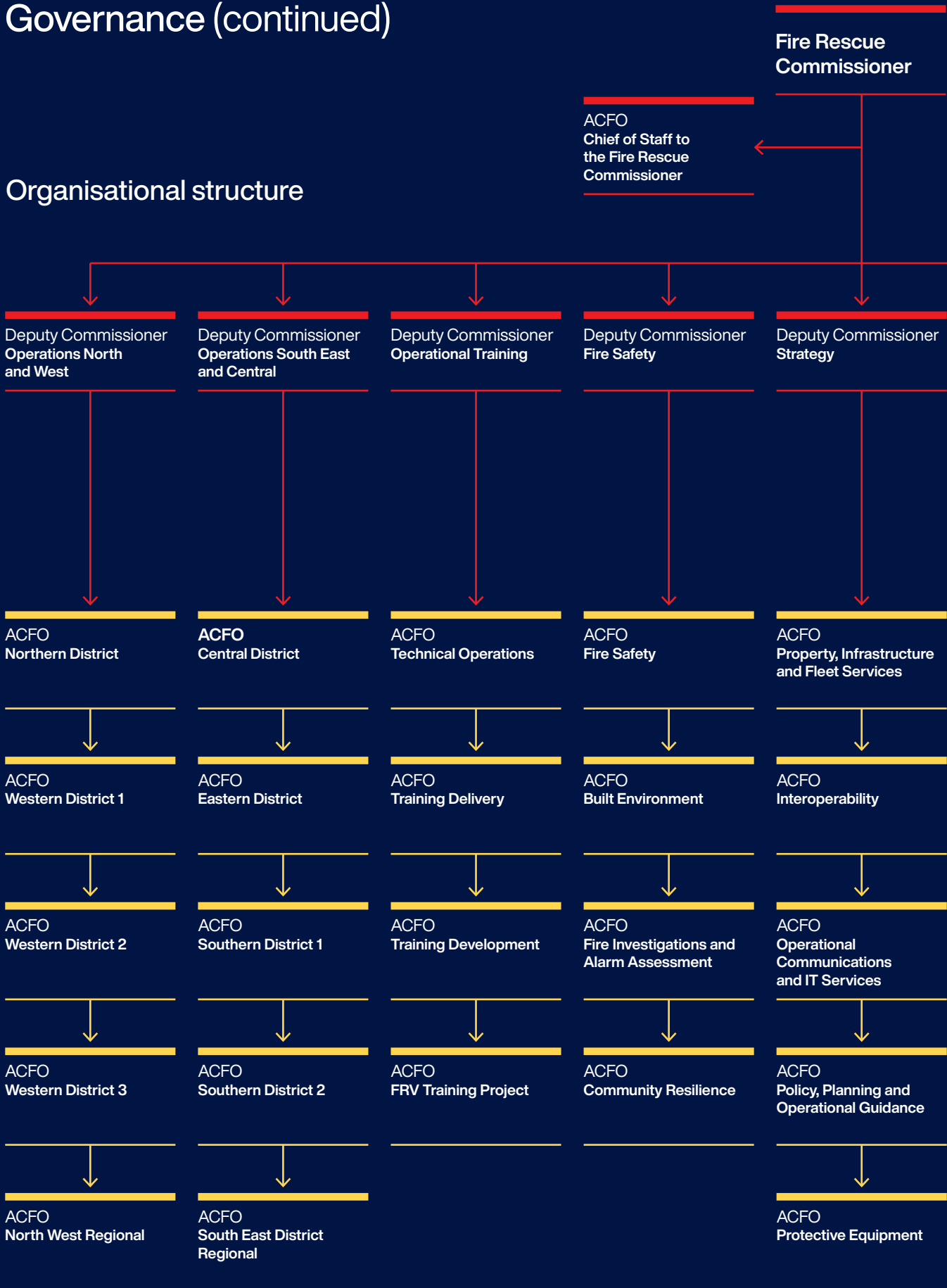
Strategic
Advisory
Committee

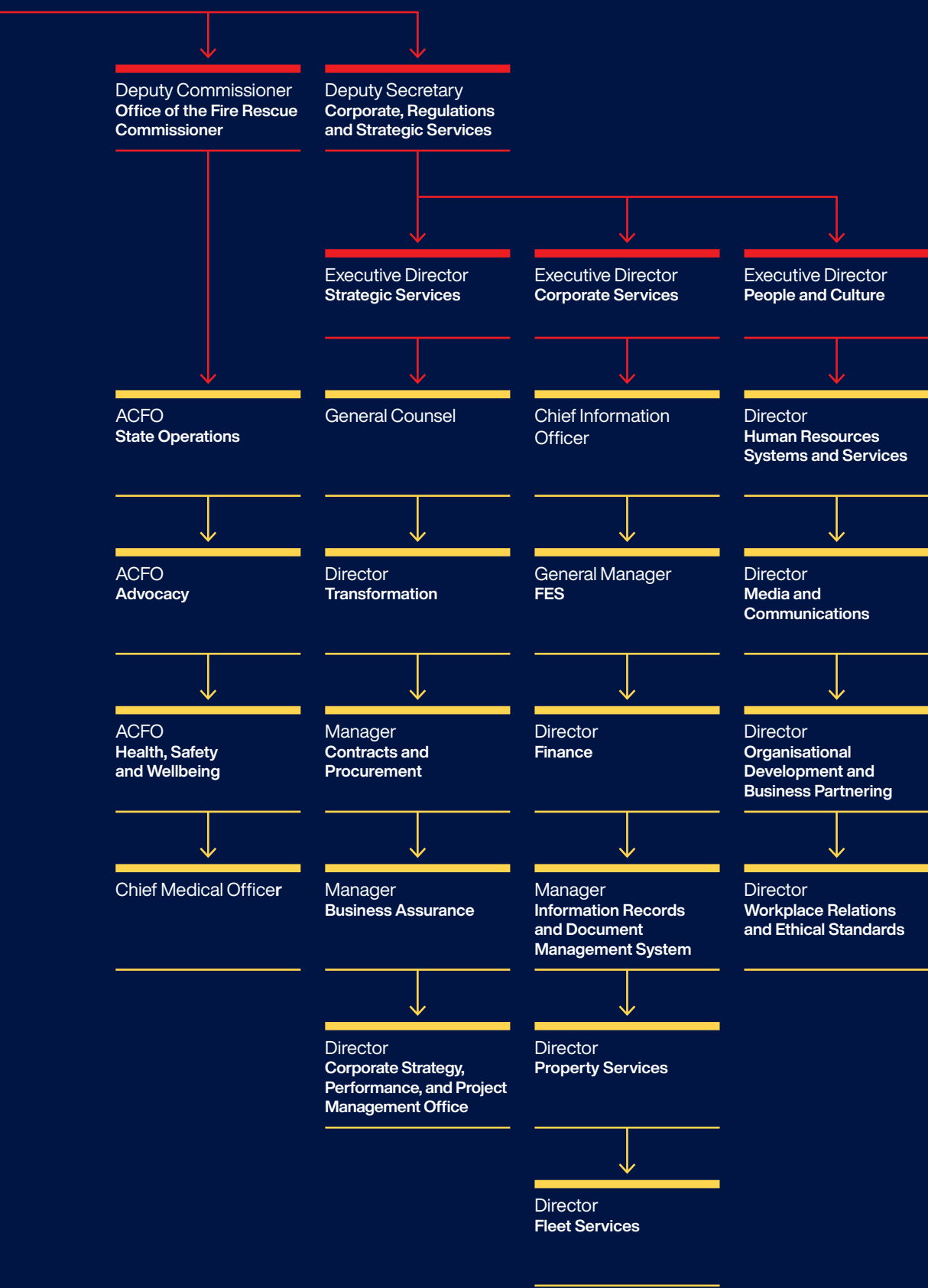
Fire Fighters
Registration
Board



Governance (continued)

Organisational structure





Governance (continued)

Operations

FRV's Operations Directorates are responsible for FRV service delivery. The Operations Directorate comprises ten districts allocated within two Regions, Operations: North and West and Operations: Central, South and East. The primary focus of a District is to provide fire and emergency services designed to meet the needs of the community within its 'maintenance' area. The maintenance areas for the ten districts are identified in Attachments 1–10.

The tables below identify the Districts and corresponding stations.

Operations: Central, South and East

Central	Southern 1	Southern 2	Eastern	South and East Region
FS01 Eastern Hill	FS24 Glen Iris (Malvern)	FS87 Dandenong	FS19 Balwyn	FS74 Wangaratta
FS02 West Melbourne	FS25 Oakleigh	FS88 Hallam	FS20 Box Hill	FS75 Shepparton
FS03 Carlton	FS29 Clayton	FS90 Patterson River	FS22 Ringwood	FS76 Wodonga
FS04 Brunswick	FS31 Glen Waverley	FS91 Frankston	FS23 Burwood	FS77 Traralgon
FS10 Richmond	FS32 Ormond	FS92 Cranbourne	FS26 Croydon	FS78 Morwell
FS13 Northcote	FS33 Mentone	FS93 Pakenham	FS27 Nunawading	FS79 Latrobe West
FS18 Hawthorn	FS34 Highett	FS94 Mornington	FS28 Vermont South	
FS35 Windsor	FS86 Rowville	FS95 Rosebud	FS30 Templestowe	
FS38 South Melbourne	FS89 Springvale		FS82 Eltham City	
FS39 Port Melbourne			FS84 South Warrandyte	
FS50 Ascot Vale			FS85 Boronia	

Operations: North and West

Northern	Western 1	Western 2	Western 3	North and West Region
FS05 Broadmeadows	FS40 Laverton	FS41 St Albans	FS61 Lara	FS67 Ballarat City
FS06 Pascoe Vale	FS42 Newport	FS43 Deer Park	FS62 Corio	FS68 Lucas
FS07 Thomastown	FS45 Brooklyn	FS44 Sunshine	FS63 Geelong City	FS70 Warrnambool
FS09 Somerton	FS46 Altona	FS48 Taylors Lakes	FS64 Belmont	FS71 Portland
FS11 Epping	FS47 Footscray	FS51 Keilor	FS66 Ocean Grove	FS72 Mildura
FS12 Preston	FS57 Tarneit	FS52 Tullamarine		FS73 Bendigo
FS14 Bundoora	FS58 Point Cook	FS53 Sunbury		
FS15 Heidelberg	FS59 Derrimut	FS54 Greenvale		
FS16 Greensborough		FS55 Caroline Springs		
FS80 Craigieburn		FS56 Melton		
FS81 South Morang				



Operational Training

Training Development

The department provides educational expertise that is essential to developing the best possible opportunities for learning at FRV, including development of specialised courses for accreditation, and nationally recognised training from the Public Safety Training Package (Fire Sector). This provides qualifications across all ranks from the Certificate II of Public Safety Firefighting Operations to the Advanced Diploma of Public Safety Firefighting Management. This is conducted by FRV as a Registered Training Organisation (RTO) which is registered and regulated by the Victorian Registration and Qualifications Authority (VRQA).

Training Service Delivery

The role of Training Service Delivery is to deliver theoretical and practical training specialist and VRQA accredited courses to operational firefighters. This is to ensure modern firefighters are equipped with the skills and knowledge they require to meet capability and capacity in delivering services to the community.

Despite the challenges of COVID-19, Training Service Delivery continue to deliver high quality training programs including Recruits, Promotions, Specialist, Technical Operations and other courses in support of Fire Service Reform.

Technical Operations

Technical Operations delivers FRV's technical specialists roles, providing technical advice on specialist training, equipment, research, and doctrine, as well as supporting operations through technical advice and response. This department includes Emergency Medical Services (EMS), Urban Search and Rescue (USAR), Trench Rescue, Heavy Rescue, Impact Assessment, High Angle Rescue (HART), Confined Space Rescue, Marine and Hazmat units, delivering skills maintenance for all technical rescue skill sets and supporting surge capacity at FRV's District Command Centre and Incident Control Centre.

FRV Training Project

The FRV Training Project was formed to establish a State Training Strategy and Regional Training Centre Plan in support of FRV's current and future promotional, skill acquisition and skills maintenance training needs. The project utilises a centrally administered training development and delivery model which facilitates Operations training needs jointly in metropolitan Melbourne and regional Victoria, to facilitate the harmonisation process for all of FRV's promotional and skills acquisition courses, to achieve consistent recognition of all FRV qualifications, and to capture operational training data for FRV's career firefighters from CFA.

Governance (continued)

Fire Safety

Fire Safety Department

FRV's Fire Safety Department works with key stakeholders including community and industry representatives, government departments and agencies in the Built and Dangerous Goods environments to enhance firefighter and community safety. This is achieved through a range of planning, prevention and advocacy activities based upon FRV's legislative functions and organisational priorities to improve safety outcomes for responding firefighters and the occupants and workers of the Built and Dangerous Goods environments.

Built Environment

The Built Environment Department manages FRV's legislative responsibilities regarding new builds, additional construction and certificates of occupancy, for compliance with the *Building Act 1993* for Class 2 – Class 9 Buildings. This work provides fire safety assurance, both for building occupants and for the firefighters who respond to building fires and other emergencies in the built environment.

Fire Investigations and Alarm Assessment

The State Fire Investigation Unit (SFIU) investigates the origin and cause of fires and identifies fire scene trends, with a view to reduce fire-related fatalities and injuries as well as increase financial savings to the Victorian community by mitigating fire damage of assets. The Unit acts as the pivotal point between Police, Energy Safe Victoria and Insurers.

Alarm Assessment manages all matters concerning the review and charging for false alarms, hazardous material and salvage incidents, while liaising with internal and external stakeholders including community, fire maintenance and monitoring companies, fire services and other agencies on strategies to reduce unwanted false alarms.

Community Resilience

The Community Resilience Department works with the Victorian community and firefighters through targeted education, collaboration, intervention and partnerships to reduce the incidence and impact of fire and other emergencies.

Strategy

Property, Infrastructure and Fleet Services

The Property, Infrastructure and Fleet Services Department provides ongoing advocacy, liaison and assistance to property, infrastructure and fleet areas on all matters of operational requirements related to FRV's fire stations and appliances.

To meet stakeholder needs, the department provides operational input in the areas of fire station redevelopment and maintenance, fleet maintenance and replacement and delivery of infrastructure requirements to FRV properties and fleet resources.

Interoperability

The Interoperability Department delivers FRV's Aviation, Intelligence Security/Counter Terrorism, Emergency Management Liaison and Remotely Piloted Aircraft Systems (RPAS) capabilities, including training, stakeholder management and engagement, and capability response.

As an outward facing department, Interoperability works closely with external stakeholders ensuring FRV is well placed to effectively support state emergency management and security arrangements. In addition to multi-agency activities, Interoperability responds to the impacts of external expectations on the organisation, such as inquiries, and works to strategically position FRV to support the Victorian community's expectations.

Operational Communications and IT Services

The Operational Communications and IT Services Department develops FRV's future operational communications capability and ensures the operational communication needs of FRV are being met by the contracted communications providers. FRV's Fire Service Communications Controllers (FSCCs) provide 24/7 operational media response and on-site liaison with the Emergency Services Telecommunications Authority (ESTA) to ensure the objectives and protocols of FRV are being met. The department looks after the telecommunications equipment of both FRV and CFA, which includes radios, telephones, pagers and some IT equipment in Fire Stations, including the Station Turnout System.

Policy Planning and Operational Guidance

The Policy, Planning and Operational Guidance Department ensures continuous improvement in the development and review of all FRV doctrine. This provides FRV personnel with accessible, accurate and up-to-date information of a high standard, reflecting contemporary practice.

Protective Equipment

Equipment and Resource Management improves the safety and effectiveness of operational firefighters, by ensuring they have access to the equipment required to fulfil their role. The team researches and implements new, improved small gear for primary appliances, provides input to new appliance designs and functions, and provides 24/7 fireground logistics support. The Breathing Apparatus (BA) team manages FRV's Breathing Apparatus and Emergency Medical Response Oxygen Kits on appliances and at district stations, as well as delivering fully encapsulated gas suits, personal BA masks, and thermal imaging cameras. The team also maintains the installed breathing air systems on aerial appliances used by firefighters in hostile environments.



Office of the Fire Rescue Commissioner

State Operations

State Operations provides leadership and expertise to build capability and capacity through strategic project initiatives and services, enhancing response outcomes for the community. The department Units deliver State Operations support and liaison to districts and departments; State Rostering servicing operational resourcing requirements; Performance and Assurance initiatives advocating for firefighter and community safety through continuous organisational learning; and Media & Communications operational advice and expertise liaison.

Advocacy

Advocacy drives FRV's environmental compliance and the High Consequence Chemical Response project.

Health, Safety and Wellbeing

FRV's diverse and multidisciplinary Health, Safety and Wellbeing Department takes a contemporary and holistic approach to managing FRV's Health, Safety and Wellbeing. FRV aims to build and maintain a world-class management system that values people, collaboration and learning through innovative, proactive and effective strategies and programs, to support the best health outcomes for all employees. The team also facilitates a range of health and wellness services that are available to support medical, physical and psychological health.

Chief Medical Officer

The Chief Medical Officer leads FRV's work to deliver a bespoke Health Model that will include specifications for medical services. The role contributes to the care of emergency services personnel and will establish evidence-based governance frameworks to deliver occupationally driven care.

Governance (continued)

Corporate, Regulations and Strategic Services

Strategic Services

Legal and Compliance

FRV's Legal and Compliance Department provides integrated legal solutions for all FRV's departments, spanning operational matters, litigation, legislative policy and reform, contracts and memoranda of understanding, legal compliance, integrity and governance. The team works with stakeholders to proactively identify current and emerging legal risks and provide strategic advice and practical solutions. The department also manages FRV's Compliance and Integrity frameworks and responses to applications under the *Freedom of Information Act 1982*.

Corporate Strategy, Performance, and Project Management Office

Corporate Strategy, Performance and Project Management Office (PMO) brings together four areas that provide data, information, strategy, planning, research and project management expertise to support the key business functions across FRV and to promote continuous improvement in the overall organisational performance. The teams are Business Intelligence (BI) & GIS (Geographic Information Systems), Strategic Planning, Research and the PMO.

Contracts and Procurement

FRV's Contracts and Procurement Department supports FRV's contract managers to sustainably and ethically source, establish, and manage contracts for supply, through the provision of diverse and specialised expertise, relationship management and category management. The team manages contracts, runs tenders, and develops policies and procedures consistent with Victorian Government Procurement Board guidelines.

Business Assurance

The Business Assurance Department is a consultative resource that advises FRV on risk management. The team also provides guidance and training on risk management on a periodic and ad hoc basis as needs arise and reports FRV's performance on managing strategic and key operational risks to ELT, the Fire Rescue Commissioner and FRV's Audit Risk and Compliance Committee.

Corporate Services

Chief Information Officer (CIO)

The CIO leads the implementation of FRV's ICT strategy in support of FRV becoming a technology-enabled exemplary fire and rescue organisation.

Fire Equipment Services (FES)

Fire Equipment Services (FES) is the commercial arm and trading name of FRV. Today, FES partners with clients to protect their people and assets by installing and maintaining fire protection systems and essential safety measures along with training in emergency management to enhance community safety.

Finance

Finance undertakes a diverse range of audit, assurance and advisory activities to deliver financial accountability, integrity and sustainability.

Information Records and Document Management Services

The Information, Records and Document Management Services (IRDMS) team supports and advises on the provision of an organisational-wide records, information and documents management function and systems, and manages and governs records and information of FRV throughout the information life cycle, which includes from the time such records and information are created through to eventual disposal.

Property Services

Property Services delivers FRV's Strategic Property Asset Management, providing expertise for capital projects and maintenance programs, ensuring alignment with the whole of life plan. The department manages new fire station builds and refurbishments, staff accommodation, building rentals and leases with a view to providing innovative solutions to meet sustainability and environmental targets.

Fleet Services

Fleet Services manages the acquisition and servicing of the entire FRV fleet of 220 operational appliances and light fleet. This includes FRV's ongoing partnership with CFA in maintaining the fleet formerly managed by CFA.

People and Culture

Human Resources Systems and Services

Human Resources (HR) Systems and Services delivers people-related systems and processes that enhance the employee experience. This includes all corporate and firefighter recruitment and promotion for operational employees, salary processing and payroll, and the delivery of functional support, and streamlined business processes, as well as legislative compliance and system functionality for all HR department systems.

Media and Communications

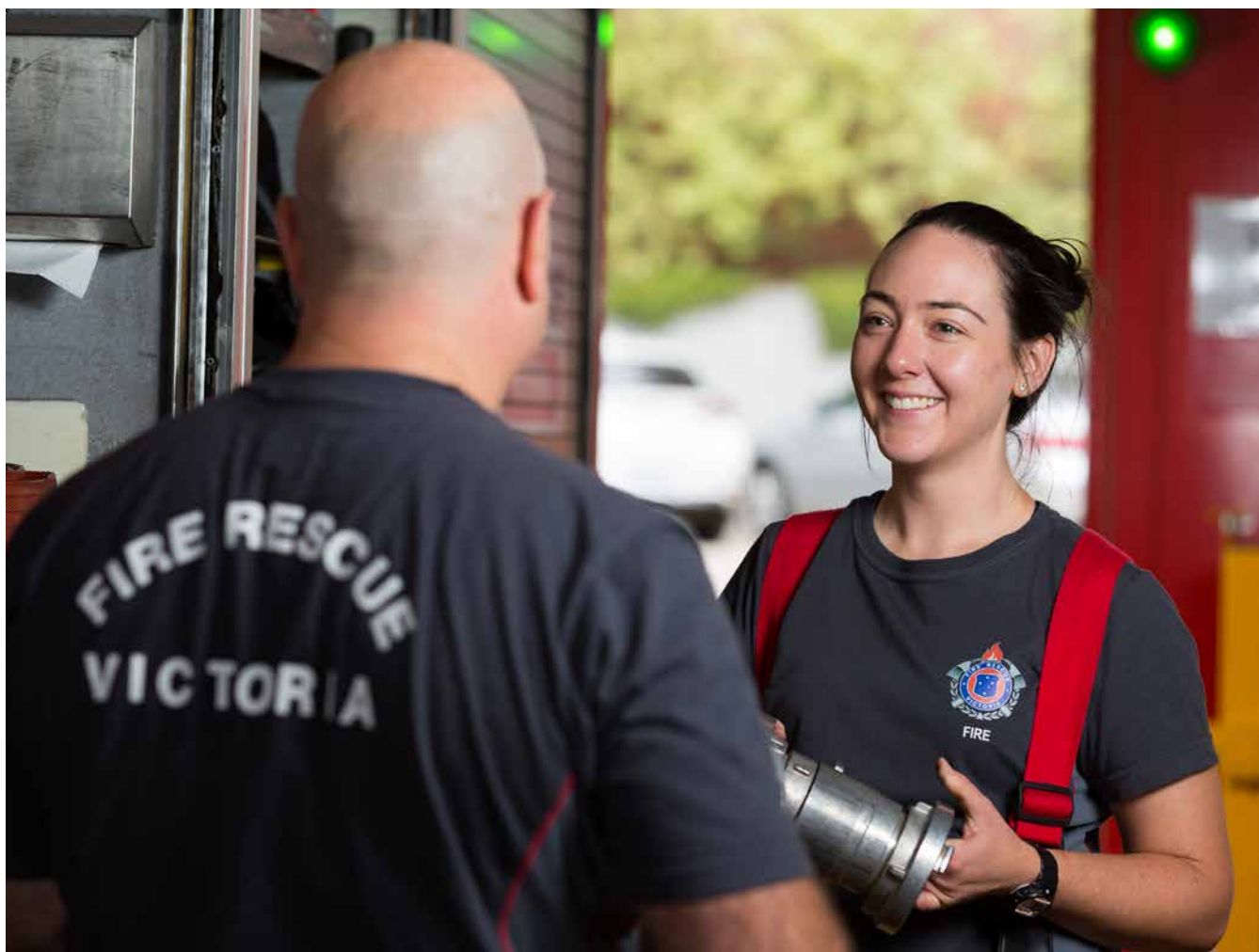
The Media and Communications team provides effective communications capability to support operations, the community, and our people. The team manages FRV's high profile, high visibility stakeholder activities, including internal and external communication, messaging, campaigns, intranet and website, media and channel management, media production, digital publishing, and brand.

Organisational Development and Business Partnering

Organisational Development and Business Partnering develops and delivers strategic, people-focused programs that support FRV's workforce capability, capacity and organisational culture. This is achieved through Strategic Workforce Planning and Projects, Diversity and Inclusion, Organisational Development and Culture, HR Business Partnerships and Employee Advisory Services and Support.

Workplace Relations and Ethical Standards

The Workplace Relations and Ethical Standards Department ensures FRV's compliance with relevant industrial relations legislation, awards and agreements, while providing industrial relations advice and expertise to stakeholders to increase collaboration and resolution of issues. The Ethical Standards Unit provides guidance, support, and advice on workplace behaviour and allegations of misconduct; privacy compliance and complaints; and Public Interest Disclosures.



Report of Operations

Our service delivery

Major outputs, deliverables, targets

Output	Unit	2020-21 State target	2020-21 FRV target	2020-21 actual	Result	Notes
<i>Quantity</i>						
Permanent operational staff	number	3,722	3628	3570	➤	
Permanent support staff	number	1,560	598	590	➤	
<i>Quality</i>						
Road crash rescue accredited brigades/units	number	131	8	8	✓	
Level 3 Incident Controller trained staff	number	96	44	37	✗	1
Structural fires contained to room or object of origin	per cent	80	90	85	✗	2
Multi-agency joint procurements of systems or equipment	number	1	0	1	✓	3
<i>Timeliness</i>						
Emergency response times meeting benchmarks						
All structural fires	per cent	90	90	89	➤	
Road accident rescues	per cent	90	90	85	✗	4
Emergency medical response	per cent	90	90	92	✓	

- ✓ Performance target achieved or exceeded
 ➤ Performance target not achieved – within 5 per cent variance
 ✗ Performance target not achieved – exceeds 5 per cent variance

1 Existing FRV Level 3 Incident Controllers (28 seconded, 9 non-seconded) are being supported to maintain their qualification by being placed on the State Incident Controllers register. FRV staff will be recredited when Level 3 Incident Controller reaccreditation is scheduled.

2 The following issues may have impacted the result:

- incomplete reports (which are excluded from the result set)
- increases in suspicious/incendiary fires (suspicious fires are typically reported later than accidental fires, leading to poorer containment outcomes)
- alterations to practices surrounding report coding.

3 FRV participated in the EMV-led procurement of emergency management map books and digital mapping products.

4 Incomplete reports (which are excluded from the result set) may have impacted the result.



Performance against output measures

Major Outputs/Deliverables		Unit	2020-21 Target	2020-21 Outcome	Result	Notes
<i>Performance Measures</i>						
1	Number of sessions of fire education and risk reduction programs delivered to the community	number	250	0	✘	1
2	Number of hoarding risk referrals	number	300	201	✘	2
3	Number of residential risk referrals	number	130	304	✔	
4	Number of engagements with Local Government Areas by the Community Safety team	number	344	228	✘	3
5	Total operational fleet availability	per cent	85%	82.1%	⚠	4
6	Improve containment of structure fires*	per cent	90%	85.2%	✘	
7	Percentage of staff with core skills maintenance drills	per cent	95%	95.7%	✔	
8	Percentage of structure fires response times within benchmark*	per cent	90%	88.6%	⚠	
9	Percentage of road rescue response times within benchmark*	per cent	90%	85.1%	✘	
10	Percentage of EMR response times within benchmark*	per cent	90%	92.2%	✔	
11	FRVSafe: initial investigation opened within 14 days	per cent	100%	70.6%	✘	5
12	FRVSafe: corrective actions implemented within 30 days	per cent	100%	93.9%	✘	6
13	Number of stations/work sites visited against schedule (Conversations in the Mess)	per cent	85%	0.0%	✘	7
14	Workforce turnover – All employees	per cent	4.5%	3.8%	✘	8
15	Workforce turnover – Firefighters	per cent	3.2%	1.8%	✘	9
16	Permanent operational staff FTE*	number	3,628	3,570	✔	10
17	Permanent non-operational staff FTE*	number	598	590	✔	10
18	Service level agreements	per cent	100%	84.0%	✘	11
19	Percentage of specialist capability staff (Technical Operations skills maintenance completed)	per cent	100%	62.4%	✘	12
20	FRV represented at all State emergency management meetings and exercises	per cent	95%	95.0%	✔	

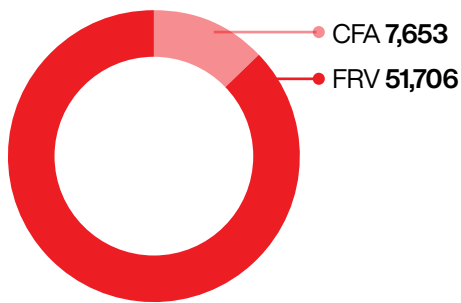
✔ Performance target achieved or exceeded
⚠ Performance target not achieved – within 5 per cent variance
✘ Performance target not achieved – exceeds 5 per cent variance
 *Quarterly BP3 measure

<p>1 COVID-19 restrictions prevented any Fire Education (Fire ED) programs being delivered until May 2021. The new Fire ED program was still in development and progressing through consultation. It was therefore not available for delivery to schools. However, several presentations were conducted to trial the new Fire ED program. These have not been counted in this result as the new program has not yet been launched.</p> <p>2 Hoarding referrals have been below normal levels for the year. Additionally, the rolling target was set to increase over the course of the year based on an expected increase in use of the hoarding notification system across FRV stations. The anticipated increase did not materialise resulting in performance not meeting target.</p> <p>3 With the introduction of FRV, a robust reporting system for this measure was not established until later in the year. As a result, the number of LGA engagements reported earlier was thought to have been under-reported. Planning reform has resulted in a reduced number of municipal planning committees. Nonetheless, by Q4 the number of LGA engagements reported was a significant improvement on previous quarters and exceeded the quarterly target set prior to planning reform. This reflects a more robust reporting system with improved oversight.</p>	<p>4 Data reported for former MFB appliances only.</p> <p>5 The result for the year is below target and has been impacted mostly by FRVSafe software access and email notification issues experienced by former CFA employees.</p> <p>6 The result for the year is below target due to the volume of reports generated during the year and challenges faced during the transition period.</p> <p>7 The Conversations in the Mess program was postponed due to COVID-19 restrictions. Alternate communication channels were utilised to continue to engage with employees. This included, but was not limited to, scheduled station and worksite visits conducted by the Commissioner alongside selected Executive level staff.</p> <p>8 For the 2020–21 financial year, 162 employees have separated from the organisation. There have been 65 operational separations and 97 non-operational separations, including cessation of 25 non-operational fixed term arrangements.</p> <p>9 For the 2020–21 financial year, there were 65 operational separations, of which 41 of those were firefighters who had served for over 30 years.</p>	<p>10 Status at 30/06/2021.</p> <p>11 Three Operational Service Level Agreements (SLAs) are in progress and nearing completion and formal execution. The Corporate Services Memorandum of Understanding (MOU) is mostly implemented and is awaiting formal execution.</p> <p>12 Data reported for former MFB appliances only. Technical Operations have implemented a three-year training plan across all specialist capability groups with the forecast to progressively meet target numbers by the end of 2021. Courses have been scheduled in line with the Technical Skills Capability Planner that lists the active numbers of qualifications and forecasts numbers of specialist operators required for the next five years. Due to COVID-19 and state lockdown restrictions, a number of scheduled courses in Technical Operations were postponed and the result is below target.</p>
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Report of Operations (continued)

Number of calls attended by FRV

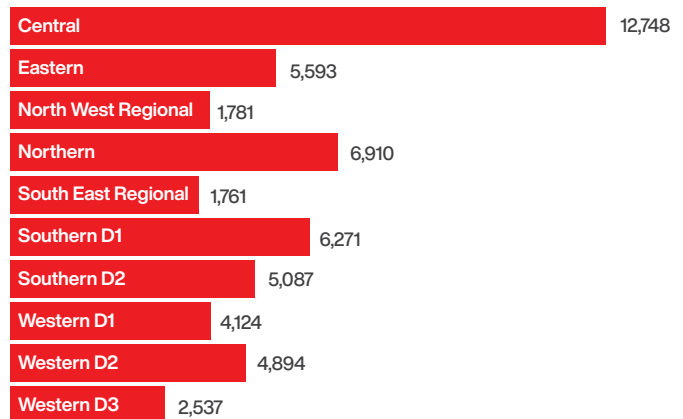
Number of calls attended by FRV within the FRV and CFA Fire Districts¹



Total
59,359



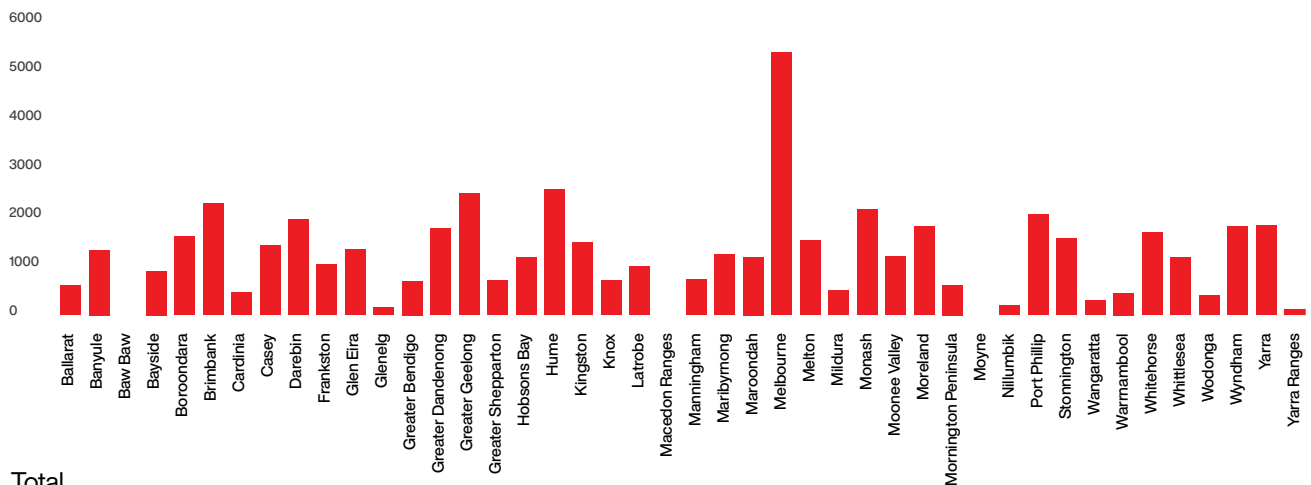
Number of calls attended by FRV within the FRV Fire District by area



Total
51,706



Number of calls attended by FRV within the FRV Fire District by LGA²



Total
51,375



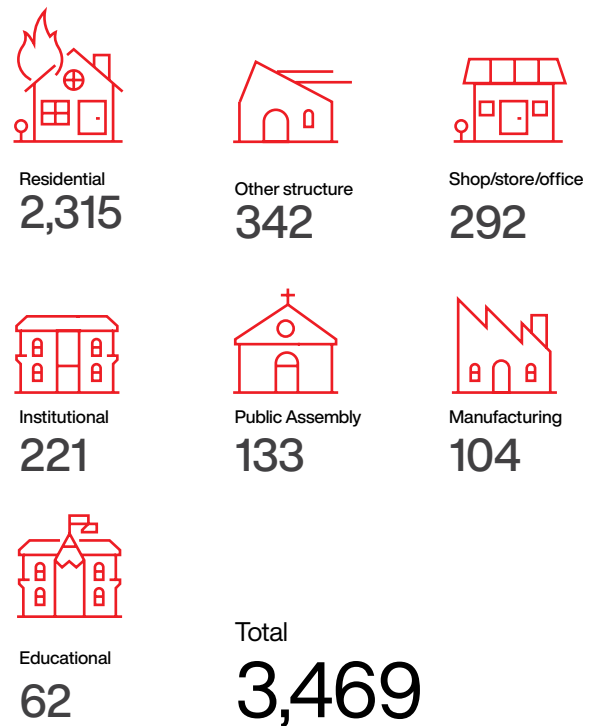
¹ Incident data may be subject to amendments following resolution of issues with legacy data systems and the transition to FRV.

² 331 calls not classified by LGA.

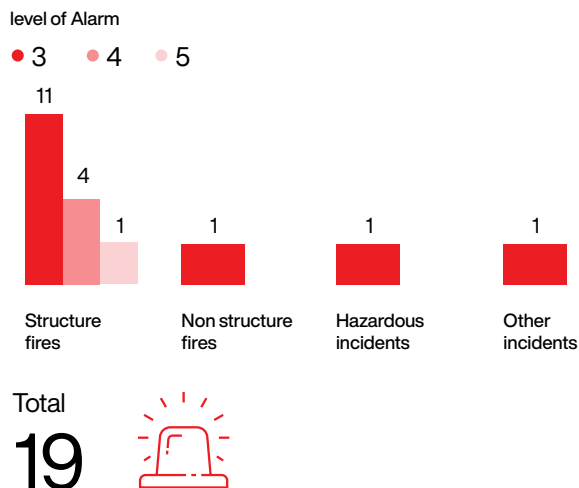
Number of calls attended by FRV within FRV and CFA Fire Districts by incident type³



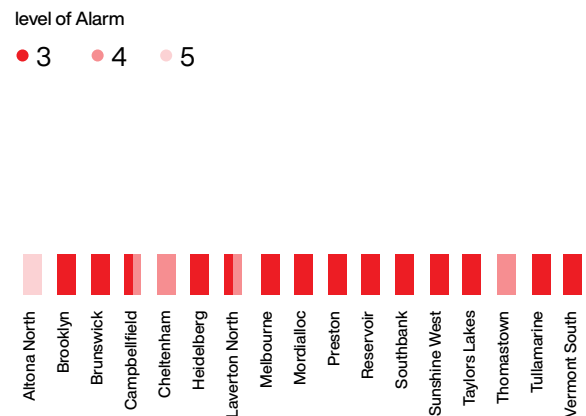
Building Fires within the FRV Fire District by type of property⁴



Level three alarms and above attended by FRV within the FRV Fire District by type of incident



Level three alarms and above within the FRV Fire District by suburb



³ Incident type is taken from AIRS reports (completed by 12/10/2021; n=53,711) or mapped from Final Incident Type reported by ESTA (n=5,648).

⁴ Based on completed AIRS reports at 12/10/2021.

Report of Operations (continued)

FRV at a glance

Firefighters & operations employees



Total

3,723

Support employees



Total

575

Stations



Total

85

Vehicles



Total

584

Pumper appliances



Total

159

Ladder platforms



Total

13

Specialist units



Total

32

Fireboats



Total

8

Technical operations pods



Total

28

Attended calls



Total

59,359

Responded to fires and explosions



Total

11,495

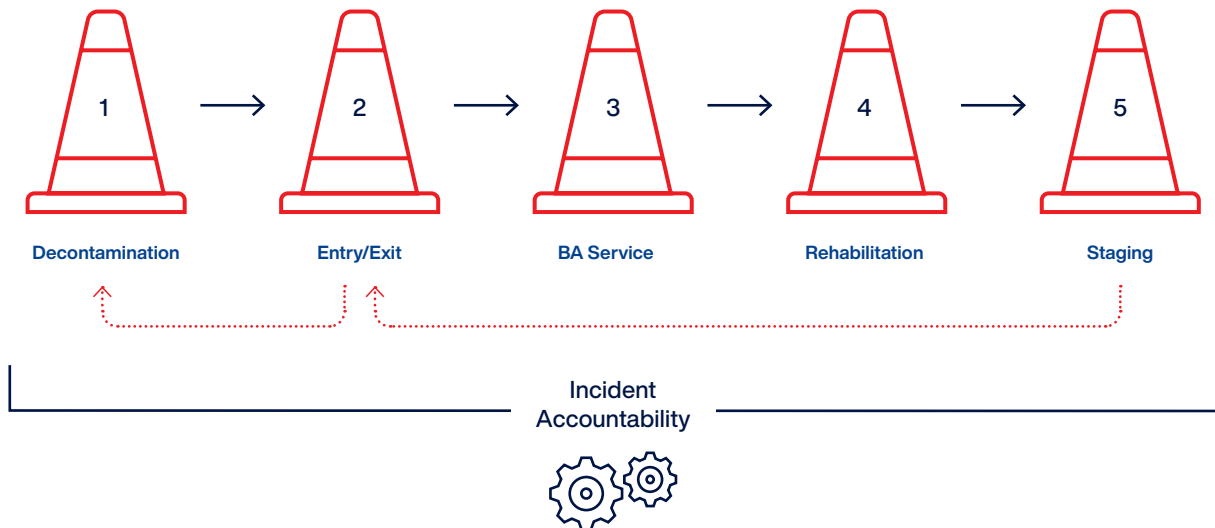
Fire ground accountability and contamination management: the DEBRiS model

By September 2020 a 12-month trial of the Decontamination, Exit, Breathing Apparatus Service Rehab and Staging (DEBRiS) had proven so successful that the system was rolled out to all platoons and districts.

The DEBRiS model is a systematic five-step process that enables command personnel to capture and account for crews on the fire ground and better manage contaminants. The innovative workflow system has generated national and international interest from fire and rescue services.

The world-first DEBRiS model follows a workflow that minimises firefighter exposure to toxic by-products of combustion or chemical spill. It incorporates a strong focus on the decontamination of firefighter personal protective clothing through processes to remove chemicals from clothing and positioning crews in clearly defined safe areas.

There are five steps to DEBRiS:



The DEBRiS workflow system is scalable to suit any incident and responds to the requirements of a diverse range of firegrounds. It can be adapted to suit a single appliance response or expanded to suit a large, protracted incident. The model has become part of standard operations.

By September 2020 a 12-month trial of the Decontamination, Exit, Breathing Apparatus Service Rehab and Staging (DEBRiS) had proven so successful that the system was rolled out to all platoons and districts.

Report of Operations (continued)

An EMR reunion

Many Victorians are surprised to find that FRV provides extensive medical response.

Victoria's firefighters have been working with Ambulance Victoria for more than 20 years to save the lives of Victorians.

Emergency Medical Response is a life-saving collaboration between FRV and Ambulance Victoria designed to improve survival rates from cardiac arrest.

The program sees FRV firefighters co-respond with the nearest ambulance during emergency call outs for unconscious, non-breathing and pulseless patients, providing vital access to critical emergency care.

The program was first trialled in 1998 and since that time, Victoria's firefighters have contributed to hundreds of lives saved. Our firefighters now respond to an average 800 EMR call outs each month.

'When community members call Triple Zero due to a medical emergency and see a big red truck, they sometimes think the wrong service has been dispatched,' says FRV's EMR Commander, Alex Faris.

'But that's not the case. Our firefighters are well trained to provide life-saving care during medical emergencies in partnership with Ambulance Victoria.'

In July 2020 FRV was called to assist Ambulance Victoria by forcing entry into an apartment in an inner city suburb of Melbourne. A woman home alone but being supported by an ESTA Triple Zero (000) call-taker was in the midst of a difficult breech delivery.

As soon as the newborn emerged, two FRV firefighters and an Ambulance Victoria paramedic worked on resuscitation. The firefighters used a bag-to-valve mask to pump oxygen into the child's lungs while the paramedic did chest compressions. After several attempts a pulse was detected.

While the firefighters tended to mother and child, the officer in charge managed the incident and coordinated communications with all agencies involved.

Crews don't often get an opportunity to reunite with people they have assisted, but on his first birthday, the officers of FRV, AV and ESTA were able to meet with the boy and his mother, and wish them all the best.



Emergency Medical Response

Emergency Medical Response (EMR) is delivered by FRV's Emergency Medical Services department, within the Technical Operations department. The EMR program aims to improve survival rates by reducing response times to patients in sudden cardiac arrest or other conditions that present an imminent threat to life.

Since 2001, Victorian firefighters have been dispatched to priority 'code zero' calls at the same time as Ambulance Victoria paramedics, via Triple Zero (000) call-taking. In around 50 per cent of cases FRV EMR responders are first on scene.

What started as a pilot program for Victoria's fire services in 1998 has evolved into a vital part of the service FRV provides to the community across the state.

Currently responding to almost 200 medical emergencies a week, the EMR program is a great example of the interoperability of Victoria's emergency response agencies, as FRV works with Ambulance Victoria to provide the best possible service to the community.

More than 99 per cent of FRV firefighters are EMR trained and have the specialist knowledge and skills to provide life-saving medical assistance to patients.

EMR training incorporates the use of medical equipment such as semi-automated external defibrillators, oxygen, suction, first aid kits and cervical collars. Initial training is complemented by continuing education sessions provided by Ambulance Victoria paramedic educators at fire stations to firefighters on shift.

Firefighters have saved hundreds of lives through EMR since the program was introduced to Victoria more than 20 years ago. Every attempt and successful effort to save a life is testament to the strength of the program and the exceptional service FRV firefighters provide to the community.

EMR and COVID-19

In response to the COVID-19 pandemic, FRV increased protective measures for firefighters responding to EMR incidents with a risk of exposure to the virus.

Firefighters were issued with additional personal protective equipment including coveralls that are biologically rated to provide improved protection, as well as gloves, goggles, boot covers and fluid-resistant face masks to ensure FRV could continue to deliver critical medical assistance.

Statistics

- In 2020–21 FRV firefighters responded to almost 10,000 EMR incidents.
- FRV exceeded benchmarks for response times, with 98 per cent of EMR events responded to within the 9.2-minute benchmark (the government target is for FRV to respond to 90 per cent of calls within 9.2 minutes).
- Since its inception, EMR has performed more than 300 successful resuscitations.
- More than 99 per cent of FRV's operational workforce is EMR trained, with an additional 180 recruits trained in EMR in 2020–21.

More than 99 per cent of FRV firefighters are EMR trained and have the specialist knowledge and skills to provide life-saving medical assistance to patients.

Report of Operations (continued)

Major incidents

HART specialists rescue injured worker

On Monday 3 August 2020 FRV's High Angle Rescue Technicians (HART) responded to a rescue at a building site in Melbourne's northern suburbs after a worker was injured working at height.

Initial crews arrived to find the worker on the second floor of a building site with a leg injury.

More than 20 firefighters responded to assess the area and formulate a plan to bring the person to safety.

Once the worker was stabilised, firefighters set up rope lines to lower the person to the ground and into the care of Ambulance Victoria paramedics.

A Laverton South recycling centre fuels its own flames

On Monday 4 January 2021, FRV crews were greeted by a 35m x 35m rubbish fire at a Laverton South recycling centre containing metals and debris, and threatening nearby buildings on site.

The incident was quickly escalated to a 4th alarm as recycling centres are filled with a range of unknown combustible materials that fuelled the fire and responding crews knew they would need assistance to keep the fire contained.

Two telebooms, a rescue appliance and 10 pumpers were immediately dispatched to assist, alongside several support and specialist vehicles, and responding crews worked tirelessly into the night to make the scene safe.

Thankfully, they were able to contain the fire to the initial pile of rubbish by 3:30am, and no nearby buildings were impacted by the blaze.

FRV was supported by Victoria Police, Ambulance Victoria, Environment Protection Authority Victoria, and Melbourne Water during the incident, and crews remained on scene for hours after to monitor potential hot spots and investigate the cause of the blaze.

FRV crews respond to Altona

On Tuesday 17 November 2020, FRV crews responded to a site in a south western suburb following reports of smoke coming from the property just before 10:30am.

Firefighters arrived on scene to find the smoke issuing from a wooden palette that was loaded with multiple bags full of an absorbent material.

Crews were made aware that the absorbent material had been treated with a radioactive gas during production and may also be water-reactive.

FRV Hazmat Technicians from FS38 (South Melbourne) were called to the scene, along with an FRV Scientific Advisor, to assess and provide specialist advice.

At the scene, the team identified a number of potential risks.

The Scientific Advisor said the fire was smouldering and the radiation level was unknown, though expected to be very low, so we had to be particularly cautious to ensure that our crews weren't at risk of breathing in dust, which could have contained radioactive particles.

A thermal imaging camera was used to monitor the situation and the spread of the fire, and firefighters identified that only one bag of the absorbent material was affected.

Crews worked quickly to separate the affected palette and an on-site crane was utilised to separate the smouldering bag from the pile.

Wearing splash suits and breathing apparatus, firefighters were able to suppress the dust and cool down the product with water.

Specialist radiation gear (Cypher) was used to check crews once they had been through the decontamination process.

A decontamination zone was established on scene with a scrubbing station and radiation detector to help us ensure that our crews had decontaminated properly.

The fire was smouldering and the radiation level was unknown, though expected to be very low, so we had to be particularly cautious to ensure that our crews weren't at risk...

Fortunately, no radioactive contamination was detected on any personnel exiting the hot zone.

At the height of the incident there were six appliances at the scene, a Hazmat unit and two additional support units. A radiation expert from the Department of Health and Human Services also attended the scene, along with Ambulance Victoria, to assist with health monitoring.

FRV Hazmat Commander Will Klinge said crews did a great job under challenging circumstances.

'This call was out of the ordinary for our crews, as it is one of few incidents that radiation has posed a real risk for our people at a fire call,' he said.

'It also highlighted the expertise and professionalism of the HAZMAT Technicians and the great training incorporated into FRV's Technician course.'

Firefighters quick on scene to house fire

In the early hours of Sunday morning on 11 April 2021, FRV and CFA crews were alerted to a house fire in the north western suburbs of Melbourne, after a caller to Triple Zero (000) reported the fire.

Approximately 24 firefighters responded to the scene, arriving at the Hamilton Street incident in less than four minutes to find flames issuing from the home.

FRV firefighters from Somerton (FS9), Craigieburn (FS80) and Greenvale (FS54) worked with members from Epping CFA and Craigieburn CFA to search the premises, thankfully finding it vacant.

Wearing breathing apparatus, crews began an internal attack on the fire, and were able to contain the blaze to the two front rooms of the house.

Making quick work of the flames, crews successfully brought the fire under control within 11 minutes of arriving on scene.

A candle in one of the bedrooms was determined to be the cause of the flames, demonstrating the importance of implementing Fire Rescue Victoria's home fire safety measures – to always extinguish any open flame before leaving home or going to sleep.

Working as one, FRV were supported by Victoria Police and Ambulance Victoria at the scene.



Report of Operations (continued)

Major incidents (continued)

Firefighters faced with more than flames in garage fire

More than 20 FRV firefighters responded to a garage fire on Monday 5 April 2021 after multiple calls to Triple Zero (000) reported the blaze.

Arriving on scene within six minutes of receiving the call, firefighters found the fire was well alight, posing a threat to the adjoining two-storey townhouse.

Crews worked efficiently to attack the fire, utilising seven appliances, including an aerial appliance.

During their efforts to control the blaze, firefighters found two cats at the scene had suffered smoke inhalation. Crews were able to revive the family pets, and returned them safely to their owners – the occupants who had thankfully evacuated the scene.

FRV crews bring Monash Freeway truck fire under control

Approximately 18 FRV firefighters were despatched to a truck fire on the Monash Freeway in Glen Iris during peak hour on Thursday 29 April 2021.

Following several calls from concerned members of the public to Triple Zero (000), FRV crews were quick to the scene and located the vehicle in an inbound lane with a significant amount of smoke issuing from the truck.

Wearing breathing apparatus, firefighters located the source of the blaze within the metal skip bins at the rear of the vehicle and proceeded to cordon off the area and treat the fire with specialised fire suppressing foam.

Firefighters were able to bring the fire under control within nine minutes of arriving on scene, at approximately 6.40am.

Working collaboratively with Victoria Police and VicRoads, FRV crews worked to protect the safety of the driver and the public, with the traffic flowing freely shortly after crews cleared the scene.

CCTV footage alerts firefighters to factory fire

On Thursday 20 May 2021, CCTV cameras prompted an emergency call after a factory owner spotted a blaze in his building and raised the alarm.

FRV crews were quickly on scene, arriving at the factory just after 6.30pm to find flames and smoke issuing from the brick and metal building.

Crews from FRV and CFA attended the incident, with firefighters working quickly to tackle the flames from inside the factory suppressing the blaze and preventing it from spreading to neighbouring properties.

The incident was brought under control just before 7.00pm, approximately 25 minutes after firefighters arrived.

Specialist Hazmat crews on scene

On Monday 10 May 2021, some 55 firefighters, including specialist crews, responded to a Hazmat incident in Melbourne's north west.

FRV crews were called to the incident just after 10:30am, after several callers to Triple Zero (000) reported white fog coming from a factory.

Crews arrived on scene in four minutes to find a chemical reaction had occurred inside the factory.

Wearing breathing apparatus, they evacuated people in the nearby area.

Firefighters escalated the response and specialist FRV crews, including scientific officers, aerial support units and Hazmat crews responded.

Crews worked to put a dry agent on top of the chemical to prevent it reacting further with moisture in the air.

The incident was brought under control in just under two hours.

FRV remained on scene for several hours to ensure the scene was safe and worked with a number of agencies including EPA, Worksafe, Victoria Police and Ambulance Victoria.

Hazelwood Rehabilitation Project

A fire burned in the Hazelwood coal mine for 45 days in February and March 2014. It was the largest and longest-burning mine fire to occur in Victoria's Latrobe Valley.

In 2014 the Victorian Government held the Hazelwood Mine Fire Inquiry from February to September 2014, which was reopened in May 2015 with new areas of investigation. These inquiries triggered many reforms across state and local government, community and industry.

A major project is now underway to rehabilitate the site of the former Hazelwood Power Station and Mine, with energy company ENGIE leading the delivery of these works. Demolition of the former Hazelwood Power Station and mine infrastructure is a major component of the rehabilitation works to enable new uses for the Hazelwood site.

On several occasions throughout 2020 and 2021, FRV crews including FRV's RPAS unit played an integral role in ensuring the safety of all site personnel and the local community during staged demolition works at the former Power Station and mine.

On Wednesday 28 April, FRV's Remote Piloted Aircraft Systems (RPAS) unit and Aerial Pumper (AP) 78 Morwell were on site to assist ENGIE in ensuring the safety of all site personnel as well as the local community.

After the boiler house was successfully brought down using explosive demolition methods, FRV's RPAS team and AP78 Morwell worked to identify any hot spots. One was found, and once the site was cleared for access by engineers, AP78 was used to extinguish the small fire.

Critical Infrastructure Commander Shane Mynard represented FRV and worked alongside partner agencies, including Victoria Police, VicRoads and Work Safe to examine the risk of each planned demolition and to establish fire suppression activities to minimise any fires and ensure community safety.

COVID-19

Throughout 2020–21, FRV responded to the challenges posed by the COVID-19 coronavirus pandemic and continued to provide essential fire and rescue services to the community with appropriate controls to keep our workforce safe.

To be able to achieve this, COVID-19 doctrine and processes from the former MFB were consolidated into FRV, with further COVID-19 doctrine and Operational Guidance Notes developed and implemented throughout the year, proportionate to the risk.

FRV supported its workforce by providing clear, concise and authoritative information in a timely manner, advocated for firefighters to be recognised as front-line health workers, and sought to provide the best possible safety equipment and implement processes to keep our people safe as we delivered services.

During the early days of FRV's establishment, the Victorian community was challenged with a second wave of COVID-19 infection. This outbreak caused many months of restrictions to residents and businesses in Victoria. During this time, FRV's firefighters continued to respond to emergency events. New processes to facilitate remote work arrangements for those roles that could be delivered remotely were put in place as FRV continued to deliver our vital services to the community.

FRV is now preparing the organisation to transition to 'COVID-normal' operations at worksites when it is safe to do so.

Day 1 FRV responds to COVID-19 risk at public housing towers

Coveralls replaced turnout gear for FRV firefighters in the first week of FRV operations as crews supported the Whole of Government response to the COVID-19 risk at two public housing estates in North Melbourne and Flemington from 4 July 2020.

FRV firefighters assisted with logistics support and distributing food to residents, while FRV Multicultural Liaison Officers attended to provide advice and support to community members from culturally and linguistically diverse backgrounds.

All firefighters were required to adhere to universal safety precautions, in addition to their already strict personal, equipment, and site hygiene practices in line with Department of Health and Human Services (DHHS) advice. This included coveralls with a biological rating to provide improved protection for our firefighters in the presence of known or suspected COVID-19 cases.

FRV's response to the incident was managed to minimise impact on the critical fire and rescue service FRV delivers to the community, with FRV firefighters also prepared to respond in the event of a fire or emergency incident at one of the sites, or indeed around Victoria.

FRV remained at the towers until our resources were no longer required, and continued to work with key stakeholders throughout 2020–21 to ensure a coordinated Emergency Management response to COVID-19 incidents.

Report of Operations (continued)

Major incidents (continued)

NSW deployment

FRV's first interstate deployment – providing assistance at the NSW floods.

On Tuesday 23 March 2021, Fire Rescue Commissioner Ken Block and Deputy Commissioner Gavin Freeman joined FRV crews at Burnley to see them off on their deployment to New South Wales to assist with the emergency response to the floods affecting large parts of the state.

This deployment was an historic occasion, as firefighters and staff headed interstate under FRV's banner for the first time.

The FRV cohort included 22 firefighters, including 16 Swift Water Rescue specialists who were deployed to Bega and Moruya, along with three incident management staff to assist in Bankstown and Goulburn.

Swift Water Rescue firefighters used their skills to undertake rescues and evacuations, as well as delivering supplies and providing emergency assistance.

FRV also deployed four four-wheel drive vehicles, a transporter, Marine Portable On Demand (POD), and additional firefighters, equipped with specialist rescue gear, to enhance local capacity.

Incident management staff helped to coordinate rescue efforts from local control centres, while staff in the District Command Centre and the State Control Centre helped to provide remote coordination and support. This team helped to manage logistics and planning, and ensured the deployment functioned effectively while planning for changeover of crews when requests were made.

FRV personnel worked seamlessly alongside emergency service colleagues from NSWSES, VICSES, Forest Fire Management Victoria, CFA and Life Saving Victoria, who all assisted with the NSW emergency response.

Stories out of New South Wales included multiple reports of our people working with the Bronte Beach Surf Lifesaving Club to organise a spare engine at short notice when a fault occurred with an Inflatable Rescue Boat (IRB) outboard engine.

FRV's swift water strike team worked closely with NSWSES crews, and were thanked personally for their efforts by Australia's Governor-General His Excellency General the Honourable David Hurley AC DSC (Retd), and Her Excellency Mrs Linda Hurley.

'Our people excelled in their response during our first interstate deployment for FRV, and demonstrated seamless interoperability working alongside our emergency services colleagues', said Commissioner Block.

'Acting decisively and professionally, they represented FRV and helped shine a light on our skills and expertise, and I am proud of all of our staff for their efforts, dedication and hard work across a dynamic and demanding situation.

'They truly embodied the spirit of working as one.'

As an organisation, FRV will always commit to supporting communities not only across Victoria but in any state or territory that may require assistance.

This deployment was an historic occasion, as firefighters and staff headed interstate under FRV's banner for the first time.



Safety

Safety is at the core of FRV's functions, delivering improved safety outcomes for Victoria's communities, and continually improving the safety of our staff.

FRV continues to implement incident safety management systems to mitigate risks to firefighters, aiming to have safety cells fully implemented at third alarm and above emergencies. The safety cell provides for better management of contamination, fatigue and accountability.

Health and wellbeing are prominent in all FRV's work and the development and implementation of the Safety Cell Concept of Operations, the aim of which is to provide a safer environment for responders and the community at large and complex events, are underway.

Health and wellbeing

FRV is committed to the health, safety and wellness of all employees.

Because first responders are exposed to challenging, demanding and sometimes traumatic situations it is important that FRV provides appropriate support for mental and physical wellbeing.

The FRV Health and Wellbeing Department cares for employees' medical, physical and mental health with a focus on meeting demand for statewide and equitable access to programs. In early 2021 the department was realigned to become part of the Office to the Fire Rescue Commissioner as a reflection of an organisational commitment to establishing centralised Health, Safety and Wellbeing systems.

The new structure facilitates the development of an integrated health, safety and wellbeing model. A significant step towards this goal was the appointment of a Chief Medical Officer (CMO) to bolster FRV's capacity to deliver a bespoke health model that will include specifications for medical services.

Below are some of the achievements in 2020–21 of the Health and Wellbeing team.

Better mental health services

FRV's first year of operations has seen the consolidation of existing mental health support programs and the establishment of new and innovative services, providing high-quality care that reflects industry best practice and meets the organisation's needs.

The Wellbeing Support Line was introduced shortly after 1 July 2020, providing employees with a central access point for free and confidential wellbeing support.

The support line connects employees, their families and retirees to peer support, internal and external psychology services, chaplaincy, leadership support, wellbeing checks and mental health awareness programs.

Considerable work has been done this year to prepare for delivery of the Mental Health First Aid program and the Working Mind First Responders programs (formerly known as Road to Mental Readiness).

All FRV employees have access to these internationally recognised mental health programs, which aim to combat the stigma sometimes associated with mental illness and to support individuals' capability to support the mental health of themselves and others.

FRV's Peer Support Program has grown this year to 130 employees and retirees who volunteer their time to support their colleagues. Peers continue to play an important role in developing a mentally healthy organisation, and work is underway to further harmonise existing programs. The program continues to work towards delivering best-practice mental health and wellbeing programs as part of FRV's model of holistic care.

Seeking better return to work outcomes

Since the establishment of FRV, the organisation's Injury and Claims team has worked to integrate former MFB and CFA systems and meet statewide demand for services.

As part of the transition, there has been an opportunity to identify best practice and apply learning from each agency to support better outcomes for FRV employees.

This includes adopting the CFA's approach of returning injured workers to their home station to assist with their recovery, and increased senior leadership engagement with return to work processes.

Annual health monitoring

FRV provides general health checks accessible from the Brigade Medical Service, or from a general practitioner should that be the employee's preferred choice. The program is designed to identify cardiovascular and other risk factors, including diabetes, prostate, bladder and bowel cancers.

In July 2020, the FRV leadership team endorsed the extension of the annual health monitoring program to cover all corporate, technical and operational employees, demonstrating FRV's commitment to the health and wellbeing of all employees. This is an improvement on former two-yearly health checks and a new opportunity for employees transitioning from MFB and CFA to FRV.

Exercise science

FRV's Exercise Science team offers a range of services developed and delivered by a multidisciplinary team including exercise physiologists and strength and conditioning specialists.

Three streams of Exercise Science services are available to all FRV employees: individualised injury rehabilitation, proactive injury prevention, and group-based educational workshops. Exercise Science aims to empower the FRV workforce to develop physical resilience through preventative health programs to recover faster from injury with early intervention, and better equip employees to handle the physical demands of their roles within FRV.

In spite of disruptions caused by COVID-19 restrictions to recreational centres, gyms and sports around Victoria, Exercise Science's three Accredited Exercise Physiologists provided more than 1,600 FRV employees with tools and support to improve and maintain their physical activity throughout the 2020–21 financial year.

Several programs were designed with minimal equipment required and were accessible to all staff via online strength and conditioning software.

Clinic Initiative

FRV's Thornbury Workshop employees have a unique and physically demanding role. Repairing and maintaining FRV's appliances frequently requires employees to be in awkward positions for long periods.

This year FRV's exercise physiologists provided tailored injury prevention information sessions at the Workshop. During these sessions the team identified a pattern of preventable injuries and worked to deliver a weekly 'EP clinic' at the site gym, providing employees with individualised support.

This initiative provided employees with a safe place to request guidance on physical preparedness and injury prevention techniques. The individual physical benefits of role-specific physical preparation have greatly improved work satisfaction and occupational wellbeing.

COVID-19 and mental and physical health

In 2020 the MFB/FRV Health and Wellbeing team established a multidisciplinary COVID-19 Incident Management Team (IMT).

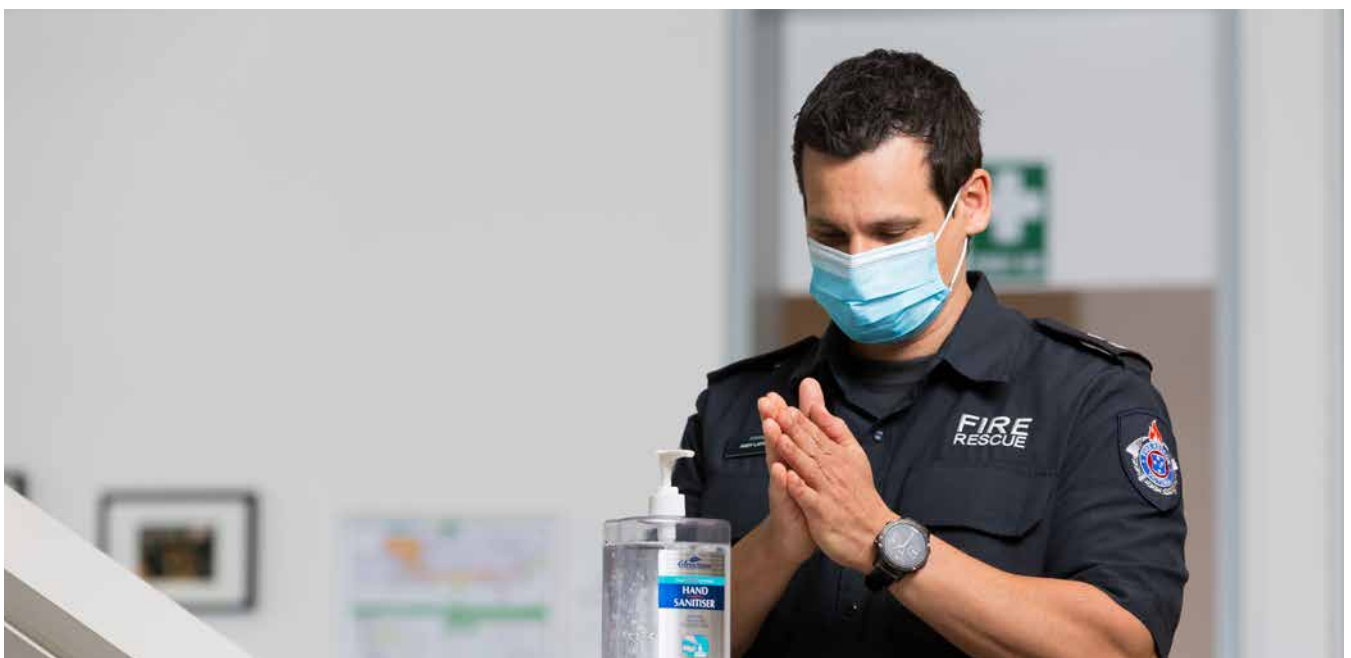
The IMT worked alongside Human Resources, Procurement, Business Assurance and Operations teams to develop a range of policies and procedures to support ongoing service delivery and ensure business continuity.

The COVID-19 response included developing a range of activities to ensure FRV staff remained physically and mentally healthy during the pandemic.

Exercise Science and the Employee Support Program teams collaborated to create the Mindful Movement program. Through a series of online sessions, the program encouraged all employees to take time out each Wednesday morning to focus on mindfulness.

Hosted over several weeks throughout the stage 4 metropolitan lockdown, the sessions covered topics including Sleep, Exercise, Education, Diet, and Social interaction abbreviated to "SEEDS", as well as loneliness and social connection, and the benefits of exercise to each of these areas.

Participants were encouraged to follow along with a guided mindful exercise routine, aiding in the development of connection through exercise and providing employees a weekly retreat from otherwise stressful circumstances.



Safety (continued)

OH&S performance indicators

Measure	KPI	2020–21
Incidents	Incidents (number)	780
	Incidents investigated (%)	87 ¹
	Hazards and near misses (number)	1744
	Hazards and near misses investigated (%)	90.7 ²
Regulatory Notices and Provisional Improvement Notices	Improvement Notices issued by WorkSafe Victoria (number)	2
	Improvement Notices complied with (%)	100
	Provisional Improvement Notices issued by Health and Safety Representatives (number)	1
	Provisional Improvement Notices complied with (%)	100
Claims	Standard claims (number)	314
	Rate per 100 FTE	7.4
	Claims exceeding 13 weeks (number)	39
	Rate per 100 FTE	0.9
Lost time	Lost time claims (number)	194
	Rate per 100 FTE	4.6
	Average shifts lost per lost time claim (number)	67 ³
Claims costs	Average cost per standard claim (\$)	46,576
	Average days to first RTW (number)	64
	WorkCover standard claims with RTW initiated (%)	71 ⁴

1 Percentage of incidents with an action plan completed in FRVSafe, FRVs OHS collection system.

2 Percentage of hazards and near misses with an action plan completed in FRVSafe.

3 Numbers include all days lost on claims received in FY 2020–21 and may include days lost in previous financial years but claimed retrospectively.

4 Based on WorkSafe data of claims received by the agent in FY 2020–21 with a RTW plan initiated in FY 2020–21.

Major initiatives

Establishment of safety cells

As part of FRV's commitment to continuous improvement and the safety of our people, FRV introduced a safety cell concept to more effectively manage safety on the fire ground at significant events.

The safety cell expands on the DEBRiS system to support contamination management, firefighter fatigue management and health monitoring with an appropriate resourced structured system of work in the hot zone and base of operations. The concept is now established in the metropolitan area at all significant events and safety cell principles are soon to be rolled out to outer-metro and regional locations.

Introduction of HEPA vacuum cleaners

High Efficiency Particulate Air (HEPA) vacuum cleaners were progressively introduced across FRV for safe cleaning of appliance cabins, rear compartments, equipment and station transitional areas. Previously, conventional vacuum cleaners had been used to clean the living quarters of fire stations and fire appliances. These non-HEPA vacuum cleaners could spread any asbestos fibres or hazardous dust present in appliance cabins and compartments after attending fires and incidents involving asbestos. The HEPA cleaner is designed to safely capture any airborne hazardous dusts and asbestos fibres. This important initiative was proposed and championed by operational firefighters.

PFAS

FRV recognises that poly- and perfluoroalkyl substances (PFAS) are a key organisational risk and strategic priority. FRV endorses a precautionary approach to PFAS. This is based on the increasing evidence showing PFAS are a health hazard through contamination of groundwater, soil and human blood. High levels of PFAS compounds have been found in Australian firefighters.

FRV is internationally recognised for its PFAS mitigation work. Throughout the year FRV provided support and information to Australian fire agencies on PFAS remediation processes and safe threshold limits.

We continued to identify, assess and address potential human health and environmental risks associated with the historical use of PFAS containing aqueous film forming foam, which was phased out in 2014. In 2020–21 the program focused on:

- managing independent environmental consultants, accredited laboratory testing providers and remediation contractors to measure, analyse and, if required, remediate FRV fire stations and any affected neighbouring properties
- establishing new bulk (non-PFAS) foam filling stations at Sunshine and Burnley Fire Stations.
- partnering with the Faculty of Medicine at Macquarie University to study whether regular blood and/or plasma donations reduce PFAS levels in the blood of firefighters.

Greater Alarm Response System upgrade

Whenever FRV is called to attend an emergency, the event is classified by the type of risk and appropriate predetermined resources are despatched. This classification is known as the Greater Alarm Response System or GARS.

The GARS response and escalation system allocates appliances and resources according to the severity of incident and level of alarm. It allows FRV to manage firefighter welfare, allocate resources and provide appropriate incident management capability.

The benefits of GARS include:

- immediate mobilisation of the nearest appliances in sufficient numbers to provide a first-strike capability in response to the known risks
- a general mobilisation plan that provides the Communications Centre with a nominated attendance sequence for a given type of incident.

Throughout the 2020–21 financial year the GARS Project Team has conducted a full review of the current GARS that is in place for 58 FRV stations (including all former MFB metropolitan stations and 11 former CFA stations), while working to develop and implement GARS for the remaining 27 FRV stations.

The team has met with four out of five platoons across the remaining 27 FRV stations, along with Command staff, to capture valuable feedback and comments regarding GARS in these areas.

The FRV GARS team is currently working to collate and analyse feedback to improve the effectiveness and standardisation of our response to ensure Victorians continue to receive the best possible fire and rescue service.

Furthermore, FRV is working to introduce Grass and Scrub definitions in GARS, which will include a response from FRV and CFA for all grass and scrub fires across the state.

PPC project

A five-year Total Garment Management contract was awarded to Stewart and Heaton, for the sourcing and manufacturing of structural personal protective clothing (PPC), wildfire PPC, station wear, formal wear, mess wear and other specialty garments. The contract also includes the laundering and decommissioning of garments through to end-to-end life handling. The Contract commenced in January 2021.

The Project was deemed strategic by the Victorian Government and carries a number of compliance requirements, among these are the Social Procurement Framework and Local Jobs First Act.

For this project, the Victorian Government required a minimum of 65 per cent local content that Stewart and Heaton are on course to achieve or improve on.

Throughout the 2020–21 financial year the PPC Project Team and the United Firefighters Union (UFU) worked collaboratively with Stewart and Heaton to develop and introduce new and improved protective garments. The new Next Generation Structural PPC garments (NextGenPPC) underwent extensive research, rigorous performance testing to Australian Standards and FRV wearer trials to ensure the safety and welfare of operational staff. The NextGenPPC provides clear visual differentiation compared to the current garments while also offering better burn prevention, better ergonomics to enable more freedom of movement and additional technological features have been designed into the reflective tapes to allow glow in the dark visibility. NextGenPPC are offered in styles to suit both men and women.

The first of the NextGenPPC garments were provided in 2021 to recruits in FRV Recruit Courses one to four, with all operational staff to receive the NextGenPPC over the next 18 months commencing in August 2021.

Community

FRV was established to better serve the needs of Victoria's communities, recognising the changing demographics, geography, and environmental factors. Our staff are responding to the increasing complexity of incidents, and our planning must consider increased population, environmental factors and the built environment.

Fire Equipment Services (FES)

Fire Equipment Services (FES) was established in 1902 as the 'Special Services' division within the former Metropolitan Fire Brigade and has evolved from what was initially modest fire safety services conducted by firefighters into the sophisticated fire protection industry leader that it is today.

As the commercial arm of Fire Rescue Victoria, FES enhances community safety by partnering with clients to protect their people and assets. Building standards and regulations are continually being improved and differ by building age and location, making compliance difficult and complex for building owners and facility managers. FES partners with building owners and facility managers across a wide range of sectors including hospitals, universities, manufacturing, hospitality and retail to provide technical expertise, responsive service and regulatory compliance.

The evolution of FES, particularly over the last 20 years, has resulted in a more holistic fire protection services offering of highly specialised services for building owners and facility managers that includes:

- Inspection and servicing of **First Attack Fire Equipment** (extinguishers, hydrants, hoses, hose reels and more)
- Installation and maintenance of **Active Fire Systems** (detectors, alarms, fire indicator panels, occupant warning systems, sprinklers, fire pumps and more)
- Reporting and advice on **Passive Fire Systems** (building fire integrity, fire doors and more)

- Assessment and provision of **Essential Safety Measures** (exit and emergency lighting, means of egress, annual essential safety measures reports and more)
- Instruction in **Emergency Training** (initial response, fire warden, chief fire warden, place of public entertainment safety officer course and more)
- Delivery of **Emergency Management** (emergency procedures, evacuation drills, evacuation diagrams, consulting and more).

With over 150 staff and contractors FES is able to provide a comprehensive service by drawing upon the wide range of specialist operational and corporate knowledge available from within Fire Rescue Victoria. It should be noted too that all surpluses generated from the provision of services directly support ongoing operational efforts of FRV in protecting communities.

Over the course of 2020–21, FES has:

- Undertaken workforce planning resulting in the appointment of additional roles to ensure ongoing capabilities
- Undertaken workforce planning resulting in the rectification of numerous gaps and appointment of additional roles to ensure ongoing capabilities
- Collaborated with the Victorian Building Authority to influence regulatory requirements for qualifications of personnel servicing fire equipment
- Supported CFA with processes and systems to enhance CFA's capability to deliver fire equipment maintenance to Victorian regional centres
- Secured long-term tenancies for both workshops and office
- Achieved both ISO9001 (Quality) and AS4801 (Safety) certification in own right (apart from FRV)
- Established monthly Client Satisfaction surveys to better understand and measure delivered value to the community
- Enhanced alignment with FRV departments, systems and processes.

As the commercial arm of Fire Rescue Victoria, FES enhances community safety by partnering with clients to protect their people and assets.



Community (continued)

FES and COVID-19

The ongoing COVID-19 pandemic has had a significant impact on FES capability to maintain services to clients and the wider fire protection industry in general. Ensuring the health and safety of personnel, clients and the community, obtaining access to closed work premises and providing education regarding ongoing building compliance requirements were significant challenges encountered by the FES team.

During stay at home restrictions, FES needed to cease all face-to-face training activities as well as any external non-essential services (e.g. client meetings on site to provide quotations). This has appreciably curtailed delivery of some expected outcomes during the year.

CovidSafe plans were developed and evolved to include new work processes and practices, additional personal protective equipment and deep steam cleaning of all equipment when collecting and returning to client sites. Digital transformation has taken place, with online emergency training courses delivered and many internal operations eliminating paper-based processes.

Despite the challenges and changes, FES has succeeded in further enhancing community capability to prevent and respond to fire and other emergencies, improving fire and essential safety measures in the built environment, and reducing the environmental impact of the fire protection industry throughout the year.

FES and community safety (people, property and environment)

FES is committed to leading community safety through providing technical expertise and responsive service and assuring regulatory compliance while leadership, passion, commitment, integrity and responsiveness are at the core of FES and its people. Throughout 2020–21, this shared vision and values has enabled FES to:

- maintain 340,992 fire detection and suppression equipment items (operational effectiveness in case of an incident)
- service 72,111 community sites to assure regulatory compliance (a safer built environment)
- train 6,010 people in fire and life safety (improved community resilience)
- remove 633 PFOS contaminated items from sites (protect environment, firefighters and community)
- save 13,189 Fire Extinguishers from landfill (improved recycling and waste management).

Establishing a State Fire Investigation Unit

Understanding the causes and origin of fires is an important part of protecting the community and preventing future fires. FRV has a legal duty and power to investigate the source of fires in its jurisdiction. To do this, in 2020–21 FRV established the State Fire Investigation Unit (SFIU), which investigates individual fires and provides research and analysis on trends.

The unit cooperates under an inter-agency agreement with other bodies including the Country Fire Authority, the Coroners Court of Victoria, Victoria Police and its Forensic Services Centre, the Emergency Management Commissioner and Emergency Management Victoria, the Department of Environment, Land, Water and Planning and agencies such as Energy Safe Victoria and WorkSafe Victoria.

Under a service level agreement, FRV coordinates all structural fire investigations in FRV and CFA areas and provides a bushfire investigation coordinator to support CFA's fire investigation capability. As work continued towards full implementation of this agreement, FRV and CFA put in place interim working arrangements to meet all requests for fire investigation.

Harmonisation of fire investigation systems and consistent service delivery were key aims for SFIU in 2020–21. SFIU began implementing a new operating model under which metropolitan and regionally based full-time fire investigators will provide investigation capability and support for local fire investigators across the state. Harmonisation is progressing well for FRV fire investigation. A common skills maintenance training program has been developed, as has a single process for the FRV Commissioner's delegation and endorsement of all FRV fire investigators.

In 2020–21, SFIU completed 258 fire investigations, comprised of 194 fire investigations in FRV areas (25% of FRV area fire investigations were in regional locations), and 64 fire investigations in CFA areas (80% of CFA-area fire investigations were in regional locations).

Significant fires SFIU attended for fire investigations in 2020–21 included:

- a 5th alarm structure fire at Altona North in July 2020 at a waste processing and transfer station
- a large structure fire involving a bitumen processing factory in Dandenong South in May 2021
- a fire in a CFA area involving several adjacent retail shops at Apollo Bay in April 2021.

Compliance and advice

Compliance and advice services table info

Department	Category Of Work	Statistics
State Fire Investigation Unit	Fire Investigations	
	FRV Area	194
	CFA Area	64
	Total State Fire Investigation Unit	258
	Fire Cause Classification	
	Accidental	35%
	Accidental - Electrical	30%
	Natural	0%
	Suspicious / Incendiary	17%
	Undetermined	12%
Still Under Investigation	6%	
Building Codes Of Australia Unit	Unit Letters Of Advice	1008
	Regulation 129 Applications	1449
	Regulation 187 Applications	1045
	Modifications	121
	Total Building Codes Of Australia Unit	3623
Land Use Planning		2483
Bushfire Management Overlay		4527
Community Safety Technical Unit	Fire Engineering Briefs	898
	Fire Engineering Reports	1044
	Total Community Safety Technical Unit	1942
Dangerous Goods Unit	Dangerous Goods Reports	306
	Dangerous Goods Letters	7
	Waste/Recycling Facilities Inspections With Partner Agencies	23
	Waste/Recycling Reports Issued	23
	Total Dangerous Goods Unit	359
Building Inspection And Compliance Unit	Class 1b buildings	7
	Class 2 buildings	162
	Class 3 buildings	36
	Class 5 buildings	64
	Class 6 buildings	78
	Class 7 buildings	96
	Class 9a buildings	12
	Class 9b buildings	36
	Class 9c buildings	9
	Caravan Parks	163
	Place Of Public Entertainment Advice	10
	Buildings Reviewed By Building Inspection & Compliance As Part Of The Arp (Advisory Reference Panel) Process For Cladding	409
	Total Building Inspection & Compliance Unit	1082

Community (continued)

Fire safety in the built environment

One of FRV's primary roles is to advocate for safety and fire prevention throughout Victoria.

The Fire Safety Directorate has been working collaboratively to develop harmonised systems, processes and skills to ensure consistent and professional fire safety service delivery across the state.

FRV continues to work with significant key stakeholders to ensure that safety is prioritised in the delivery of the state's major infrastructure projects.

FRV plays an active role in the statewide Cladding Audits advisory reference panels alongside our sector partners, the Victorian Building Authority (VBA) and Cladding Safety Victoria (CSV).

Throughout 2020–21 FRV has significantly contributed to ongoing work to identify inappropriate use of cladding in buildings, providing operational input into the evaluation and audit process, the development of operational risk reports and advocating for changes to the regulatory system to address the non-compliant use of cladding.

FRV's submission into the independent review of the *Dangerous Goods Act 1985* advocated for improved compliance in the dangerous goods sector – improving safety for our firefighters and the community.

FRV has played a key role in the whole-of-government High-Risk Dangerous Goods and Hazardous Waste Crime committees, implementing a suite of strategic initiatives to enhance prevention and response to high-risk sites in Victoria.

FRV has made a number of significant submissions to government bodies and authorities throughout the year, including obtaining the Planning Minister's authority to recommence enforcement activities regarding essential safety measures and non-compliances within the built environment.

FRV Building Codes of Australia and Audits (BCA) and the Community Safety Technical Unit have a pivotal role in ensuring new construction, renovations and extensions of Class 2 to Class 9 buildings comply with the *Building Act 1993* and regulations made under the Act.

FRV also contributed technical and operational advice to standards committees, working groups and panels to improve the fire safety systems within the built environment at a state and national level.

FRV involvement in Victoria's major transport infrastructure projects has enhanced safety through consultation and stakeholder engagement across the sector, particularly with the state's new tunnels, rail lines and upgrades. FRV's Fire Safety Directorate will continue to seek further opportunities to improve safety for firefighters and occupants of the built environment.



Risk and Resilience (At Risk Groups, Community Development, and Community Education)

Capability framework

Fire Rescue Victoria continues to work in collaboration with emergency management partners aligning to the State Capability principles of driving improved public value by working as one, maximising capability and capacity, embracing continuous improvement, innovation and research and enhancing partnerships and shared responsibilities.

FRV drives improved public value by working as one in a sustainable and efficient emergency management system that reduces the likelihood, effect and consequence of emergencies.

FRV also provides support to other agencies across the sector across different capabilities such as Hazmat and Technical Rescue.

In 2020–21 FRV participated in a comprehensive review of the State Emergency Management Plan to ensure FRV's capabilities and responsibilities are best situated to assist in meeting critical tasks identified within Emergency Management Victoria's core capabilities for emergency management within Victoria, helping to deliver required outcomes, and address gaps identified within the Capability Framework.

Each core capability includes the crucial elements of people, resources, governance, systems and processes, which are needed to manage events, reduce impacts, protect our community and increase resilience. The core capabilities are each made up of critical tasks that are mapped against these elements.

FRV's alignment with the State Emergency Management Plan also enables FRV to work collaboratively within the sector, providing support to other agencies as well as assurance to the community that we are meeting our legislative obligations.

Community Resilience Strategy

The Community Resilience Department works with the Victorian community and firefighters through targeted education, collaboration, intervention and partnerships to reduce the incidence and impact of fire and other emergencies. Success is achieved when individuals, communities, institutions, businesses and systems survive, adapt and thrive no matter what kind of chronic stresses and acute shocks they experience.

In 2020, there were 22 preventable residential fire fatalities in Victoria which is above the long-term average (2003–2017) of 18.1 fatalities each year. As a result, a renewed focus was placed on initiatives that would reduce the number of residential fire fatalities. One such example was a joint FRV/CFA submission to the Victorian Government 10 Year Social and Affordable Housing Strategy which recommended a series of fire safety initiatives.

In addition to the advocacy of improved fire safety in residential homes, the Community Resilience department provides programs and services that support those most at risk from residential fires through networks including the home and community care sector, Transport Accident Commission and Local Governments.

Due to COVID-19 restrictions, it has been difficult to deliver community engagement programs in person. This provided an opportunity to refresh the content of our school education program, Fire Ed, making it more contemporary and engaging.

The Community Resilience department has worked closely with CFA to align community engagement programs and deliver smoke alarm, winter fire safety and summer fire safety media campaigns.

FRV drives improved public value by working as one in a sustainable and efficient emergency management system that reduces the likelihood, effect and consequence of emergencies.

Community (continued)

Multicultural liaison

FRV firefighters do more than fight fires – they also respond to a range of emergency situations and provide support to the community through actions such as providing educational fire safety programs.

Multicultural Liaison Officers (MLOs) engage with community members, building trust and understanding of FRV's services and educating the Victorian community about fire safety.

The nature of the MLO role is to integrate and engage with the community. Given COVID-19 restrictions, MLOs had to pause many face-to-face community engagement activities planned for 2020–21.

Nevertheless, MLO commitments to local government authorities and external stakeholders were delivered with the help of virtual Teams and Zoom meetings.

MLO Owen Butler said the impact of COVID-19 gave the team an opportunity to review their processes and develop new ways of working.

'The use of technology meant we could network with all community organisations and work together to find a better way forward,' said Owen.

'This led the team begin to develop a purpose-built vehicle for community engagement, further strengthening the team's capacity to work and engage with the Victorian Multicultural Commission and provide support in community liaison at major state events within the Incident Control Centres, including in the Traralgon floods in June.'

The department also worked collaboratively to build relationships with regional stations, developing a comprehensive reporting system to enable accurate data and fire safety messaging in languages for Punjabi, Arabic, Turkish, Vietnamese, and Pasifika-speaking communities.

Looking to the remainder of 2021 and beyond, the team of MLOs will continue to build and strengthen connections with Aboriginal and Torres Strait Islander Peoples and deliver a calendar of events to further bolster community safety and resilience.

'The use of technology meant we could network with all community organisations and work together to find a better way forward,' said Owen.



Major initiatives

Social and public housing advocacy with CFA

Over the past 12 months FRV and CFA have worked with the Victorian Government to identify ways to enhance fire safety in existing and planned social and public housing as part of the government's 10-Year Strategy for Social and Affordable Housing and Big Housing Build.

Discussions include the appropriate design and installation of smoke alarm and sprinkler systems commensurate with residential and bushfire risk for new dwellings, and retrofitting existing housing stock through the Public Housing Fire Safety Review and Arson Committee.

The work of the committee has led to better provision of emergency evacuation information for public housing tenants and installation of additional sprinkler protection in high-rise public housing buildings.

Smoke alarm campaign

FRV and CFA partnered to deliver a joint smoke alarm campaign, 'Silence is Deadly', throughout the 2020–21 financial year.

This was a continuation of the 2019–20 campaign, which aimed to encourage Victorians to install interconnected smoke alarms in all bedrooms, living areas and hallways.

The key message of the campaign was based on 2018 advice from the Australasian Fire and Emergency Service and Authorities Council about the effectiveness of connected alarms.

FRV and CFA ran two iterations of the joint-funded campaign, in August–September 2020 and May–June 2021. Both included advertisements on radio, social media, digital display, regional print news and YouTube.

The campaign was targeted towards all Victorians, including culturally and linguistically diverse communities. Public education materials were translated into Arabic, Cantonese, Greek, Italian, Mandarin, Punjabi and Vietnamese.

In addition to the paid advertising component and social media engagement, the campaign's effectiveness was increased by an on-message TV news piece at the site of a Wandin North home destroyed by fire. No one was injured in that fire but interconnected alarms could have allowed earlier evacuation and limited damage to the structure.

Implementing the Digital Permit Program throughout FRV

As part of the Government's *Safer Together* program, FRV, CFA and Forest Fire Management Victoria worked closely with the Department of Justice and Community Safety to develop a joint agency Digital Fire Permits scheme for permission to light a fire during the Fire Danger Period or on a day of Total Fire Ban.

The scheme began on 30 November 2020. It facilitates online fire permit applications from the public and industry to increase accessibility and understanding of Victoria's permit system and allow safe levels of fire use while providing agencies better knowledge of how fire is being used in the landscape throughout the year.

The new system has also improved how FRV and partner agencies work with ESTA, local governments and Municipal Fire Prevention Officers.

Community engagement initiatives

In 2020–21 FRV was obliged to pause a number of community engagement activities and non-essential interactions with the public but worked closely with schools to ensure children who have been unable to complete Fire Education as a result of COVID-19 restrictions can participate in the program through an online curriculum.

FRV has maintained vital connections with community members, groups and organisations including the Municipal Association of Victoria, the Victorian Multicultural Commission and the National Disability Insurance Agency to identify the needs of stakeholders, build local relationships across the state and increase fire safety awareness and education among at-risk groups.

FRV has also worked closely with Victoria Police and the Alfred Hospital to increase data collection and sharing of operational information to inform future engagement strategies.

Service

FRV plays a major role in the delivery of the critical Fire and Rescue element of Victoria's Emergency Management response, working collaboratively, providing operational response, strategy and liaison to 'work as one' with our sector colleagues. Our service contributes to preparation, prevention, response and recovery to build safer and more resilient communities.

The most visible part of FRV's work is delivered from the 85 fire stations across Victoria. Firefighters and appliances have turned out in response to 59,359 calls for assistance throughout 2020–21.

Over the course of the next twelve months FRV will work towards further harmonisation of our systems and processes, better alignment of the way we operate day-to-day, and we will continue to gain a better understanding of how we can bring together the diversity of who we are at FRV.

During 2020–21, consistent with our continuous learning ethos, FRV has invested in performance and assurance, generating new systems to improve reporting, and integrating key learnings to enhance our operational response.

The introduction of a dedicated Media and Communications Commander has further embedded and enhanced essential media and communications activities across FRV, by further integrating the function within FRV's operations, promoting key FRV and safety information through FRV's external channels, and further integrating the operational lens into all FRV's communications work.

Since 1 July 2020, the Strategy Directorate has been working to harmonise equipment, policies, and processes across FRV, seeking to retain the best of FRV's predecessor organisations, as well as researching best practice from across Australia and internationally to make FRV an exemplary fire and rescue service.

Throughout 2020–21, pre-season briefings were conducted live and also made available online for all staff to view due to COVID-19 restrictions, and these briefings formed an essential part of the organisation's pre-season preparedness, helping staff to understand the roles and responsibilities of FRV in supporting the state arrangements for the summer fire season. The briefings were provided to all Operational and Corporate staff, with sessions tailored for Assistant Chief Fire Officers and Commanders and CFA Secondees.

The establishment and formation of the Aviation Coordination Unit was a major achievement. The Unit merged the capabilities of the former organisations providing a unique resource that supports the activities of the State Air Desk, and also manages FRV's Remotely Piloted Aircraft Systems (RPAS) that support operational incidents within FRV in addition to responding to requests for support.

The rollout of the Station Turnout System and the dark fibre to the FRV 38 stations is one of the Strategy Directorate's most significant projects, and will be undertaken over the next two years, as a crucial step in connecting all of our stations and work sites together under one system. In addition the Strategy Directorate is undertaking work to ensure the Protective Equipment and Operational Communications and IT services department structures meet the needs of the organisation and the community, to assist the directorate to align with organisational outcomes.

Technical Operations

Technical Operations is a combination of all of FRV's technical specialist roles.

FRV's Technical Operations department consists of uniformed and corporate employees across the Emergency Medical Services (EMS), Urban Search and Rescue (USAR), Trench Rescue, Heavy Rescue, Impact Assessment, Rope Rescue, Confined Space Rescue, Marine and Hazmat units. The dedicated Technical Operations team also provide support for surge capacity at FRV's District Command Centre and Incident Control Centre.





Major initiatives

Commencement of FRV's Coordination Unit

The FRV Aviation Coordination Unit was established in November 2020 and is headed by the Commander FRV Aviation. The unit helps to train and coordinate FRV personnel across Victoria, with staff making up around 20 per cent of Victoria's aviation accredited personnel. They work with partner agencies managing and supervising aviation assets during bushfires and other emergencies, performing roles such as Air Attack Supervisor, Air Observer, Aircraft Officer and Airbase Manager.

The unit has the ability to move personnel (including Command staff) and equipment in a timely manner across the state, and is currently developing an aviation strategy to provide a contemporary fire and emergency aviation program for Victoria. The capability will be available beyond the traditional summer bushfire period to meet FRV's risk for now and into the future. The strategy will consider all aspects of FRV's operational planning and response, and aims to deliver a capability to help combat ever-changing risks.

Remotely Piloted Aircraft Systems

Under the new FRV structure the Remotely Piloted Aircraft Systems (RPAS) Unit was transferred from Technical Operations to the newly formed Aviation Unit.

Remotely piloted aircraft – often referred to as drones – were introduced in 2011 to the former MFB, which was the first fire and rescue service in Australia to use RPAS in operational firefighting. They have changed the way fire services work and revolutionised emergency response.

Demand for these services has increased over the past decade as the benefits of real-time thermal imaging and a quick access to aerial views of an incident have become increasingly evident. Air-to-ground imagery allows firefighters to locate the seat of a fire through smoke, in addition to informing mapping and decision making on the fire ground.

The FRV RPAS unit continues to monitor advancements in technology to ensure we are providing a world-standard safety response for our community and fire-fighters.

RPAS team members are trained to Civil Aviation Safety Authority (CASA) standards to become licensed pilots. To meet demand and expand our capabilities, FRV has trained 20 qualified RPAS pilots, working across the FRV district and the state. An RPAS strategy is being developed to look at a model of coverage across the state to service the community and support our partner agencies

RPAS continues to be used across a range of FRV business including operations, media and communications and training. The acquisition of four new aircraft with more sophisticated sensors than in previous craft has greatly increased the RPAS capability.

Whole-of-life assets management

FRV's assets give our people the tools they need to deliver exemplary fire and rescue services to our communities. These assets include fire stations, fire appliances, operational equipment, and a diverse range of ICT equipment and services. To ensure FRV strategically plans for, acquires, maintains and disposes of its assets, a comprehensive Asset Management System is currently being implemented.

During 2020–21, FRV continued a multi-year asset management improvement project. The project has delivered a governance framework for asset management, the development of an Asset Management Manual, comprehensive updates to the Asset Management Policy and Asset Management Strategy, and drafted a suite of documents undergoing review and approval. Improvement actions within FRV's eight asset management areas are coordinated through Working Groups and overseen by the Project Control Group.

Service (continued)

Fleet upgrades

The FRV Fleet Services team comprises 68 employees located at the Thornbury Workshops with the exception of two mobile Technicians who service the West and East Metropolitan area. From this single facility, the team manages and maintains the entire FRV fleet of 220 appliances and the service and repair network for 580 cars. This includes FRV's ongoing partnership with CFA in maintaining the former CFA Fleet. FRV's Fleet has an estimated replacement value of \$224M, and last year travelled 3,864,050kms and used 1,211,217 litres of fuel.

In the 2020–21 period, FRV delivered four new Heavy Rescue appliances and two Breathing Apparatus vans. These new vehicles join the statewide fleet providing our first responders with State of the Art equipment to best support local communities across Victoria. The new Heavy Rescues utilise a Euro 6 Scania crew cab chassis and State of the Art Holmatro core tools and a front mounted 18000lb Warn winch with synthetic fibre rope – all with on-board and portable petrol and electric generators.

The latest generation LED lightmast and scene lighting set-up takes care of lighting and new swing out panels located in the rear of the appliance stow the bulk of the Holmatro hydraulic tools. Appliance design was focused on ensuring this appliance meets all ergonomic guidelines and occupational health and safety requirements whilst providing the best workflow for the operators. The design has been so successful and well received, an additional two appliances are currently being considered by FRV to further bolster our capability in rescue response. The FRV 5 Year Appliance Replacement forecast has been completed and it is estimated FRV will need to invest in more than 75 new appliances over the next five years to maintain the defined fleet replacement policy.

Fire station refits and builds

Construction and occupation of Australia's first fire station seeking Greenstar accreditation was completed in October this year in Derrimut (Fire Station 59).

The facility was officially opened in April 2021 together with the Tarneit Fire Station (Fire Station 57) delivered on behalf of FRV by the CFA in November 2019. The new Shepparton (Fire Station 75) was similarly delivered by CFA on behalf of FRV and completed in April this year.

Other projects completed by CFA on behalf of FRV include; upgrades to Greenvale (Fire Station 54), Patterson River (Fire Station 90) and Rosebud (Fire Station 95) delivered under the 350 Firefighter program (P350) previously managed by the CFA.

Construction continues at Box Hill Fire Station (Fire Station 20), to rebuild a fit-for-purpose facility to better serve our people and the community and Brooklyn (Fire Station 45), which together with the new Derrimut Fire Station will improve FRV's coverage of the growing western suburbs of Melbourne. The three new stations will be fitted with an advanced diesel emissions system to capture exhaust fumes as appliances enter the station, which will improve the health and safety of firefighters. This follows a successful trial of this system at the West Melbourne Fire Station, which has proven to minimise exposure to diesel particulate matter and reduce our impact on the environment. As a result, FRV's new fire station design guidelines will include diesel emissions source capture systems to be installed in all new stations that we build, to protect our people and the environment. This is a significant achievement and important step to ensure firefighter safety

The temporary fire station being designed for Baker Street, Richmond is currently progressing through planning. Major refurbishments of both Fire Station 5 in Broadmeadows and Fire Station 22 in Ringwood have now achieved planning permission and are progressing to construction, with construction expected to commence in 2022 for occupancy in 2023.



FRV's Property Services team continues its focus on compliance with the Victorian Government Asset Management Attestation Framework. This is underpinned by longer-term facilities contracts that prioritise the lifecycle condition management of the maintenance of property and plant and equipment, as well as detailed, internal functional analysis of station operations. This enables improved capital planning to drive long-term station replacement and improvement programs.

Australia's first 5-star green station – Derrimut

Monday 9 November 2020 marked an important milestone for Fire Rescue Victoria, with the opening of the new Derrimut Fire Station (FS59).

Derrimut Fire Station is Australia's first accredited 5-star sustainable fire station on the Green Star rating system, with the state-of-the-art facility containing a number of sustainability features, including solar panels, acoustic treated rooms and automated electrical control systems.

The station is strategically located and set to provide firefighters with modern facilities to assist in meeting current and emerging emergency response needs.

Construction of FS59 commenced on 3 October 2019 and was delivered by FRV's Property Services Department in October 2020 ahead of schedule.

Unveiling the site for new Clyde North fire station

On Wednesday 7 April, FRV unveiled our Clyde North fire station site alongside Parliamentary Secretary for Police and Emergency Services, Paul Edbrooke MP, Member for Bass Jordan Crugnale, and Member for Cranbourne Pauline Richards.

Melbourne's outer suburbs are growing and expanding, as is much of regional Victoria, and as a modern fire and rescue service, FRV is ensuring that we adapt our resources and response to reflect this.

Once constructed, this state of the art facility will accommodate up to eight firefighters and two appliances, positioning FRV to meet the needs of the growing south-east for many years to come.

FRV will serve the local community 24 hours a day, seven days a week and will continue to work seamlessly alongside emergency service colleagues, including the CFA and SES, to serve the Clyde and Clyde North response area.

An increase to our capabilities at Wodonga

In early March 2021, Fire Rescue Commissioner Ken Block, Deputy Commissioner Gavin Freeman, Assistant Chief Fire Officer Craig Brownlie and CFA representatives visited Wodonga Fire Station to meet with the crews and announce that an additional 20 FRV firefighters and an additional Pumper Tanker appliance would be based there permanently.

In what is a significant increase in resources for the region, the 20 firefighters will provide an additional four firefighting staff for each shift, bringing crewing to a total of eight personnel on each shift, the additional crew will include two firefighters, a Leading Firefighter and a Station Officer.

The additional Pumper Tanker appliance will be used for response to all call types in and around Wodonga.

These additional resources will increase safety outcomes for Wodonga's growing community and our firefighters. The station will remain co-located with the CFA, which ensures that our sector colleagues will continue to play an active and crucial role, as they have always done. Emergency calls have increased from 565 calls in 2017-18, to 618 calls in 2019-20. It is projected that the number of calls will continue to increase in line with population growth.

Commissioner Block said, 'Fire Rescue Victoria is dedicated to giving regional Victorians the resources they deserve and we are proud to work together with the CFA to keep our communities safe.'

'In the sector, we work together as one team, and FRV will continue to work seamlessly with our CFA colleagues and sector partners to provide the best emergency response for the community.'

Strategic planning ensured the station did not require renovation or redesign to accommodate the additional appliance. The five-bay station includes a gym, kitchen and mess room, multipurpose room, office space and lounge.

Service (continued)

Celebrating the opening of Tarneit Fire Station

The FS57 (Tarneit) fire station has been in operation since late 2019. However, an official opening was put on hold following the unprecedented 2019–20 summer bushfire season and the COVID-19 pandemic.

The \$5.4 million fire station project was handed over to FRV as part of fire services reform, with the design and construction managed by CFA under the Victorian Government's 350 Firefighter Program (P350).

Fire Rescue Commissioner Ken Block attended the celebratory event, highlighting the importance of the new station in delivering FRV strategic response, as we grow our capacity to serve local communities.

Mobile Data for Vehicles (MD4V) Project

The Mobile Data for Vehicles (MD4V) pilot has seen the installation in seven appliances of rugged tablets with purpose-built software. On-shift training in using the new software was provided to more than 250 firefighters to ensure they could get the best out of the new technology as they proceeded to attend fire calls during the trial period.

The MD4V tablet and software provides crews with a range of information to improve their situational awareness and safety, and make it easier to navigate to incidents. The tablets show:

- key incident information
- the most efficient route to the location
- a list of the other responding appliances – with details about their crewing, and
- real-time locations and estimated time of arrival (ETA) to the scene.

The provision of estimated arrival times is a significant benefit as it allows the Officer in Charge to make more informed decisions about how to best use the available resources in an unfolding emergency. Aerial mapping also shows key features and risks in the area around an incident.

Crews have found the system is easy to use and provides critical information ahead of time. When the pilot concluded in April 2020 trial units were left in place and work continued in 2020–21 to procure a suitable communications hub to improve system dependability and facilitate a fleet-wide installation program.

Hostile Act Response and Counter Terrorism Capability

Primacy for responding to a hostile event in Victoria rests with Victoria Police as the lead agency, with FRV providing a support role. FRV works closely with partner agencies to provide fire, hazmat and technical rescue services. The relationship between these agencies is crucial to successful response and recovery activities. Our approach is built on trusted partnerships and a continued integrated approach to hostile events. This year, FRV has focused on fostering partnerships with emergency management agencies, government and industry to maximise opportunities to improve interoperability.

Hostile event education underpins our ability to analyse an emergency situation and make critical decisions. FRV continues to support our people by providing ongoing education to FRV promotional courses, and specialist skills acquisition courses, departments and operations.

The Strategy Directorate is developing a Hostile Event Strategy which will see FRV continue to prepare for our role in class 3 emergency response activity to ensure Victoria's communities are supported with effective fire suppression and specialist rescue services.

Updated Strategic Location Plan

The FRV Strategic Fire Station Location Plan (SLP) is being developed to help guide FRV's future decision making and enable FRV to analyse and anticipate changing and emerging community safety risks. SLPs have been used in Victoria for over 30 years. Over this time, the remit of the fire services has expanded significantly and so have the sophistication and capability of its research teams to deliver SLP reports that reflect and are relevant for their time but also provide for an adequate and accurate understanding of future needs and requirements.

Communication Technical Service Officers

Communication Technical Service Officers (CTSOs) manage, audit, maintain and upgrade FRV and CFA communications networks ensuring vital operational intelligence can be broadcast effectively when needed. CTSOs primarily manage and maintain FRV and CFA fixed and mobile radio networks, and are currently in the process of upgrading all of CFA's District Command with a new personal computer (PC) based communications and channel allocation system that will allow for greater system integration, reliability and mobility for CFA personnel in the office, in the field or on the fire ground.

Technicians are located in metropolitan and regional areas, with 24/7 technical support via the Helpdesk or duty officer. They conduct daily fault rectification and radio network health monitoring, including deployment to incidents across the state, and provide incident support, communications planning, emergency equipment or the deployment of mobile repeater trailers across Victoria or interstate, to ensure firefighters have reliable communications capability regardless of location.

FRV's CTSOs also work alongside other FRV departments and projects, such as the upgrade of former CFA stations to the Station Turnout System as well as working within the State Control Centre.

Rope Rescue and High Angle Rescue Techniques (HART)

Over the past year the Rope Rescue department has focused on identifying the requirements to support our rope rescue trained firefighters. Concept development and consultation to transition FRV rope rescue to common equipment, training and techniques continues and planning is underway to provide rope rescue skills maintenance.

One significant achievement was moving Division A rope rescue services from 13mm rope systems to 11mm rope, light-weight rigging, superior friction devices and reconfigured equipment packaging. The change improves safety and efficiency for our crews.

The rollout of Safe Working at Height kits to former CFA (FRV38) stations and asset management of former MFB kits continues to ensure that all personnel and the community benefit from the initiative. Training resumed after COVID-19 interruptions and, after some delay, a HART course 12 was successfully concluded. Planning is underway to provide Division A HART training to a number of Division B rope rescue instructors.

A focus of the coming year will be to harmonise rope rescue capabilities throughout FRV and work with other emergency services to enhance rope rescue capabilities throughout Victoria.

Marine

FRV's Marine capability has been bolstered this year by the addition of seven newly trained and qualified Coxswains to operate FRV's fleet of vessels.

The Marine department also finalised contractual and procurement processes associated with replacing two of our smaller firefighting vessels. The Marine department has been focusing on providing skills maintenance and ensuring our marine operators are well prepared for any incident they may be faced with. Since the inception of FRV the Marine department has worked closely with operations to ensure all FRV firefighters are trained and have access to critical safety equipment when working around water.

Metropolitan and regional firefighters have been trained in the use of basic water rescue equipment, which will greatly improve the safety of our crews and the community in incidents around and in swift water environments. The department also consolidated its stock of lifejackets and standardised work instructions, merging the best practises of CFA and MFB procedures.

In April 2021 FRV answered a request for assistance from New South Wales by providing 16 in-water qualified swift water rescue operators, and equipment, to support SES NSW in widespread flooding. FRV staff were directly involved in water rescue and flood support.

In 2021/22 FRV's Marine Department will focus on developing a statewide capability for marine, working with a range of agencies, government departments and industry to enhance response to fires and chemical spills on vessels and in waterways.

Urban Search and Rescue

FRV Urban Search and Rescue (USAR) team has focused on maintaining and upskilling FRV personnel with carefully planned initiatives that enhance rescue capability in and outside the FRV fire district. FRV's approximately 320 Trench Rescue Technicians and 180 USAR Category 2 operators respond to incidents all over the state. USAR operations in 2020–21 included:

- enhanced training for FRV USAR Category 2 operators
- commissioning of six new Heavy Rescue appliances with increased rescue capability
- conversion training for Heavy Rescue operators to match the increased rescue capability of the new appliances
- additional skills maintenance training for Heavy Rescue teams.

Our focus for 2021–22 is the development of four new Heavy Rescue appliances and harmonising our road accident rescue capabilities throughout FRV.

HAZMAT

FRV's Hazmat teams respond to incidents that involve hazardous materials. This includes fires, chemical spills and chemical-related medical emergencies.

Our Hazmat technicians are supported 24/7 by Scientific Advisors providing expert scientific advice to assist in the mitigation of an incident.

Throughout the 2020–21 financial year, FRV's Hazmat department focused on the rollout of skills maintenance training to over 150 Hazmat technicians and harmonising FRV's response efforts across the organisation.

The department is in the final stages of harmonising the Hazmat Technician Course which will see new skills acquisitions occur across FRV in addition to the inclusion of a replacement Level B splash suit, which will see a marked improvement to firefighter safety at hazmat incidents.

Throughout 2020–21 the Hazmat Department will work on harmonising capabilities, equipment and doctrine. We will be updating our gas suits and providing additional gas detection equipment to improve the safety of emergency service workers and the community.

People

FRV's people are the beating heart of Victoria's Fire and Rescue Services. Since the establishment of FRV, they have worked to build and grow the organisation while continuing to deliver the high standard of operational response our communities expect and deserve. Our people are valued for their skills and experience, and are highly visible symbols of safety, professionalism and trust in Victorian communities.

FRV employees are fundamental to achieving operational and organisational excellence, and in delivering a contemporary fire and rescue service for Victorians.

Despite the challenges of COVID-19, over the past twelve months FRV has successfully developed and delivered numerous courses, including the Catchment Commander Course in support of the CFA, Inter-divisional Firefighter program, FRV to CFA Commander Secondment program, Safety Compliance courses to all Division B Firefighters, Division A Legacy Station Officer Course and the inaugural harmonised FRV Commander Course.

Technical Operations is working with Operations on a statewide response strategy whilst ensuring skills acquisition training is still maintained. The FRV High Angle Rescue Training (HART) instructor course and Urban Search and Rescue (USAR) refresher training has been completed, and planning is underway for future HART courses in March 2022. We continue to deliver Marine courses including Coxswain, Deckhand and Swift Water Rescue Instructor courses, in support of Operations' Marine Capabilities.

Emergency Medical Response (EMR) training has been rolled out to FRV recruit courses that graduated in July 2021, and EMR Reaccreditation courses continue to be delivered across FRV.

The harmonised Leading Firefighter program and Driver training programs continue to be delivered despite several interruptions and rescheduling due to COVID-19 lockdowns, and all departments have worked hard to minimise the impact this may have had on firefighters waiting to undertake this training.

During 2020–21 Operational Training delivered training to the Regions in support of Operations, which included courses such as the ALTAIR Detector, DEBRIS, Steep Angle, Low Angle and the Division A MKV Pumper Tanker conversion training to the Wodonga Fire Station crews.

Contemporary workplace conditions

Promoting a positive culture

FRV is committed to being a contemporary, respectful and inclusive workplace. As a new organisation, FRV is working to create a unified, engaged, adaptive, skilled and inclusive culture. Our diversity and inclusion programs support FRV staff to better represent, understand and serve the Victorian community. We actively participate in, and lead, sector and community reform.

FRV has a strong commitment to providing a safe, inclusive, and respectful workplace. We are building a new organisation and a contemporary culture for our people and the community we serve. In support of creating awareness and respectful and ethical workplace behaviour and standards for all employees, Workplace Behaviour Training is delivered face-to-face to all new operational recruits and during operational promotional courses for Senior Officer and Commander cohorts. For Corporate employees, Workplace Behaviour Training is a key module with on-boarding. FRV is planning to roll out this training to all employees to ensure our leaders understand their obligations and our expectations and as part of our ongoing duty to prevent harassment.

FRV's Employee Support Program provides support to staff and their immediate family, and also retired employees through confidential counselling, manager support, and advice in a range of locations.

The organisation has established the Organisational Development and Business Partnering Team which will work with Leaders and employees to enhance our culture and employee engagement. A key focus of this group is to develop programs that create a safe, respectful and inclusive workplace. The team will develop programs to support the creation of FRV Values, a program that will engage every FRV employee.

FRV is a member of the Emergency Management Inclusion and Diversity Leadership Group which seeks to drive sector-wide change to create a sector that reflects the diversity of the community, and we are also an active participant in the Champions of Change agreement, which seeks to achieve change on gender equality issues.

Our latest recruitment campaign was focused on attracting a diverse range of candidates to increase diversity across the sector, and two of our women firefighters have been engaged as Support Officers to provide support for women considering a career as a firefighter.

Currently, women are represented at all operational ranks up to and including, the level of Deputy Commissioner, and in senior leadership positions across the organisation, providing the aspirational evidence to others that you 'can be what you can see'.

Promoting a respectful culture

An ethical and respectful workplace culture begins with the behaviour of its people. Ensuring a safe workplace is a legal requirement of all employers, and respectful behaviour is a key element of a safe workplace. FRV is proud to uphold a high standard when it comes to setting and promoting positive workplace conduct. We are fortunate to have dedicated teams in the People and Culture Directorate who are focused on creating understanding and providing support for ethical and respectful behaviour.

Talent Acquisition ensures FRV applies merit and equity principles when appointing employees. It oversees recruitment processes to ensure that applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination or bias.

The Workforce Development team delivered an onboarding process completed by all employees transitioning to FRV. This included online modules on workplace behaviour, respect, the code of conduct and the Victorian Public Sector values as well as workplace integrity, gifts, benefits and hospitality policy, conflict of interest and public interest disclosures.

HR Business Partners provide critical advice and guidance to FRV leaders across a spectrum of human resources issues that support maintenance and growth in people management capability and early localised intervention on behaviour and conduct issues where this is possible.

The Diversity and Inclusion team is also leading work across FRV to build greater understanding of ethical behaviour and respectful relationships. This has been well received with high-level involvement of FRV employees and positive outcomes. FRV promotes positive behaviour through the stories of our people, and generated meaningful workplace culture improvements through the power of positive communications and campaigns.

The Ethical Standards Unit is a specialist internal FRV service that provides legal advice, guidance and education to FRV leaders and the wider workforce. Specifically, the unit provides expertise on acceptable behaviour in the workplace, and advice on how to best remedy and address any employee concerns relating to behaviour. Unit members are diligent in providing expert, confidential and impartial service, and welcome the opportunity to work with FRV employees to promote an ethical, respectful and safe workplace culture.

In response to COVID-19, FRV rapidly implemented remote working for employees who could work at home. As a result of the success of this way of working, FRV is now embedding more flexible work practices and procedures into normal business and can better respond to lockdowns.

Much work has been done to harmonise policies, procedures and systems across the FRV workforce. During the year all transitioning employees completed an on-boarding package. This provided key information about FRV, fire services reforms, FRV's rank structure, origins, stations and unified policies and compliance training. It included modules on the Victorian Public Service values, workplace behaviour and integrity. During COVID-19 workplace restrictions, the package was delivered online.

When possible, Conversations in the Mess will resume, providing employees with an opportunity to engage with senior leaders in open dialogue and enhance understanding of wider perspectives in FRV.

The Lessons in Disaster training package was delivered to case managers and service providers in bushfire-affected regions, especially those dealing with domestic violence. This was delivered in partnership with the Gender and Disaster Pod.

FRV is participating in the SBS Inclusion Program, which uses online training resources to help organisations better understand Australia's diversity and promote more inclusive workplaces. The program's seven online courses cover inclusion, age, LGBTIQ issues, disability, cultural diversity, gender and indigenous cultural awareness.

FRV is completing its first *'Reflect' Reconciliation Action Plan*, (RAP), which contains the steps FRV should take to prepare for reconciliation initiatives in successive RAPs.

Professional development

FRV offers a range of professional development opportunities to give our people the chance to learn and grow. We support our employees undertaking study for formal qualifications including through higher education, classroom-based workshops and online learning modules, and support ongoing professional association membership. Employees also have opportunities to attend educational conferences such as the Australasian Fire and Emergency Service Authorities Council and the Emergency Services Foundation conference. While COVID-19 caused the suspension of many external programs it also led to the rapid and successful development and delivery of flexible online learning.

Influential leadership

FRV offers a range of leadership development opportunities that provide employees with the ability to learn and network with colleagues across the emergency services sector. FRV leaders can undertake qualifications through the Australian Institute of Police Management or other industry-specific development programs, noting that programs were suspended in 2020 due to COVID-19. We are continuing to support senior leaders to participate in the Williamson Leadership Program, which aligns with our values and role as community leaders.

People (continued)

Enterprise agreements

Fire Rescue Victoria was created by the commencement of amendments contained in Part 3 of the Firefighters' *Presumptive Rights Compensation and Fire Services Legislation Amendment (Reform) Act 2019* (Reform Act) on 1 July 2020. On that day, FRV was launched as a new organisation, bringing together all MFB

employees, CFA's career firefighters and a number of CFA's corporate employees. As at 1 July 2020 there were a number of enterprise agreements that applied to (former) MFB and (former) CFA employees upon transferring to FRV. The following table sets out the status of those enterprise agreements, including whether they have been replaced.

Agreement	Employees covered	Status
Metropolitan Fire and Emergency Services Board, United Firefighters Union of Australia, Operational Staff Agreement 2016	Career firefighters	On 26 August 2020, the Fair Work Commission made an order to vary this agreement to combine it with the Country Fire Authority/United Firefighters' Union of Australia Operational Staff Enterprise Agreement 2010. The combined agreement is called the Fire Rescue Victoria Operational Employees Interim Enterprise Agreement 2020 (Interim Agreement). The Interim Agreement will be replaced in due course by a new agreement. Formal negotiations are expected to commence between relevant parties in 2021.
Metropolitan Fire and Emergency Services Board Corporate & Technical Employees Agreement 2017	Corporate, technical and operational support	On 26 August 2020, the Fair Work Commission made an order that this agreement be varied and apply to FRV staff (previously employed by MFB under this agreement) as the Fire Rescue Victoria (Former MFB) Corporate & Technical Employees Agreement 2017. The Nominal Expiry date for this agreement is 3 November 2021. FRV intends to replace this agreement with a new enterprise agreement in 2021 which will also cover FRV employees to whom the Country Fire Authority Professional, Technical and Administrative Agreement 2016 applied.
Metropolitan Fire Brigade, AMWU Mechanical Engineering Workshops Enterprise Agreement 2015	Workshop employees	This has been replaced by a new enterprise agreement called the Fire Rescue Victoria, AMWU Mechanical Engineering Workshops Enterprise Agreement 2020. The new agreement was approved by the Fair Work Commission on 5 February 2021, took effect from 12 February 2021, and has a nominal expiry date of 30 June 2023.
Country Fire Authority/United Firefighters' Union of Australia Operational Staff Enterprise Agreement 2010	Career firefighters	On 26 August 2020, the Fair Work Commission made an order to vary this agreement to combine it with the Metropolitan Fire and Emergency Services Board, United Firefighters Union of Australia, Operational Staff Agreement 2016. The combined agreement is called the Fire Rescue Victoria Operational Employees Interim Enterprise Agreement 2020 (Interim Agreement). The Interim Agreement will be replaced in due course by a new agreement. Formal negotiations are expected to commence between relevant parties this year.
Country Fire Authority Professional, Technical and Administrative Agreement 2016	Professional, technical and administrative support roles	On 26 August 2020, the Fair Work Commission made an order that this agreement be varied and apply to FRV staff (previously employed by the CFA under this agreement) as the Fire Rescue Victoria (Former CFA) Country Fire Authority Professional, Technical and Administrative Agreement 2016. The Nominal Expiry date for this agreement was 28 November 2020. FRV intends to replace this agreement with a new enterprise agreement in 2021, which will also cover employees to whom the Metropolitan Fire and Emergency Services Board Corporate & Technical Employees Agreement 2017 applied.

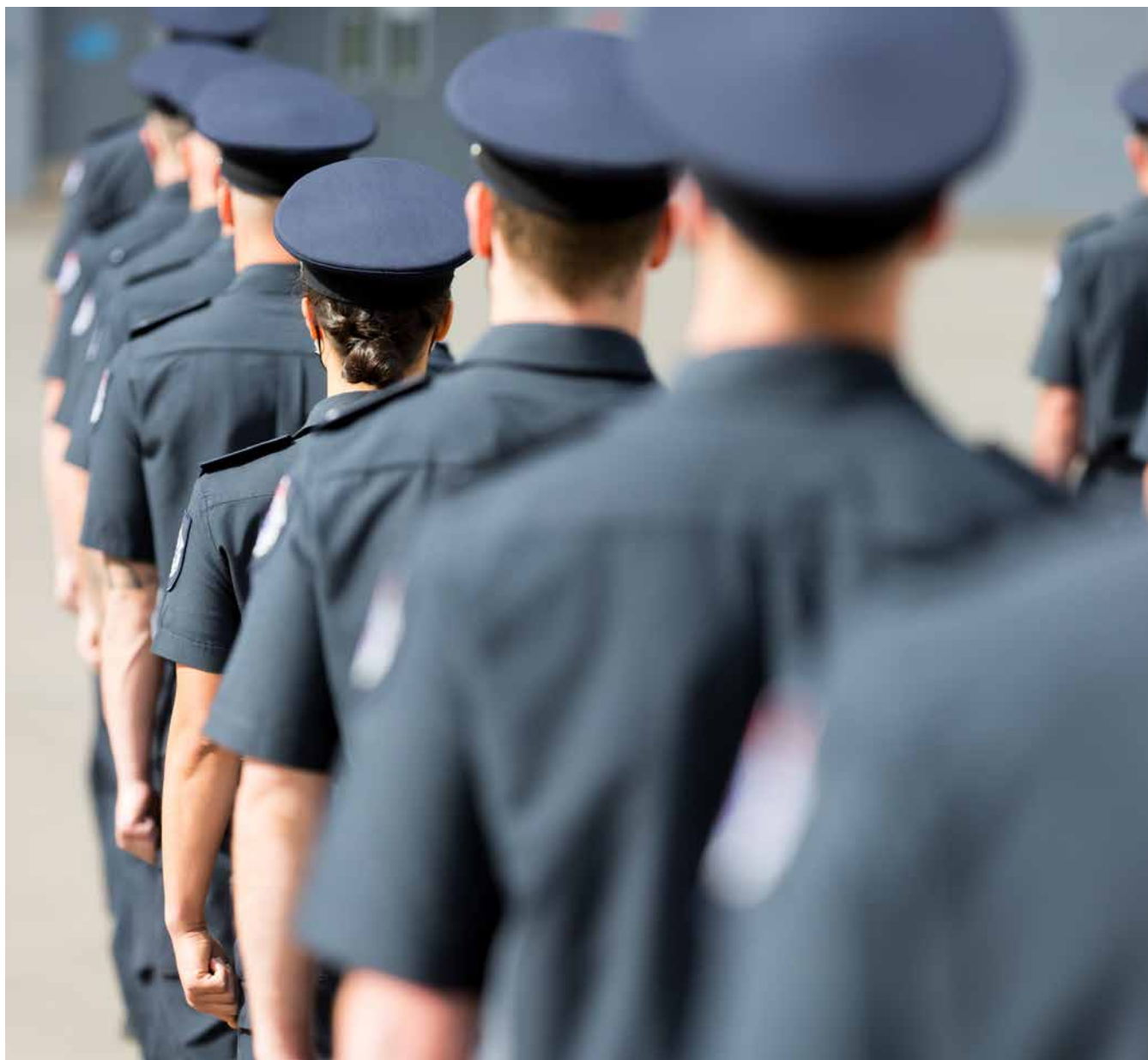
Recruitment campaign

During the 2020–21 financial year FRV continued to build its capacity to serve Victorian communities by delivering four recruit courses, welcoming 103 additional career firefighters to the frontline of fire and rescue services.

From a pool of more than 5,800 applicants, our newest firefighters come from all walks of life, with candidates selected on the basis of their motivation, aptitude and behaviours. After 20 weeks of rigorous training covering traditional hose drills, compartment fire behaviour, hazardous material and Emergency Medical Response training – all while navigating the challenges and complexities of COVID-19 – FRV's newest recruits are ready to respond to any emergency situation they may face.

Sustainable workforce

FRV is proactively planning for the workforce needed now and into the future to ensure a modern fire service is delivered in line with changes in community needs and expectations.



People (continued)

Workforce data

Employee gender and age breakdown

2021	Total	Ongoing	Temporary
Gender			
Female	473	420	53
Male	3825	3748	77
Age			
Under 25	29	26	3
25–34	903	872	31
35–44	1293	1259	34
45–54	976	940	36
55–64	965	943	22
Over 64	132	128	4
Total	4298	4168	130

FRV operational and corporate employee breakdown

	Operations	Corporate
Headcount	3723	575
FTE	3697.99	559.83

* Includes permanent and fixed term staff

FRV operational and corporate employees by gender (%)

Year	Operations		Corporate	
	Female	Male	Female	Male
2020–21	4.7	95.3	51.8	48.2

Remuneration of executives

Executive Officer data

An Executive Officer (EO) is defined as a person employed as an executive under Part 3 of the *Public Administration Act 2004* (PAA). For a public body, an EO is defined as an executive under Part 3 of the PAA or a person to whom the Victorian Government's Policy on Executive Remuneration in Public Entities applies.

All figures reflect employment levels at the last full pay period in June of the current reporting year. Data from earlier years is not included because the creation of FRV means current and previously published figures are not usefully comparable. Future annual reports will provide comparative data.

The following table discloses the number of Executive Officers at FRV as of 30 June 2021.

Class	All	Men	Women	Self-described
EO1	1	1	0	0
EO2	10	6	4	0
EO3	14	9	5	0
ACFO	66	65	1	0
Total	91	81	10	0

Executive Officer remuneration

The number of Executive Officers, other than accountable officers, and their total remuneration during the reporting period are shown in the table below. The total annualised employee equivalent provides a measure of full-time equivalent Executive Officers over the reporting period.

Remuneration comprises employee benefits (as defined in *AASB 119 Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis, and is disclosed in the following categories:

- **short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis
- **post-employment benefits** include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased
- **other long-term benefits** include long service leave, other long service benefits or deferred compensation
- **termination benefits** include termination of employment payments, such as severance packages.

Several factors affected total remuneration payable to Executive Officers over the year. A number of Executive Officers ceased employment with the organisation and this had a significant impact on remuneration figures for the termination benefits category.

Remuneration of accountable officers	2020-21
Short-term benefits	\$547,380
Post-employment benefits	\$22,035
Other long-term benefits	\$11,418
Termination benefits	\$0
Total	\$580,833

Remuneration of Executive Officers

Short-term benefits	\$18,687,000
Post-employment benefits	\$1,850,000
Other long-term benefits	\$426,000
Termination benefits	\$284,000
Total remuneration	\$21,247,000
Total number of Executive Officers	88
Total annualised employee equivalent (AEE)	74.32

Dollar cost of operational overtime

Actual	2020-21
Total overtime	\$71,813,000
Recall overtime	\$21,624,108
Maintain strength overtime	\$10,375,322
Fire call	\$1,780,274
Muster and dismissed	\$1,061,540
Standby and dismissed	\$340,175
Excess travel	\$3,433,936
Other	\$33,197,645

Figures represent overtime paid to operational employees during 2020-21. Figure excludes overtime paid to non-operational employees during 2020-21, and excludes overtime worked by operational employees prior to 30 June 2020 but not paid until after 1 July 2021.

WorkCover and injury data

Types of injuries	Number
Lower limbs	87
Upper limbs	71
Trunk (including back)	57
Head	35
Neck	12
Systemic locations	4
Multiple locations	4
Mental health	27
Other	1

Promotions and appointments

Promotions

Assistant Chief Fire Officer	14
Commander	23
Senior Station Officer	0
Station Officer	47
Fire Service Communication Controller	5
Leading Firefighter	44

Appointments

Commissioner	1
Deputy Commissioner	6
Deputy Secretary	1
Executive Directors	3
Directors	8
Recruit Firefighter	103
Corporate	91

People (continued)

Honours and Awards

The ability for FRV to recognise, celebrate and thank those who have given their time to serve others and those who achieve their best for FRV and the community, is a fundamental value for FRV. The FRV Honours and Awards program was created to continue this recognition as well as to acknowledge the proud fire services history in Victoria.

Honours and Awards fall into two broad categories: those that form part of the Australian Honours and Awards system – or its predecessor, the Imperial Honours system – and those issued by organisations such as FRV. The FRV Honours and Awards Committee, established by the Commissioner, meets regularly to consider award nominations and make recommendations to the Commissioner after assessing nominations against a guiding selection matrix agreed by the committee. The final decision for all awards remains with the Commissioner.

As part of the creation of the FRV Honours and Awards program a new suite of FRV medals has been created. Three internal medals have been struck – Valour; Life Membership; and Long and Good service.

The FRV Valour Medal is the highest honour. It may be awarded to members of FRV for an act or acts of conspicuous bravery in circumstances of great peril. The Valour Medal is a circular gold medal with a crown suspender. The face of the medal has a laurel wreath surrounding the FRV badge. The obverse has a half laurel wreath surrounding the words “awarded for conspicuous bravery”. The ribbon features a red centre stripe as the colour for valour and has two stripes on either side, blue representing FRV and orange associated with bravery.

Other awards recognising outstanding FRV service include the FRV Citation of Service – awarded to members of FRV for an outstanding achievement or achievements during operational duties that reflect great credit to the service; the Commissioner’s Commendation – awarded to individuals or groups for performance above and beyond the call of duty or for service to the community reflecting credit to FRV; the Executive Officer’s Commendation – awarded to individuals or groups for exceptional performance at an emergency event or with the broad community; and the FRV Community Fire Safety Awards – awarded to members of the community who display responsiveness and selflessness to assist and support either emergency service personnel or other community members in an emergency incident or who by their outstanding action(s) or contribution(s) makes a significant improvement to community or fire safety standards. Names on appliances may also be commissioned to honour and commemorate specific FRV members to recognise significant contribution to the organisation.

In addition to outstanding service and commitment to the organisation by achieving from 10 up to 50-year service achievements, all FRV staff are eligible to receive a Long and Good Service medal and award to formally recognise an FRV employee’s service milestones. The medal is a circular antique silver medal, with a crown suspender, featuring the FRV crest on the front surrounded by the words ‘for long and good service’. The rear of the medal has a half laurel wreath either side of a traditional firefighting helmet. The medal ribbon consists of vertical stripes of the FRV colours.

Life Membership is a service award for employees who have demonstrated service above and beyond what is recognised by the FRV Long Service Awards. FRV employees with an aggregate dedicated service of no less than 30 years may be nominated for an FRV Life Membership Medal. Employees with less than 30 years’ service may be nominated at the discretion of the Commissioner or Executive Leadership Team.

Events to present all honours and awards are planned for later in 2021.

Training

VEMTC capability and capacity

The Victorian Emergency Management Training Centre, Craigieburn is a state-of-the-art, purpose-built emergency services training centre that combines academic and practical learning facilities.

The site, which is managed by FRV, is the state’s primary centre for Recruit Firefighter training. It hosts the FRV Recruit Firefighter Course and is used by a range of emergency service organisations for training and multi-agency exercises.

The practical learning environment is designed to provide firefighters with a training experience that simulates any emergency scenario they might respond to, including road, rail, tunnel and marine fires, as well as urban search and rescue.

Training at the 18.6-hectare facility includes recruit, promotional, technical operations and specialist programs that are delivered across FRV’s operational workforce.



Collaboration

FRV works collaboratively with our Emergency Management colleagues, as well as stakeholders from state, Federal and local government, community leaders, private organisations, and academia to safely deliver the best possible fire and rescue outcomes to the people of Victoria.

FRV's Remotely Piloted Aircraft Systems (RPAS), Urban Search and Rescue, High Angle Rescue Technicians and Rapid Impact Assessment Teams were all involved in supporting the CFA and VICSES volunteers throughout the devastating August 2021 storms across eastern Melbourne and Victoria, providing aerial intelligence across the affected areas. This demonstrated progress in interoperability extends into the corporate areas of both organisations.

FRV's State Operations Department has been working closely with our stakeholders to deliver the Greater Alarm Response System (GARS) to the whole of the FRV footprint. This has also captured the newly created grass and scrub fires GARS category which has tailored the responses to the risk rather than the current and generic non-structure response.

The past twelve months have seen significant achievements in interoperability between FRV and CFA working together to keep the Victorian community safe. This collaboration and harmonisation in training and processes has been evident at operational incidents in Melbourne's urban fringe, regional cities and suburban and rural settings. This was demonstrated almost immediately after the establishment of FRV, when a fifth alarm factory fire erupted in Altona North on 1 July engulfing a warehouse with a high fuel load and saw FRV and CFA firefighters working in partnership to battle the blaze with support from, Victoria Police, Ambulance Victoria, EPA, and VICSES.

Advocacy has been moved from being an issues/project-based deliverable to part of FRV's core business, making progress in addressing key issues, and working with the community in the areas of High Consequence Chemical Transport and per- and polyfluoroalkyl substances (PFAS), including remediation strategies, and the testing and cleaning of all FRV fire trucks. A PFAS blood serum study involving FRV employees has now concluded, with the results being peer reviewed and we are looking at publications that will confirm FRV as a leader in this area, and advocating to see PFAS banned nationally.

Committed to building community resilience and safety, over the last year FRV has successfully initiated partnerships with the Alfred Hospital Burns Unit, the National Disability Insurance Agency, Victorian Multicultural Commission, the Arson Squad, Municipal Association of Victoria and the Home Fire Sprinkler Coalition.

We have successfully worked with stakeholders regarding eight major infrastructure projects in addition to representing FRV in the statewide Cladding Audit, where we had significant input into the evaluation and assessment process and continue to contribute to ongoing work to identify where cladding is inappropriately used in buildings.

In addition, FRV completed a submission into the Independent Review of the *Dangerous Goods Act 1985*, which has seen the increased participation in joint agency inspections and risk assessments including Cladding, Dangerous Goods and Waste, and advocated for improved compliance within the recycling and hazardous waste management sector to improve the safety of our community and our firefighters.

FRV's Fire Safety Strategy, Policy and Reform unit has made significant progress throughout the year, obtaining the Planning Minister's authority to recommence enforcement activities regarding essential safety measures and non-compliances within the built environment.

FRV has also advocated to broaden the external wall cladding product ban to include all types of external wall cladding systems that utilise expanded polystyrene as well as aluminium composite panels that have core comprising of less than 93 per cent inert filler, from a former 30 per cent threshold. This is a great achievement that will improve fire safety, and as we look ahead to the future, the Directorate will continue to identify further opportunities to improve the safety of the community and our staff and drive legislative change.

FRV continues to engage with key internal and external stakeholders on the development of a Memorandum of Understanding with the Environmental Protection Agency (EPA), and are coordinating FRV's input into the independent review of the Dangerous Goods Act and Regulations.

During 2020–21, FRV navigated changes to the former MFB and CFA fire district boundaries and interdepartmental implications of transition, resulting in a formal agreement between FRV and the Department of Environment, Land, Water and Planning which was signed on 11 February 2021.

FRV–CFA Secondment Program

In May 2021 FRV began the FRV–CFA Commander Secondment Program.

A joint training initiative between FRV and CFA, the program was developed to complement FRV's capacity to provide relief into Catchment Commander positions within CFA and enhance interoperability between agencies through improved collaboration and understanding.

Selected FRV Commanders and Officers undertook a four-week intensive program that encompassed the foundational skills and knowledge required of a Catchment Commander. This ranges from Bushfire Operations to use of specific CFA web-based systems.

The program also included a mentoring and shadowing component, placing candidates in a CFA District for four weeks. This opportunity encouraged the sharing of skills, knowledge and experiences and embraced the value of learning directly from peers.

This FRV–CFA joint initiative enhances both organisations by strengthening our relationship and the abilities of our future leaders to meet the evolving needs of the greater Victorian community.

Major initiatives

State Capability Framework

Fire Rescue Victoria continues to work in collaboration with emergency management partners aligning to the following State Capability principles:

- Drive improved public value by working as one
- Maximise utilisation of capability and capacity
- Embrace continuous improvement, innovation and research
- Enhance partnerships and shared responsibilities.

In 2020–21, FRV participated in a comprehensive review of the State Emergency Management Plan (SEMP) to ensure that FRV's responsibilities and capability aligns to the 21 Core capabilities. This helps FRV fulfil and meet our responsibilities and plan for gaps identified within the Capability Framework.

This also enables FRV to work collaboratively within the sector, provide support to other agencies and provide assurance to the community we are meeting our legislative obligations.

Looking ahead to the remainder of 2021 and beyond, FRV will participate in further SEMV reviews, continue to assess the State Capability Framework capability gaps and work with EMV and partner agencies to provide the best fire and rescue service for Victorian communities.



Collaboration (continued)

Victorian Protective Data Security Framework

The Victorian Protective Data Security Framework (VPDSF), established under Part 4 of the *Privacy and Data Protection Act 2014*, promotes continuous improvement of information security practices, manages information and data risks and promotes innovation, ensuring that the right people have access to the right information at the right time.

During 2020–21, FRV continued to review and update information management and information security management frameworks to ensure compliance with data security obligations set out by the VPDSF.

FRV is committed to implementing and maintaining the highest possible standards of information security to ensure our people and systems are protected, as we continue to deliver emergency services to our community.

Memorandums of Understanding

A Memorandum of Understanding (MOU) is a written agreement between agencies generally used to help explain how they will work together to deliver their respective legislative obligations when operating in each other's jurisdictions.

The CFA–FRV MOU, established in 2020–21, is a key agreement on joint protocols. FRV provides a range of services to CFA, from technical operations to specialist equipment resources, and the MOU helps provide guidance on how these services will be provided.

The MOU includes Interoperability Procedures (IPs) developed to have CFA and FRV work together to maximise the safety, effectiveness and efficiency of joint operational management and avoid unnecessary duplication of resources. It aims to provide the most appropriate response to every incident, while reflecting effective and integrated emergency service provisions to the Victorian community.

An MOU was also developed this year for joint operations between FRV and Forest Fire Management Victoria. A key feature of this agreement describes protocols for each agency to operate in the other's jurisdiction. It provides important immunity provisions to individual staff performing operational activities.

Other MOUs continue to be worked through, including with our interstate emergency service partners for cross-border arrangements, as well as key Commonwealth and Victorian Government agencies.

Emergency Management Victoria Operational Review

An Inspector-General for Emergency Management Victoria (IGEM) review recommended an independent review of the state's emergency management system operating model. The scope of the review includes major emergencies and how different roles and agencies come together in an all hazards all agencies approach to incident management and also looks at Class 1 and 2 emergencies and will also consider the phases of readiness, response, relief and transition to recovery.

Financial Management Compliance Framework

Fire Rescue Victoria places high importance on compliance with its legislative and regulatory obligations. Fire Rescue Victoria maintains the Compliance Framework and supporting Integrity Framework that support the organisation to meet its legislative and regulatory obligations.

The frameworks provide assurances that Fire Rescue Victoria has the appropriate governance systems and arrangements in place to ensure roles and responsibilities for achieving and reporting on compliance activities are clearly defined and the relevant legislative and regulatory obligations are met.

Combustible Cladding

FRV plays an active role in the statewide Cladding Audits Advisory Reference Panels (ARPs) alongside our sector partners, the Victorian Building Authority (VBA) and Cladding Safety Victoria (CSV).

- FRV plays an important role in the assessment process, contributes to ongoing work to identify where cladding is inappropriately used in buildings.
- FRV provides input into the evaluation process, which informs the development of operational risk reports and enhanced responses to buildings at risk.
- FRV advocates for changes to the regulatory system to address the significant life safety risk created by the presence of combustible cladding on Victorian buildings.



Collaboration (continued)



Essential Safety Measures

As a key member of the Advisory Reference Panels (ARPs), FRV continues to highlight the challenges and risks that inadequately maintained Essential Safety Measures provide to responding firefighters and the occupants of Victoria's built environment. FRV's involvement provides increased organisational knowledge and awareness of high risk sites throughout the state, informing operational risk reports, station turnout notes and enhanced responses.

High Risk and Hazardous Waste Crime (HR&HWC)

FRV advocates for better compliance within the waste, recycling and illegal hazardous waste management sector to improve community and firefighter safety.

FRV is represented on several whole of government High Risk Dangerous Goods and Hazardous Waste Crime committees. The committees are responsible for a comprehensive life cycle review of the supply and storage of toxic and hazardous chemicals that present a high fire risk to firefighters and the community. The committees have implemented a suite of strategic initiatives to enhance prevention and response to high risk sites in Victoria, and review the industry supply chain and current regulations.

A Coordinated Prevention and Response Framework, an Operating Protocol, and revised whole of government governance structure has been implemented to ensure a coordinated and seamless response to future risks to improve community, firefighter, and environmental outcomes.

FRV plays a key role supporting the Regulators including Environment Protection Authority (EPA), WorkSafe Victoria (WSV) and is an active member of EPA's Government Reference Group for the new Environment Protection Act and Regulations.

CBD Security Taskforce

FRV supports the security of major initiatives and contributes to emergency management planning for Victoria's major sites by conducting regular access reviews, consulting on design of major public developments and working with public, private, sector and community stakeholders to improve safety outcomes for Victorians.

FRV Doctrine

The Policy, Planning and Operational Guidance Department is responsible for FRV Doctrine, including the development of new operational doctrine and the oversight of organisational doctrine. As part of the transition to FRV, a new FRV Doctrine Framework and intranet page were developed to house many new types of doctrine, presented on new templates. The doctrine is available on the intranet to enable all FRV personnel to access the most up-to-date information. The new doctrine has been developed with a focus on harmonising CFA and former MFB doctrine to reflect the needs of FRV. The doctrine is developed using a thorough process which ensures input is provided by both former MFB and CFA personnel, as well as research being conducted into world's best practice. The doctrine has been developed to ensure the information and procedures are relevant and appropriate to all FRV workplaces and personnel.

FRV is working with CFA to harmonise operational procedures across both organisations to provide common work practices and fireground safety for all Victorian firefighters.

Major Community Infrastructure Unit

FRV's Major Community Infrastructure Unit has been closely involved since 1 July 2020 in providing expert fire and rescue advice to the Big Build, the Victorian Government's coordinated \$80 billion program of 165 major road and rail projects. FRV has worked with government, building consortiums, engineers and architects to bring an emergency services perspective to these works.

This cooperation has informed fire safety design on projects including the Metro Tunnel, the West Gate Tunnel project, the Suburban Rail Loop, and the Level Crossing Removal and Regional Rail Revival projects. FRV's engagement has led to improved sprinkler systems in proposed underground train station platforms, better ventilation systems and safer cross-passage design.

Social procurement

Victoria's Social Procurement Framework (SPF) is a whole-of-government framework under which agencies use their buying power to generate social value above and beyond the value of the goods, services or construction being bought.

In November 2020 FRV adopted a social procurement strategy consistent with the scope and intent of the SPF. This strategy commits FRV to making purchasing decisions guided by five priorities:

- promoting women's equality and safety
- supporting safe and fair workplaces
- encouraging certified social businesses and Aboriginal businesses to engage with FRV
- purchasing goods and services from local businesses in regional Victoria
- seeking environmentally sustainable outputs.

Environment

FRV proactively seeks to minimise its impact on the environment.

Reporting of office-based environmental impacts

FRV's environment policy demonstrates the organisation's commitment to providing emergency response, fire suppression and prevention services in a safe, sustainable and environmentally conscious manner. To further enhance FRV's environmental performance, the environment policy was reviewed and updated in 2020–21 to ensure it aligns with current organisational goals, legislative requirements and community expectations.

FRV continues to collect and monitor its sustainability performance and report on its environmental impacts to meet the requirements of FRD 24D 'Reporting of office-based environmental data by government entities'. The information disclosed includes energy and water use, consumption and disposal of materials, travel and transportation, sustainable investment and procurement, and greenhouse gas emissions from FRV operations at corporate offices and fire stations.

FRV's focus in 2020–21 has been to champion and lead continued implementation of fire service reforms and complete FRV transition deliverables. To address the transformational change management challenges involved in integrating environmental compliance and sustainability within the new organisational culture, FRV has actively engaged all staff in recognising the current and emerging environmental issues relevant to the organisation, and setting strategic objectives and priorities to improve its environmental performance and reduce its contribution to climate change and environmental degradation.

The FRV environment policies, guidelines and procedures are governed by the following principles:

- to be resource efficient by decreasing energy, water consumption and the generation of waste within our corporate and firefighting operations
- to continually improve our Environmental Management Systems (EMS) to enhance environmental performance and fulfil compliance obligations
- to undertake robust monitoring and regularly review our targets, objectives, actions and policies to align with government and community expectations
- to increasing adaptation and resilience of FRV and the community, resulting in the growing awareness of the effects of climate change and natural disaster
- to promote sustainable development and sustainable behaviours within FRV, our emergency services partners and the community.

To support these principles, we commit, in a cost-effective and practical manner, to:

- comply with applicable legislation and other requirements that FRV has committed to.
- reduce the environmental impact of our operations
- minimise consumption and waste production onsite and maximise recycling
- reduce total waste produced by minimising our use of resources, increasing reuse and recycling and by using recycled products and materials where possible.
- encourage all waste management facilities to improve their site management practices to reduce the risk of fire
- use sustainable purchasing principles when purchasing products and services and encourage our suppliers and contractors to meet high standards of environmental management and performance.
- encourage our suppliers and contractors to continually improve their own environmental performance
- embed ecologically sustainable development in station and building works, being led by research and innovative technologies
- build partnerships and share knowledge within the emergency services sector and the community
- set targets, measures and actions to deliver our policy commitments
- report on our environmental performance internally and externally
- undergo periodic independent EMS audits and other benchmarking tools
- manage and reduce our unavoidable use of hazardous material where this cannot be avoided, aiming to minimise potential harm to the environment
- adopt sustainable practices within our operational, technical and corporate buildings to reduce our carbon footprint. We aim to continually improve our environmental performance and to review the policy and our objectives and targets on an annual basis
- advocate to governments, the general public and private organisations to help shape more environmentally considerate behaviours and choices across the emergency management sector and the wider community.

Environmental Indicator Report

Description	Unit of measure	2020-21
Total energy usage differentiated by primary source		
Energy consumption	GJ	51,464
Energy consumption	GJ per FTE	12.1
Green power purchased	%	0.1
Greenhouse emissions (electricity)	tCO2-e	9,117
Greenhouse emissions (natural gas)	tCO2-e	1,186
Total Greenhouse emissions from these sources	tCO2-e	10,303
Total units of office waste disposed of by destination		
Landfill waste	kg	414,768
Commingled recycling	kg	199,960
Total waste	kg	614,728
Recycling rate	%	32.53
Greenhouse emissions (landfill waste)	tCO2-e	663.63
Paper usage results		
0-49% recycled	A4 ream	1,719
75-100% recycled	A4 ream	5,385
Total	A4 ream	7,104
Paper consumption per FTE	A4 ream	1.67
Water usage results		
Total metered consumption	kL	35,858
Consumption ³	kL per FTE	8.4
Sustainable transportation		
Fuel consumption (diesel)	GJ	30,790
Fuel consumption (unleaded)	GJ	10,035
Fuel consumption (biodiesel)	GJ	4,209
Fuel consumption (LPG)	GJ	15
Total fuel consumption	GJ	45,048
Consumption	GJ per FTE	10.6
Total distance travelled	km	3,864,050
Greenhouse gas emissions	tCO2-e	2,849
- Diesel	tCO2-e	2167.96
- Unleaded	tCO2-e	678.54
- BioDiesel	tCO2-e	1.12
- LPG	tCO2-e	0.91
Total travel	km per FTE	908

Environment (continued)

Environmental Indicator Report (continued)

Description	Unit of measure	2020-21
Total distance travelled via air		
Total distance travelled	km	45,056.8
Greenhouse gas emissions from air travel	tCO2-e	11.98
Marine operations		
Operation time	hours	2432
Total fuel consumption	GJ	940
Greenhouse gas emissions from Marine operations	tCO2-e	65.68
Greenhouse emissions		
Electricity use	tCO2-e	9,117
Gas use	tCO2-e	1,186
Vehicle use	tCO2-e	2,849
Air travel	tCO2-e	11.98
Marine operations	tCO2-e	65.68
Total GHG emissions from these sources	tCO2-e	13,217
Total GHG emissions reductions from GreenPower purchases	tCO2-e	-7

Environmental Initiatives and Programs

FRV aspires to be an environmental leader in the emergency services sector and is committed to reducing its environmental impact in both corporate and operational capabilities. Continuous improvement is a core function within FRV and, in this financial year, a number of environmental initiatives and programs have been implemented in the following departments.

FRV aspires to be an environmental leader in the emergency services sector and is committed to reducing its environmental impact...

Advocacy

High Consequence Chemical Response Capability

FRV has been successful in its bid to receive \$8.2 million Victorian Government budget funding over four years to enable the state's fire services to safely and effectively contain and mitigate high consequence chemical (HCC) incidents. FRV will invest this funding in better personal protective clothing (PPC) and equipment and to train crews to mitigate an incident involving HCC. A spill of HCC could have significant long-term impact on the community health, environment and economy. The program aims to make the state more resilient to accidental or intentional (hostile) HCC events.

FRV has continued to identify, assess and address potential human health and environmental risks associated with the historical use of PFAS containing aqueous film forming foam, which was phased out in 2014. In 2020–21 the program focused on:

- managing independent environmental consultants, accredited laboratory testing providers and remediation contractors to measure, analyse and, if required, remediate FRV fire stations and any affected neighbouring properties
- establishing new bulk foam filling stations at Sunshine and Burnley Fire Stations
- partnering with the Faculty of Medicine at Macquarie University to study whether regular blood and/or plasma donations reduce PFAS levels in the blood of firefighters.

Property Services

Energy, Water and Waste

In the current reporting period, FRV's primary focus has been on the harmonisation of operations and corporate services across Division A (former MFB) and Division B (former CFA) sites to facilitate a smooth transition process while providing critical services to the community. Nevertheless, activities and solutions that may render sustainable business outcomes have been appropriately evaluated and extended as part of FRV's endeavours to reduce its environmental footprint, such as:

- continued rollout of the Siemens Building Management System (BMS) to new fire stations to monitor energy and water consumption, diagnose performance issues, enable predictive maintenance scheduling, minimise unplanned plant and equipment downtime and reduce impact on carbon emission and climate change.

- ongoing water quality monitoring of the existing rainwater capture and harvesting systems at the FRV facilities to ensure the availability and safety of recycled water for reuse in daily operations, therefore decreasing non-critical water use volumes as well as reliance on reticulated water supply.
- introduction of water filtration systems to 19 fire stations in the western districts for firefighters to refill their drink bottles and stay hydrated, while saving a large quantity of plastic water bottles from the waste streams.
- improved waste streams segregation and responsible waste disposal and recycling, particularly the careful management and disposal of medical waste during the challenging times of the COVID-19 pandemic in accordance with the EPA guidelines. FRV will explore further opportunities to optimise waste management by advocating and following the waste hierarchy of reduce-reuse-recycle.

Green Building

FRV continues to adopt and apply ESD principles in property-related activities in the entire portfolio. FRV strives to incorporate environmentally responsible and resource efficient considerations and technologies throughout a building's life cycle: from planning to design, construction, operation, maintenance, renovation, and demolition. This is realised through close cooperation between the FRV project managers and the contractors, architects and engineers at all project stages. The achievements include:

- opening of the new Derrimut Fire Station, which will be Australia's first accredited 5-star sustainable fire station on the Green Star rating system, with the state-of-the-art facility containing a number of sustainability features, such as solar panels, rainwater tanks, an irrigation system, an exhaust fume extraction system, acoustic treated rooms and automated electrical control systems.
- installation of solar photovoltaic (PV) panels at new fire stations such as 50kW modules at Derrimut and Brooklyn Fire Stations, to promote renewable and clean energy use.
- installation of high-speed appliance bay doors at the new Shepparton Fire Station, which will consume less energy and generate fewer emissions than conventional bi-fold doors.
- various plant and equipment upgrades in the sites portfolio including reassessing and scaling predominately HVACs, boilers and hot water systems to comply with the energy efficiency requirements in Section J of the National Construction Code (NCC), meet operational demand, and enhance occupant comfort and productivity.

Environment (continued)

Procurement

FRV articulates its expectations for prospective vendors and suppliers to provide goods and services that meet high environmental standards in the procurement selection and decision-making processes. The detailed environmental sustainability requirements are embedded into product specifications, tender questionnaire, bid evaluation and contract finalisation. The recent development has seen ISO 14001:2015 Environmental Management Systems being added as a standard vendor engagement requirement for business services provision, including in contracts for cleaning, gardening, pest control, waste handling, and electrical and mechanical maintenance.

Travel and transportation

FRV staff have significantly reduced interstate and international trips due to the restrictions and impact of the COVID-19 pandemic. With all staff having embraced and adapted to the change by connecting via virtual meetings, fewer GHG emissions have been produced as a result.

When replacing general transport vehicles for departmental pool use, FRV has opted for hybrid electric vehicles (HEVs) when possible, which deliver both considerable emissions benefits over conventional vehicles and better fuel economy. With the successful addition of a trial all-electric vehicle (EV), FRV will continue to assess the applicability of further expanding the number of EVs within the corporate vehicle fleet into the future.



Other Disclosures

Application and operation of the *Public Interest Disclosures Act 2012*

Public Interest Disclosures Act 2012

The *Public Interest Disclosures Act 2012* encourages people to report improper behaviour by public officers and public agencies. The Act sets out the process for making reports and investigating and rectifying suspected or known corruption in the Victorian public sector.

FRV is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal improper or corrupt conduct. FRV does not tolerate improper conduct by employees or any reprisals against any person making a public interest disclosure.

FRV has policies and procedures in place to comply with the requirements under the Public Interest Disclosures Act to ensure disclosures can be easily made and managed. These documents can be accessed at www.frv.vic.gov.au.

Further information about FRV's Public Interest Disclosures Procedures or Policy can be sought by contacting the Public Interest Disclosures Coordinator. This role is undertaken by the Manager, Ethical Standards Unit. Any enquiries should be directed to:

FRV Public Interest Disclosures Coordinator
215 Spring Street
Melbourne VIC 3000
(03) 9665 4639
protecteddisclosurecoordinator@frv.vic.gov.au

Reporting procedures

In accordance with the Public Interest Disclosures Act, FRV cannot receive public interest disclosures and is unable to report on the number of public interest disclosures made in relation to its operations.

If an employee or member of the public wishes to make a public interest disclosure about FRV or an employee or officer of FRV, they must make the disclosure to the Independent Broad-based Anti-Corruption Commission (IBAC) or to another entity capable of receiving the disclosure.

IBAC's contact details are:

Address:
Level 1, North Tower
459 Collins Street
Melbourne VIC 3000
Phone: 1300 735 135
Website:
www.ibac.vic.gov.au

Disclosures of detrimental action by FRV or any of its employees as a result of a person making a public interest disclosure may be made by sending an email to:

protecteddisclosurecoordinator@frv.vic.gov.au

The annual financial statements reflect Fire Rescue Victoria's results for the financial year ended 30 June 2021. On 1 July 2020 Fire Rescue Victoria (FRV), a new organisation, commenced bringing together all Metropolitan Fire and Emergency Services Board (MFB) personnel and career Country Fire Authority (CFA) firefighters and designated CFA management and administrative personnel.

The transition to FRV resulted in significant increases in income, expenses, assets and liabilities and cash flows as reported in the accompanying financial statements when compared to the comparative financial year the former which represent the results of MFB.

Other Disclosures (continued)

Disclosure of major contracts

During 2020–21, FRV entered into one contract greater than \$10 million. The contract was awarded to Stewart & Heaton Clothing Company for the supply, delivery and service of personal protective clothing, uniform, station wear and specialised garments. Details of the contract have been disclosed in the Victorian Government's contracts publishing system and are available at www.tenders.vic.gov.au.

Compliance with building and maintenance provisions of the *Building Act 1993*¹

FRV owns and controls approximately \$1 billion in property assets across Victoria to meet its service delivery requirements.

Capital Program

In 2020–21, a property capital program consisting of approximately \$18.5 million included investigative works, upgrades and refurbishing of existing fire stations as follows:

- Completion and Occupation of the new Derrimut Fire Station
- Construction of the new fire station in Brooklyn
- Fit-out of 215 Spring Street offices in the Eastern Hill precinct to accommodate corporate, administrative and operational employees
- Construction of a new Box Hill Fire Station
- Design of Ringwood Fire Station refurbishment
- Design of new Broadmeadows Fire Station
- Fit out of Eastern District office at 1 Chapel Street, Blackburn
- Eastern Hill Fire Station due diligence.

In Flight Projects and 350 Fire Fighter Program (P350)

Also in 2020–21, a number of projects commenced under CFA delivery, transitioned to FRV these included:

- Completion and Occupation of the new Shepparton Fire Station*
- Completion of works to Patterson River, Greenvale and Rosebud Fire stations*
- Construction and major refurbishment of Melton Fire Station*
- Construction of Morwell Fire Station*
- New Fire Stations for Clyde North, Craigieburn and Armstrong Creek
- Planning and design of a new Lara Fire Station

- Major Modifications proposed for Boronia, Ballarat and Mornington Fire Stations, and
- New Fire Stations being proposed for Bendigo, Lara, Moe (Latrobe West), Springvale, Frankston and Corio.

Maintenance

*(being delivered by CFA on behalf of FRV)

FRV maintains its property assets including fire stations, corporate, administrative and ancillary properties, and training colleges, with an annual recurrent branch, leasing, utilities, maintenance and plant and equipment budget of approximately \$25 million which includes preventative and reactive maintenance works.

Integration of former CFA Assets

Over the 20–21 year the Property Services team were required to integrate an additional 38 fire stations into the portfolio, previously operated by CFA. The team inspected, assessed and familiarised itself with the condition and function of the new Fire stations and developed plans for additional works required to integrate the properties into the FRV portfolio.

FRV Property Services also sought to inform and educate the user groups with FRV's facility management approach.

Compliance

FRV ensures it is compliant with building and maintenance provisions of the *Building Act 1993*¹ and any other building legislation for its capital and maintenance works. In 2020–21 the following building permits and/or notices were issued:²

Other disclosures Item 2019–20 2020–21 No. of Major Works Projects (>\$50,000)²

No. of Building Permits obtained	4
No. of Occupancy Permits obtained ³	2
No. of Certificate of Final Inspections obtained ⁴	2
No. of Emergency Orders issued on buildings	0
No. of Building Orders issued on buildings	0
No. of buildings brought into conformity with building standards	0

¹ The reference to the *Building Act 1993* should also be taken to refer to the provisions under the National Construction Code.

² Does not include design and documentation work undertaken or works <\$50,000.

³ New FS59 Derrimut Fire Station and FS75 Shepparton Fire Station were commissioned and opened.

⁴ Some works are awaiting final inspection certificates to be issued.

Non-Conformance Declaration:

Eastern Hill Complex – Building and Occupancy Permits pending

Significant volume of transition fire stations without Occupancy Permits/Maintenance Determinations

Significant volume of non-conformances within transitioned property portfolio to be addressed

Inability to procure essential service provision has resulted in non-conformances in respect to Emergency & Exit light inspection, testing and compliance reporting across portfolio

Transition issues highlighted key service gaps in respect to building compliance validation outcomes

Compliance with building and maintenance provisions of the *Building Act 1993*⁵

FRV has implemented extensive mechanisms to maintain its critical property infrastructure. These consist of (but not limited to):

- 6-monthly OHS inspections on all FRV controlled worksites (facilities)
- 3-monthly essential services inspections and audits
- 6-monthly emergency and exit light testing schedule for all occupied facilities
- 6-monthly cathodic inspections – Eastern Hill tower and VEMTC gas supply lines
- 6-monthly 'working safely at heights' inspection and audits
- Quarterly electrical generator testing (where installed)
- 6-monthly plumbing and drainage inspections
- 6 monthly security assessments
- division 5 asbestos audits (every five years – on sites where ACM known to exist)
- water system, backflow prevention and interceptor trap testing
- preventative maintenance on mechanical plant
- 6-monthly risk-based roof inspections and gutter cleaning
- 6-monthly periodical cleans of all occupied work locations.

FRV has also entered into preventative maintenance contracts and a large volume of Outline Agreements with works schedules with its selected core service contractors.

Compliance with the *Disability Act 2006*

FRV recognises people with disability as a specific priority diversity group in our Diversity & Inclusion Program of work.

Key highlights of our work on disability inclusion over the past year include:

- Providing tailored support to people with disability across FRV
- Raising awareness of issues experienced by people with disability, including releasing internal and external communications on days of significance such as International Day of People with Disability.

Statement on competitive neutrality policy

FRV activities are conducted consistently with the National Competition Policy and the Policy Statement, Competitive Neutrality Policy Victoria. No competitive neutrality complaints were lodged in relation to business activities conducted by FRV.

Application and operation of the *Carers Recognition Act 2012*

FRV has taken all practical measures to comply with our obligations under the *Carers Recognition Act 2012*.

These include:

- promoting the care relationship principles set out in the Carers Recognition Act to people in care relationships
- building awareness and understanding of the care relationship principles through an employee awareness strategy and in induction and training programs
- considering the care relationships principles when setting policies and providing services. FRV is reviewing our employment policies, such as flexible working arrangements and leave provisions, to ensure they comply with the statement of principles in the Carers Recognition Act.

⁵ The reference to the *Building Act 1993* should also be taken to refer to the provisions under the National Construction Code.

Other Disclosures (continued)

Details of consultancies (valued at \$10,000 or greater)

Consultant	Purpose of consultancy	Consultancy expenditure FY2020-21				
		Start Date	End Date	Total approved project fee (excl. GST)	Expenditure 2020-21 (excl. GST)	Future expenditure (excl. GST)
Blueboat Pty Ltd	Development of a report to capture and present the future needs for appliance requisition	Sep-20	Feb-21	\$19,260	\$19,260	\$0
Business Aspect Group Pty	Business Aspect: AD Migration Strategy	Jun-21	Jul-21	\$91,600	\$24,926	\$66,674
D K Sonin & Associates Pty Ltd	HR Case Management, Day Consulting, General Review Meetings of Activities associated with Fire Stations in the South & East Regional Command, Professional Development & Review with Commanders on a variety of issues	Jan-21	Jun-21	\$21,797	\$21,797	\$0
Deloitte Consulting Pty Limited	FRV Infrastructure Technology Enablement of a combined identity and email messaging platform for FRV	Dec-20	Mar-21	\$855,210	\$855,210	\$0
	Discovery, Blueprinting and Planning and Transition Management Services relating to Fire Rescue Victoria	May-20	Jul-20	\$265,083	\$265,083	\$0
	Deloitte: Network Refresh Strategy	Jun-21	Jun-21	\$175,000	\$28,175	\$0
Ethan Talent	Specialist analysis and advice throughout the ICS FRV Transition works	Jan-21	Sep-21	\$462,899	\$330,500	\$132,399
Hagrid Solutions Pty Ltd	ServiceNow Analysis & Recommendations & Email Integration	Sep-20	Sep-20	\$25,575	\$25,575	\$0
Jacobs Group Australia Pty Ltd	Development of Asset Management Document Control Procedure					
	Development of Asset Performance Monitoring Process and Review Process	Jun-21	Jun-21	\$23,634	\$23,634	\$0
	Development of Asset Management System Performance and Review Process					

Consultancy expenditure FY2020–21

Consultant	Purpose of consultancy	Start Date	End Date	Total approved project fee (excl. GST)	Expenditure 2020–21 (excl. GST)	Future expenditure (excl. GST)
Morfit Group Consulting Pty Ltd	MFB/CFA Citrix ADC SAML Design and Configuration to MFB	Oct-20	Oct-20	\$24,000	\$24,000	\$0
Parkinson, Peter James	Provide special advice in negotiating in employment contracts	Sep-20	Jun-21	\$420,000	\$142,836	\$277,164
Pitcher Partners	Review Of Road Accident Rescue Services costings model	Feb-21	Jun-21	\$25,172	\$18,615	\$6,557
	Review FRV's Declarations of Rateable Remuneration for the relevant periods and prepare a response to WorkSafe Victoria; Review FRV's Payroll Tax Annual Reconciliations in order to determine whether any overpayments or underpayments of payroll tax have occurred. Advise FRV of appropriate actions	Jun-21	Jun-21	\$17,500	\$17,500	\$0
Pricewaterhouse-coopers	PWC Risk Review - HRIS Systems and Services	Jun-21	Jun-21	\$189,000	\$189,000	\$0
Roe, Julius	Legacy Grievances facilitation	Oct-20	May-21	\$97,845	\$89,595	\$8,250
Smale, Suzanne Hazel	FireCap Independent Research Review	Feb-21	Apr-21	\$37,730	\$37,730	\$0
	Juvenile Fire Awareness and Intervention Program (JFAIP)	Oct-20	Feb-21	\$15,510	\$15,510	\$0
Social Traders Ltd	Provide assistance for strategy development, opportunity analysis, leadership and guidance for the development of Social Procurement Strategy	Oct-20	Oct-20	\$15,000	\$15,000	\$0
The Primary Agency Pty Ltd	Industrial workshops	Jul-20	Dec-20	\$25,891	\$25,891	\$0
Total				\$2,807,705	\$2,169,837	\$491,043

Other Disclosures (continued)

Details of consultancies under \$10,000

In 2020–21, there were five consultancies engaged during the year, where the total fees payable to the individual consultancies were less than \$10,000. The total expenditure incurred during 2020–21 in relation to these consultancies was \$25,015 (exclusive of GST).

Disclosure of government advertising expenditure

In 2020–21 there were no government advertising campaigns with total media spend of \$100,000 or greater (exclusive of GST).

Local Jobs First disclosure

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) Policy which were previously administered separately.

FRV is required to apply the Local Jobs First Policy in all projects valued at \$3 million or more in Metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria. MPSG applies to all construction projects valued at \$20 million or more.

The MPSG guidelines and VIPP guidelines will continue to apply to MPSG applicable and VIPP applicable projects respectively where contracts have been entered prior to 15 August 2018.

Projects Commenced – Local Jobs First Standard

During 2020–21, FRV commenced one (1) Local Jobs Standard project totalling \$135,000,000. The project is statewide, with an average commitment of 73.3% local content.

The outcome expected from the implementation of the Local Jobs First policy to this project where information was provided are as follows:

1. an average of 73.3 per cent of local content commitment was made;
2. a total of 77 jobs (AEE) were committed, including the creation of 23 new jobs and the retention of 54 existing jobs (AEE); and
3. no new positions for apprentices, trainees and cadets were committed.

Project	Contract Value Tax Excl.	Local Content	Total Jobs Created	Total Jobs Retained	Apprenticeships/ Trainees/ Cadetships Created	Apprenticeships/ Trainees/ Cadetships Retained
C18/001 – Supply, Delivery & Service of Personal Protective Clothing (PPC), Uniform, Stationwear & Specialised Garments	\$135,000,000	73%	23	54	0	0

Application and Operation of Freedom of Information Act 1982

The Fire Rescue Commissioner, Ken G. Block, is the Principal Officer for the purpose of administering the requirements of the *Freedom of Information Act 1982* (FOI Act). FRV's authorised officers are Ms Sarah McKellar-White, Acting Freedom of Information Unit Manager, and Ms Jan Smith, Freedom of Information Officer.

The purpose of the Freedom of Information Act is to extend as far as possible the right of the community to access information held by government departments, statutory authorities, local councils, ministers and other bodies subject to the Freedom of Information Act.

Under the Freedom of Information Act, an applicant has a right to apply for access to documents held by FRV. This comprises documents created by FRV or supplied to FRV by an external organisation or individual. The term 'documents' includes maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by FRV is available on the FRV website under its Part II Information Statement.

The Freedom of Information Act states that access may be refused, either fully or partially, to certain documents. Examples of documents that may not be accessed include: Cabinet documents, some internal working documents, law enforcement documents, documents covered by legal professional privilege, such as legal advice, personal information in certain circumstances, and information provided to FRV in confidence.

The Freedom of Information Act requires requests to be processed in 30 days, with some extensions available if specific criteria are met.

If an applicant is not satisfied by a decision made by FRV, under section 49A of the Freedom of Information Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of the decision.

Making a request

When making a request for documents under the Freedom of Information Act, applicants must clearly identify the types of documents being sought.

Requests for documents held by FRV must be made in writing, and addressed to:

Freedom of Information Officer
Fire Rescue Victoria
456 Albert Street
East Melbourne VIC 3002

Freedom of Information requests can also be lodged online at www.foi.vic.gov.au.

An application fee of \$30.10 per request applies. Access charges may also be payable if the document pool is large, and the search for material is time-consuming.

General enquiries relating to freedom of information may be made by contacting the Freedom of Information Officer on 1800 287 287.

Other Disclosures (continued)

Freedom of information statistics

During the 2020–21 financial year, FRV received 452 Freedom of Information applications.

Applicants



Media organisations



Members of Parliament



Members of the public

Number

4

12

436

Outcome

3 matters – access to documents provided in part

3 matters – access to documents refused under the relevant legislative exemptions

4 matters – access to document allowed in full

4 matters – access to some documents provided in part, access to other documents refused under the relevant legislative exemptions

2 matters – no documents located within the scope of the request

2 matters – access to documents refused pursuant to exemptions under the *Freedom of Information Act 1982*.

Partial access to documents provided.

FRV made 452 FOI decisions during the 12 months ending 30 June 2021.

Time period

435

Within the statutory 30-day period

11

With the extended statutory 30–45 day period

6

46–90 days

The average time taken to finalise requests in 2020–21 was 30 days.

During 2020–21, two requests were subject to a complaint/internal review by OVIC with none progressing to the Victorian Civil and Administrative Tribunal.

Further information

Further information regarding the operation and scope of the Freedom of Information Act can be obtained from OVIC at ovic.vic.gov.au

Statement of availability of other information

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by FRV and are available on request, subject to the provisions of the *Freedom of Information Act 1982*:

- a. a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- b. details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- c. details of publications produced by the entity about itself, and how these can be obtained
- d. details of changes in prices, fees, charges, rates and levies charged by the entity
- e. details of any major external reviews carried out on the entity
- f. details of major research and development activities undertaken by the entity
- g. details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- h. details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services
- i. details of assessments and measures undertaken to improve the occupational health and safety of employees
- j. a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes
- k. a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved
- l. details of all consultancies and contractors including:
 - i. consultants/contractors engaged
 - ii. services provided
 - iii. expenditure committed to for each engagement.

The information is available on request from:

Freedom of Information Officer
Fire Rescue Victoria
456 Albert Street
East Melbourne VIC 3002

Fire Rescue Victoria Financial Management Compliance Attestation Statement

I, Ken G. Block, certify that Fire Rescue Victoria has recorded a Material Compliance Deficiency within the transitional control environment with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Ken G Block
Fire Rescue Commissioner
Fire Rescue Victoria
Tuesday, 26 October 2021

Management discussion and analysis

Comprehensive Operating Statement

The Net Result from Transactions was a deficit of \$0.334 million representing a reduction of \$27.890 million to the comparative deficit reported by MFB of \$28.224 million. The improved result substantially reflects an increase in State Government grant income of \$397.902 million which is primarily transfers of grant income from CFA to FRV; offset by increased operational expenditure, notably employee expenses which increased by \$335.058 million and other operating expenses and depreciation which increased by \$31.253 million.

The Net Result, which accounts for Other Economic Flows, was a surplus of \$34.366 million; which is a \$66.975 million improvement compared to MFB's Net Result \$32.609 million deficit in the prior year. Key reasons for this improvement are gains on financial instruments of \$9.691 million, a \$25.571 million gain on accounting for the net present value of employee leave liabilities and the \$27.890 million improvement in the Net Result from Transactions.

The Comprehensive Result was a \$157.853 million surplus. This significant increase compared to the MFB comparative result of \$32.609 million deficit reflects the aforementioned movements together with the revaluation gain on physical assets of \$123.487 million consequent to the periodic five-year revaluation cycle of asset classes.

Balance sheet

Assets

Total assets as at 30 June 2021 were \$1,525.983 million, an increase of \$591.349 million on the prior year MFB comparative of \$934.634 million.

This increase in total assets is primarily due to Machinery of Government asset transfers from CFA to FRV which consisted of cash transfers totalling \$186.842 million related primarily to funding for employee provisions and project funding that remained unspent and transferred to FRV and \$229.338 million in Property, Plant and Equipment.

Land, buildings and appliances further increased by a revaluation gain of \$123.487 million.

Liabilities

Total liabilities as at 30 June 2021 were \$362.802 million, an increase of \$146.860 million on the prior year MFB comparative of \$215.942 million, this increase significantly reflects the transfer from CFA of employee leave provisions and related on-costs totalling \$136.234 million relating to transferred personnel.

Equity

The net worth of FRV as at 30 June 2021 was \$1,163.181 million, which represents 76.2% equity over total assets controlled by FRV.

The Management Discussion and Analysis is not part of the financial statements considered in the Audit opinion issued by the Victorian Auditor-General's Office.





Financial Report

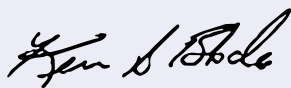
Declaration

The attached financial statements for the Fire Rescue Victoria (FRV) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2021 and financial position of FRV at 30 June 2021.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 19 October 2021.



Ken G. Block
Fire Rescue Commissioner
Fire Rescue Victoria

Melbourne
19 October 2021



Tony Matthews
Executive Director, Corporate Services
Fire Rescue Victoria

Melbourne
19 October 2021

Financial Report (continued)

Financial statements

How this report is structured

FRV has presented its audited general purpose financial statements for the financial year ended 30 June 2021 in the following structure to provide users with the information about FRV's stewardship of resources entrusted to it. Comparative information presented through this report refers to Fire Rescue Victoria's antecedent entity, the Metropolitan Fire and Emergency Services Board (MFB).

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Financial Report (continued)

Comprehensive Operating Statement⁽ⁱⁱ⁾

For the financial year ended 30 June 2021

	Notes	2021	(\$ thousand) 2020 MFB ⁽ⁱ⁾
Continuing operations			
Revenue and income from transactions			
Grants	2.2	859,629	461,727
Sale of goods and services	2.3.1	41,044	41,411
Interest	2.3.2	516	489
Investment distributions	2.3.3	3,359	4,844
(Loss) on financial instruments – investments	2.3.4	–	(1,956)
Other income	2.3.6	13,362	17,116
Total revenue and income from transactions		917,910	523,631
Expenses from transactions			
Employee expenses	3.1.1	756,202	421,144
Depreciation	4.1.2	33,403	23,747
Contract services with State Government entities	3.2	24,663	24,585
Other operating expenses	3.3	103,976	82,379
Total expenses from transactions		918,244	551,855
Net result from transactions (net operating balance)		(334)	(28,224)
Other economic flows included in net result			
Net gain on non-financial assets ⁽ⁱⁱⁱ⁾	8.2	(562)	1,263
Net gain/(loss) on financial instruments ^(iv)	8.2	9,691	(2,848)
Other gains/(losses) from other economic flows	8.2	25,571	(2,800)
Total other economic flows included in net result		34,700	(4,385)
Net result		34,366	(32,609)
Other economic flows – other comprehensive income:			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	4.1.4	123,487	–
Total other economic flows – other comprehensive income		123,487	–
Comprehensive result		157,853	(32,609)

The accompanying notes form part of these financial statements.

Notes:

- (i) Prior year comparative information presented refers to the Metropolitan Fire and Emergency Services Board (MFB), FRV's antecedent entity. Refer Note 1 About This Report (FRV).
- (ii) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.
- (iii) 'Net gain/(loss) on non-financial assets' includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.
- (iv) 'Net gain/(loss) on financial instruments' includes bad and doubtful debts from other economic flows, unrealised and realised gains/(losses) from revaluations, impairments and reversals of impairment, and gains/(losses) from disposals of financial instruments, except when these are taken through the financial assets at fair value through other comprehensive income revaluation surplus.

Balance Sheet⁽ⁱⁱ⁾

As at 30 June 2021

	Notes	2021	(\$ thousand) 2020 MFB ⁽ⁱ⁾
Assets			
Financial assets			
Cash and deposits	6.3	266,831	51,129
Receivables	5.1	23,044	20,340
Investments and other financial assets	4.4	95,172	82,049
Total financial assets		385,047	153,518
Non-financial assets			
Inventories	5.3	2,117	2,092
Property, plant and equipment	4.1	1,069,247	725,625
Investment properties	4.2	43,458	41,418
Intangible assets	4.3	14,637	7,767
Prepayments		11,477	4,214
Total non-financial assets		1,140,936	781,116
Total assets		1,525,983	934,634
Liabilities			
Payables	5.2	49,026	30,639
Borrowings	6.1	12,016	6,661
Employee related provisions	3.1.2	301,225	178,047
Other liabilities		535	595
Total liabilities		362,802	215,942
Net assets		1,163,181	718,692
Equity			
Accumulated surplus		160,009	125,643
Physical asset revaluation surplus	8.9	584,847	461,360
Contributed capital		418,325	131,689
Net worth		1,163,181	718,692

The accompanying notes form part of these financial statements.

Notes:

- (i) Prior year comparative information presented refers to the Metropolitan Fire and Emergency Services Board (MFB), FRV's antecedent entity. Refer Note 1 About This Report (FRV).
- (ii) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Financial Report (continued)

Cash flow statement⁽ⁱⁱ⁾

For the financial year ended 30 June 2021

	Notes	(\$ thousand)	
		2021	2020 MFB ⁽ⁱ⁾
Cash flows from operating activities			
Receipts			
Receipts from government		863,750	476,765
Receipts from other entities		51,435	49,230
Interest received		514	489
Investment distributions received ⁽ⁱⁱⁱ⁾		3,360	4,844
Goods and Services Tax recovered from the ATO ^(iv)		13,984	9,129
Total receipts		933,043	540,457
Payments			
Payments to suppliers and employees		(885,171)	(526,282)
Total payments		(885,171)	(526,282)
Net cash flows from/(used in) operating activities	6.3.1	47,872	14,175
Cash flows from investing activities			
Payments for investments ^(v)		(3,359)	(44,841)
Proceeds from sale of investments ^(v)		-	85,000
Purchases of non-financial assets		(20,005)	(21,219)
Proceeds from sales of non-financial assets		402	624
Net cash flows from/(used in) investing activities		(22,962)	19,564
Cash flows from financing activities			
Owner contributions by State Government – appropriation for capital expenditure purposes		6,715	6,330
Cash received from CFA for activities transferred in ^(vi)		186,842	-
Repayment of borrowings and principal portion of lease liabilities ^(vii)		(2,765)	(1,577)
Net cash flows from/(used in) financing activities		190,792	4,753
Net increase in cash and cash equivalents		215,702	38,492
Cash and cash equivalents at beginning of financial year		51,129	12,637
Cash and cash equivalents at end of financial year	6.3	266,831	51,129

The accompanying notes form part of these financial statements.

Notes:

- (i) Prior year comparative information presented refers to the Metropolitan Fire and Emergency Services Board (MFB), FRV's antecedent entity. Refer Note 1 About This Report (FRV).
- (ii) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.
- (iii) 'Investment distributions received' is recognised as cash flow from operating activities.
- (iv) Goods and Services Tax paid to and recovered from the ATO is presented on a net basis.
- (v) Proceeds from sales of investments and payments for investments relate to the managed investment portfolio.
- (vi) Cash transfers from CFA are primarily funding for employee provisions and on costs and unspent funding transfer for capital and operating projects transitioned to FRV.
- (vii) The loan repayment relates to an energy efficiency program loan provided by State Government. FRV has recognised cash payments for the principal portion of lease payments as financing activities; cash payments for the interest portion as operating activities consistent with the presentation of interest payments and short-term lease payments for leases and low-value assets as operating activities. Refer to Note 6.1.

Statement of changes in equity⁽ⁱⁱ⁾

For the financial year ended 30 June 2021

	Notes	Physical asset revaluation surplus	Accumulated surplus	Contributed capital	Total
Balance at 1 July 2019 MFB⁽ⁱ⁾		461,360	158,252	125,359	744,971
Net result for the year		–	(32,609)	–	(32,609)
Transfer to contributed capital ⁽ⁱⁱⁱ⁾		–	–	6,330	6,330
Other comprehensive income for the year	8.9	–	–	–	–
Balance at 30 June 2020 MFB		461,360	125,643	131,689	718,692
Balance at 1 July 2020		461,360	125,643	131,689	718,692
Net result for the year		–	34,366	–	34,366
Transfer to contributed capital ⁽ⁱⁱⁱ⁾		–	–	6,715	6,715
Machinery of Government administrative change – net assets received from CFA	8.3	–	–	279,921	279,921
Other comprehensive income for the year	8.9	123,487	–	–	123,487
Balance at 30 June 2021		584,847	160,009	418,325	1,163,181

The accompanying notes form part of these financial statements.

Notes:

- (i) Prior year comparative information presented refers to the Metropolitan Fire and Emergency Services Board (MFB), FRV's antecedent entity. Refer Note 1 About This Report (FRV).
- (ii) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.
- (iii) State Government funding towards non-financial asset acquisitions.

Financial Report (continued)

1. About this report

The Fire Rescue Victoria is a statutory authority established by the *Fire Rescue Victoria Act 1958*.

Its principal address is: Fire Rescue Victoria
456 Albert Street
East Melbourne VIC 3002

A description of the nature of its operations and its principal activities is included in the **Report of Operations**, which does not form part of these financial statements.

The *Firefighters' Presumptive Rights Compensation and Fire Services Legislation Amendment (Reform) Act 2019* amended the *Metropolitan Fire Brigades Act 1958* to abolish Metropolitan Fire and Emergency Services Board and created a new entity, Fire Rescue Victoria.

Fire Rescue Victoria

On 1 July 2020 Fire Rescue Victoria (FRV), a new organisation, commenced bringing together all Metropolitan Fire and Emergency Services Board (MFB) and career Country Fire Authority (CFA) firefighters.

The *Firefighters' Presumptive Rights Compensation and Fire Services Legislation Amendment (Reform) Act 2019 (Act)* amended the *Metropolitan Fire Brigades Act 1958* to abolish MFB and create a new entity, Fire Rescue Victoria (FRV). The Melbourne Fire District was renamed the FRV Fire District and the boundaries of the district were expanded to include some outer urban areas and regional centres to address the increased demand, complexity and risk profile of these areas due to population growth, demographic, land use and industrial changes. As a result of the boundary changes, 38 CFA career and co-located fire stations were located within the FRV Fire District and became the responsibility of FRV. All of Victoria's career firefighters became FRV employees and transferred with their existing entitlements and benefits to FRV. The Act also provides for designated Professional Technical and Administrative (PTA) personnel from CFA employees to transfer to FRV by Ministerial direction.

During the financial year, specified assets, liabilities and rights and obligations have transferred from CFA and all assets, liabilities and rights and obligations of the MFB transferred into FRV. The transfers from CFA were approved and signed under Statements of Transfer by the Minister for Police and Emergency Services and are detailed in Note 8.3 Machinery of Government – Transfer Statements in these accounts. Further property, plant and equipment transfers are in planning to eventuate in the 2021–22 financial year as detailed in Note 8.3.

Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of FRV.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

These financial statements cover FRV as an individual reporting entity and include all the controlled activities of FRV.

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

Compliance information

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994 (FMA)* and applicable Australian Accounting Standards (AASs) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Comparative information

The comparative information provided in this report are the audited results for MFB for 2019–20 financial year. On 1 July 2020, all MFB personnel, all career CFA firefighters and designated corporate and technical personnel were transitioned into Fire Rescue Victoria and specified assets, liabilities and rights and obligations have transferred from CFA and all assets, liabilities and rights and obligations of the MFB transferred into FRV; the financial results and balances for 2020–21 reflect this transition.

Financial Report (continued)

2. Funding delivery of our services

Introduction

FRV provides comprehensive fire, rescue and emergency response services including community resilience and educative programs to residents and organisations within the Fire Rescue Victoria fire district with the key objective to reduce the incidence and impact of fire and other emergencies on the community. FRV works closely and jointly with other organisations in the emergency services sector.

To enable FRV to fulfil the above-mentioned services, the organisation is primarily funded by State Government grants; the grants are significantly proportionately funded by the Fire Services Property Levy which is administered by the State Revenue Office. The levy applies to property owners, including local municipal councils who remit the levy annually to the State Revenue Office. State Government determine the annual grant income funding for FRV as detailed in these financial statements. FRV also received market based service fees, statutory service fees and other income as detailed in these statements.

Structure

2.1	Summary of revenue and income that funds the delivery of our services	page 100
2.2	Grants	page 101
2.3	Income from transactions	page 102

2.1 Summary of revenue and income that funds the delivery of our services

	Notes	2021	(\$ thousand) 2020 MFB
Grants	2.2	859,530	457,591
Treasurer's advance ⁽ⁱ⁾	2.2	99	4,136
Sale of goods and services	2.3.1	41,044	41,411
Interest	2.3.2	516	489
Investment distributions – managed investment	2.3.3	3,359	4,844
(Loss) on financial instruments – investments	2.3.4	–	(1,956)
Other income	2.3.5	13,362	17,116
Total income from transactions		917,910	523,631

(i) The Treasurer's advance received via the Department of Justice and Community Safety is the State Government's reimbursement of costs incurred in assisting other emergency services at major incidents and assisting regional strike teams.

Revenue and income that fund delivery of FRV's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

2.2 Grants

	2021	(\$ thousand) 2020 MFB
Income recognised as income of not-for-profit entities		
General purpose	854,816	405,063
Supplementary grants	4,714	52,528
Treasurer's advance ⁽ⁱ⁾	99	4,136
Total grants	859,629	461,727

(i) The Treasurer's advance received via the Department of Justice and Community Safety is the State Government's reimbursement of costs incurred in assisting other emergency services at major incidents and assisting regional strike teams.

Grant income of \$859.629 million (2020: \$461.727 million), including Supplementary grants of \$4.714 million (2020: \$52.528 million), Treasurer's advance of \$0.099 million (2020: \$4.136 million) arises from transactions in which a party provides goods or assets (or extinguishes a liability) to FRV without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers). Receipt and sacrifice of approximately equal value may occur, but only by coincidence.

FRV has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when FRV had an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, FRV recognised any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004;
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- a lease liability in accordance with AASB 16;
- a financial instrument, in accordance with AASB 9; or
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Grants can be received as **general-purpose grants**, which refer to grants which are not subject to conditions regarding their use. Alternatively, they may be received as **specific-purpose grants**, which are paid for a particular purpose and/or have conditions attached regarding their use. FRV grants are primarily general-purpose grants appropriated from the State Government.

Financial Report (continued)

2.3 Income from transactions

2.3.1 Sales of goods and services

	2021	(\$ thousand) 2020 MFB
Fire suppression equipment sales and servicing (contracts with customers)	22,420	24,487
False alarm charges	9,981	8,853
Charges services	908	2,246
Road accident rescue	5,373	3,966
Hazardous materials	740	250
Other – supply of services	1,622	1,609
Total sale of goods and services	41,044	41,411

The main source of income from sales of goods and services relates to false alarm income and fire suppression equipment and fire containment systems. The sales income is recognised when:

- FRV no longer has any of the significant risks and rewards of ownership of the goods transferred to the buyer;
- FRV no longer has continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- the amount of income, and the costs incurred or to be incurred in respect of the transactions, can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to FRV.

Income from the **supply of services** is recognised by reference to the stage of completion of the services being performed. The income is recognised when:

- the amount of the income, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to FRV.

Under this method, income is recognised by reference to labour hours supplied or to labour hours supplied as a percentage of total services to be performed in each annual reporting period.

Fire suppression equipment sales and servicing in the above table are transactions that FRV has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer. FRV recognises revenue when it transfers control of a good or service to the customer, i.e. when, or as, the performance obligations for the sale of goods and services to the customer are satisfied.

- Customers obtain control of the supplies and consumables at a point in time when the goods are delivered to and have been accepted at their premises.
- Revenue from the sale of goods are recognised when the goods are delivered and have been accepted by the customer at their premises.
- Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided.

Customers are invoiced and revenue is recognised when the goods are delivered and accepted by customers. In rare circumstance where there may be a change in the scope of services provided, the customer will be provided with a new contract for the additional services to be rendered and revenue is recognised consistent with accounting policy above.

For contracts that permit the customer to return an item, revenue is recognised to the extent it is highly probable that a significant cumulative reversal will not occur. Therefore, the amount of revenue recognised is adjusted for the expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised. The right to recover the returned goods asset is measured at the former carrying amount of the inventory less any expected costs to recover goods. The refund liability is included in other payables (Note 5.2) and the right to recover returned goods is included in inventory (Note 5.3). FRV reviews its estimate of expected returns at each reporting date and updates the amount of the asset and liability accordingly. As the sales are made with a short credit term, there is no financing element present. There has been no change in the recognition of revenue from the sale of goods as a result of the adoption of AASB 15.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.2). Where the performance obligations is satisfied but not yet billed, a contract asset is recorded (Note 5.1).

2.3.2 Interest Income

	2021	(\$ thousand) 2020 MFB
Interest from financial assets not at fair value through profit and loss		
Interest on bank deposits	516	489
Total interest from financial assets not at fair value through profit and loss	516	489

Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets. Interest income is recognised using the effective interest method, which allocates the interest over the relevant period.

2.3.3 Investment distributions

Investment distributions are declared income as advised by the fund managers on the investments. The investments included investments in term deposits, bonds, equities, exchange traded funds and other securities as defined in the management agreement between FRV and the fund manager. Accordingly, investment distributions include dividend income, interest income and capital gain income (net of any capital loss) upon sale of equities and exchange traded funds. Investment distribution income is accounted upon declaration and credit of the distribution to the investment account. As at 30 June 2021, FRV had investment distributions of \$3.359 million (2020: \$4.844 million).

Financial Report (continued)

2.3.4 Fair value of financial instruments.

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these techniques are taken from observable markets where possible, but where it is not feasible, a degree of judgement is required in establishing fair values.

The investment portfolios are valued to fair market value periodically and as at 30 June 2021 resulting in net realised and unrealised gains or losses. Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported as part of income from other economic flows in the net result, forming part of the total change in net worth in the comprehensive result.

2.3.5 Fair value of assets and services received free of charge or for nominal consideration recognised as income

Where it can be reliably measured and the resources would have been purchased externally had they not been provided free of charge, contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the recipient obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions. It has been estimated that approximately \$2.730 million free of charge services for vehicle maintenance services and administrative support were provided by CFA to FRV for the financial year, but as the majority of the resources would not have been purchased externally, the criteria for recognition as income have not been met.

Voluntary Services: Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated. FRV did not receive any volunteer services and does not depend on volunteers to deliver its services.

2.3.6 Other income

	2021	(\$ thousand) 2020 MFB
Workers compensation recovered from workcover	9,420	6,712
Litigation settlement ⁽ⁱ⁾	–	5,599
Discount received – workcover premium	1,421	870
Rental income – investment properties ⁽ⁱⁱ⁾	179	261
Other miscellaneous income	2,342	3,674
Total other income	13,362	17,116

(i) \$1.4 million interim insurance recovery received in 2018 netted off with settlement proceeds as subsequently returned in 2020 upon finalisation of the matter.

(ii) Investment properties are reported in Note 4.2.

Rental income from leasing of investment properties which are operating leases are recognised on a straight-line basis over the lease term.

Operating leases relate to the investment property owned by FRV with lease terms under 12 months. The lessee does not have an option to purchase the property at the expiry of the lease period. The risks associated with rights that FRV retained in underlying assets are not considered to be significant, FRV employed strategies to further minimise these risks. For example, ensuring all contracts include clauses requiring the lessee to compensate FRV when a property has been subject to excess wear and tear during the lease term.

Fines and regulatory fees are recognised when an invoice is issued, which establishes the entitlement to payment.

3. The cost of delivering services

Introduction

This section provides an account of the expenses incurred by FRV in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

Structure

3.1	Expenses incurred in delivery of services	105
3.2	Contract services with State Government entities	108
3.3	Other operating expenses	109

3.1 Expenses incurred in delivery of services

	Notes	2021	(\$ thousand) 2020 MFB
Employee benefit expenses	3.1.1	756,202	421,144
Depreciation and amortisation	4.1.2	33,403	23,747
Contract services with State Government entities	3.2	24,663	24,585
Other operating expenses	3.3	103,976	82,379
Total expenses incurred in delivery of services		918,244	551,855

3.1.1 Employee benefits in the comprehensive operating statement

	2021	(\$ thousand) 2020 MFB
Salaries and wages, annual leave and long service leave	528,104	286,467
Overtime	71,813	44,944
Defined benefit superannuation expense	44,287	25,029
Defined contribution superannuation expense	8,055	4,127
Movement in employee leave benefit provisions	32,817	17,395
Payroll tax	31,560	17,516
WorkCover	20,980	18,921
Travelling/meal allowance	15,044	4,859
Relocation expenses	963	-
Fringe benefits tax	2,579	1,886
Total employee expenses	756,202	421,144

Financial Report (continued)

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. FRV did not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the state as the sponsoring employer).

Included in total employee expenses is \$82.840 million (2020: \$0) that relates to employees seconded to the CFA for the provision of operational and management services, including administrative, training, community safety and fire safety support pursuant to the Secondment Agreement between the parties for which no consideration is received or receivable by FRV. Similarly, CFA provided administrative and mechanical services support to FRV during the financial year estimated at \$ 2.730 million, for which no consideration was paid or payable by FRV.

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when FRV was demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2021	(\$ thousand) 2020 MFB
Current provisions:		
<i>Annual leave</i>		
Unconditional and expected to settle within 12 months	58,880	28,458
Unconditional and expected to settle after 12 months	41,924	21,811
<i>Accrued leave</i>		
Unconditional and expected to settle within 12 months	1,402	1,216
Unconditional and expected to settle after 12 months	10,736	9,912
<i>Long service leave</i>		
Unconditional and expected to settle within 12 months	10,660	7,728
Unconditional and expected to settle after 12 months	116,162	73,146
<i>Provisions for on-costs</i>		
Unconditional and expected to settle within 12 months	12,954	7,522
Unconditional and expected to settle after 12 months	31,035	20,512
Total current provisions for employee benefits	283,753	170,305
Non-current provisions:		
Long service leave	14,684	6,370
On-costs	2,788	1,372
Total non-current provisions for employee benefits	17,472	7,742
Total provisions for employee benefits	301,225	178,047

Reconciliation of movement in on-cost provision

	2021	(\$ thousand) 2020 MFB
Opening balance	29,407	30,156
Additional provisions recognised	36,497	15,570
Reductions arising from payments/other sacrifices of future economic benefits	(20,359)	(15,360)
Unwind of discount and effect of changes in the discount rate	636	(959)
Closing balance	46,181	29,407
Current	43,393	28,035
Non-current	2,788	1,372

Wages and salaries, annual leave and sick leave: Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because FRV does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As FRV expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as FRV does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in employee benefits in the Statement of Comprehensive Income as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Unconditional LSL is disclosed as a current liability; even where FRV does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value – if FRV expected to wholly settle within 12 months; or
- present value – if FRV does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

Financial Report (continued)

3.1.3 Superannuation contributions

Employees of FRV are entitled to receive superannuation benefits and FRV contributed to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

Subsequent to the transition to FRV, there are different superannuation employer contribution rates for personnel. The defined benefit plan contribution rate for personnel who transitioned from MFB is 14.5% (2020: 11.0%) and for personnel who transitioned from CFA is 12.5% (2020: 12.8%).

	Paid contribution for the year		Contribution outstanding at year end	
	2021	2020 MFB ⁽ⁱ⁾	2021	2020 MFB ⁽ⁱⁱ⁾
Defined benefit plans⁽ⁱ⁾				
Emergency Services Superannuation Fund	43,442	13,126	1,341	10,513
Defined contribution plans				
Emergency Services Superannuation Fund	4,531	4,115	92	66
Other	3,385	1,592	125	–
Total	51,358	18,833	1,558	10,579

(i) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

(ii) The contribution outstanding at year end 2020, was restated, as \$10.176 million remained unpaid at year end.

3.2 Contract services with State Government entities

	(\$ thousand)	
	2021	2020 MFB
Department of Justice and Community Safety	12,566	13,077
Emergency Services Telecommunications Authority (ESTA) ⁽ⁱ⁾	11,227	10,932
Other	870	576
Total contract services with State Government entities	24,663	24,585

(i) Contract services with State Government entities relate to call taking and dispatch services and related activities provided by ESTA as well as payments to Department of Justice and Community Safety for the State Control Centre and related emergency management support and activity.

3.3 Other operating expenses

	2021	(\$ thousand) 2020 MFB
<i>Supplies and services:</i>		
Fire systems contractor services expense	13,345	14,839
Property utilities, rates and maintenance	17,653	12,121
Information technology	10,695	10,681
Plant and equipment maintenance	8,827	7,879
Uniforms	11,015	7,347
Motor vehicles fuel and maintenance	8,593	5,538
Supplies and consumables	10,143	5,135
Training and development	4,554	4,299
Communications	6,214	3,538
Legals	1,126	1,847
Consultants	2,195	1,262
Insurance	1,462	1,022
Property leases and outgoings	1,588	898
Travel	1,244	852
Cost of goods sold	704	794
Internal audit and compliance audit	655	565
Advertising and promotional activity	138	195
Other	3,825	3,567
Total other operating expenses	103,976	82,379

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when the inventories are distributed.

The following lease payments are recognised on a straight-line basis:

- Short-term leases – leases with a term 12 months or less; and
- Low value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.

Variable lease payments that are not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate and which are not, in substance fixed) such as those based on performance or usage of the underlying asset, are recognised in the Comprehensive Operating Statement (except for payments which have been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments occur.

Financial Report (continued)

4. Key assets available to support output delivery

Introduction

FRV controlled infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that are controlled by FRV to be utilised for delivery of those outputs.

Structure

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4.4	Investments and other financial assets	116

Significant judgement: Classification of investments as key financial assets

FRV has made the judgement that investments are key financial assets invested to support FRV's objectives.

FRV has applied judgement in relation to property, plant and equipment in regards to the useful lives, the asset condition, and classification in regards to aspects such as specialised or non-specialised and the fair value.

Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

4.1 Total property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021	2020	2021	2020	2021	2020
		MFB		MFB		MFB
Land at fair value ⁽ⁱ⁾	445,804	370,288	-	-	445,804	370,288
Buildings at fair value ⁽ⁱ⁾	477,387	325,547	(2,022)	(47,373)	475,365	278,174
Plant, equipment and vehicles at fair value	171,159	113,877	(50,910)	(67,264)	120,249	46,613
Assets under construction at cost	27,829	30,550	-	-	27,829	30,550
Net carrying amount	1,122,179	840,262	(52,932)	(114,637)	1,069,247	725,625

(i) FRV land and buildings are predominantly classified as specialised. Refer to Note 7.3.2 for detailed classification.

The following tables are subsets of the above table of buildings, plant and equipment by right-of-use assets.

4.1.1 Total right-of-use assets: buildings, plant, equipment and vehicles

	Gross carrying amount		Accumulated depreciation		(\$ thousand) Net carrying amount	
	2021	2020 MFB	2021	2020 MFB	2021	2020 MFB
	Buildings at fair value	10,415	5,398	(1,830)	(842)	8,585
Plant, equipment and vehicles	3,949	1,578	(620)	(80)	3,329	1,498
Net carrying amount	14,364	6,976	(2,450)	(922)	11,914	6,054

	(\$ thousand)	
	Buildings	Plant, equipment and vehicles at fair value
Opening balance – 1 July 2020	4,556	1,498
Additions	5,366	2,373
Transfers from CFA	41	12
Disposals	–	(12)
Depreciation	(1,378)	(542)
Closing balance – 30 June 2021	8,585	3,329
Opening balance – 1 July 2019 MFB⁽ⁱ⁾	639	–
Additions	4,759	1,578
Depreciation	(842)	(80)
Closing balance – 30 June 2020 MFB	4,556	1,498

(i) This balance represents the initial recognition of right-to-use assets recorded on the balance sheet on 1 July 2019 along with transfer from finance lease assets (recognised under AASB 117 at 30 June 2019) to right-of-use assets (recognised under AASB 16 at 1 July 2019).

Initial recognition: Items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. Assets transferred as part of a machinery of government change are transferred at their carrying amount.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful lives.

Right-of-use asset acquired by lessees (Under AASB 16 Leases from 1 July 2019) – Initial measurement

FRV recognised a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Subsequent measurement: Property, plant and equipment (PPE) as well as right-of-use assets under leases are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised on the following page by asset category.

Financial Report (continued)

Right-of-use asset – Subsequent measurement

FRV depreciated the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of the right-of-use assets is determined on the same basis as property, plant and equipment. The right-of-use assets are also subject to revaluation.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

FRD 103I – Five year revaluation cycle for property, plant and equipment: In accordance with FRD 103I *Non-financial Physical Assets (June 2021)*, the five (5) year cycle for revaluations of property, plant and equipment for the designated state entities under emergency service sector applied as at 30 June 2021. Accordingly, the Valuer General Victoria independently valued FRV core and non-core properties and management undertook valuations of appliances and right-of-use assets as at 30 June 2021. The asset revaluations in property, plant and equipment were recognised in these accounts as at 30 June 2021.

Valuer-General Victoria valuation report disclaimer:

The Valuer-General Victoria valuation report and process as referred in these accounts references that the land and buildings valuations do not account for potential future change in valuations due to the possible future impacts of COVID-19 on valuations.

Additionally, there is a contingent liability in respect of per-fluoroalkyl and poly-fluoroalkyl substances (known as PFAS) contamination at specific FRV properties and certain adjoining properties (refer Note 7). Action has commenced on the remediation although at the time of this report the cost of the remediation is non-quantifiable. The Valuer-General Victoria valuations do not account for any potential impact on valuations of land or buildings due to this contamination.

Non-specialised land and non-specialised buildings are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Specialised land and specialised buildings: The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued. Primarily FRV land and buildings are specialised.

The CSO adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset to the extent that the CSO adjustment is also equally applicable to market participants.

For the majority of FRV's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciation.

Heritage assets are valued using the current replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

Vehicles are valued using the current replacement cost method. FRV acquired new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in FRV who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Fair value for **plant and equipment** that are specialised in use (such that it is rarely sold other than as part of a going concern) is determined using the current replacement cost method.

Refer to Note 7.3 for additional information on fair value determination of property, plant and equipment.

Impairment of property, plant and equipment

The recoverable amount of primarily non-cash-generating assets of FRV are specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

As at balance date, management undertook impairment testing on Right of Use assets, which are significantly office space arrangements and determined there was no impairment.

4.1.2 Depreciation and amortisation

Charge for the period⁽ⁱ⁾

	(\$ thousand)	
	2021	2020 MFB
Buildings	16,325	12,556
Plant, equipment and vehicles	14,903	9,476
Intangible produced assets (amortisation)	2,175	1,715
Total depreciation and amortisation	33,403	23,747

(i) The table incorporates depreciation of right-of-use assets as *AASB 16 Leases*.

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include items under assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	(years) Useful life:
Buildings	6–45
Plant, equipment and vehicles	3–40
Right-of-use assets	1–5

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where FRV obtained ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Indefinite life assets: Land which is considered to have an indefinite life is not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

4.1.3 Carrying values by purpose groups⁽ⁱ⁾

	(\$ thousand)	
	Public safety and environment	
	2021	2020 MFB
Nature based classification		
Land at fair value	445,804	370,288
Buildings at fair value	475,365	278,174
Plant, equipment and vehicles at fair value	120,249	46,613
Assets under construction at cost	27,829	30,550
Net carrying amount	1,069,247	725,625

(i) Property, plant and equipment are classified primarily by the 'purpose' for which the assets are used, according to one of six purpose groups based upon government purpose classifications. All assets in a purpose group are further sub categorised according to the asset's 'nature' (i.e. buildings, plant, etc.), with each sub category being classified as a separate class of asset for financial reporting purposes.

(ii) All FRV assets are designated under the category of 'Public Safety and Environment'.

Financial Report (continued)

4.1.4 Reconciliation of movements in carrying amount of property, plant and equipment

2021 ⁽ⁱ⁾	(\$ thousand)				
	Land at fair value	Buildings at fair value	Plant, equipment and vehicles at fair value	Assets under construction at cost	Total
Opening balance	370,288	278,174	46,613	30,550	725,625
Additions	-	-	4,347	20,285	24,632
Transfers from CFA	63,049	112,613	51,966	1,710	229,338
Disposals	-	-	(668)	-	(668)
Transfer in/out of assets under construction	-	17,115	7,601	(24,716)	-
Revaluation of PPE	13,449	84,745	25,293	-	123,487
Transfer to/(from) investment property	(982)	(957)	-	-	(1,939)
Depreciation	-	(16,325)	(14,903)	-	(31,228)
Closing balance	445,804	475,365	120,249	27,829	1,069,247

(i) Land and buildings were independently revalued as at 30 June 2021 by the Valuer-General Victoria in accordance with FRD 1031; the appliance vehicle class of assets were revalued by management as at 30 June 2021. Other vehicles, plant and equipment undertook a management revaluation review which determined that book values represented fair value and were not revalued.

2020 MFB	(\$ thousand)				
	Land at fair value	Buildings at fair value	Plant, equipment and vehicles at fair value	Assets under construction at cost	Total
Opening balance	370,288	285,283	50,850	14,059	720,480
Recognition of right-of-use assets on initial application of AASB 16 ⁽ⁱⁱ⁾	-	639	-	-	639
Adjusted balance at 1 July 2020	370,288	285,922	50,850	14,059	721,119
Additions	-	4,759	5,050	17,511	27,320
Disposals	-	(74)	(668)	-	(742)
Transfer in/out of assets under construction	-	163	857	(1,020)	-
Revaluation of PPE	-	-	-	-	-
Transfer to/(from) investment property	-	(40)	-	-	(40)
Depreciation	-	(12,556)	(9,476)	-	(22,032)
Closing balance	370,288	278,174	46,613	30,550	725,625

(ii) This balance represents the initial recognition of right-of-use assets recorded on the balance sheet on 1 July 2019 relating to operating leases - refer to Note 8.10.

4.2 Investment properties

	(\$ thousand)	
	2021	MFB 2020
Balance at beginning of financial year	41,418	39,192
Net gain from fair value adjustments	101	2,186
Transfers (from)/ to investment property	1,939	40
Balance at end of financial year	43,458	41,418

	(\$ thousand)	
	2021	MFB 2020
Freehold land ⁽ⁱ⁾	42,674	41,017
Freehold buildings ⁽ⁱ⁾	784	401
Total	43,458	41,418

(i) FRV holds freehold land that is no longer strategic nor core to FRV operations; these land parcels consist of vacant land and land with unutilised premises. There is no active marketing land to sell these parcels of land presently, and as such, they are determined as investment property that will eventually be sold in accordance with our budget planning process in coming years.

Investment properties are primarily non-financial physical assets that are non-core assets in respect to emergency service provisions that are held to earn rental income, for capital appreciation, or for future disposal. Investment properties exclude properties held to meet service delivery objectives of FRV. Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to FRV.

Subsequent to initial recognition at cost, investment properties are revalued to fair value with changes in the fair value recognised as other economic flows in the comprehensive operating statement in the period that they arise. Fair values are determined based on a market comparable approach that reflects recent transaction prices for similar properties. These properties are neither depreciated nor tested for impairment.

4.3 Intangible assets

	Computer Software		Licences		Assets under construction at cost		Total	
	2021	2020 MFB	2021	2020 MFB	2021	2020 MFB	2021	2020 MFB
<i>Gross carrying amount</i>								
Opening balance	26,083	25,466	13,388	13,388	2,418	2,749	41,889	41,603
Additions	3,530	474	-	-	5,912	-	9,442	474
Disposals	-	(87)	-	-	-	(101)	-	(188)
Transfers from construction in progress	2,736	230	-	-	(2,736)	(230)	-	-
Closing balance	32,349	26,083	13,388	13,388	5,594	2,418	51,331	41,889
<i>Accumulated depreciation, amortisation and impairment</i>								
Opening balance	(22,329)	(20,684)	(11,793)	(11,106)	-	-	(34,122)	(31,790)
Amortisation of intangible produced assets ⁽ⁱ⁾	(2,175)	(1,715)	-	-	-	-	(2,175)	(1,715)
Amortisation of intangible non-produced assets ⁽ⁱ⁾	-	-	(397)	(687)	-	-	(397)	(687)
Disposals	-	70	-	-	-	-	-	70
Closing balance	(24,504)	(22,329)	(12,190)	(11,793)	-	-	(36,694)	(34,122)
Net book value at end of financial year	7,845	3,754	1,198	1,595	5,594	2,418	14,637	7,767

(i) The consumption of intangible produced assets is included in 'depreciation' line item, where the consumption of the intangible non-produced assets is included in 'net gain/(loss) on non-financial assets' line item on the comprehensive operating statement.

Financial Report (continued)

Initial recognition

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 *Intangible Assets* are met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begin when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An **internally generated intangible asset** arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- an intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement

Intangible produced assets with finite useful lives are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Produced intangible assets have useful lives of between 3 and 15 years.

Intangible non-produced assets with finite lives are amortised as an 'other economic flow' on a straight-line basis over their useful lives. The amortisation period is 15 to 25 years.

Impairment of intangible assets

Intangible assets with finite useful lives are tested (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired. As at reporting date, FRV did not hold any indefinite life intangible assets.

Annually impairment testing is undertaken which involves detailed analysis with the asset managers to determine if any events such as policy changes, new technology, emerging systems etc. that impact the expected future life usage of the intangible assets or potential future cash flows are anticipated.

If impairment is indicated, the asset value is adjusted to its expected remaining useful life and the resulting change is treated as an impairment loss to the operating statement.

Management review of intangible assets as at this report date determined no impairment.

Intangible assets are measured at cost less accumulated amortisation as detailed in Note 4.3.

4.4 Investments and other financial assets⁽ⁱ⁾

	2021	(\$ thousand) 2020 MFB
Non-current investments and other financial assets		
Equities and managed investment schemes:		
Balanced fund	56,193	49,419
Growth Fund	38,979	32,630
Total non-current investments and other financial assets	95,172	82,049
Total investments and other financial assets	95,172	82,049

(i) Refer Note 7.3 for accounting policies in relation to investments above.

5. Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arose from FRV's controlled operations.

Structure

5.1	Receivables	117
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5.1 Receivables

	2021	(\$ thousand) 2020 MFB
Contractual		
Sale of goods and services	4,644	5,914
Other receivables	11,421	5,928
Allowance for impairment losses of contractual receivables	(477)	(581)
Statutory		
GST input tax credit recoverable	2,108	1,593
Amounts owing from State Revenue Office	453	–
Amounts owing from Department of Justice and Community Safety	15	4,136
Regulatory fees charges	4,880	3,350
Total receivables	23,044	20,340
<i>Represented by:</i>		
Current receivables	20,665	17,595
Non-current receivables	2,379	2,745

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. FRV held the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. FRV applied AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Details about FRV's impairment policies and FRV's exposure to credit risk, and the calculation of the loss allowance are set out in Note 7.1.

Leases as a Lessor

As a lessor, FRV classified its leases as either operating or finance leases.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

Financial Report (continued)

5.2 Payables

	2021	(\$ thousand) 2020 MFB
Contractual		
Supplies and services	12,215	18,982
Amounts payable to government and agencies	14,002	254
Accrued employee costs	14,003	5,791
Other payables	2,692	1,616
Statutory		
FBT payable	605	440
PAYG tax payable	2,138	2,041
Payroll tax payable	3,371	1,515
Total payables	49,026	30,639
<i>Represented by:</i>		
Current payables	49,026	30,639
Non-current payables	-	-

Payables consist of:

- **contractual payables** classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to FRV prior to the end of the financial year that are unpaid; and
- **statutory payables**, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Payables for supplies and services have an average credit period of 30 days. No interest is charged on the 'other payables' for the first 30 days from the date of the invoice and there have been no claims by suppliers for interest for late payment.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.

Financial guarantees: Payments that are contingent under financial guarantee contracts are recognised as a liability, at fair value, at the time the guarantee is issued. Subsequently, should there be a material increase in the likelihood that the guarantee may be exercised, the liability is recognised at the higher of the amount determined in accordance with the expected credit loss model under AASB 9 *Financial Instruments* and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with AASB 118.

FRV provided minimal financial guarantees and none are material in nature or amounts.

5.2.1 Maturity analysis of contractual payables⁽ⁱ⁾

2021	Carrying amount	Nominal amount	Less than 1 month	(\$ thousand) Maturity dates	
				1 - 3 months	3 months - 1 year
Supplies and services	12,215	12,215	10,505	1,221	489
Amounts payable to government and agencies	14,002	14,002	13,697	(155)	460
Accrued employee costs	14,003	14,003	14,003	-	-
Other payables	2,692	2,692	2,692	-	-
Total	42,912	42,912	40,897	1,066	949
2020 MFB					
Supplies and services	18,541	18,541	13,296	5,133	112
Amounts payable to government and agencies	695	695	695	-	-
Accrued employee costs	5,791	5,791	5,791	-	-
Other payables	1,616	1,616	1,616	-	-
Total	26,643	26,643	21,398	5,133	112

(i) Maturity analysis is presented using the contractual undiscounted cash flows.

5.3 Inventories

	(\$ thousand)	
	2021	2020 MFB
Current inventories		
Supplies and consumables: at cost	2,161	2,152
Total current inventories	2,161	2,152
Loss of service potential	(44)	(60)
Total inventories	2,117	2,092

Inventories are recorded at cost upon receipt and then measured on the basis of weighted average cost.

Inventory is assessed regularly for obsolescence and carrying values are adjusted where applicable.

Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

Financial Report (continued)

6. How we financed our operations

Introduction

This section provides information on the sources of finance utilised by FRV during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of FRV.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Note 7.1 and subset notes provide additional, specific financial instrument disclosures.

Structure

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6.1 Borrowings

	2021	(\$ thousand) 2020 MFB
Current borrowings		
Advances from government ⁽ⁱ⁾	238	238
Lease liabilities ⁽ⁱⁱ⁾	2,251	1,261
Total current borrowings	2,489	1,499
Non-current borrowings		
Advances from government ⁽ⁱ⁾	238	476
Lease liabilities ⁽ⁱⁱ⁾	9,289	4,686
Total non-current borrowings	9,527	5,162
Total borrowings	12,016	6,661

(i) The interest free loan from State Government is recognised at the fair value of the consideration.

(ii) Secured by the assets leased. Leases liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Maturity analysis of borrowings

	Carrying amount	Nominal amount	Less than 1 month	1 – 3 months	(\$ thousand) Maturity dates	
					3 months – 1 year	1 – 5 years
2021						
Advances from government	476	476	–	–	238	238
Lease liabilities	11,540	11,971	224	395	1,802	9,550
Total	12,016	12,447	224	395	2,040	9,788
2020 MFB						
Advances from government	714	714	–	–	–	714
Lease liabilities	5,947	6,298	141	243	1,008	4,906
Total	6,661	7,012	141	243	1,008	5,620

Interest expense

		(\$ thousand)
	2021	2020 MFB
Interest on lease liabilities	176	59
Total interest expense	176	59

'Interest expense' includes costs incurred in connection with the borrowing of funds and includes interest component of lease repayments.

Interest expense is recognised in the period in which it is incurred.

6.2 Leases

Information about leases for which FRV was a lessee is presented below.

The Agency's leasing activities

FRV leased various properties, IT equipment and motor vehicles. The lease contracts are typically made for fixed periods of 1–5 years with an option to renew the lease after that date in some leases.

Leases of IT equipment with contract terms of 1–3 years are either short-term and or/leases of low-value items. FRV has elected not to recognise right-of-use assets and lease liabilities for these leases.

At 30 June 2021, FRV commitments for short-term leases were immaterial.

Leases at significantly below-market terms and conditions

With the formation of FRV, five leases transferred over from CFA in relation to fire station sites. These leases range from annual to ending in 2047 for the use of a facility to provide emergency services. The various lease contracts specify lease payments of \$0, \$104 and \$22,000 per annum. The leased premises are used by FRV to provide emergency services to the community.

6.2.1 Right-of-use Assets

Right-of-use assets are presented in note 4.1.1.

6.2.2 Amounts recognised in the Statement of Comprehensive Statement

The following amounts are recognised in the Statement of Comprehensive Operating Statement relating to leases:

		(\$ thousand)
	2021	2020 MFB
Interest expense on lease liabilities ⁽ⁱ⁾	176	59
Expenses relating to short-term leases	860	560
Total amount recognised in the comprehensive operating statement	1,036	619

(i) Interest expense on liabilities relate to right- of-use assets (refer Note 4.1.1)

Financial Report (continued)

6.2.3 Amounts recognised in the Statement of Cash-flows

The following amounts are recognised in the Statement of Cash-flows for the year ending 30 June 2021 relating to leases.

	(\$ thousand)	
	2021	2020 MFB
Total cash outflows for leases	2,528	1,339

For any new contracts entered into, FRV considered whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition FRV assessed whether the contract meets three key evaluations:

- Whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to FRV and for which the supplier does not have substantive substitution rights;
- Whether FRV had the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and FRV had the right to direct the use of the identified asset throughout the period of use; and
- Whether FRV had the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, FRV was required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Recognition and measurement of leases as a lessee

Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or FRV's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments arising from purchase and termination options reasonably certain to be exercised.

Lease Liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low-value assets

FRV had elected to account for short-term leases and leases of low value assets using the practical expedients approach permitted under AASB 16. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Presentation of right-of-use assets and lease liabilities

FRV presented right-of-use assets as 'property plant equipment' unless they meet the definition of investment property, in which case they are disclosed as 'investment property' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

6.3 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

	(\$ thousand)	
	2021	2020 MFB
Total cash and deposits disclosed in the balance sheet	266,831	51,129
Balance as per cash flow statement	266,831	51,129

In accordance with the *Financial Management Act 1994*, Standing Direction – Central Banking System (CBS), FRV entered arrangements with Westpac Banking Corporation that provide for daily working capital balances in bank accounts to be consolidated under CBS. The arrangement provides substantive benefits to State Government. FRV account balances remain accessible at call.

Reconciliation of net result for the period

FRV does not generally hold a large cash reserve in its bank accounts to align with State Government guidance on investment and funding arrangements.

FRV managed all banking accounts under the FRV name, subsequently all receipts and payments are managed through FRV designated bank accounts and investment accounts.

6.3.1 Reconciliation of net result for the period to cash flow from operating activities

	(\$ thousand)	
	2021	2020 MFB
Net result for the period	34,366	(32,609)
Noncash movements:		
Loss on sale or disposal of non-financial assets	266	236
(Gain) on revaluation of investment property	(101)	(2,186)
Depreciation and amortisation of non-current assets	33,800	24,509
Unrealised (gain)/ loss on held for trading investments	(9,764)	2,222
Net loss on financial instruments	–	1,956
(Decrease)/increase in provision for doubtful debts	(103)	487
(Decrease)/increase in other noncash movements	(16)	31
Net gain arising from revaluation of leave liabilities	25,571	2,800
Movements in assets and liabilities:		
(Increase)/ Decrease in operating receivables	(2,571)	11,160
(Increase) in inventories	(9)	(142)
(Increase) in prepayments	(7,263)	(149)
Increase in payables	18,332	1,366
(Decrease) in RoU liability buildings and vehicles	(5,949)	–
Increase in employee provisions	(38,627)	14,529
(Decrease) in other liabilities	(60)	(10,035)
Net cash flows from/ (used in) operating activities	47,872	14,175

6.3.2 Financing facilities

FRV had access to an unsecured credit card facility of \$1.660 million. Invariably at month end and year end reporting periods, only a small portion of the credit card facility is utilised.

Financial Report (continued)

6.4 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

6.4.1 Total commitments payable

Nominal Amounts 2021				(\$ thousand)
	Less than 1 year	1 - 5 years	5+ years	Total
Capital expenditure commitments payable	10,324	–	–	10,324
Other commitments payable	21,266	6,165	–	27,431
Total commitments (inclusive of GST)	31,590	6,165	–	37,755
Less GST recoverable from the Australian Tax Office	2,872	560	–	3,432
Total commitments (exclusive of GST)	28,718	5,605	–	34,323

Nominal Amounts 2020 MFB				(\$ thousand)
	Less than 1 year	1 - 5 years	5+ years	Total
Capital expenditure commitments payable	22,206	2,772	–	24,978
Other commitments payable	23,845	5,926	–	29,771
Total commitments (inclusive of GST)	46,051	8,698	–	54,749
Less GST recoverable from the Australian Tax Office	4,186	791	–	4,977
Total commitments (exclusive of GST)	41,865	7,907	–	49,772

6.4.2 Details of commitments

	(\$ thousand)	
	2021 Nominal value (incl GST)	2020 MFB Nominal value (incl GST)
Capital expenditure commitments: plant, equipment and vehicles	9,521	22,100
Intangible asset commitments	804	2,878
Lease commitments: temporary station and office	5,186	21
Other operational supplies and services commitments	22,244	29,750
Total commitments	37,755	54,749

7. Risks, contingencies and valuation judgements

Introduction

FRV is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for FRV related mainly to fair value determination.

Structure

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7.1 Financial instruments specific disclosures

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of FRV's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

The significant financial instruments are the Balanced Fund and Growth Fund investments management by VFMC.

Guarantees issued on behalf of FRV were financial instruments because, although authorised under statute, terms and conditions for each financial guarantee may vary and were subject to an agreement.

Categories of financial assets and financial liabilities

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets were held by FRV to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

FRV recognised the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables); and
- term deposits.

Financial assets at fair value through net result

Equity instruments that are held for trading as well as derivative instruments are classified as fair value through net result. Other financial assets are required to be measured at fair value through net result unless they are measured at amortised cost or fair value through other comprehensive income as explained above.

However, as an exception to those rules above, FRV may, at initial recognition, irrevocably designate financial assets as measured at fair value through net result if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

FRV recognised listed equity securities as mandatorily measured at fair value through net result and account for all of its managed investment schemes as fair value through net result.

Financial Report (continued)

Financial assets and liabilities at fair value through net result are categorised as such at trade date, or if they are classified as held for trading or designated as such upon initial recognition. Financial instrument assets are designated at fair value through net result on the basis that the financial assets form part of a group of financial assets that are managed based on their fair values and have their performance evaluated in accordance with documented risk management and investment strategies. Financial instruments at fair value through net result are initially measured at fair value; attributable transaction costs are expensed as incurred. Subsequently, any changes in fair value are recognised in the net result as other economic flows.

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method. FRV recognised the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including lease liabilities).

Derecognition of financial assets: A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- FRV retained the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- FRV had transferred its rights to receive cash flows from the asset and either:
 - had transferred substantially all the risks and rewards of the asset; or
 - had neither transferred nor retained substantially all the risks and rewards of the asset but had transferred control of the asset.

Where FRV had neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of FRV's continuing involvement in the asset.

Derecognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments: Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when FRV's business model for managing its financial assets has changes such that its previous model would no longer apply.

However, FRV was generally unable to change its business model because it is determined by the Performance Management Framework (PMF) and all Victorian government entities are required to apply the PMF under the Standing Directions 2018 under the FMA.

If under rare circumstances a financial asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in net result.

7.1.1 Financial instruments: Categorisation

2021	Cash and deposits	Financial assets (FVTPL)	Financial assets at amortised cost (AC)	Financial liabilities at amortised cost (AC)	(\$ thousand) Total
Contractual financial assets					
Cash and deposits	266,831	-	-	-	266,831
Receivables⁽ⁱ⁾					
Sale of goods and services	-	-	4,644	-	4,644
Other receivables	-	-	11,421	-	11,421
Investments and other contractual financial assets					
VFMC managed investments	-	95,172	-	-	95,172
Total contractual financial assets	266,831	95,172	16,065	-	378,068
Contractual financial liabilities					
Payables⁽ⁱ⁾					
Supplies and services	-	-	-	12,215	12,215
Amounts payable to government and agencies	-	-	-	14,002	14,002
Accrued employee costs	-	-	-	14,003	14,003
Other payables	-	-	-	2,692	2,692
Borrowings					
State Government loan	-	-	-	476	476
Lease liabilities	-	-	-	11,540	11,540
Total contractual financial liabilities	-	-	-	54,928	54,928

(i) The total amounts disclosed here exclude statutory amounts (eg. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

Financial Report (continued)

7.1.1 Financial instruments: Categorisation *continued*

2020 MFB	Cash and Financial assets/ deposits	Financial assets/ (FVTPL)	Financial assets at amortised cost (AC)	Financial liabilities at amortised cost (AC)	(\$ thousand) Total
Contractual financial assets					
Cash and deposits	51,129	-	-	-	51,129
Receivables⁽ⁱ⁾					
Sale of goods and services	-	-	5,914	-	5,914
Other receivables	-	-	5,928	-	5,928
Investments and other contractual financial assets					
VFMC managed investments	-	82,049	-	-	82,049
Total contractual financial assets	51,129	82,049	11,842	-	145,020
Contractual financial liabilities					
Payables⁽ⁱ⁾					
Supplies and services	-	-	-	18,541	18,541
Amounts payable to government and agencies	-	-	-	695	695
Accrued employee costs	-	-	-	5,791	5,791
Other payables	-	-	-	1,616	1,616
Borrowings					
State Government loan	-	-	-	714	714
Lease liabilities	-	-	-	5,947	5,947
Total contractual financial liabilities	-	-	-	33,304	33,304

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

7.1.1 Financial instruments – Net holding gain / (loss) on financial instruments by category

2021	Net holding gain/(loss)	Total interest income/ (expense)	(\$ thousand) Total
Contractual financial assets			
Investments	13,123	-	13,123
Financial assets at amortised cost – other than on derecognition	-	516	516
Total contractual financial assets	13,123	516	13,639
Total contractual financial liabilities	-	-	-
2020 MFB			
Contractual financial assets			
Investments	669	-	669
Financial assets at amortised cost – other than on derecognition	-	489	489
Total contractual financial assets	669	489	1,158
Total contractual financial liabilities	-	-	-

[Note: Amounts disclosed in this table exclude holding gains and losses related to statutory financial assets and liabilities.]

The net holding gains or losses disclosed above are determined as follows:

- for cash and cash equivalents, financial assets at amortised cost and debt instruments that are classified as financial assets at fair value through other comprehensive income, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest income, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result;
- for financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost; and
- for financial asset and liabilities that are mandatorily measured at or designated at fair value through net result, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

7.1.2 Financial risk management objectives and policies



As a whole, FRV's financial risk management program sought to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed in Note 7.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage FRV's financial risks within the government policy parameters.

FRV's main financial risks included credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. FRV managed these financial risks in accordance with its financial risk management policy.

FRV uses different methods to measure and manage the different risks to which it is exposed. The FRV Commissioner and Executive were briefed and guided on portfolio investment risks by professional fund managers. Primary responsibility for the identification and management of financial risks rests with the Finance department under Corporate Services.

7.1.3 Financial instruments: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. FRV's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to FRV. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with FRV's contractual financial assets with State Government entities was minimal. For debtors other than the Government, particularly in relation to statutory charges relating to false alarms, FRV was obligated under certain conditions to charge. Accordingly, FRV had no capacity to minimise credit risk, but utilises approaches such as periodic instalment arrangements to achieve settlement of debtor's accounts.

In addition, FRV did not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, FRV's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that FRV will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represented FRV's maximum exposure to credit risk without taking account of the value of any collateral obtained.

During the 2020–21 financial year, the COVID-19 pandemic has immateriality impacted receivables and FRV's expected loss provision has been adjusted accordingly for potential future impact; otherwise, there has been no material change for FRV's credit risk profile.

Financial Report (continued)

Credit quality of financial assets

	Financial institutions (double-A credit rating)	Government agencies (triple-A credit rating)	Other (no credit rating)	(\$ thousand) Total
2021				
Financial assets				
Financial assets with loss allowance measured at 12-month expected credit loss				
Cash and deposits	266,831	–	–	266,831
Statutory receivables (no impairment loss recognised)	–	129	7,327	7,456
Contractual receivables applying the simplified impairment approach ⁽ⁱ⁾	–	1,839	14,945	16,784
Investments and other financial assets ⁽ⁱⁱ⁾	–	–	95,172	95,172
Total financial assets	266,831	1,968	117,444	386,243
2020 MFB				
Financial assets				
Financial assets with loss allowance measured at 12-month expected credit loss				
Cash and deposits	51,129	–	–	51,129
Statutory receivables (no impairment loss recognised)	–	4,407	4,672	9,079
Contractual receivables applying the simplified impairment approach ⁽ⁱ⁾	–	2,478	9,364	11,842
Investments and other financial assets ⁽ⁱⁱ⁾	–	–	82,049	82,049
Total financial assets	51,129	6,885	96,085	154,099

(i) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

(ii) Investments relate to the two managed investment portfolios, the funds are invested with recognised fund managers that are analysed in respect of risk, controls, management capacity and long-term operating viability amongst other key attributes. But these fund managers are generally not rated by ratings agencies.

Impairment of financial assets under AASB 9

FRV recorded the allowance for expected credit loss for the relevant financial instruments applying *AASB 9's Expected Credit Loss* approach. Subject to AASB 9 impairment assessment include FRV's contractual receivables, statutory receivables and its investment in debt instruments.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

Contractual receivables at amortised cost

FRV applied AASB's 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. FRV has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on FRV's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, FRV determined the opening loss allowance on initial application date of AASB 9 and the closing loss allowance at end of the financial year as follows:

	(\$ thousand)					
30 June 2020 MFB	Current	Less than 1 month	1 – 3 months	3 months – 1 year	1 – 5 years	Total
Expected loss rate	1.3%	18.0%	8.1%	24.6%	14.1%	
Gross carrying amount of contractual receivables	8,275	564	1,289	241	1,473	11,842
Loss allowance	109	102	104	59	207	581
30 June 2021						
Expected loss rate	0.1%	1.9%	21.1%	26.7%	33.7%	
Gross carrying amount of contractual receivables	13,804	752	274	440	795	16,065
Loss allowance	20	14	58	117	268	477

Reconciliation of the movement in the loss allowance for contractual receivables is shown as follows:

	(\$ thousand)	
	2021	2020 MFB
Balance at beginning of the year	581	94
Opening Loss Allowance	581	94
Increase in provision recognised in the net result	72	630
Reversal of provision of receivables written off during the year as uncollectible	(176)	(143)
Balance at end of the year	477	581

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

In prior years, a provision for doubtful debts was recognised where there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. Bad debts considered as written off by mutual consent.

Statutory receivables and debt investments at amortised cost

FRV's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

Both the statutory receivables and investments in debt instruments are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months of expected losses. No loss allowance has been recognised.

Debt investments at fair value through net result

FRV was also exposed to credit risk in relation to debt instruments within managed funds that are designated at fair value through net result. The investments in managed funds will incorporate high grade debt instruments from time to time, though the value of debt instruments is not significant.

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7.1.4 Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. FRV operated under the State Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

FRV was exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees. FRV managed its liquidity risk by:

- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements;
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets;
- careful maturity planning of its financial obligations based on forecasts of future cash flows; and
- a high credit rating for the State of Victoria (Moody's Investor Services and Standard and Poor's triple-A, which assists in accessing debt market at a lower interest rate).

FRV's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events can be sourced from liquidation of financial investments.

The carrying amount detailed in the following table of contractual financial liabilities recorded in the financial statements as loan from State Government (interest free loan) of \$0.476 million (2020: \$0.714 million), represents FRV's maximum exposure to liquidity risk. Also, FRV had issued low value bank guarantees totalling less than \$100,000.

7.1.5 Financial instruments: Market risk

FRV's exposures to market risk were primarily through interest rate risk, foreign currency risk and equity price risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

Sensitivity disclosure analysis and assumptions

FRV's sensitivity to market risk was determined based on the observed range of actual historical data for the preceding five-year period, with all variables other than the primary risk variable held constant. FRV's fund managers cannot be expected to predict movements in market rates and prices. Sensitivity analyses shown are for illustrative purposes only. The following movements are 'reasonably possible' over the next 12 months:

- a movement of 100 basis points up and down (2020: 100 basis points up and down) in market interest rates (AUD);
- FRV exposure to exchange rate fluctuations was limited to the investment and is managed by the fund manager maintaining a currency hedged position (i.e. holding forward currency hedge contracts). Accordingly, currency exposure to FRV financial instruments was negligible.
- a movement of 15 per cent up and down (2020: 15 per cent) for the top ASX 200 index and the equivalent USA and European market Indices.

The tables that follow show the impact on FRV's net result and equity for each category of financial instrument held by FRV at the end of the reporting period, if the above movements were to occur.

Due to the COVID-19 pandemic financial markets have experienced volatility in the past financial year but market conditions have stabilised with lower volatility.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. FRV held interest bearing investments through the managed investment portfolios and subsequently had exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. FRV had minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

FRV managed this risk by mainly undertaking fixed rate or non-interest bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded for cash at bank, as a financial asset that can be left at floating rate without necessarily exposing FRV to significant bad risk, management monitors movement in interest rates on a daily basis.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and FRV's sensitivity to interest rate risk are set out in the table that follows.

7.1.6 Financial instruments: Market risk

Interest rate exposure of financial instruments

2021	Weighted average interest rate (%)	Carrying amount	Fixed interest rate	Variable interest rate	(\$ thousand) Noninterest bearing
Financial assets					
Cash and deposits	0.32	266,831	–	266,831	–
Receivables ⁽ⁱ⁾					
Sale of goods and services		4,644	–	–	4,644
Other receivables		11,421	–	–	11,421
Investments and other contractual financial assets					
Managed investments		95,172	24,745	15,227	55,200
Term deposits		–	–	–	–
Total financial assets		378,068	24,745	282,058	71,265
Financial liabilities					
Payables ⁽ⁱ⁾					
Supplies and services		12,215	–	–	12,215
Amounts payable to government and agencies		14,002	–	–	14,002
Accrued employee costs		14,003	–	–	14,003
Other payables		2,692	–	–	2,692
Borrowings					
Loan from State Government ⁽ⁱⁱ⁾	0	476	–	–	476
Lease liabilities	2.41	11,540	11,540	–	–
Total financial liabilities		54,928	11,540	–	43,388

(i) The carrying amounts disclosed here exclude statutory amounts (eg. amounts owing from Victorian Government and GST input tax credit recoverable).

(ii) The Loan from State Government is non-interest bearing.

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(\$ thousand)					
2020 MFB	Weighted average interest rate (%)	Carrying amount	Fixed interest rate	Variable interest rate	Non-interest bearing
Financial assets					
Cash and deposits	1.05	51,129	–	51,129	–
Receivables ⁽ⁱ⁾					
Sale of goods and services		5,914	–	–	5,914
Other receivables		5,928	–	–	5,928
Investments and other contractual financial assets					
Managed investments		82,049	21,333	13,128	47,588
Term deposits	0	–	–	–	–
Total financial assets		145,020	21,333	64,257	59,430
Financial liabilities					
Payables ⁽ⁱ⁾					
Supplies and services		18,541	–	–	18,541
Amounts payable to government and agencies		695	–	–	695
Accrued employee costs		5,791	–	–	5,791
Other payables		1,616	–	–	1,616
Borrowings					
Loan from State Government ⁽ⁱⁱ⁾	0	714	–	–	714
Lease liabilities	2.50	5,947	5,947	–	–
Total financial liabilities		33,304	5,947	–	27,357

(i) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

(ii) The Loan from State Government is non-interest bearing.

Interest rate risk sensitivity

(\$ thousand)			
2021	Carrying amount	100 basis points Net result	+100 basis points Net result
Contractual financial assets			
Cash and deposits	266,831	(2,668)	2,668
Investments and other contractual financial assets	39,972	(400)	400
Total impact		(3,068)	3,068
2020 MFB			
Contractual financial assets			
Cash and deposits	51,129	(511)	511
Investments and other contractual financial assets	34,461	(344)	344
Total impact		(855)	855

Foreign currency risk

FRV was exposed to foreign currency risk primarily due to the two managed investment (balanced and growth) funds and payables relating to purchases of supplies and consumables from overseas. FRV had a limited amount of transactions denominated in foreign currencies and there is a relatively short timeframe between commitment and settlement therefore risk is minimal.

FRV exposures were mainly against the US dollar (USD) and Euro holdings related to the investment portfolios.

The investment fund manager maintains a structured currency hedging program to manage and minimise exposure to exchange rate risk on the two investments held by FRV.

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at the date of the end of the reporting period. Non-monetary assets carried at fair value that are denominated in foreign currencies are translated to the functional currency at the rates prevailing at the date when the fair value was determined.

Equity price risk

FRV was exposed to equity price risk through its two portfolio investments in listed and unlisted shares and managed investment schemes. Such investments are allocated and traded to match FRV investment objectives; these objectives were determined after detailed consideration of analysis, advice and consultation with the professional fund managers.

The fund manager on behalf of FRV, closely monitors performance and manages the equity price risk through diversification of its investment portfolio.

FRV's sensitivity to equity price risk is set out below.

Other price risk sensitivity

			(\$ thousand)
2021	Carrying amount	15% Net result	+15% Net result
Contractual financial assets			
Investments and other contractual financial assets ⁽ⁱ⁾	55,200	(8,280)	8,280
Total impact		(8,280)	8,280
2020 MFB			
Contractual financial assets			
Investments and other contractual financial assets ⁽ⁱ⁾	47,588	(7,138)	7,138
Total impact		(7,138)	7,138

(i) Investments and other contractual financial assets includes only managed Investment portfolios held by FRV; the above carrying amount reflects the portion of the VFMC portfolio investment that is equity price sensitive.

7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed below and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

As at balance date, there were no quantifiable or non-quantifiable contingent assets.

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
 - the amount of the obligations cannot be measured with sufficient reliability.

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Contingent liabilities are also classified as either quantifiable or non-quantifiable.

As at balance date, there were no quantifiable contingent liabilities.

Non-quantifiable contingent liabilities as at 30 June 2021 are:

As at balance date, there is a contingent liability in respect of per-fluoroalkyl and poly-fluoroalkyl substances (known as PFAS) contamination at specific FRV properties and certain adjoining properties. Action has commenced on the remediation, although at the time of this report the cost of the remediation is non-quantifiable. PFAS contamination may also impact on the carrying value of affected properties.

Legal claims were made during the 2020–21 year against FRV on various matters, which due to confidentiality and legal process are unable to be disclosed. As at 30 June 2021, these cannot be quantified; but are not expected to have a material impact on any amounts disclosed in these financial statements.

7.3 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of FRV.

This section sets out information on how FRV determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- financial assets and liabilities at fair value through operating result;
- available-for-sale financial assets;
- land, buildings, plant and equipment; and
- investment properties.

In addition, the fair values of other assets and liabilities that are carried at amortised cost also need to be determined for disclosure purposes.

FRV determined the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

FRV determined whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- which level of the fair value hierarchy was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 7.3.2).

7.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

FRV held a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value, due to their short-term nature or with the expectation that they will be paid in full by the end of the 2020–21 reporting period.

These financial instruments include:

Financial assets

Cash and deposits

Receivables:

- Sale of goods and services
- Accrued investment income
- Other receivables
- Investments and other contractual financial assets:
- Term deposits

Financial liabilities

Payables:

- For supplies and services
- Amounts payable to government and agencies
- Other payables

Borrowings:

- Loan from State Government

Where the fair value of the financial instruments is different from the carrying amounts, the following information has been included to disclose the difference.

Fair value of financial liability measured at amortised cost

	Carrying amount 2021	Fair value 2021	Carrying amount MFB 2020	Fair value MFB 2020
Financial liability				
Loan from State Government ⁽ⁱ⁾	476	476	714	714

(i) Loan from State Government is an interest free 7-year term loan commencing July 2015.

Financial assets measured at fair value

	Carrying amount as at 30 June	Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱ⁾	Level 3 ⁽ⁱ⁾
2021				
Financial assets at fair value through profit or loss				
Managed investments	95,172	–	95,172	–
Total	95,172	–	95,172	–
2020 MFB				
Financial assets at fair value through profit or loss				
Managed investments	82,049	–	82,049	–
Total	82,049	–	82,049	–

(i) There is no significant transfer between Level 1 and Level 2 or Level 3.

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There have been no transfers between levels during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate fair value.

Listed securities: The listed share assets are valued at fair value with reference to a quoted (unadjusted) market price from an active market. FRV categorised these instruments as Level 1.

Debt securities: In the absence of an active market, the fair value of FRV's debt securities and government bonds are valued using observable inputs, such as recently executed transaction prices in securities of the issuer or comparable issuers and yield curves. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that the significant inputs are observable, FRV categorised these investments as Level 2.

Unlisted securities: The fair value of unlisted securities is based on the discounted cash flow method. Significant inputs in applying this technique include growth rates applied for future cash flows and discount rates utilised. To the extent that the significant inputs are unobservable, FRV categorised these investments as Level 3.

Managed investment schemes: FRV invested in managed funds, which are not quoted in an active market and which may be subject to restrictions on redemptions such as lock-up periods, redemption gates and side pockets. FRV considered the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investment, to ensure they are reasonable and appropriate and therefore the net asset value (NAV) of these funds may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the funds is adjusted, as necessary, to reflect restrictions and redemptions, future commitments and other specific factors of the fund. In measuring fair value, consideration is also paid to any transactions in the shares of the fund. Depending on the nature and level of adjustments needed to the NAV and the level of trading of FRV, FRV classified these funds as either Level 2 or Level 3.

The fair value of unlisted investments is based on the underlying market values on equity holdings inherent in the managed portfolios. The values are regularly calculated by the fund management and as at 30 June annually are reflective of fair value of the underlying holdings.

The managed investments are classified as Level 2.

7.3.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy

2021	Carrying amount as at 30 June 2021	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱ⁾	Level 3 ⁽ⁱ⁾
Land at fair value ⁽ⁱⁱ⁾				
Specialised land	402,485	–	–	402,485
Non-specialised land	43,320	–	43,320	–
Total of land at fair value	445,805	–	43,320	402,485
Buildings at fair value				
Specialised buildings	450,777	–	–	450,777
Heritage assets ⁽ⁱⁱⁱ⁾	16,003	–	–	16,003
Right-of-use	8,585	–	–	8,585
Total of buildings at fair value	475,365	–	–	475,365
Plant, equipment and vehicles at fair value				
Vehicles ^(iv)	100,214	–	–	100,214
Plant and equipment	20,035	–	–	20,035
Total of plant, equipment and vehicles at fair value	120,249	–	–	120,249

(i) Classified in accordance with the fair value hierarchy, see Note 7.3.1.

(ii) An independent valuation of specialised land was performed using the Victorian Valuer-General Office as at 30 June 2021. The valuation was performed on the basis of the market approach and adjusted for Community Service Obligations (CSO).

(iii) FRV holds \$16.0 million worth of property listed as heritage asset. This heritage asset cannot be modified nor disposed of without formal ministerial approval.

(iv) Appliance vehicles are categorised as Level 3 assets as FRV uses the depreciated replacement cost in estimating the fair value.

2020 MFB	Carrying amount as at 30 June 2020	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱ⁾	Level 3 ⁽ⁱ⁾
Land at fair value ⁽ⁱⁱ⁾				
Specialised land	329,038	–	–	329,038
Non-specialised land	41,250	–	41,250	–
Total of land at fair value	370,288	–	41,250	329,038
Buildings at fair value				
Specialised buildings	253,530	–	–	253,530
Heritage assets ⁽ⁱⁱⁱ⁾	20,089	–	–	20,089
Right-of-use	4,556	–	–	4,556
Total of buildings at fair value	278,175	–	–	278,175
Plant, equipment and vehicles at fair value				
Vehicles ^(iv)	35,400	–	–	35,400
Plant and equipment	11,213	–	–	11,213
Total of plant, equipment and vehicles at fair value	46,613	–	–	46,613

(i) Classified in accordance with the fair value hierarchy, see Note 7.3.1.

(ii) An independent valuation of specialised land was performed using the Victorian Valuer-General office as at 30 June 2016. The valuation was performed basis the market approach and adjusted for Community Service Obligations (CSO).

(iii) FRV holds \$20.1 million worth of property listed as heritage assets. These heritage assets cannot be modified nor disposed of without formal ministerial approval.

(iv) Appliance vehicles are categorised as Level 3 assets as FRV uses the depreciated replacement cost in estimating the fair value.

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FRV's specialised and non-specialised land and buildings were independently revalued by Valuer-General Victoria as at 30 June 2021.

Management undertook a revaluation of appliance vehicles to reflect fair value as at 30 June 2021 using the depreciated replacement cost method.

FRV land and building revaluations were performed by the Valuer-General Victoria. The revaluations are on the basis that subject property was an unaffected site clear of any environmental contamination. FRV has sites that are subject to contamination and remediation of these sites is in preparatory stage. The full extent and cost of remediation is not determined at the time of the preparation of these accounts.

The Valuer-General Victoria valuation report noted that the market is being impacted by uncertainty as a consequence of the COVID-19 pandemic and accordingly, the land and building valuations were reported on the basis of "significant valuation uncertainty".

Non-specialised land and non-specialised buildings are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

An independent valuation was performed by Valuer-General Victoria as at 30 June 2021 for all land and buildings to determine fair value using the market approach and adjusting the market value where applicable for specialised land. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From this analysis, an appropriate rate per square metre has been applied to the subject asset.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

Plant and equipment is held at fair value. When plant and equipment are specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2021.

For all assets measured at fair value, the current use is considered the highest and best use.

Fair value assessments of plant and equipment were performed by management as at 30 June 2021 which resulted in revaluations of appliance vehicles and key support vehicles as at 30 June 2021. Other plant and equipment were reviewed by management for fair value, but revaluations were not required as there was no material difference to recorded book values.

Vehicles are valued using the current replacement cost method. FRV acquired new vehicles and at times disposed of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in FRV who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Specialised land and specialised buildings: The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For the majority of FRV's specialised buildings, the current replacement cost method was used, adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of FRV's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2021.

Heritage assets are valued using the current replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

Where it has not been possible to examine hidden works such as structural frames and floors, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the building. The estimated cost of reconstruction including structure services and finishes, also factors in any heritage classifications as applicable.

An independent valuation of FRV's heritage assets was performed by the Valuer-General Victoria. The valuation was performed based on the current replacement cost of the assets. The effective date of the valuation is 30 June 2021.

Reconciliation of Level 3 fair value movements

	Specialised land	Specialised buildings	Heritage assets	RoU buildings	Vehicles	(\$ thousand) Plant and equipment
2021						
Opening balance	329,038	253,530	20,089	4,556	35,400	11,213
Purchases	–	11,712	36	5,366	10,288	1,661
Transfers from CFA	63,049	112,613	–	41	40,963	11,003
Disposals	–	–	–	–	(432)	(236)
Transfers in (out) of Level 3	8,995	–	–	–	–	–
Transfer to investment property	(982)	(957)	–	–	–	–
<i>Gains or losses recognised in net result</i>						
Depreciation	–	(13,627)	(1,338)	(1,378)	(11,298)	(3,606)
Subtotal	400,100	363,271	18,787	8,585	74,921	20,035
<i>Gains or losses recognised in other economic flows – other comprehensive income</i>						
Revaluation	2,385	87,529	(2,784)	–	25,293	–
Closing balance	402,485	450,800	16,003	–	100,214	20,035
Unrealised gains/(losses) on non-financial assets	–	–	–	–	–	–

	Specialised land	Specialised buildings	Heritage assets	RoU buildings	Vehicles	(\$ thousand) Plant and equipment
2020 MFB						
Opening balance	329,038	263,857	21,426	639	38,832	12,018
Purchases	–	90	–	4,759	3,673	2,235
Disposals	–	–	–	–	(648)	(21)
Transfers in (out) of Level 3	–	–	–	–	–	–
Transfer to investment property	–	(40)	–	–	–	–
<i>Gains or losses recognised in net result</i>						
Depreciation	–	(10,377)	(1,337)	(842)	(6,457)	(3,019)
Subtotal	329,038	253,530	20,089	4,556	35,400	11,213
<i>Gains or losses recognised in other economic flows – other comprehensive income</i>						
Revaluation	–	–	–	–	–	–
Closing balance	329,038	253,530	20,089	4,556	35,400	11,213
Unrealised gains/(losses) on non-financial assets	–	–	–	–	–	–

Financial Report (continued)

Description of significant unobservable inputs to Level 3 valuations

2020 and 2021	Valuation technique ⁽ⁱ⁾	Significant unobservable Inputs ⁽ⁱ⁾	Range (weight average) ^(a)	Sensitivity of fair value measurement to changes in significant unobservable inputs ⁽ⁱ⁾
Specialised land	Market approach	Community service obligation (CSO) adjustment	20–80 per cent (28 per cent) ^(a)	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value.
Specialised buildings	Current replacement cost	Direct cost per square metre by components:		A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
		Building Structure	\$2,815 – \$3,294m ²	
		Site engineering	\$938 – \$1,389m ²	
		Fit Out	\$1,179 – \$1,235m ²	
		Trunk Reticulated building systems	\$1,911 – \$2,410m ²	
	Useful life of specialised buildings	6–45 years		A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Heritage assets	Current replacement cost ⁽ⁱⁱ⁾	Direct cost per square metre	\$1,196 – \$1,720 m ² (\$1,206) ^(a)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
	Heritage	CSO	30 per cent	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value.
Vehicles	Current replacement cost	Costs per unit	Appliances primarily range in replacement value between \$1,055,000 per heavy rescue to \$1,193,000 per pumper tankers / \$1,108,000 pumper per unit the majority of appliances are pumpers / pumper tankers.	A significant increase or decrease in replacement cost per unit would result in a significantly higher or lower fair value.
	Useful life of vehicles		3–18 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
		Light vehicles	3 years	
		Emergency appliances	18 years	

(i) CSO adjustments ranging from 20 per cent to 80 per cent were applied to reduce the best use fair value market approach for FRV's specialised land.

(ii) For some heritage assets, cost may be the reproduction cost of the asset rather than the replacement cost if their service potential could only be replaced by reproducing them with the same materials.

Description of significant unobservable inputs to Level 3 valuations *continued*

2020 and 2021	Valuation technique ⁽ⁱ⁾	Significant unobservable Inputs ⁽ⁱ⁾	Range (weight average) ^(a)	Sensitivity of fair value measurement to changes in significant unobservable inputs ⁽ⁱ⁾
Plant and equipment	Current replacement cost	Cost per unit is considered for key items of plant and equipment. Other general plant and equipment is considered reflective of DRC value as asset remaining lives primarily are in the range 3–7 years.		
	Useful life of plant and equipment	Useful life of the majority of plant and equipment is 3–40 years.	3–40 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Right of Use assets	Discounted cash flow (payments)	Discount Rate	Discount rate range 2–3 per cent (2.25 per cent) ^(a)	A significant increase or decrease in discount rates applied to future cash payment flows would result in a significantly lower or higher fair value.

(i) CSO adjustments ranging from 20 per cent to 80 per cent were applied to reduce the best use fair value market approach for FRV's specialised land.

(ii) For some heritage assets, cost may be the reproduction cost of the asset rather than the replacement cost if their service potential could only be replaced by reproducing them with the same materials.

Significant unobservable inputs have remained unchanged since June 2020.

Investment properties measured at fair value and their categorisation in the fair value hierarchy

2021	Carrying amount	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱ⁾	Level 3 ⁽ⁱ⁾
Investment properties	43,458	–	43,458	–
2020 MFB				
Investment properties	41,418	–	41,418	–

(i) Classified in accordance with the fair value hierarchy.

There have been no transfers between levels during the period. There were no changes in valuation techniques throughout the period to 30 June 2021.

For investment properties measured at fair value, the current use of the asset is considered the highest and best use.

The fair value of FRV's investment property at 30 June 2021 has been arrived at on the basis of an independent valuation carried out by the Valuer-General Victoria.

Financial Report (continued)

8. Other disclosures

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

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8.1 Ex gratia expenses⁽ⁱ⁾

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write-off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

	(\$ thousand)	
	2021	2020 MFB
Forgiveness or waiver of debt ⁽ⁱⁱ⁾	94	55
Compensation for economic loss ⁽ⁱⁱⁱ⁾	79	14
Total ex gratia expenses	173	69

(i) Includes ex gratia expenses for both individual items and in aggregate that are greater than or equal to \$5 000.

(ii) Forgiveness of receivables basis hardship applications and waiver of salary adjustments as considered by FRV.

(iii) Compensation for economic loss are payments to individuals to resolve possible claims and for claims of loss incurred relative to disputes regarding employment. These payments are reflected in salaries and wages expenses – refer to Note 3.1.1.

8.2 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/ (losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates; and
- reclassified amounts relating to available-for-sale financial instruments from the reserves to net result due to a disposal or derecognition of the financial instrument. This does not include reclassification between equity accounts due to machinery of government changes or 'other transfers' of assets.

Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

	2021	(\$ thousand) 2020 MFB
Net gain/(loss) on non-financial assets		
Amortisation of non-produced intangible assets ⁽ⁱ⁾	(397)	(687)
Revaluation of investment property	101	2,186
Net (loss) on disposal of property plant and equipment (including intangible assets)	(266)	(236)
Total net gain/(loss) on non-financial assets	(562)	1,263
Net gain/(loss) on financial instruments		
Impairment of:		
Loans and receivables ⁽ⁱⁱ⁾	(73)	(626)
Net (loss) arising from revaluation of financial assets at fair value – market risk	9,764	(2,222)
Total net gain/(loss) on financial instruments	9,691	(2,848)
Other gain/(loss) from other economic flows		
Net gain/(loss) arising from revaluation of leave liabilities	25,571	(2,800)
Total other gain/(loss) from other economic flows	25,571	(2,800)

(i) This is amortisation of non-produced intangible assets with finite useful lives.

(ii) Including increase/(decrease) in provision for doubtful debts and bad debts from other economic flows.

Financial Report (continued)

8.3 Machinery of Government – Transfer Statements

From 1 July 2020, Parts 3 to 11 of the *Firefighter's Presumptive Rights Compensation and Fire Services Legislation Amendment (Reform) Act 2019* came into operation and amended the *Country Fire Authority Act 1958* and the *Fire Rescue Victoria Act 1958 (FRV Act)*, together referred to as Fire Services Reform. This machinery of government change saw the commencement of FRV, bringing together career firefighters from the MFB and CFA and restored CFA to a volunteer firefighting service.

Fire Services Reform gave rise to restructuring of administration arrangements FRV during the current year. This restructure resulted in a range of transfers from CFA to FRV, which included associated property, rights, liabilities and obligations (both identified and contingent). Key elements that transferred from CFA to FRV due to this restructure are as follows:

- All staff covered by the Operational Staff Agreement, together with 171 professional, technical and administrative positions and their associated employee entitlements (e.g. annual leave and long service leave) on 1 July 2020;
- Parts of certain fire districts that were rezoned from CFA's to FRV's area of jurisdiction effective 1 July 2020;
- 38 co-located and career-only fire stations and agreed upon appliances;
- Firefighting equipment and other tools of trade such as transport vehicles, laptops, etc associated with staff and stations transferred; and
- Rights and responsibilities of certain projects transitioned to FRV along with associated funding.

These assets and liabilities transferred out by CFA as a result of the administrative restructure to FRV are shown in the below transfer statements. The values reflect the carrying amounts of those assets and liabilities.

The transfer statement signed by the Minister for Police and Emergency Services on 30 June 2020 with an effective date of 1 July 2020 transferred employee entitlements, employee debtors and cash holdings.

		(\$ thousand)	
INCREASE	Cash – Backing Employee Entitlements	91,759	
	Debtors – Employee loans and repayments	30	
INCREASE	Employee Liabilities Current – Annual Leave Provision		39,053
	Employee Liabilities Current – Long Service Leave Provision		61,804
	Employee Liabilities Current – Employee Entitlements Provision		23,375
	Employee Liabilities Non-Current – Long Service Leave Provision		12,002
DECREASE	Contributed Capital		44,445

The transfer statement signed by the Minister for Police and Emergency Services on 1 September 2020 with an effective date of 1 September 2020 transferred station land and building.

		(\$ thousand)	
INCREASE	Property, plant and equipment	2,126	
INCREASE	Contributed Capital		2,126

Transfer statement signed by the Minister for Police and Emergency Services on 1 September 2020 with an effective date of 1 September 2020 transferred land, building and emergency response appliances.

		(\$ thousand)	
INCREASE	Property, Plant and Equipment – Emergency Response Appliances	33,194	
	Property, Plant and Equipment – Land	58,357	
	Property, Plant and Equipment – Buildings	122,077	
	Property, Plant and Equipment – Leases Held	41	
INCREASE	Other Liabilities		42
	Contributed Capital		213,628

The transfer statement signed by the Minister for Police and Emergency Services on 18 November 2020 and subsequently approved by the Treasurer on 24 December 2020 with an effective date of 31 December 2020 transferred capital funding and repurposing of operating funding for the 350 Firefighter Program.

(\$ thousand)

INCREASE	Cash / Bank	23,100	
INCREASE	Contributed Capital		23,100

The transfer statement signed by the Minister for Police and Emergency Services on 18 November 2020 and subsequently approved by the Treasurer on 24 December 2020 with an effective date of 31 December 2020 transferred unconsumed funding for transferring projects and further cash funding towards employee entitlement provisions transferred initially on the transfer statement dated 30 June 2020 (refer above).

(\$ thousand)

INCREASE	Cash / Bank	45,576	
	Property, plant and equipment – assets under construction	720	
INCREASE	Contributed Capital		46,296

The transfer statement signed by the Minister for Police and Emergency Services on 31 January 2021 with an effective date of 1 February 2021 transferred capital projects for Armstrong Creek and Clyde North. The cash transfer relates to funding that as at the date of transfer was unconsumed by CFA and transferred to FRV.

(\$ thousand)

INCREASE	Cash / Bank	279	
	Land	2,849	
	Buildings Work in Progress	75	
INCREASE	Contributed Capital		3,203

The transfer statement signed by the Acting Minister for Police and Emergency Services on 26 February 2021 with an effective date of 26 February 2021 transferred in-flight capital projects funding incorporating station building projects at Bendigo, Lara, Craigieburn and replacement of breathing apparatus vans project.

(\$ thousand)

INCREASE	Cash / Bank – unconsumed funding	26,127	
	Property, plant and equipment – land	1,841	
	Property, plant and equipment – under construction	287	
INCREASE	Contributed Capital		28,255

The transfer statement signed by the Minister for Police and Emergency Services on 8 March 2021 with an effective date of 8 March 2021 transferred tools of trade (light vehicles and related tools of trade).

(\$ thousand)

INCREASE	Property, plant and equipment – motor vehicles	7,755	
	Property, plant and equipment – motor vehicles leased	12	
INCREASE	Other Liabilities		12
	Contributed Capital		7,755

As a result of the restructure of administrative arrangements, detailed above, there are material increases in income and expenses noted throughout FRV results, including:

- Income from grants associated with transferred staff, services and projects;
- Income from regulatory fees and rendering of services for areas now forming part of FRV's area of jurisdiction;
- Employee benefit expenses including wages, employee entitlement and related on-costs for employee transferred;
- Other operating expenses; and
- Depreciation and amortisation on assets transferred to FRV.

Financial Report (continued)

Planned Future Transfer Statements between CFA and FRV

Subsequent to the Transfer Statements referred above, future Transfer Statements are in planning for the 2021–22 financial year. These transfers will occur subject to the final approval of the agencies and the Minister for Emergency Services.

The Transfer Statements under consideration will transfer from CFA to FRV the following (amounts are approximate):

- Assets and general equipment which are not part of station fixtures and fittings (\$1.8 million)
- Two (2) new fire stations and accompanying land (\$22.0 million)
- New aerial and pumper appliances (\$6.6 million)

Additionally, FRV will transfer to CFA two (2) de-commissioned fire stations and accompanying land (\$4.9 million).

8.4 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994* (FMA), the following disclosures are made regarding responsible persons for the reporting period.

8.4.1 Names of Responsible Persons

The persons who held the positions of Accountable Officers in FRV, including the portfolio Minister and the Fire Rescue Commissioner as follows:

Minister for Police and Emergency Services	The Hon. Lisa Neville MP	1 July 2020 to 30 June 2021
Acting Minister for Police and Emergency Services	The Hon. James Merlino MP	8 November 2020 to 10 November 2020
Acting Minister for Police and Emergency Services	The Hon. Martin Foley MP	13 February 2021 to 19 February 2021
Acting Minister for Police and Emergency Services	The Hon. Danny Pearson MP	20 February 2021 to 25 June 2021
Acting Minister for Police and Emergency Services	The Hon. Jaclyn Symes MP	26 June 2021 to 30 June 2021
Fire Rescue Commissioner	K G Block	1 July 2020 to 30 June 2021

8.4.2 Remuneration – Responsible Persons⁽ⁱ⁾

Remuneration band:	No. of responsible persons:	
	2021	2020 MFB
\$0 – \$9,999	–	2
\$20,000 – \$29,999	–	1
\$40,000 – \$49,999	–	4
\$80,000 – \$89,999	–	1
\$150,000 – \$159,999	–	1
\$320,000 – \$329,999	–	1
\$580,000 – \$589,999	1	–
\$1,140,000 – \$1,149,999	–	1
Total	1	11
Total Remuneration of Responsible Persons (\$ thousands)⁽ⁱⁱ⁾	581	1,726

(i) Effective 1 July 2020 the Fire Rescue Commissioner is the sole responsible person; in the prior year responsible persons included the Chief Executive Officer / Chief Officer and MFB Board members.

(ii) Remuneration includes any termination benefits upon resignation or retirement.

8.5 Remuneration of executives

The number of executive officers, other than Ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits (as defined in *AASB 119 Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefit or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

Several factors affected total remuneration payable to executives over the year. A number of employment contracts were completed and renegotiated and a number of executive officers retired or resigned in the past year. This has had an impact on remuneration figures for the termination benefits category.

Remuneration of executive officers	(\$ thousand)	
	2021	Total remuneration 2020 MFB
Short-term employee benefits	18,687	7,550
Post-employment benefits	1,850	490
Other long-term benefits (including long service leave)	426	152
Termination benefits	284	–
Total remuneration	21,247	8,192
Total number of executives	88	31
Total annualised employee equivalents⁽ⁱ⁾	74.8	27.1

(i) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.

Financial Report (continued)

8.6 Related parties

FRV is a statutory authority and is recognised for the purposes of financial reporting, as wholly owned and controlled entity of the State of Victoria. Related parties of FRV include:

- Fire Rescue Commissioner, Deputy Commissioners, Deputy Secretary and their close family members;
- The Minister for Police and Emergency Services and her close family members; and
- All public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's-length basis.

8.6.1 Significant transactions with government-related entities

The main source of funding was from State Government grants that are allocated to the Department of Justice and Community Safety for distribution to FRV on a quarterly basis. Grant funding received in the reporting period 2020–21 was \$859.629 million (2019–20 \$461.727 million).

FRV regularly transacted with other emergency services. Significant interactions with other State Government entities include the following:

Entity	Nature	Receipts		(\$ thousand) Payments	
		2021	2020	2021	2020 MFB
Ambulance Victoria (AV)	IT hosting services	69	67		
Country Fire Authority (CFA) ⁽ⁱ⁾	Monthly recharging of invoices processed on behalf of FRV whilst vendors and arrangements were being transferred to FRV	–	–	9,339	–
	Initial bond paid as surety over reimbursement of the monthly recharge invoices	–	–	5,000	–
	Portion of July 2020 salaries paid by CFA on FRV's behalf as payroll transitioned to FRV	–	–	6,647	–
	<i>Recruit training activity jointly provided at the Victorian Emergency Management Training Centre and ICT support and operational support activity.</i>	757	3,664	–	–
	<i>Free of charges services provided from FRV to CFA – \$82.840 million</i>	–	–	82,840	–
	<i>Refer Note 3.11</i>	2,730	–	–	–
	<i>Free of charge services provided by CFA to FRV – \$2.730 million</i>				
	<i>Refer Note 2.3.5</i>				
Department of Environment, Land, Water and Planning (DEWLP)	Inspection of high risk resource recovery facilities	–	158	–	–
Department of Justice and Community Safety	Emergency Management Victoria (EMV) and the departments governance and support services provided to FRV	–	–	12,566	13,077
Emergency Services Telecommunications Authority (ESTA)	Call taking and dispatch and related activity	–	–	11,227	10,932
State Revenue Office	Payroll Tax	–	–	31,560	17,516
Transport Accident Commission (TAC)	Road Accident Recovery	4,857	4,362	–	–
Victoria Building Authority (VBA)	Support for Statewide Cladding Audit	142	–	–	–
Victoria State Emergency Service (SES)	ICT support services	151	578	–	–
Victorian Managed Insurance Authority	Insurance	–	–	1,575	2,467
WorkCover ⁽ⁱⁱ⁾		–	–	20,262	18,921

(i) Additionally, transactions between CFA and FRV resulted subsequent to the approval of the Machinery of Government Transfer Statements, refer Note 8.3 Machinery of Government for the details of these transactions.

(ii) WorkCover payments are paid through an agency.

Not listed in the government-related transactions are

- usage concessional charges with Yarra Valley Water for training purposes; the expense is immaterial. Similarly, FRV incurred utilities service charges from other state utility entities that are not material.
- Managed investments with Victorian Funds Management Corporation for which management fees are included in the unit pricing, these fees are not significant.

Key management personnel (KMP) of FRV include the Portfolio Minister – the Minister for Police and Emergency Services, the Fire Rescue Commissioner, Deputy Commissioners and Deputy Secretary. The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister’s remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services’ Financial Report.

		(\$ thousand)
	2021	2020 MFB
Compensation of KMPs		
Short-term employee benefits	2,968	815
Post-employment benefits	162	52
Other long-term benefits	66	8
Termination benefits	–	851
Total	3,196	1,726

Transactions with key management personnel and other related parties

Given the breadth and depth of State Government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with FRV, and based upon management review, there were no related party transactions that involved key management personnel and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. Other transactions regularly occur with State Government entities under normal business conditions but they are not significant in comparative value, these transactions include fire suppression services and maintenance service charges and charges by FRV for false alarm call outs that meet certain criteria.

8.7 Remuneration of auditors

		(\$ thousand)
	2021	2020 MFB
Victorian Auditor-General’s Office		
Audit or review of the financial statements ⁽ⁱ⁾	207	203
Total remuneration of auditors	207	203

(i) Auditor remuneration for financial year 2020 updated to reflect additional costs paid.

8.8 Coronavirus Pandemic (COVID-19)

The impact of COVID-19 is anticipated to be ongoing, management estimates the financial impact is \$6.860 million during the financial year. With COVID-19, management has an expectation there will continue to be volatility in financial markets, the general economy and non-financial physical asset values.

Financial Report (continued)

8.9 Reserves

	2021	(\$ thousand) 2020 MFB
Physical asset revaluation surplus:⁽ⁱ⁾		
Balance at beginning of financial year	461,360	461,360
Revaluation increments	123,487	–
Balance at end of financial year	584,847	461,360

(i) The physical assets revaluation surplus arises on the revaluation of land, buildings and vehicles.

8.10 Subsequent events

Further non-financial physical assets transfer statements are planned for the 2021–22 financial year which will primarily transfer assets to FRV from CFA, as well as, two non-core stations and land that will transfer from FRV to CFA (refer Note 8.3 Machinery of Government for further details).

8.11 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2020–21 reporting period. These accounting standards have not been applied to the Model Financial Statements. The state is reviewing its existing policies and assessing the potential implications of these accounting standards which include:

- *AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current*

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted, however, the AASB has recently issued *AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date* to defer the application by one year to periods beginning on or after 1 January 2023. FRV will not early adopt the Standard.

FRV is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

8.12 Glossary of technical terms

The following is a summary of the major technical terms used in this report.

Amortisation is the expense that results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

Borrowings refers to interest-bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, leases liabilities and other interest-bearing arrangements. Borrowings also include non-interest-bearing advances from government that are acquired for policy purposes.

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive result is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

Controlled item generally refers to the capacity of FRV to benefit from that item in the pursuit of the entity's objectives and to deny or regulate the access of others to that benefit.

Current grants are amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Effective interest method is the method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Ex gratia expenses mean the voluntary payment of money or other non-monetary benefit (e.g. a write-off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

Finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right:
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity;or
- a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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Financial liability is any liability that is:

- a contractual obligation:
 - to deliver cash or another financial asset to another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements comprise:

- a balance sheet as at the end of the period;
- a comprehensive operating statement for the period;
- a statement of changes in equity for the period;
- a cash flow statement for the period;
- notes, comprising a summary of significant accounting policies and other explanatory information;
- comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *Presentation of Financial Statements*; and
- a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

General government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those which are mainly non-market in nature, those that are largely for collective consumption by the community and those that involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Interest expense represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of lease repayments, and amortisation of discounts or premiums in relation to borrowings.

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Investment properties are properties held to earn rentals or for capital appreciation or both. Investment properties exclude properties held to meet service delivery objectives of the State of Victoria.

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net acquisition of non-financial assets (from transactions) are purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write-downs and revaluations.

Net operating balance or net result from transactions is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

Net worth is calculated as assets less liabilities, which is an economic measure of wealth.

Non-financial assets are all assets that are not financial assets. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, cultural and heritage assets, intangibles and biological assets such as commercial forests.

Non-produced assets are assets needed for production that have not themselves been produced. They include land, subsoil assets, and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

Operating result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also 'net result'.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market re-measurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal.

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

Payables include short and long-term trade debt and accounts payable, grants, taxes and interest payable.

Produced assets include buildings, plant and equipment, inventories, and certain intangible assets. Intangible produced assets may include computer software, motion picture films and research and development costs (which does not include the start-up costs associated with capital projects).

Receivables include amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

Service concession arrangement is a contract effective during the reporting period between a grantor and an operator in which:

- the operator has the right of access to the service concession asset (or assets) to provide public services on behalf of the grantor for a specified period of time;
- the operator is responsible for at least some of the management of the public services provided through the asset and does not act merely as an agent on behalf of the grantor; and
- the operator is compensated for its services over the period of the service concession arrangement.

Supplies and services generally represent cost of goods sold and the day to day running costs, including maintenance costs, incurred in the normal operations of FRV.

Taxation income represents income received from the state's taxpayers and includes:

- payroll tax, land tax and duties levied principally on conveyances and land transfers;
- gambling taxes levied mainly on private lotteries, electronic gaming machines, casino operations and racing;
- insurance duty relating to compulsory third party, life and non-life policies;
- insurance company contributions to fire brigades;
- motor vehicle taxes, including registration fees and duty on registrations and transfers;
- levies (including the environmental levy) on statutory corporations in other sectors of government; and
- other taxes, including landfill levies, licence and concession fees.

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows into an entity such as depreciation, where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

Financial Report (continued)

8.13 Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

-	zero, or rounded to zero
(xxx)	negative numbers
200x	year period
200x 0x	year period

The financial statements and notes are presented based on the illustration for a government department in the 2020–21 *Model Report for Victorian Government Departments*. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of previous annual reports.

Independent Auditor's Report

To the Commissioner of Fire Rescue Victoria

Opinion	<p>I have audited the financial report of Fire Rescue Victoria which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2021 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration in the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of Fire Rescue Victoria as at 30 June 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of Fire Rescue Victoria in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
The Commissioner's responsibilities for the financial report	<p>The Commissioner of Fire Rescue Victoria is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Commissioner determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Commissioner is responsible for assessing Fire Rescue Victoria's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Financial Report (continued)

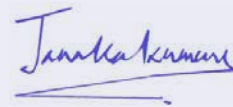
Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Fire Rescue Victoria's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner.
- conclude on the appropriateness of the Commissioner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Fire Rescue Victoria's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Fire Rescue Victoria to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

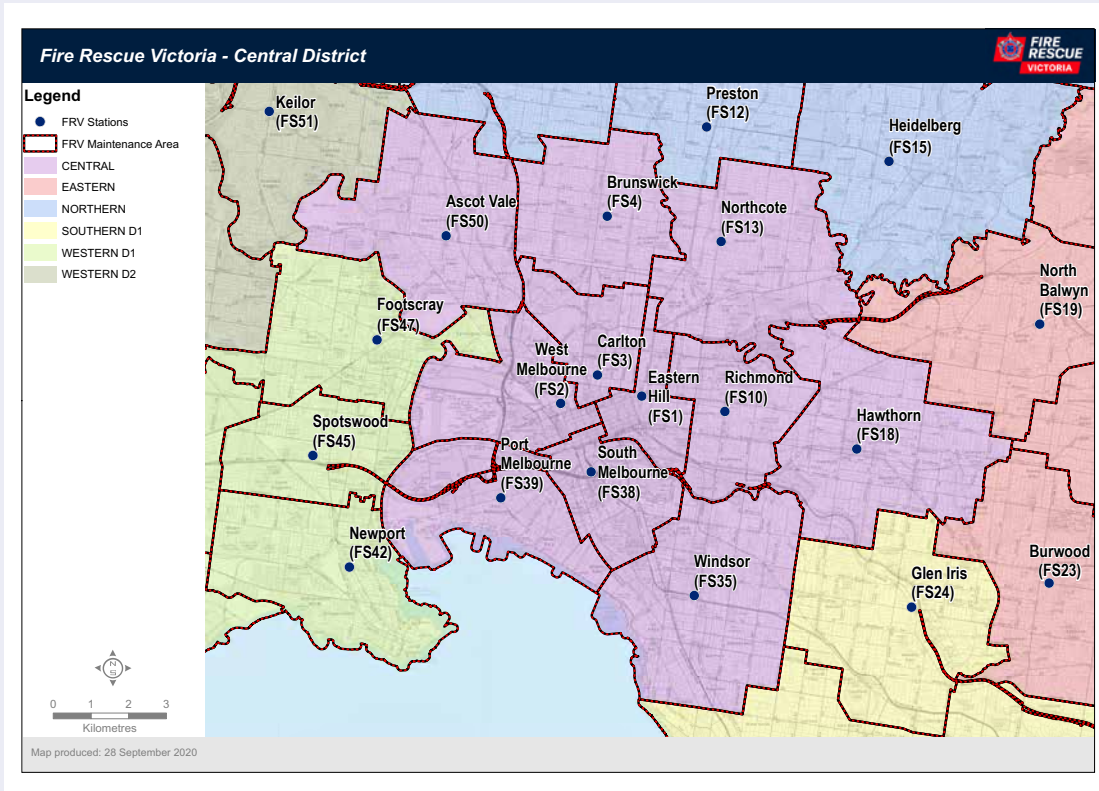


MELBOURNE
20 October 2021

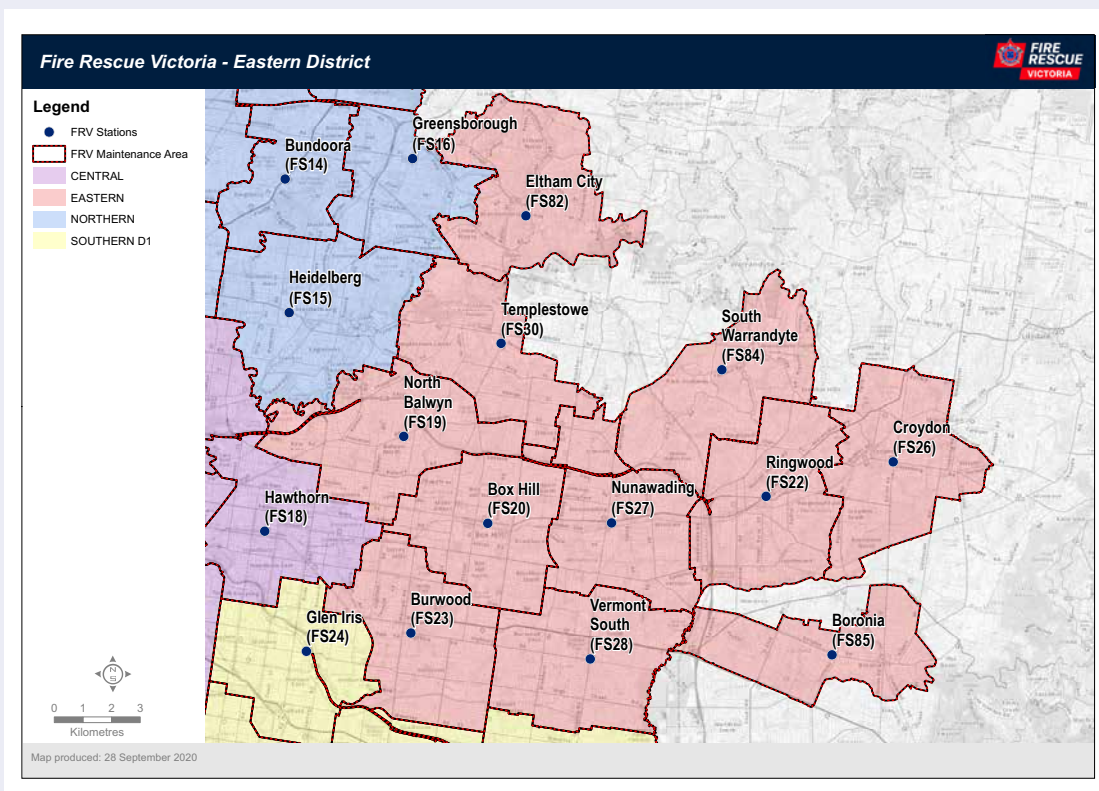
Janaka Kumara
as delegate for the Auditor-General of Victoria

Appendix 1: FRV District maps

Map 1: Central District

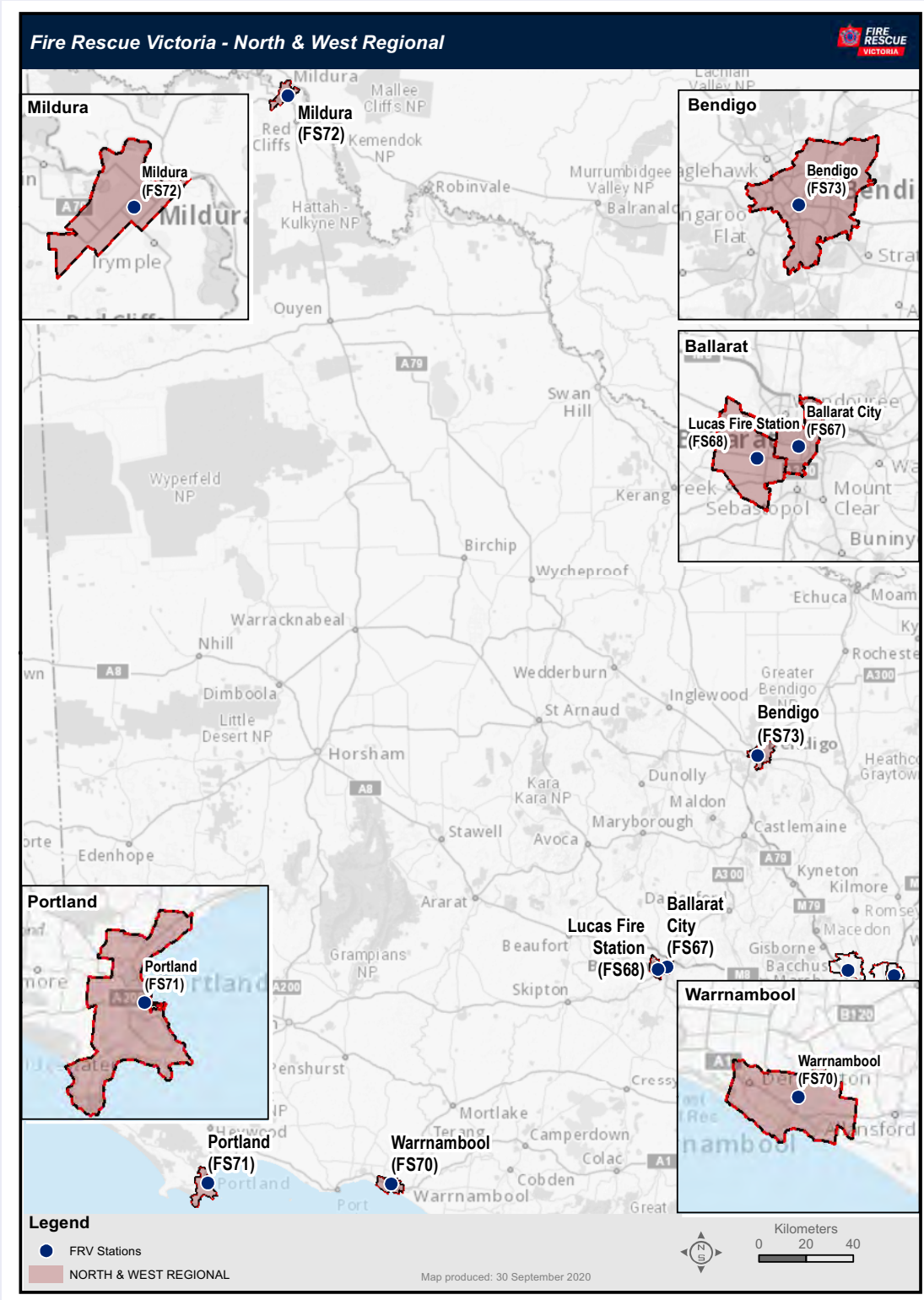


Map 2: Eastern District

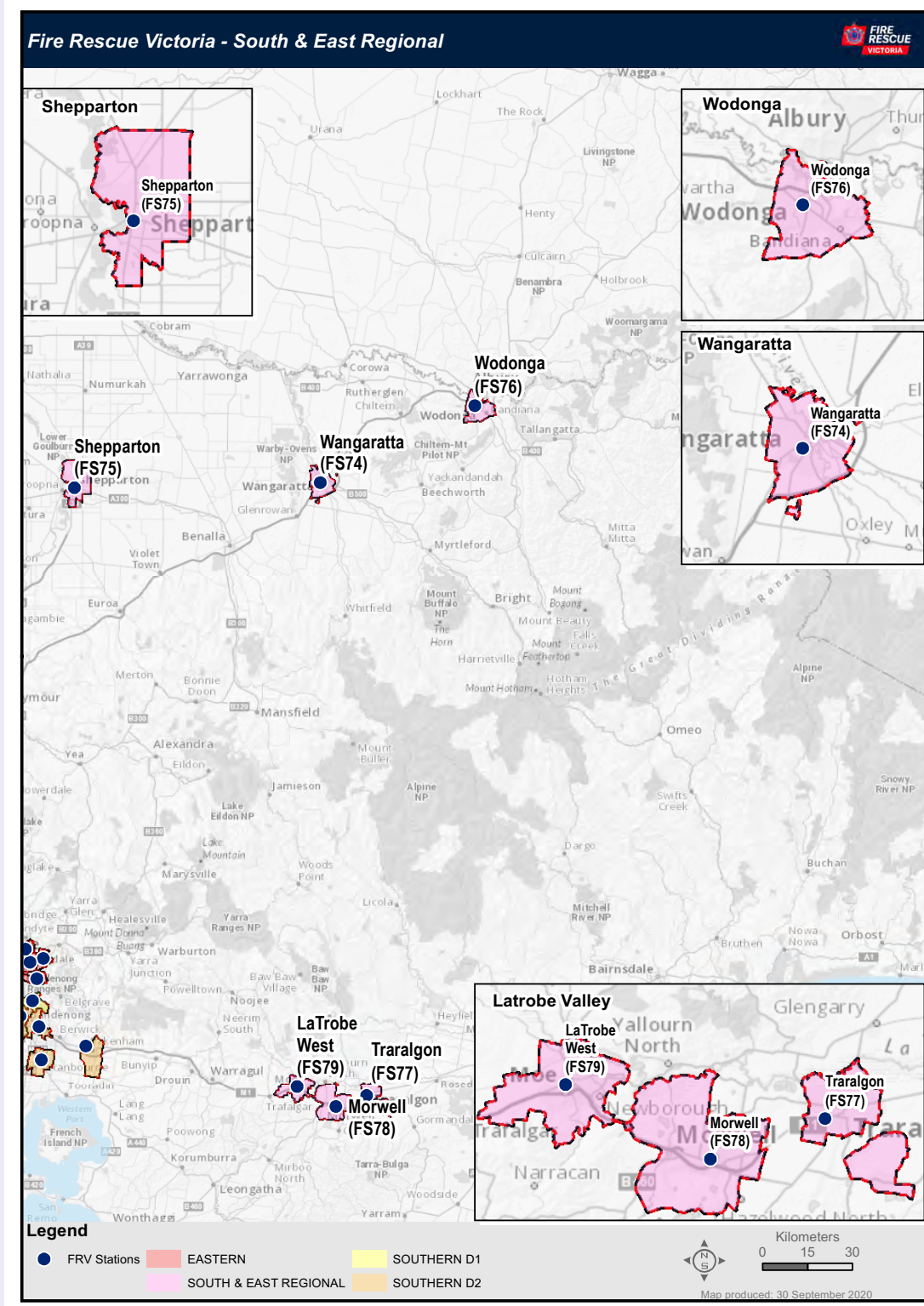


Appendix 1: FRV District maps (continued)

Map 3: North and West Region

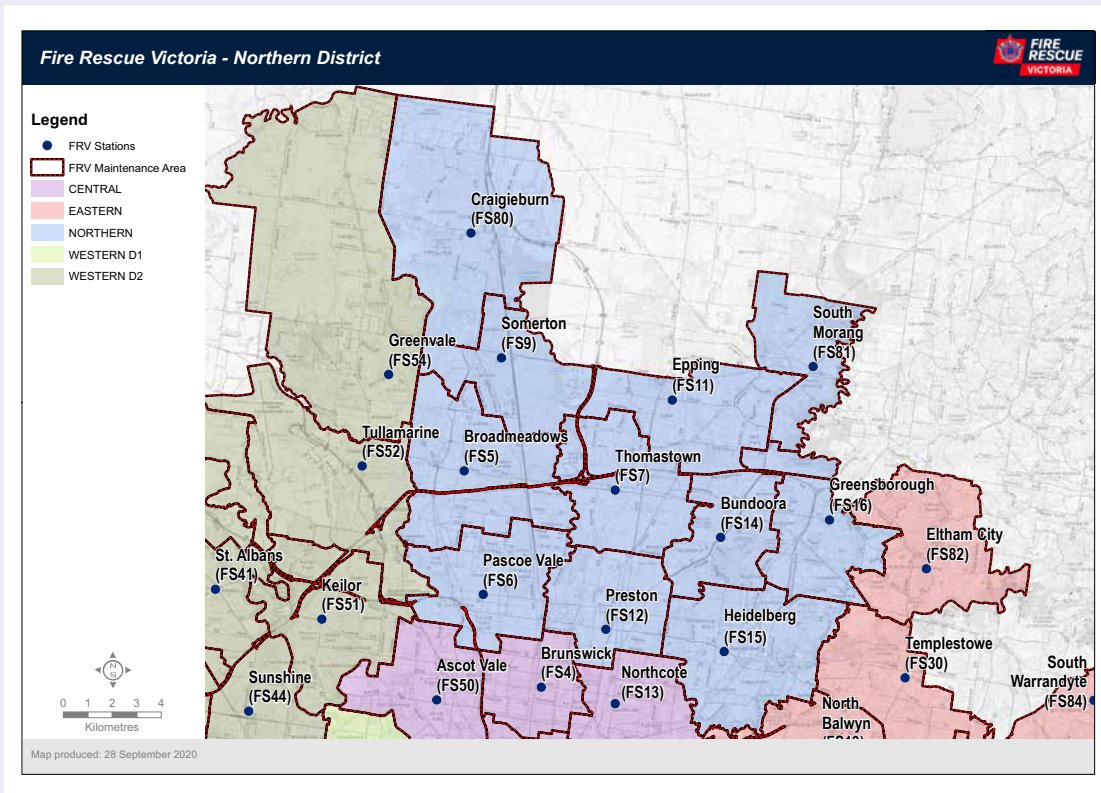


Map 4: South & Eastern Region

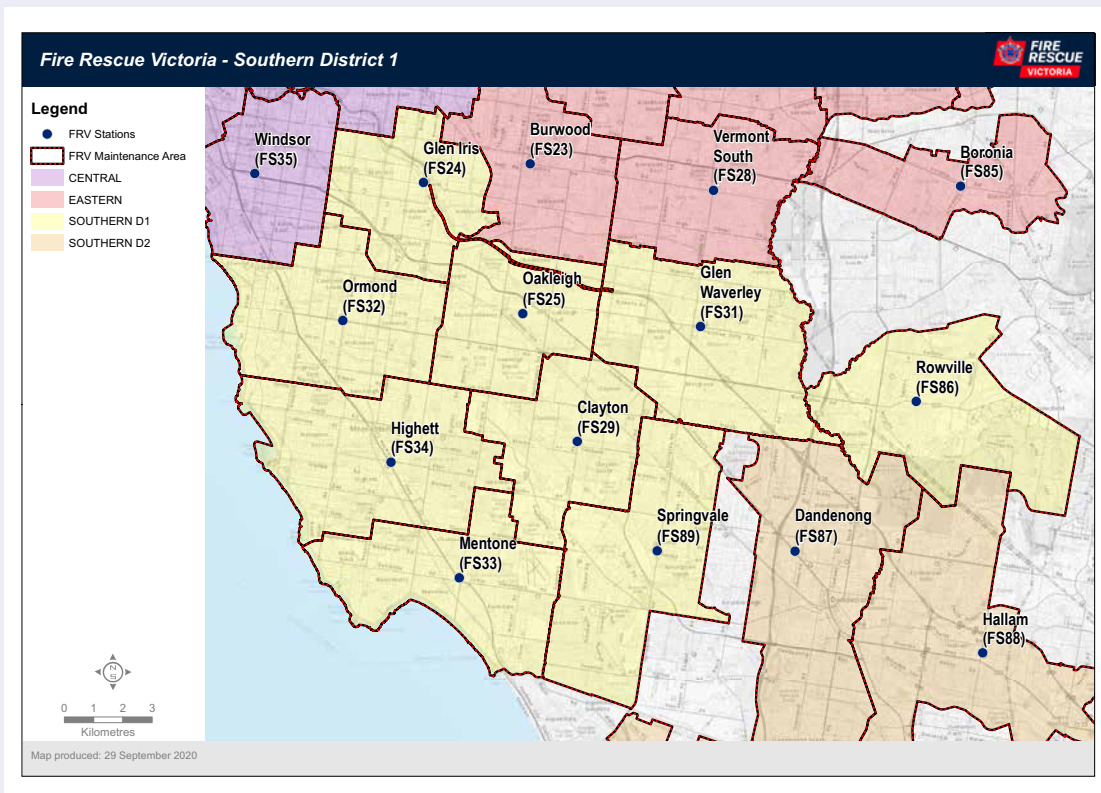


Appendix 1: FRV District maps (continued)

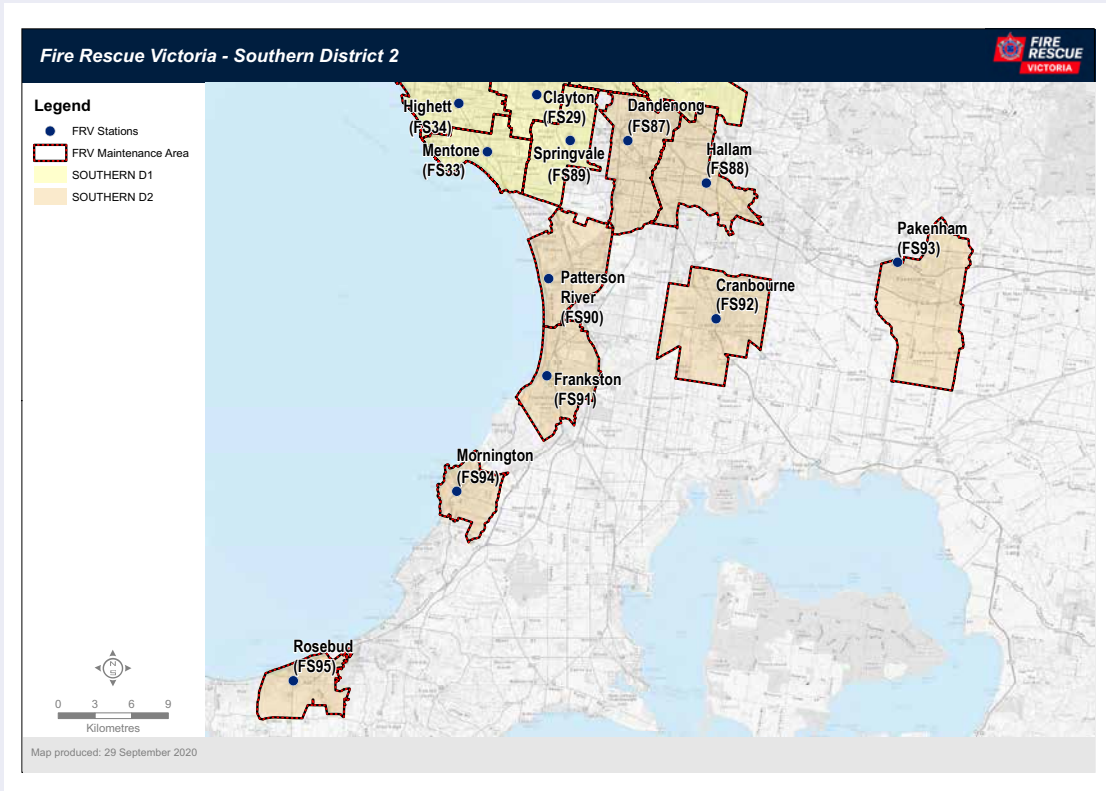
Map 5: Northern District



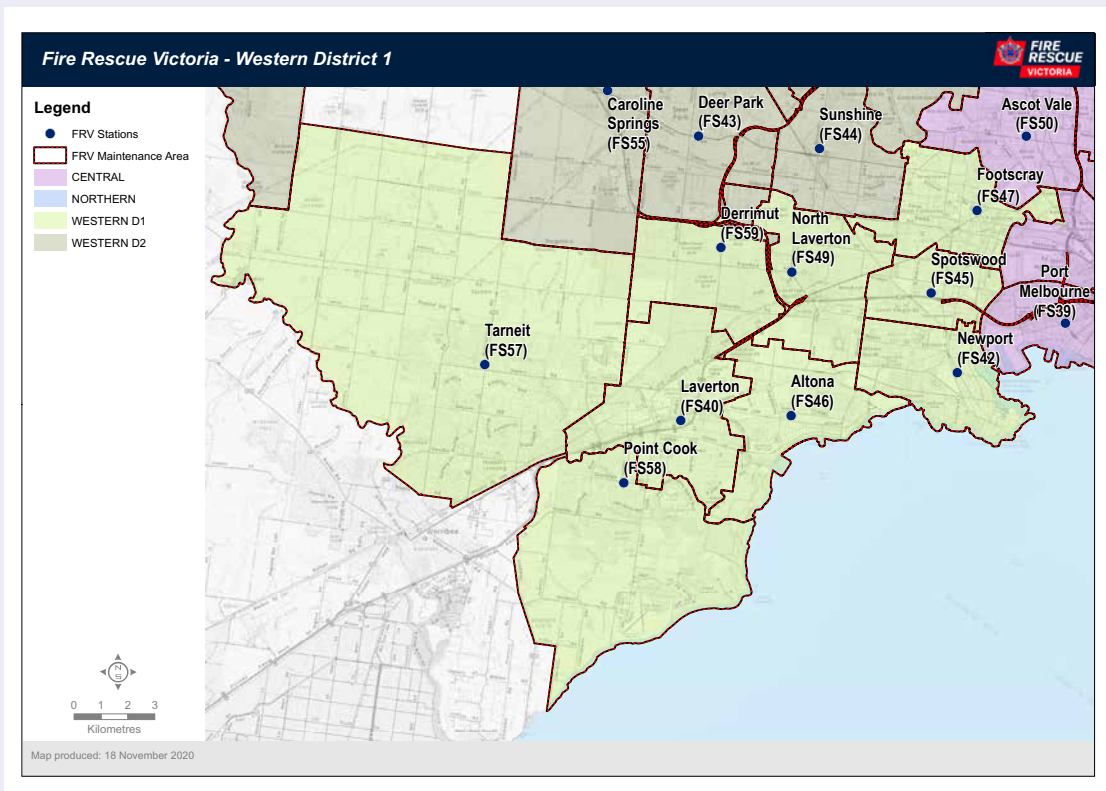
Map 6: Southern District 1



Map 7: Southern District 2

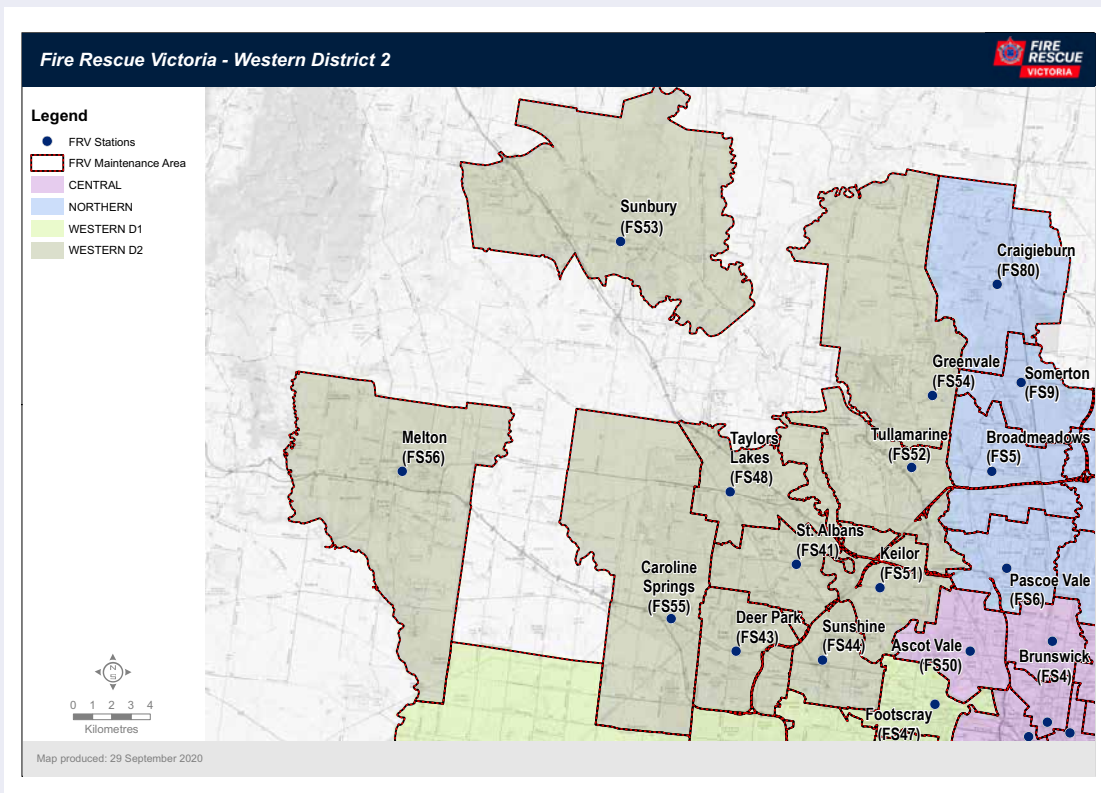


Map 8: Western District 1



Appendix 1: FRV District maps (continued)

Map 9: Western District 2



Map 10: Western District 3

