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## **Acknowledgement**

Fire Rescue Victoria proudly acknowledge Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the land and waters across Victoria.

We recognise their continuing connection to land, waters and culture and their unique ability to care for Country.

We pay our respects to their Elders past, present and future, whose knowledge and wisdom has and will ensure the continuation of culture and traditional practices.

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## **Design**

Vetro Design





We continuously improve to best serve and protect others, and are proud of the work we do to serve the community and keep people safe.

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# Declaration

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 Fire Rescue Victoria's 2021–22 Annual Report for the year ending 30 June 2022, in accordance with the *Financial Management Act 1994* (Vic).

A handwritten signature in blue ink that reads "Gavin Freeman" followed by a horizontal flourish.

Gavin Freeman  
Acting Fire Rescue Commissioner  
Fire Rescue Victoria  
1 December 2022

# 1. Year in review

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## Vision

**Safer and more resilient communities supported by a modern, professional and inclusive fire and rescue service.**

## Victoria's fire and rescue service

Fire Rescue Victoria (FRV) was established on 1 July 2020, bringing together 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 enhanced fire and emergency prevention and response services to the communities we serve.

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

FRV works to play our part in ensuring 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.

**FRV serves metropolitan Melbourne and major regional centres – 24 hours a day, 7 days a week...**



# Values

FRV is a new organisation and during 2021–22 developed our inaugural set of organisational values. More information about this process is on page 62.

Our inaugural values are:



## We serve the Community

We lead by example to make a difference. We are driven by work that is purposeful. We continuously improve to best serve and protect others. We are proud of the work we do to serve the community and keep people safe.



## We value Teamwork

We work together in unity as one FRV team. Our dedication to our work is underpinned by team spirit, connection, safety and friendship. We depend on each other's unique skills, knowledge and qualities to keep people safe. We collaborate across all FRV as one, connecting with our crews and teams across the organisation.



## We have Integrity

We act with integrity in everything we say and do. Decisions are made through open, honest and clear communication. With active listening we build mutual trust and shared understanding. Working in a safe and transparent manner we do what is right.



## We show Respect

We are respectful, inclusive and supportive of everyone. We recognise and value the diversity of our people. We are approachable and considerate of everyone's views. We are understanding, caring and show empathy. We are committed to everyone's safety at work. We acknowledge one another's contributions and treat people fairly.

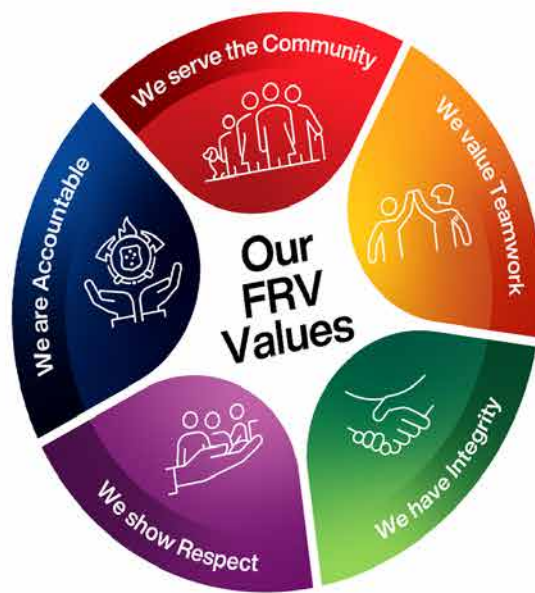


## We are Accountable

We are professional and accountable. We take pride in everything we do. We are consistent, reliable and strive for excellence. With a positive attitude, we show initiative and are responsive. We maintain a high level of safety for ourselves and for others. We take ownership and deliver on our commitments.

# Our Values

Our Values will guide our work and shape our culture.



## **01** We serve the Community

We lead by example to make a difference. We are driven by work that is purposeful. We continuously improve to best serve and protect others. We are proud of the work we do to serve the community and keep people safe.

## **02** We value Teamwork

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# Fire Rescue Commissioner foreword



## FRV's unwavering commitment to keeping the Victorian community safe from fire and other emergencies was defined by a number of highlights and achievements this year.

We are a 24-hour, seven days a week, 365 days a year emergency services organisation. I'm incredibly proud of the dedication our operational and support staff showed in managing our response to the COVID-19 pandemic. At the same time, we have continued to provide the level of service the Victorian community has come to expect of us. Our stations, our appliances and our service delivery did not falter, despite the challenges we faced, particularly during the Omicron wave between December 2021 and March 2022.

I would like to express my personal gratitude to our FRV Executive Leadership Team for their exceptional commitment, diligence and contribution in guiding FRV through a successful second year of operations. They addressed the many challenges facing FRV, while at the same time shaping a strong strategic plan for the future. Such progressive and important work would not have been possible without the great collaboration and strategic input provided by our industrial partner the United Firefighters Union.

Community service is at the heart of what we do and was evident in the way our people stepped up to ensure FRV achieved almost total COVID-19 vaccination rates in 2022. This result is strong evidence of the community-first attitude that exists throughout FRV.

FRV is committed to creating a safe, inclusive and respectful workplace that reflects the diversity of the community we serve. Improving diversity and inclusion throughout FRV continues as a major priority.

A significant milestone was the development of our inaugural organisational values. Our values reflect our respective histories and guide us on our journey as one Fire Rescue Victoria. The values define who we are, guide our principles and actions and help us to make a positive impact in all that we do. I look forward to seeing our values continue to resonate as we grow as one organisation.

Another landmark moment during the year was witnessing our pioneering advocacy, which saw us influence world policy. In an exciting and unprecedented development, the United Nations initiated a global ban on PFAS – the toxic mix of chemicals historically used in firefighting foam. This change is due in no small part to the power of work done by key individuals at FRV. Our influence on the outcome also indicates the level of loyalty everyone at FRV has for the community we serve, and our fire and rescue colleagues here in Victoria, interstate and around the world.



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The same must be said about the ground-breaking work undertaken by our health and medical team. During the year they entirely restructured this important unit of FRV, providing a clear purpose and objectives that will enhance our ability to provide a level of safety and care that our people deserve.

We also took steps to improve our response capacity in regional Victoria by developing a new resourcing plan that focuses on country areas around the state. We made a strong start on the initial stages of this planning during 2021–22.

FRV is an all-hazards responder in so many ways. During the year we were involved in almost every category of emergency and were often first on the scene. From hazardous materials response, road crash rescue, trench rescue and technical rescue to Emergency Medical Response, there is so much more to contemporary firefighting than just putting out fires.

Elements of our comprehensive response capacity are often unnoticed in the wider community. Helping the community gain a better understanding of what FRV does is a big part of our community engagement program. During 2021–22 our approach has been to directly engage and focus on relationship building with community stakeholders about the value that FRV brings to the community.

The broader community may not be aware of FRV's marine response. I'm pleased to say this essential service received a boost in resourcing during the year with the addition of two new, state-of-the-art vessels. These new vessels enhance our marine capability, enabling our specialist crews to deploy far more effectively at up-river sites on the Maribyrnong and Yarra Rivers.

This year was integral to our journey of continuous improvement, with many opportunities identified and captured in FRV's new vision and the comprehensive strategic plan that supports it. Both the vision and the plan will help us to work towards a harmonisation of every element of our fire and rescue service and ensure organisation-wide cohesion.

Underpinning FRV's strategic approach to establish strong foundations for the organisation is the ongoing process of reviewing risk levels in our community. We cover such a different array of communities, from a city of five million people in Greater Melbourne to many smaller regional cities and towns, with extremely varied levels of risk in each of these locations. This is why, during 2021–22, we took steps to review risk and put plans in place to ensure we are effectively working towards meeting the needs of our diverse community.

I'd like to thank everyone in our close-knit team at FRV. Alongside our highly-trained and effective operational staff, I'd like to recognise the important contributions and great work of our professional technical and corporate teams. These non-uniformed people of FRV are immensely valuable and an integral part of our organisation. Together, they do an outstanding job supporting and creating the environment where our uniformed operational first responders can excel at their job in keeping the Victorian community safe.



**Ken G Block**  
Fire Rescue Commissioner

This year was integral to our journey of continuous improvement, with many opportunities identified and captured in FRV's new vision...

# 2021-22 at a glance

## FRV at a glance

Firefighters and operations employees



**3,888**

Corporate and technical employees



**628**

Stations



**85**

Cars and light commercial vehicles



**626**

Pumping appliances



**151**

Aerial appliances

Ladder platforms **14**  
Telebooms **5**  
Water towers **4**



**23**

Specialist appliances



**35**

Fireboats



**10**

Technical operations pods



**28**

Attended calls



**56,324**

Responded to fires and explosions

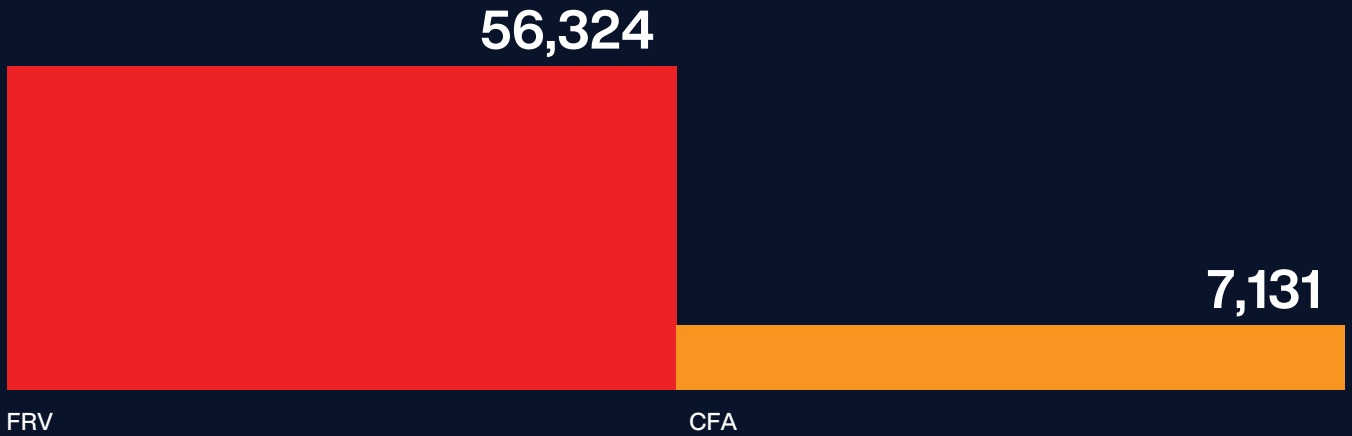


**11,316**

## Number of calls attended

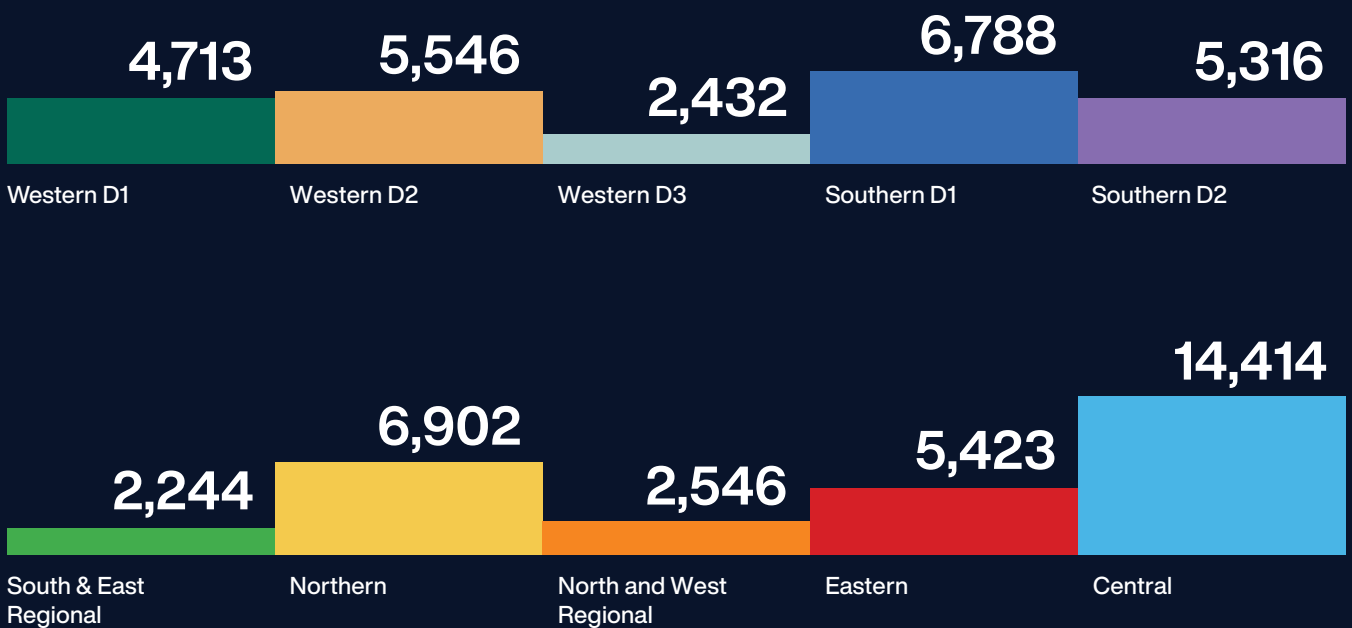
Number of calls attended by FRV within the FRV and CFA Fire Districts.

Total **63,455**



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

Total **56,324**

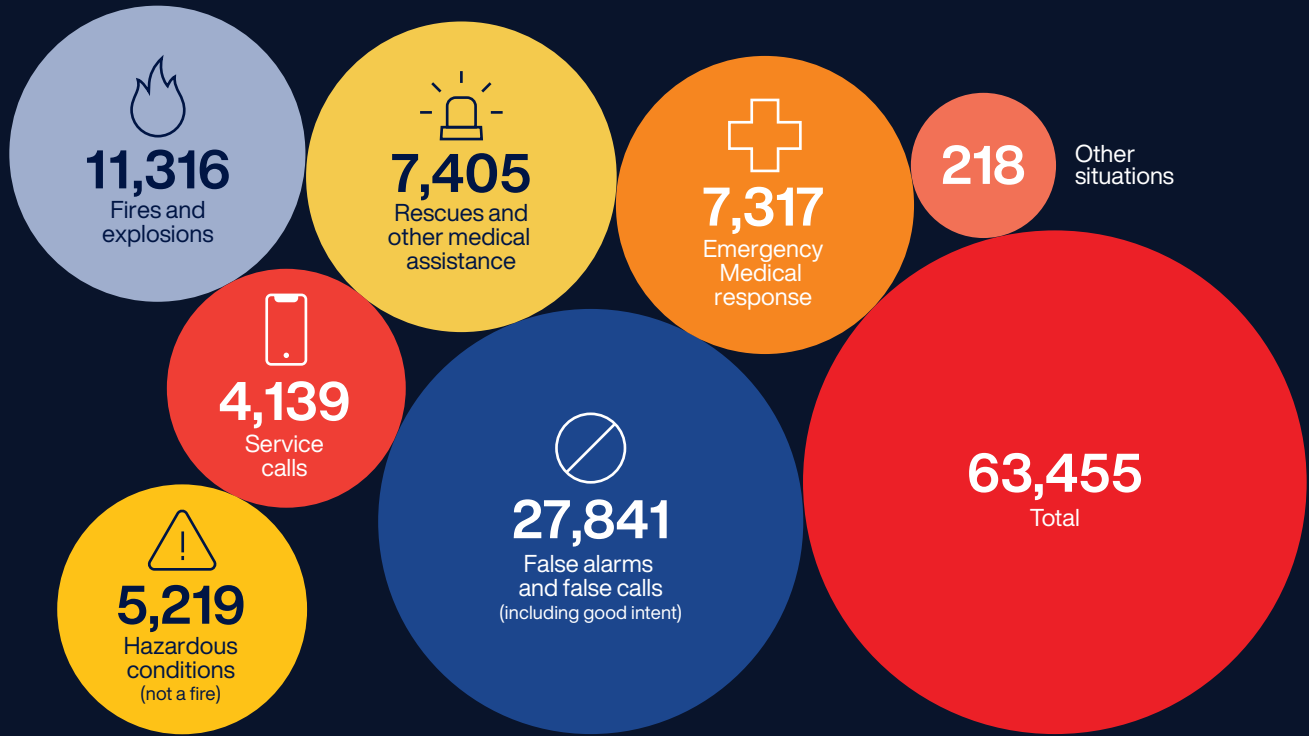




# 2021-22 at a glance

## Number of calls attended continued

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

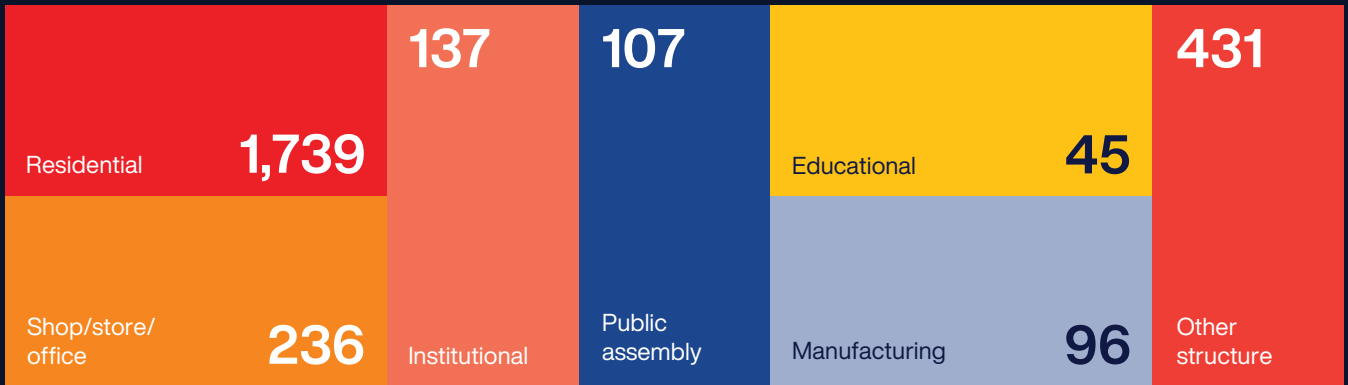


Level three and four alarms attended by FRV within the FRV Fire District by type of incident. The alarm level indicates how many FRV firefighters and resources are needed to bring the incident under control.

Total calls **22**

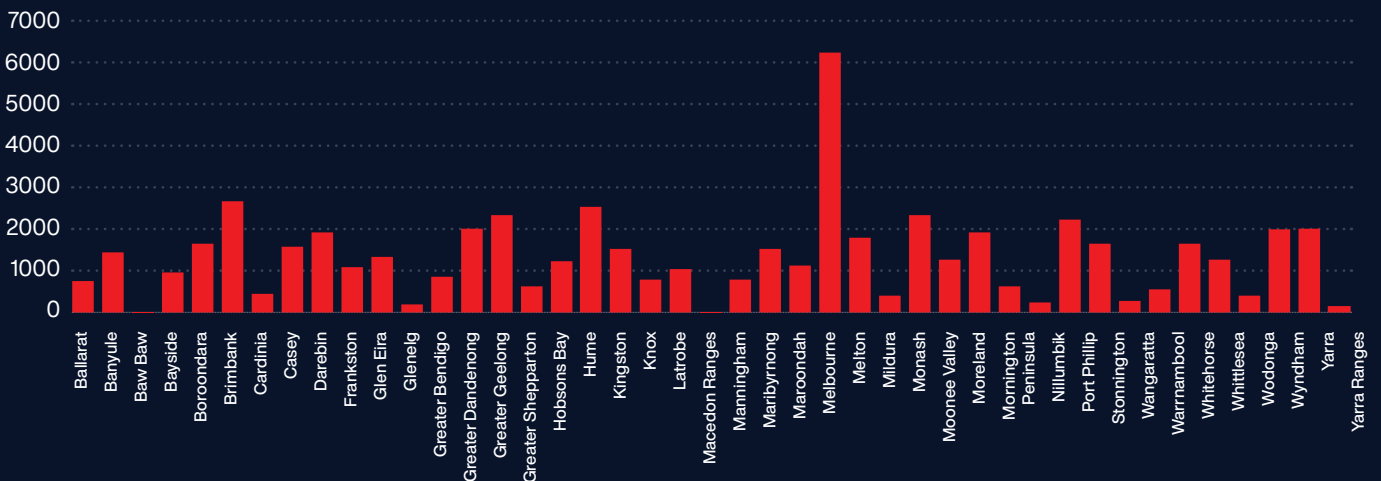


Total **2,791**



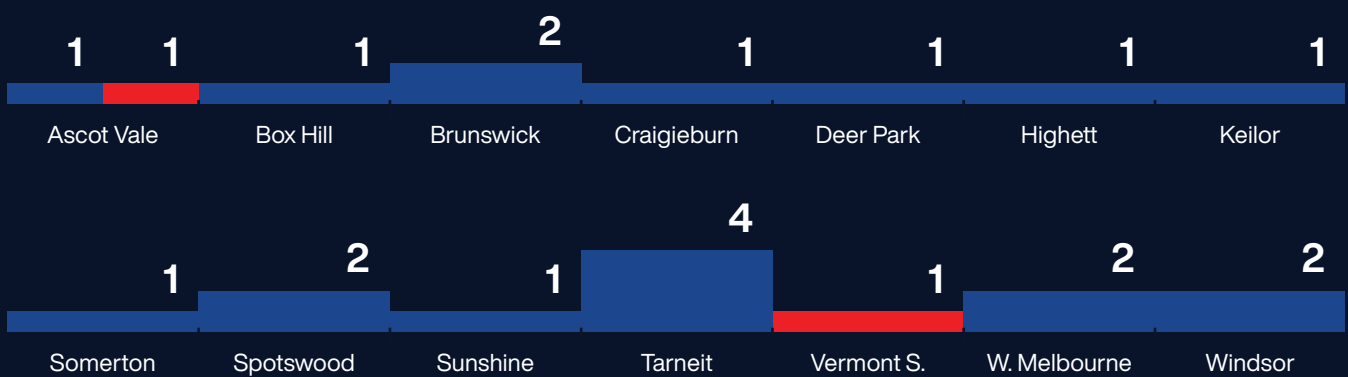
Number of calls attended by FRV within the FRV Fire District by Local Government Area

Total **56,324**



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

Level 3 ■ Level 4 ■



# Purpose and functions

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

Our 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 emergency 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.

## Direct costs attributable to machinery of government changes

There were no direct costs attributable to machinery of government changes that have been incurred by FRV that are consolidated into our annual report pursuant to section 53(1)(b) of the *Financial Management Act 1994*.

## Objectives

FRV is required to perform its functions and exercise its powers under the FRV 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
- 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.

## What we do

We have 85 fire and rescue stations (68 in metropolitan Melbourne and 17 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, we provide services to Victorian communities in times of crisis or disaster, responding to fires, complex technical rescues, road crashes, emergency medical calls, maritime emergencies and hazardous chemical spills.

We also perform a specialist response and emergency management function for complex incidents, fire investigations and analysis and drive systemic change to the built environment through reforms to building design, regulations and legislation. We invest in research and develop prevention programs that improve community safety and build community resilience.

Our strong presence in the community promotes safety and creates opportunities for Victorians to engage with our people so they feel safe when our staff respond to calls for assistance.

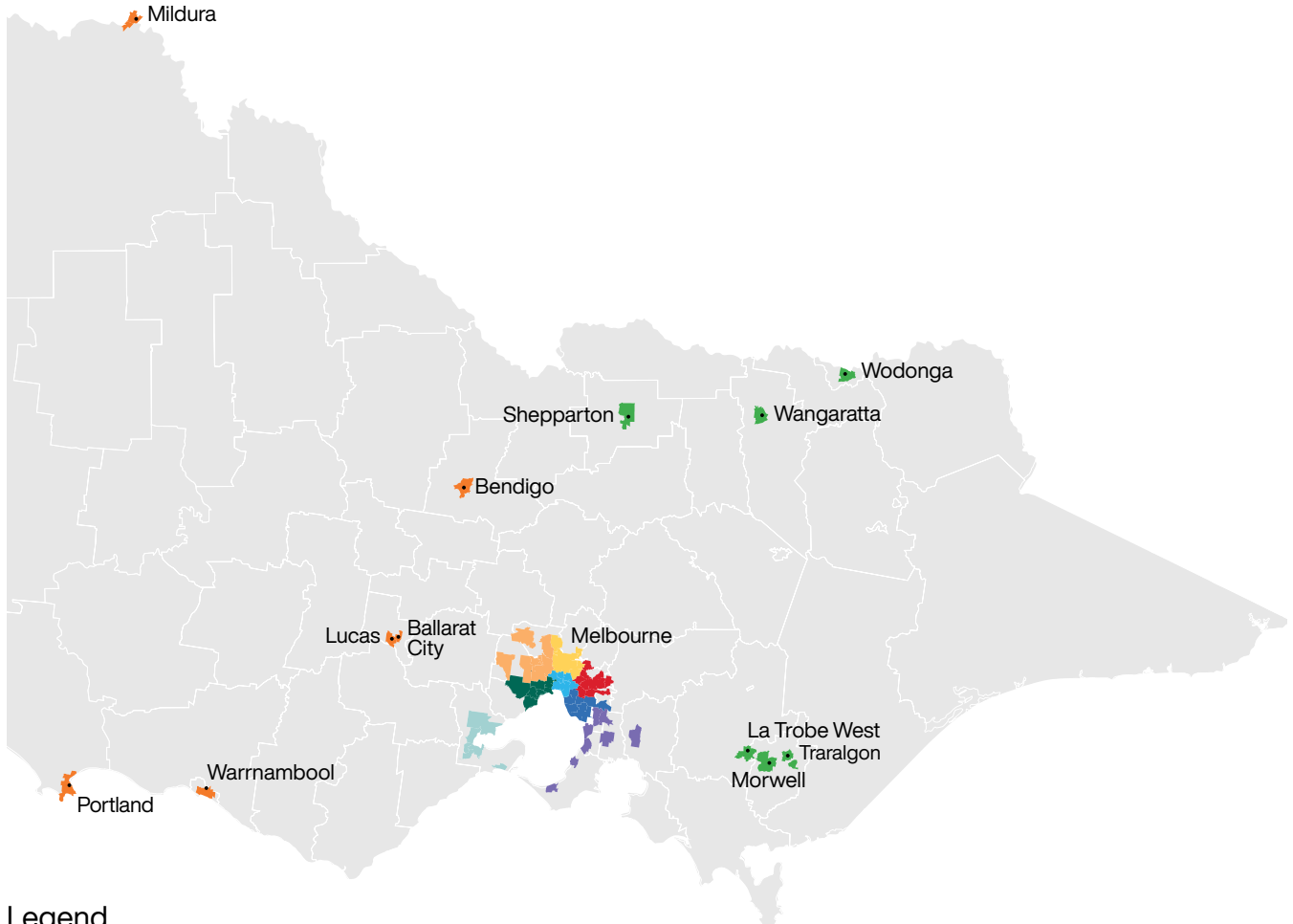
Our people are highly trained and ready to respond to emergencies in Victoria, across Australia, and sometimes further afield, working as one in the emergency services sector.

## Where we work

We deliver 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.

We also play a role in Victoria's State Control Centre and regional control centres. This arrangement allows Command staff from all agencies to work together on emergencies right across Victoria. In addition to our emergency service partners we collaborate with state and local government agencies, including Energy Safe Victoria, WorkSafe Victoria, Environment Protection Authority Victoria and local councils to strengthen state-wide emergency planning and preparation.

## Fire Resuce Victoria's region and district structure



### Legend

#### Western D1

Tarneit  
Point Cook  
Laverton  
North Laverton<sup>1</sup>  
Derrimut<sup>2</sup>  
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 and 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 and East Regional

Shepparton  
Wangaratta  
Wodonga  
La Trobe West  
Traralgon  
Morwell

<sup>1</sup> Closed August 2021  
<sup>2</sup> Opened November 2020

# Major incidents



*Niddrie warehouse blaze 10 July 2021*

## Niddrie warehouse blaze

On Saturday 10 July 2021, FRV attended a warehouse at Keilor Road, Niddrie (Wurundjeri Country), arriving on scene to find it ablaze and filled with highly-flammable rubber products.

Multiple appliances and specialist units attended the fire, along with a ladder platform appliance. Victoria Police managed road blocks and traffic control.

The fire was escalated to a 3rd alarm and was threatening neighbouring buildings. The Urban Search and Rescue team attended, along with the Local Building Surveyor to monitor the integrity of the building due to the ferocity of the fire. Firefighters were unable to enter the building due to the risk of it collapsing.

The Environment Protection Authority (EPA) and City West Water were notified to develop a waste-water management plan due to the possibility of contaminated water run-off from the site. The FRV Scientific Advisor and South Melbourne Hazmat crew also assisted after chemicals were identified on the site.

The fire took about 75 minutes to bring under control, was completely extinguished and handed back to the owner just after midday the following day.

## Hazardous incident involving lithium batteries on a ship

On Wednesday 21 July 2021, FRV responded to a chemical spill involving a shipping container in a ship's hold that was leaking an unknown product at Swanston Dock in West Melbourne (Wurundjeri Country).

Following an initial investigation, the incident was escalated to a 3rd alarm. Hazmat technicians from FS38 (South Melbourne) and an FRV 3rd alarm hazardous incident Scientific Advisor were called to the scene, working with the EPA to assess and provide specialist advice.

Firefighters were lowered in a cage into the ship's hold to conduct air monitoring and to identify the leaking chemical. Crews worked into the night under the guidance of Ambulance Victoria and the FRV Scientific Officer.

Three containers were removed from the ship and loaded into a safely bunded area on the dock for investigation.

In the ensuing five days, the leaking shipping container was opened in a controlled manner to reveal an extensive fire had taken place involving lithium batteries. Crews in breathing apparatus and splash suits removed the batteries and resolved the situation.



## Brooklyn recycling facility fire

On Saturday 21 August 2021, about 30 firefighters responded to a fire at a metal recycling plant in McDonald Road, Brooklyn.

Our crews were called to the incident just before 10:30pm, after a caller to Triple Zero reported flames erupting from the roof of a shed. FRV arrived on scene in four minutes.

After identifying a fire in a large hopper and piles of recycling products, crews wearing breathing apparatus attacked the fire, using aerial appliances to bring it under control within an hour.

FRV worked alongside Victoria Police, the EPA and Ambulance Victoria and remained on scene overnight to ensure the site was safe to hand back to the owner.



*FRV and CFA respond to Truganina grass fires*

## Serious grass fires in Melbourne's west

FRV responded to significant grass fires in the Western Districts of Melbourne.

### Boundary Road Truganina

On Friday 31 December 2021 at 2.18 pm several calls were received for a grass fire burning near Boundary Road in Truganina (Bunurong Country). With temperatures set to soar above 37 degrees that afternoon, FRV, CFA and Air Attack resources were despatched in a rapid and concerted effort to extinguish the fire.

While travelling to the incident, the Pumper 57 (Tarnait) crew reported substantial smoke billowing from the scene. Once firefighters arrived, it quickly became apparent that they were dealing with a 3rd alarm Grass and Scrub fire response. Ten CFA tankers were deployed to assist.

The fire was brought under control in just over an hour and was extinguished the following day. The significant blaze burnt through approximately 25 hectares of grassland.

This was an excellent example of interoperability between fire agencies in a joint effort to control a major grass fire. The investigation was handled by Victoria Police.

### Troups Road Truganina

On 1 January 2022 at 3.37 pm, several calls were received for a grass fire burning near Boundary Road Truganina, (Bunurong Country). This location was some distance away from where the grass fire was sparked the previous day. The first fire appliance in the vicinity reported seeing a column of smoke in the distance, and the incident was given a 2nd alarm Grass and Scrub fire response.

It was the second blaze FRV and CFA had been called to in the Truganina area in as many days. The incident was escalated to a 3rd alarm fire 30 minutes after the initial call so that additional resources could be deployed. The terrain was extremely rocky and difficult to traverse in fire appliances, hampering crews' efforts.

The fire was extinguished within six hours.



# Major incidents (continued)



*CFA and FRV crews responding to a 4th alarm fire in Maribyrnong on 1 January 2022. This incident used our Grass and Scrub fire Greater Alarm Response System (GARS) classification for the first time since its introduction in December 2021.*

## New Year's Day fire fought from land, air and water

At 12.30 pm on 1 January 2022, FRV crews responded to a number of Triple Zero phone calls reporting smoke and flames from a grass fire that was growing rapidly and threatening properties in the vicinity of Raleigh Road, Maribyrnong (Wurundjeri Country). The temperature was 37 degrees at the time, so the escalation was rapid due to the risk the fire posed to the community.

We received further calls that the fire was moving very quickly, and a second fire had started, most likely spotting from the first fire. The Incident Controller reported that there were several fires spreading on multiple fire fronts. The incident was quickly escalated to a 3rd alarm when the fire started spreading toward homes.

FRV, Forest Fire Management Victoria (FFMV) and the CFA fought the fire as it threatened nearby housing, a retirement village, and disused ammunitions buildings. Water Bombing Aircraft and FRV Marine crews were used to help tackle the blaze, with the Maribyrnong River posing some logistical challenges.

After 90 minutes of concerted efforts, a strong wind change caused the fire to flare up again on several fronts. The Incident Controller then escalated FRV's response to a 4th alarm, increasing the resources on scene. At the height of the incident, the blaze was 24 hectares in size and had destroyed derelict buildings in an old Department of Defence ammunitions site.

The fire was declared under control by about 5pm that day. Firefighters remained on scene and spent almost three continuous days and nights battling flare ups from wind gusts, with numerous tree and stump fires.



*Truck fire ignites grass fire Western Ring Road Albion*

## Western Ring Road truck fire

On Saturday 5 February 2022 at 6.39 am several calls were received for a truck fire on the Western Ring Road in Albion (Wurundjeri Country). Pumper 59A (Derrimut) and Pumper 43 (Deer Park) were despatched. There were reports of diesel fuel leaking and the fire was spreading quickly across the road and the trailer of the truck.

Flames were visible by the crew en route so additional appliances were dispatched. FRV and CFA worked together on fighting the fire with Victoria Police also assisting with traffic management along the Western Ring Road, a major arterial road.

As the burning fuel had the potential to affect local waterways, the EPA and the local water authority were also asked to attend. More fire appliances were needed to deal with a grass fire caused by the burning fuel igniting grass and scrub beneath the Western Ring Road. The fire was managed by being divided into two sectors, each posing different challenges for firefighters on scene.

The B-double semi-trailer involved in the incident contained a mixture of magnesium and oils, both of which burn vigorously. Crews used firefighting foam to contain the blaze.

The fire took under an hour to bring under control, but crews worked until 6.45pm breaking up the load of burnt goods, extinguishing the fire and removing the truck and trailers.

# Major incidents (continued)

## Cheltenham factory fire

Just before midnight on Saturday 19 March 2022, FRV responded to a call in Herald Street, Cheltenham, (Bunurong Country), to find the roof of a single-story building on fire.

FRV crews from Mentone and Highett were immediately despatched. While en route to the incident, the Highett crew radioed that smoke was showing in the distance, indicating that the fire was significant. Victoria Police and Ambulance Victoria were notified to attend in support.

The crew from Highett was first on scene and reported the fire was through the roof of a single-storey factory.

Just after midnight the incident was escalated to a 3rd alarm fire. CFA crews from nearby areas were automatically alerted to help.

Firefighters were unable to gain access to the factory when the fire started to threaten a second factory at the rear. The FRV Hazmat Unit was brought in to monitor air quality.

After just over 90 minutes of concerted firefighting efforts by FRV and CFA crews, the fire was deemed to be under control. FRV worked closely with the EPA and Melbourne Water to develop strategies to capture any toxic water run-off to protect local waterways.

The building engineer from the local council was contacted to assess the integrity of the building, before heavy machinery was organised through Victoria Police for the final clean up and recovery. FRV crews conducted a fire investigation, extinguished hot spots and made the scene safe 36 hours after the fire was reported.

## Church Fire creates traffic chaos in South Yarra

At 6.22 am on Thursday 12 May 2022, FRV firefighters were called to a church fire on Punt Road in South Yarra (Wurundjeri Country). We responded with two fire appliances from the Windsor Fire Station and despatched an additional appliance from South Melbourne. Then the call was escalated to a 2nd alarm, bringing further resources to the scene.

Crews arrived to find the building ablaze and escalated FRV's response. The fire involved a church and adjoining school and measured about 30 metres by 60 metres in size.

The blaze was brought under control after about 90 minutes of aggressive firefighting. The Remote Piloted Aircraft Systems team was deployed with the State Fire Investigation Unit to help determine the cause of the fire, which was deemed to be electrical.

Other agencies assisted with the incident, including Victoria Police, Ambulance Victoria, WorkSafe, the EPA, Melbourne Water, Parks Victoria, the Department of Education and Training and the local Council's Building Inspector.

The scene was made safe, and the fire completely extinguished when the property was handed back to the owner at 7pm.

*Cheltenham Factory Fire 19 March 2022*







Moorabool battery fire 30 July 2021

## Disused three-storey building goes up in flames

Shortly after midnight on Tuesday 24 May 2022, several calls were received for a building fire in the centre of Melbourne's Central Business District (Wurundjeri Country).

Callers reported that the fire was engulfing a multi-storey building on the corner of Lonsdale and King Streets. A teleboom aerial appliance was sent to the scene to help initial crews. Firefighters in breathing apparatus attacked the fire using hose lines and aerial appliances in their strategies to control the fire from above. The fire was threatening three other buildings and access to the seat of the fire proved challenging.

The blaze was on the upper levels of the building and flames were going through the roof. A search of the premises was impossible due to the severity of the fire and possible building collapse.

About two hours after the initial call, firefighters gained control of the fire which was contained inside two abandoned buildings.

The EPA and Melbourne Water developed a wastewater management plan to reduce any impact on the environment. The Remote Piloted Aircraft Systems Team gathered intelligence to identify further hot spots for extinguishment.

Hotspots were still being extinguished at daylight the following day.

FRV resources remained on scene until 8 am on Friday 27 May.

## Large battery fire in Moorabool

On Friday 30 July 2021, FRV crews including Hazmat personnel and Scientific Advisors responded to a battery fire involving a 13-tonne lithium battery inside a shipping container, in Ballan Road in Moorabool (Wadawurrung Country). The fire, which took three days to bring under control, became a multi-agency event.

The battery was in a 40-foot shipping container at a construction site and had high-voltage power going to it. The fire initially had flames and smoke visible so the community was advised to close doors and windows as the smoke was highly toxic.

More than 150 FRV and CFA firefighters attended the incident and FRV's Remote Piloted Aircraft System operators were deployed to the scene, using thermal imaging to gather intelligence.

FRV initially led the response, before handing control of the incident to CFA at 3.30pm. Victoria Police, Ambulance Victoria and the EPA also provided support at the scene.

WorkSafe and Energy Safe Victoria also attended the incident to investigate the cause of the fire.

# Strategic direction

## FRV Strategy

During 2021–22, FRV developed our organisation’s first strategic plan; a community-driven overarching long-term strategy to guide the organisation into the future.

FRV’s strategic plan is based on research and extensive consultation. It is a forward-thinking strategy that capitalises on fire services reform and provides the groundwork for FRV to become a modern, professional and inclusive fire and rescue service. To develop the strategy, we consulted with our stakeholders, service delivery partners and our staff. Consultation included interviews, workshops and focus groups, as well as surveys, to ensure the strategy was engagement-led and community-focused. Insights from this research and consultation formed the basis of the strategy and plan.

Emergency services today face considerable challenges and FRV needs to work closely and seamlessly with our sector partners to ensure our service delivery is the best we can provide to the Victorian community. FRV is one of the largest fire and rescue services in the world and with an ever-changing environment in which we operate, this plan provides the foundation to better face and respond to our challenges both now, and in the future.

This 10-year plan will further establish FRV as a leading, contemporary, sustainable and progressive fire and rescue service, and will help clarify and guide priorities in our operating environment.

## Outcomes Framework

Section 140 of the FRV Act requires FRV and CFA to prepare and publish an Outcomes Framework that sets outcomes-based fire services performance measures, report quarterly to the Fire Services Reform Implementation Monitor and review and amend the outcomes framework from time to time.

The design of FRV’s Year Two Outcomes Framework (2021–22) closely follows the Victorian Government’s outcomes architecture. Unlike FRV’s Year One Framework, the Year Two outcome statements and indicators are directed more at what success looks like for Victorians, and to a lesser extent what success looks like for FRV as an organisation.

The Year Two FRV Outcomes Framework has three domains, organised around the themes of preventing emergency incidents (Domain 1), best-practice emergency response (Domain 2), and organisational practices that underpin service excellence and continual improvements related to the first two domains (Domain 3). The first two domains are designed to reflect the prevention, preparedness, response and recovery approach to emergency management. The third domain focuses on organisational excellence.

Each domain has associated outcome statements and outcome indicators. To provide evidence of the success or failure of an indicator’s desired outcomes, a number of measures were developed for outcome indicators, incrementally increasing each quarter. Developing a complete range of measures for the framework will remain ongoing as various measures are proposed and trialled.





## Outcome Statements

## Outcome Indicators

### Domain 1: Victorians understand risk in their local environment and know how to prevent and prepare for emergency incidents.

**1.1 Safer homes:** Victorians know how to prevent accidental fires in their homes and are well-prepared in the event of emergencies. Prevention programs and activities are targeted to achieve maximum effectiveness and efficiency, particularly for at risk members of the community.

- Decrease in preventable fires in homes
- Increase in fire-safe behaviours and escape plans in homes
- Increase in homes with working smoke alarms

**1.2 A well-regulated built-environment:** Compliance with fire safety regulation in the built-environment is monitored and enforced, and fire safety advice and advocacy enables the highest possible standards of safety.

- Decrease in preventable fires in higher-risk buildings
- Decrease in impact from fire due to early detection and suppression systems
- Decrease in unwanted false alarms to reduce unnecessary emergency responses
- Increase in understanding of and compliance with essential safety measures

**1.3 Enabled, empowered and resilient local communities:** Communities, municipalities, businesses and industries understand and manage risks in their local environment and have an enhanced capacity to build community resilience, and to prevent and respond to fire and other emergencies.

- Increase in understanding of risk of fire and other hazards in local communities
- Increase in local preparedness and mitigation activities related to fire and natural hazards
- Decrease in preventable non-structural fires and other hazard-related incidents
- A towards-zero incidents approach for high-risk sites

### Domain 2: Victorian's value FRV as a leading, progressive and accountable fire and rescue service.

**2.1 A best-practice emergency response:** Emergency incidents are controlled as quickly and effectively as possible while minimising the potential impact on the community and the environment, relying on highly skilled firefighters using modern, well-maintained equipment and world's best incident management practice.

Close collaboration with emergency agencies ensures an enhanced readiness for and response to incidents.

- Decrease in negative impact on life and property from fire and other emergency incidents
- Decrease in negative secondary impacts on the community and environment during and following an emergency incident
- Increase in interoperability capabilities and seamless multi-agency responses
- Improved readiness for all emergencies, including large or complex incidents, for specialist rescue, and for times of surge demand

**2.2 Saving lives:** The preservation and safety of human life is prioritised for first responders and all other members of the community. Firefighters assist Ambulance Victoria by responding to emergency life-threatening medical incidents and initiating life support actions.

- Increase in firefighters with contemporary emergency medical response skills and equipment to assist people during emergencies
- Improved patient outcomes for people suffering from medical or other emergencies

**2.3 Helping recover:** Victorians are assisted through post-incident stabilisation and recovery activities including proactive engagement between sector partners and recovery agencies.

- Increase in the timeliness and effectiveness of community recovery following a disaster or emergency incident

# Strategic direction (continued)

## Outcome Statements

## Outcome Indicators

**Domain 3:** Victorian's value FRV as a leading, progressive and accountable fire and rescue service.

**3.1 Prioritised firefighter safety and wellbeing:** Victorians are assured that the health, safety and wellbeing of firefighters, both in the immediate and longer term, is a priority given the increased likelihood of workplace exposure to hazardous and potentially traumatic incidents.

- Decrease in firefighters' exposure to harm during and after an incident
- Increase in support and maintenance of firefighters' physical and psychological health

**3.2 A diverse and inclusive organisation:** FRV provides a safe, respectful and inclusive workplace and has a workforce that reflects the diversity of the community it serves and better meets the needs of all Victorians.

- Increase in number of women firefighters in all ranks, including leadership cohorts, with bold but achievable targets
- Increase in acknowledgement and understanding of Aboriginal and Torres Strait Islander peoples and cultures in FRV's workforce and workplace
- Increase in diversity and inclusion capability to better meet the needs of all Victorians, including culturally and linguistically diverse people, people with disability, and LGBTIQ+ people

**3.3 A data-driven and innovative organisation:** Prevention, emergency response and incident control are continually improved through evidence gathering and analysis, effective use of agency data, expert technical advice, and support for innovation and adaptability.

- Increase in use of data analytics and evaluation to support evidence-based decision making and improvements to community and firefighter safety
- Increase in use of and participation in research and development, in collaboration with industry and sector partners, to drive innovation and continual improvements in emergency management

**3.4 A socially and environmentally responsible organisation and respected partner:** FRV has strong governance and accountability mechanisms, operates efficiently, and plans for future needs and changing risks. FRV is a respected partner in the emergency sector and a leader in prevention and emergency management. FRV works collaboratively with employee representatives in pursuit of shared interests that benefit the organisation, staff and service delivery commitments.

- Increase in collaboration, consultation and advocacy with CFA and other sector stakeholders to continually improve community safety and emergency management
- Improvement in collaboration and engagement between FRV and the United Firefighters Union, Australian Services Union, and the Australian Manufacturing Workers Union
- Increase in workforce and asset planning to ensure sufficient resources now and into the future
- Increase in strategic thinking and planning to ensure FRV can respond to emerging challenges
- Improvement in corporate performance, accountability and compliance with legislative and regulatory obligations

# Our performance

## Performance against output measures

| Major Outputs/Deliverables  | Unit    | 2021-22 Target | 2021-22 Result | Result | Notes |
|---|---------|----------------|----------------|--------|-------|
| Number of sessions of fire education and risk reduction programs delivered to the community   | number  | 250            | 223            | ●      | (1)   |
| Number of hoarding risk referrals   | number  | 300            | 344            | ●      |       |
| Number of residential risk referrals  | number  | 130            | 348            | ●      |       |
| Number of engagements with Local Government Areas by the Community Safety team                | number  | 344            | 289            | ●      | (2)   |
| Total operational fleet availability  | percent | 85%            | 89.0%          | ●      |       |
| Improve containment of structure fires  | percent | 90%            | 85.5%          | ●      |       |
| Percentage of staff with core skills maintenance drills                                       | percent | 95%            | 86.7%          | ●      | (3)   |
| Percentage of structure fires response times within benchmark                                 | percent | 90%            | 88.0%          | ●      |       |
| Percentage of road rescue response times within benchmark                                     | percent | 90%            | 84.0%          | ●      | (4)   |
| Percentage of Emergency Medical Response (EMR) response times within benchmark                | percent | 90%            | 93.7%          | ●      |       |
| FRVSafe: initial investigation opened within 14 days  | percent | 100%           | 84.2%          | ●      | (5)   |
| FRVSafe: corrective actions implemented within 30 days  | percent | 100%           | 95.0%          | ●      |       |
| Number of stations/work sites visited against schedule (Conversations in the Mess)            | percent | 100%           | 93.0%          | ●      |       |
| Workforce turnover – All employees  | percent | 4.5%           | 5.8%           | ●      | (6)   |
| Workforce turnover – Firefighters   | percent | 3.2%           | 2.8%           | ●      | (7)   |
| Permanent operational staff (full time equivalent)  | number  | 3,701          | 3,742          | ●      | (8)   |
| Permanent non-operational staff (full time equivalent)  | number  | 656            | 625            | ●      | (8)   |
| Service level agreements  | percent | 100%           | 88.0%          | ●      | (9)   |
| Percentage of specialist capability staff (Technical Operations skills maintenance completed) | percent | 100%           | 83.0%          | ●      | (10)  |
| FRV represented at all state emergency management meetings and exercises                      | percent | 95%            | 100.0%         | ●      |       |

- Performance target achieved or exceeded
- Performance target not achieved – within 5 percent variance
- Performance target not achieved – exceeds 5 percent variance

### Notes:

(1) This indicator reports on the number of sessions delivered to the community via a suite of programs incorporating Fit to drive; FLAMES; Fire Education for Upper Primary; Fire Education for Foundation (Prep); Fire Education for Special Schools; Seniors Fire Safety, Firefighting Consequence Awareness Program (Fire-CAP) and online school fire education program (FireED). COVID-19 pandemic related restrictions impacting the delivery of fire education and risk reduction programs were lifted in March 2022. Since then, there has been a substantial increase in bookings and sessions being delivered.

(2) This indicator measures engagement with Local Government Areas, with the aim to influence and reduce the impact of fire in the community by developing collaborative strategies within the community. The result is lower than expected due to legislation changes impacting the way Local Government Agencies organise Municipal Emergency Management Planning Committee (MEMPC) meetings. As a result, several previously separate Municipal Fire Management Planning Committee (MFMP) meetings have been merged with the MEMPC meetings.

(3) The objective of this indicator is to ensure regular firefighting skills maintenance is undertaken at station level. The results are presented as the number of drills completed as a percentage of the number of drills scheduled. This indicator includes data for Division A (former MFB) staff only. During the year FRV has completed a project to incorporate Division B (former CFA) data into this indicator, which included the delivery of training to 1,400 operational staff across 38 stations. FRV intends to commence reporting on Division B data from 1 July 2022 when all stations and platoons have been trained and are regularly inputting maintenance drills.

(4) A total of 42 road rescue responses have not met the benchmark time of 13.5 minutes. Factors contributing to delayed response times include traffic congestion, particularly for accidents occurring on major freeways and arterials, and the distance between incidents and the nearest fire station with technical rescue capability.

(5) This measure is an indicator of how quickly incidents are opened in FRVSafe once reported. The objective of this measure is to optimise the process of hazard risk remediation.

FRV faces challenges with its FRVSafe application regarding escalation of reports where an action plan is not commenced within a prescribed timeframe. FRV continues to explore alternative methods of facilitating report escalation.

(6) For the 2021-22 financial year, 253 employees have separated from the organisation. There have been 149 operational separations and 104 non-operational separations, including the cessation of 50 non-operational fixed term arrangements.

(7) For the 2021-22 financial year, there were 104 operational separations, 73 of which were firefighters who had served for over 30 years.

(8) The target used is the *Victorian State Budget Paper 3 2021-22* target.

(9) This outcome measure monitors the implementation progress of Operations Service Level Agreements (SLAs) and the Corporate Memorandum of Understanding (MOU) between CFA and FRV. Currently four SLAs remain in progress and FRV continues to work with CFA to complete and implement these SLAs.

(10) The objective of this measure is to ensure adequate numbers of trained specialists are available to maintain operational capability (per cent of specialist capability against agreed optimal number). The COVID-19 pandemic restrictions during the first half of the year impacted delivery of training programs, with priority given to maintaining minimum staff crewing levels. However, considerable progress has been made since restrictions were lifted and training sessions covering many technical rescue disciplines including marine, Emergency Medical Response (EMR) recertification, trench rescue and Urban Search and Rescue (USAR) have taken place.

# Victorians understand risk in their local environment and know how to prevent and prepare for emergency incidents

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## Outcome Statements

**Safer homes:** Victorians know how to prevent accidental fires in their homes and are well-prepared in the event of emergencies. Prevention programs and activities are targeted to achieve maximum effectiveness and efficiency, particularly for at risk members of the community.

**A well-regulated built-environment:** Compliance with fire safety regulation in the built-environment is monitored and enforced, and fire safety advice and advocacy enables the highest possible standards of safety.

**Enabled, empowered and resilient local communities:** Communities, municipalities, businesses and industries understand and manage risks in their local environment and have an enhanced capacity to build community resilience, and to prevent and respond to fire and other emergencies.







# Major initiatives

## Safer homes

### Smoke alarm campaign

Throughout the 2021–22 financial year, FRV and CFA partnered to deliver a joint smoke alarm campaign, titled *A Bedroom Essential*. This was the first year of a new, three-year campaign which encourages Victorians to install additional smoke alarms in their bedrooms, considering data that reveals that 72 per cent of fatal house fires start in bedrooms and sleeping areas.

The campaign followed FRV’s submission to the National Construction Code (NCC) review to have hard wired interconnected smoke alarms installed in all domestic and residential buildings (Class 1 buildings), including bedrooms.

FRV and CFA ran the joint-funded campaign from June to July 2022, with a second iteration scheduled for the next financial year. The campaign included advertisements on radio, social media, digital display, regional print news and YouTube. The campaign was developed for all Victorians, including culturally and linguistically diverse communities.

In addition to the paid advertising component, the campaign’s effectiveness was increased by an on-message TV news story at the site of a Middle Park home destroyed by fire. No one was injured in the fire but additional alarms in bedrooms could have allowed earlier evacuation and reduced the devastating impact of the blaze.

### Fire investigations

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.

This work is done by response crews who make the initial assessment on cause and origin. Where response crews are unable to identify the cause or the event has complexities such as serious injury, fatalities or built environment safety concerns, members from the State Fire Investigation Unit will undertake the investigation. The unit investigates individual fires and provides research and analysis on trends.

We aim to reduce fire-related fatalities and injuries as well as increase financial savings to the Victorian community by mitigating fire damage of assets. The State Fire Investigation Unit acts as the pivotal liaison point between Victoria Police, Energy Safe Victoria and insurers.

We cooperate under an inter-agency agreement with other bodies including the CFA, 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, we coordinate all structural fire investigations in FRV areas and where requested, provide investigation support in CFA areas. FRV provides a Seconded Fire Investigation Manager to CFA who coordinates CFA’s fire investigation capability.

Some key achievements during 2021–22 were:

- The State Fire Investigation Unit opened a second office in Melbourne’s western suburbs to improve service delivery and increase opportunities for trained fire investigators to work in the unit.
- A fire investigation skills maintenance program was implemented as the first step towards harmonised training for FRV fire investigation. A review of this program will provide the opportunity to improve and evolve fire investigator skills maintenance, so our people are well supported in this specialist area.
- Completion of 221 fire investigations, comprised of 180 fire investigations in FRV areas (81 per cent of FRV area fire investigations were in regional locations), and 41 fire investigations in CFA areas (19 per cent of CFA-area fire investigations were in regional locations).

### Fire investigations by area



## Fire investigations by cause



**35.2%**

Accidental



**31.2%**

Accidental electrical



**1.7%**

Natural



**5.1%**

Suspicious incendiary



**6.2%**

Incendiary undetermined



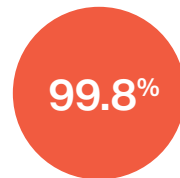
**15.9%**

Undetermined



**4.5%**

Still under investigation



**99.8%**

Total

## Fire Fatality Data

2021–22 saw a reduction in the average number of preventable fire fatalities from 18.1 to 12. This can be attributed to the increased proactive engagement of FRV with communities, smoke alarm campaigns and the continuous work of the At Risk Groups Unit identifying at risk people and working collaboratively with stakeholders and partner agencies to conduct research and produce home fire safety education materials.

A preventable fire fatality is defined as a death occurring in any fire that was started accidentally. A non-preventable fire fatality is a fatality resulting from a deliberately lit fire.

| Quarter                 | Non-Preventable Fatalities | Preventable Fatalities |
|-------------------------|----------------------------|------------------------|
| July - September 2021   | 1                          | 4                      |
| October - December 2021 | 0                          | 0                      |
| January - March 2022    | 2                          | 4                      |
| April - June 2022       | 0                          | 4                      |
| <b>Total</b>            | <b>3</b>                   | <b>12</b>              |

# Community education

Educating the community through fire prevention programs that improve safety and build resilience is at the heart of what we do at FRV.

Our education programs are tailored to help people of all ages and abilities, from children in primary and specialist schools to seniors and multicultural fire safety and bushfire education.

This year we extended our support for Victorians who are particularly at risk – a program called Prevent Detect Escape for older people and those living with a disability, and a program called FLAMES for secondary aged students newly arrived in Australia.

## Prevent Detect Escape

Prevent Detect Escape is a new online course for at-risk members of the community, including those living with a disability, to prepare for and respond to fire emergencies at home.

Launched by FRV and CFA in June 2022, Prevent Detect Escape is a much needed program, especially considering that 62 per cent of people who die in residential house fires each year in Victoria have a disability.

“While everyone is at risk in a house fire, there are definitely some people in the community who are at higher risk,” said FRV Deputy Commissioner of Community Safety Michelle Young.

“This is why we designed Prevent Detect Escape – a 40-minute training module specifically for people living with a disability and older people, and for those who support them.”

Prevent Detect Escape participant, James Griffiths, says losing his sight as an adult drastically changed how he was able to prepare for and respond to emergencies.

“When I was younger I was very independent but when I became blind I suddenly had to rely on everyone else for help, particularly in challenging situations,” James said.

“This course is extremely valuable for those who haven't thought about emergency preparedness. It's very accessible so it's good for vision impaired as well as other disabilities. It includes video clips and interactive content, and you can learn at your own pace.”

James' decision to do the FRV course was influenced by his experience as a nine-year-old when his family home burned down.

“There were no visible signs of fire but when the smell of smoke got stronger we got out of the house,” he said. “I remember being amazed at how fast the entire house went up in flames. It took just 20 minutes from start to finish. Knowing what happened then, and how fast it happened, made me certain that I want to be able to do everything I can to be prepared.”

Deputy Commissioner Young explained that people often overestimate their ability to escape or respond to a fire. “When they're actually faced with a fire it's very different in reality,” she said.

James agreed. “For me, the course was a great refresher, but for people who've never imagined what it might be like to be in a house fire, the course will be a real eye opener.”

While Prevent Detect Escape is targeted at people 65 and older, those living with disability, and carers and support workers, it is available to everyone.

“We've made the course accessible for everyone because all of us can benefit from a bit of extra education in this area,” Michelle said. “You can never have too much knowledge when it comes to preventing and responding to a house fire.”

## FLAMES

More people die from fires in their homes than in bushfires or natural hazard events. Many Victorians are aware of this thanks to the success of campaigns like FRV and CFA's annual home fire safety campaign that focuses on the importance of smoke alarms. Unfortunately, awareness of home fire dangers is much lower among community members recently arrived in Australia.

To address this issue FRV provides the *FLAMES for English Language Schools and Centres* fire safety program. *FLAMES* is specifically tailored for secondary aged students newly arrived in Victoria and studying English as an Additional Language (EAL).

"Often people might not speak English but their children or other younger generation family members are bilingual, so they absorb information better, and can pass it on to their parents and grandparents," Deputy Commissioner Young said.

"Culturally, fire is considered quite differently around the world. For this reason, here in Australia we really need to educate different communities about fire in all its aspects – good and bad."

FLAMES is a 60- to 90-minute firefighter delivered presentation on the roles of FRV firefighters and home fire safety. Available to all English language schools and centres in the FRV area, it covers essentials such as home fire dangers and prevention, smoke alarms, home fire escape planning and calling Triple Zero.

The program is designed to fit into an exit program in EAL classes and is offered four times a year to each school or centre. It is aimed at individual EAL classes to encourage maximum participation and interaction between firefighters and students, and incorporates a range of listening, speaking, reading and writing tasks appropriate to EAL standards.

Deputy Commissioner Young said the program has already demonstrated its success in life-or-death situations, including a recent fire in Melbourne where the children got their parents to evacuate their home and call Triple Zero.

"Another important cultural barrier the program helps overcome is the different way people from other countries react to people in uniform," she said.

"For some, it can be intimidating to see a person in uniform coming into their home – even if there is a fire. So it's really important we help them understand firefighters are good people and we're here to help."

Deputy Commissioner Young said the program has already demonstrated its success in life-or-death situations...



# Community education (continued)







# Major initiatives (continued)

## A well-regulated built environment

### Municipal Emergency Management Planning Committee

In December 2021, the third and final phase of the *Emergency Management Legislation Amendment Act 2018* (EMLA Act) was enacted.

The EMLA Act provides new integrated arrangements for emergency management planning in Victoria at the State, regional and municipal levels. It also creates an obligation for a Municipal Emergency Management Planning Committee (MEMPC) to be established in each of the municipal districts of Victoria.

Each MEMPC is a multi-agency collaboration group, of which FRV is a member. Representatives bring organisation, industry and specialist expertise to the task of emergency management planning for the municipal district.

Through our District Community Safety and Engagement Commanders, FRV works collaboratively with all stakeholders to better serve the community.



### Critical Infrastructure

FRV has expanded its emergency management networks and has established partnerships with existing and emerging critical infrastructure agencies. For example, Central District has developed a strong relationship with the Metro Tunnel Project, which includes several major underground train stations still under construction.

All Districts actively maintained situational awareness to identify emerging risks and hazards whilst developing operational plans to support service delivery and timely emergency response. This collaborative environment allows FRV to advocate for responder and community safety whilst promoting emergency management preparedness with our partners.

## Enabled, empowered and resilient local communities

### Fire Equipment Services (FES)

Fire Equipment Services (FES) is the trading name and commercial arm of FRV. FES is an industry leader in fire protection and emergency management providing technical expertise, responsive service and regulatory compliance for clients to protect their people and assets. FES started in the former MFB in 1902 with firefighters delivering modest fire safety services. Today, FES enhances community safety by partnering with building owners and facility managers across a wide range of commercial sectors (including office, retail, hospitality, healthcare, education, industrial, logistics and specialty). All income generated by FES is directly returned to support FRV's operations.

FES works to:

- improve fire and essential safety measures in the built environment through installation and maintenance of fire protection systems
- enhance community capability to prevent and respond to fire and other emergencies through emergency management training
- influence external stakeholders to reduce the environmental impact on the fire protection industry.

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 draws upon their wide range of specialist operational and corporate knowledge of more than 150 staff and contractors to deliver highly specialised fire protection and emergency management services that include:

- inspecting and servicing first attack fire equipment (such as extinguishers, hydrants, hoses, hose reels)
- installing and maintaining active fire systems (such as detectors, alarms, fire indicator panels, occupant warning systems, sprinklers and fire pumps)
- reporting and advising on passive fire systems (such as building fire integrity and fire doors)
- assessing essential safety measures (such as exit and emergency lighting, means of egress, and annual essential safety measures reports)
- conducting emergency training (such as initial response, fire warden, chief fire warden, place of public entertainment safety officer)
- delivering emergency management (such as emergency procedures, evacuation drills, and evacuation diagrams).



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During 2021–22, despite significant disruptions due to Covid-19 restrictions, FES has relocated its support office to Blackburn, and achieved ISO9001 (quality) and AS4801 (safety) certifications. FES also developed a new website and client portal to improve community engagement while delivering the following key strategic outcomes:

- Improved fire protection and essential safety measures in the built environment:
  - 618,858 items of fire protection equipment maintained to regulatory standards
  - 110,650 buildings serviced to ensure compliance of their fire protection equipment and essential safety measures
- Reduced the environmental impact of the fire protection industry:
  - 4,378 litres of PFAS contaminated fluorinated firefighting foam removed from the community
  - 15,402 fire extinguishers sustainably saved from landfill
- Enhanced community capability to prevent and respond to fire and other emergencies:
  - 4,554 Victorians actively participating in learning and education sessions
  - 13 free webinars to improve community resilience, fire safety and emergency management

### Alarm assessments

FRV understands that complacency can put people at higher risk. To minimise this risk FRV works with communities to reduce unwanted false alarms, by:

- liaising with internal and external stakeholders on strategies to reduce false alarms
- managing the review and charging of false alarms, hazardous material and salvage incidents
- managing keys, alarms and turn-out information for fire stations
- monitoring fire alarm panel isolations

During 2021–22, we implemented new policies that strengthened the governance and consistency for assessment of false alarms. We also introduced a new strategy to reduce false alarms, particularly at repeat false alarm sites. Finally, we implemented changes to our business processes to improve the way we provide services and recover debt.

### Multicultural liaison

We are committed to continued, meaningful engagement with culturally and linguistically diverse communities across Victoria.

Our Multicultural Liaison Officers (MLOs) identify, liaise with, and build trusting, respectful and collaborative relationships with the Culturally and Linguistically Diverse communities we serve. Our MLOs attend community and cultural events, collaborate with other service providers, deliver home fire safety sessions to adult English language classes, and engage with community leaders to enable delivery of fire safety messages, in an informed and culturally sensitive manner.

In 2021–22, our MLOs participated in a variety of activities including the celebration of the Lunar New Year, Holi Festival, the African Music and Cultural Festival, Buddha Day, Cultural Diversity week events, International Student welcome days, Harmony Week and Refugee Week, along with other culturally significant events.

### Connecting with Country and Community

FRV proudly acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the land and waters across Victoria and Australia.

We are committed to promoting respect, trust and positive relationships between our employees and Aboriginal and Torres Strait Islander peoples, communities and organisations.

This includes increasing and promoting cultural awareness among our members and staff, improving our knowledge and the observance of Aboriginal and Torres Strait Islander cultures and protocols and connecting with Traditional Owners, Aboriginal organisations and communities across Victoria.

During 2021–22 our cultural engagement work incorporated a range of programs, including our *Connecting with Aboriginal community initiative* 'Culture on Court' and our *Learning from community initiative* 'Fire practice at Nangak Tamboree Grassy Eucalypt Woodlands'.

Our initiatives also included building shared value through cultural exchange experiences like the gathering on Gunai Kurnai Country at the Morwell Town Common to commemorate NAIDOC Week.

### Women's Support Coordinator

In 2021- 2022 the Women's Support Coordinator (Coordinator) worked collectively with the United Firefighters Union to provide support to female firefighters. As well, the Coordinator was the touch point for more than 80 women considering firefighting as a career in the future.

The Coordinator developed policy that further enhanced FRV's ability to be an inclusive gender supportive workforce such as the rollout of the *Sanitary Item and Personal Hygiene Policy* and review the *Pregnancy Policy*.

Having presented more than 30 career events in metropolitan Melbourne and regional Victoria, the Coordinator also assisted more than 20 women to transition to, or return from maternity leave.

The Coordinator's community involvement was through events such as the Melbourne Royal Show, careers expos and local fairs, as well as through partnerships developed with Girl Guides Victoria and The Australian Institute of Sport (AIS).

# Celebrating Ramadan



**A 2021–22 highlight was FRV’s engagement with some of Victoria’s Islamic communities during Ramadan. We attended several Iftar dinners across the state which allowed us to continue to build key partnerships and an increased understanding of the diverse communities we serve.**

Our representatives attended an Iftar dinner event at the Melbourne Cricket Ground, hosted by the Bachar Houli Foundation. We also hosted an Iftar dinner in Doncaster in conjunction with Manningham City Council and the United Muslim Migrants Association (UMMA) Centre.

These events emphasised the importance of maintaining relationships across the community and provided FRV attendees with a valuable insight into the importance of Ramadan to the Islamic communities in Victoria.

*Commander Sam Webb (left) and Fire Rescue Commissioner Ken Block (right) were hosted by Bachar Houli at an Iftar Dinner*



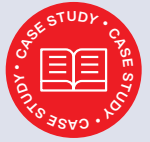
*Mark Swiney presents a certificate to a community leader at an Iftar event co-hosted by FRV and Manningham City*



*FRV Multicultural Liaison Officer Owen Butler at an event*



# Connecting with Aboriginal community



**On 5 April 2022, together with Buldau Yioohgen (Big Dreams), Anglicare Victoria's Indigenous Youth Leadership Academy, we were invited to attend the Melbourne Park Tennis Centre for the Culture on Court event.**

The initiative is designed to encourage Aboriginal and Torres Strait Islander youth to dream big by providing a welcoming, culturally safe and supportive environment where they can take opportunities to strengthen connection to culture and get insights into professional workplaces.

FRV attendees on the day were pumper crew from FS10 (Richmond), Community Safety and Engagement Commander, Jason Delany, Qualified Firefighter Tyson Taylor and Multicultural Liaison Officers, Leading Firefighter Rod Cowling, Leading Firefighter Rod Frank Yaman and Station Officer Daniel Jacka.

In recognition of the shared value built by these events, and our commitment to building relationships with community organisations, FRV is now discussing an ongoing partnership with the Buldau Yioohgen Academy.



# Learning from community



**On 20 November 2021, FRV took part in an event to learn from the Aboriginal community about fire practice. Together with the Wurundjeri Woi-wurrung Cultural Heritage Aboriginal Corporations, Narrap team, our Multicultural Liaison Officers toured the Nangak Tamboree Grassy Eucalypt Woodlands at La Trobe University on the Darebin Creek parkland.**

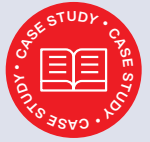
Wurundjeri Woi-wurrung are the Traditional Custodians of Melbourne and surrounding lands. The Narrap Team from the Wurundjeri Woi-wurrung Cultural Heritage Aboriginal Corporation specialise in land and country management and demonstrated how fire practice can heal country.

We joined the Nangak Tamboree restoration project team (Darebin Creek Management Committee) in a walking tour of the site, shared stories, discussed cultural practice, healing country, identifying the regrowth of native plants restored through cultural burning, and objectives for the future.





# Building shared value through cultural exchange



On Tuesday 6 July 2021, crews from FS78 (Morwell) B Platoon gathered on Gunai Kurnai Country at the Morwell Town Common to commemorate NAIDOC Week.



Firefighters joined local Aboriginal and Torres Strait Islander Peoples and other residents to celebrate the NAIDOC theme "Heal Country", listen to stories, share lunch, and exchange knowledge about fire safety.

In 2022–23, FRV will launch its first Reconciliation Action Plan, which includes an action to raise awareness of and participate in NAIDOC week as well as a range of other initiatives.



# Victorians can rely on a world-class fire and rescue emergency response

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## Outcome Statements

**A best-practice emergency response:** Emergency incidents are controlled as quickly and effectively as possible while minimising the potential impact on the community and the environment, relying on highly skilled firefighters using modern, well-maintained equipment and world's best incident management practice.

Close collaboration with emergency agencies ensures an enhanced readiness for and response to incidents.

**Saving lives:** The preservation and safety of human life is prioritised for first responders and all other members of the community. Firefighters assist Ambulance Victoria by responding to emergency life-threatening medical incidents and initiating life support actions.

**Helping recover:** Victorians are assisted through post-incident stabilisation and recovery activities including proactive engagement between sector partners and recovery agencies.









# Major initiatives

## A best-practice emergency response

### Strategic Location Plan

Strategic Location Plan (SLP) reports have guided fire and rescue services in Victoria by mapping emerging community safety risks. The reports have informed the strategic location of fire stations and their operational resourcing across Victoria for over 30 years.

As Victoria has grown, so have the demands on our fire and rescue services. The formation of FRV brought a significantly expanded footprint, remit and broader requirements on our capabilities. It is imperative that we map and determine future demographic growth and conduct a comprehensive review of emergency trends and risks within Victoria.

The last SLP report in 2019 recommended that an interim review be done after FRV was formed to consider our expanded operations. The first state-wide SLP is due to be developed by the end of 2022.

A current state interim report was developed during 2021 to deliver on this recommendation and was launched in May 2022.

This report will help inform future needs and requirements, to ensure that we are providing an exemplary service to the community, and support to our operational staff to work safely, effectively, and efficiently.

The *FRV SLP 2021 Current State Interim Report* contains:

- maps of current station locations across the FRV fire district
- reviews performance against government set target measures
- determines where a station can get to within set timeframes (modelling road network coverage by turn out times)
- overlays this information with future population projections.

This will help us with the information we need before the SLP 2022 is delivered.

### Greater Alarm Response System

Since FRV was established, we have harmonised and standardised our work practices to ensure our firefighters are safe and we deliver on our Outcomes Framework.

The Greater Alarm Response System (GARS) is a tiered system that categorises emergency incidents by risk type and allocates appliances and other resources according to the severity of the incident.

The system is used by most fire and rescue organisations across Australia and is used extensively internationally. At FRV, GARS is currently in use throughout Central, Eastern, Western 1, Western 2, Southern 1 and Northern Districts.

GARS underwent a major review, concluding in December 2021, which included adding a Grass and Scrub Fire category. The Grass and Scrub category ensures a response from both FRV and CFA resources.

The Grass and Scrub Fire classification includes CFA tankers, which have off-road capability and can access fast-moving fires with increased flame heights and improves FRV's response to the peri-urban grass and scrub fire risk within these areas.

The expansion of GARS and the implementation of Grass and Scrub fire GARS demonstrates our commitment to further harmonising and enhancing fire and rescue services, ensuring resources are allocated appropriately to provide the best possible outcomes for the communities we serve.

A further evaluation of GARS is underway including extensive consultation and an analysis of results. This review will ensure GARS is updated to remain relevant and embrace the different environments we operate in. When the review is complete, coverage will be extended to include Southern 2 and Western 3 Districts.

The next stage in the development of GARS is to determine what form it may take prior to being delivered to FRV stations operating in areas of regional Victoria.

### Tenancy Agreement

In June 2022 we finalised and executed the Tenancy Agreement between FRV and CFA stations where both agencies co-locate. The overarching agreement (also known as the Lease and Licence Agreement) applies to stations where CFA brigades operate alongside FRV staff, with specific schedules for each individual station. The final outcome enables us to move forward with certainty.

We will continue to work in the next financial year on the fine detail of a small number of schedules that are yet to be finalised. However, we now have a formal overarching agreement in place which applies to all co-located stations.



# Major initiatives (continued)

## Specialist Response

FRV firefighters respond to a range of emergency incidents. They include fires, complex technical rescues, road crashes, emergency medical calls, maritime emergencies, and hazardous chemical spills.

### Marine

Our marine capability to combat fire and manage hazardous noxious substances in Victorian Port waters was boosted in 2021–22 by the delivery of two new fireboats. The custom-made 8.5m vessels will enhance our capability in the bay and inland waterways.

During the year, the Marine Department focused on maintaining skills and ensuring we are well-prepared for any incident we may face. Our 36 coxswains and 75 deckhands are trained to Australian Maritime Safety Authority (ASMA) standards. Our deckhands were upgraded to General Purpose Hands as required by AMSA and 60 shipboard firefighters completed skill maintenance training. Eight new swift water instructors were trained to deliver our skills maintenance and acquisition programs.

The Marine Department continues to support and develop relationships with our sector partners, including Victoria Police and the Victoria State Emergency Service (VICSES), by training together and implementing strategies which will enhance response capabilities. We also participated in state-level industry and emergency response working groups associated with the marine environment.

FRV deployed 15 specialist swift water rescue personnel to support the Queensland Fire Service in February 2022 during their floods and deployed to New South Wales to support the SES in March and April 2022. Our staff were directly involved in water rescue and flood support during these deployments.

During 2021–22, we created and led a Hazardous Noxious Substance Working Party to develop combined strategies to manage the state-wide response. Participants included CFA, Department of Transport, Port of Melbourne and AMSA.

FRV's Marine Department helped with the planning for the Port of Melbourne's annual capability exercise. FRV personnel led the multi-agency exercise by performing critical roles in the Incident Management Team which included Incident Controller, Planning lead and Operations lead.

Our operators were also provided with new equipment to ensure they were prepared and supported in their roles, including dry suits, life jackets, swift water rescue equipment and vessels.







## Two fireboats added to fleet

### FRV Marine's operational reach will extend further thanks to two new fireboats.

The new state-of-the-art vessels were designed to pass beneath bridges upstream along the Yarra and Maribyrnong Rivers.

The custom-made 8.5m vessels are a significant advance from their predecessors. Designed to FRV specifications, these striking new cabined craft have an air draft of less than 1.6 metres.

This means they can range further and navigate into tighter spots to manage potential risks at industrial sites along riverbanks and protect high value assets in marinas around Port Phillip Bay.

Once they are on location, the new vessels can deploy booms to get even closer to fires and their powerful pumps can unleash 2,000 litres of water a minute to distances of more than 30 metres.

The two vessels undertook significant seaworthy trials prior to being made available for operational response. Key to this process was ensuring FRV operators are fully trained. All FRV marine staff, from coxswains and deckhands to shipboard firefighters, undertake regular training to comply with Australian Maritime Safety Authority (AMSA) requirements. AMSA sets the standard for qualifications, vessel design and safety, and requires our staff to consistently maintain

and update their skills. The vessels are expected to be ready for operational response in November 2022.

FRV has a successful history of marine-based firefighting and managing hazardous noxious substances. Working in conjunction with other emergency service agencies, FRV is responsible for waters that include the Port of Melbourne, Port Phillip Bay and extending three nautical miles (equivalent to 5.5km) outside the Heads.

The Port of Melbourne has over 3,000 vessel visits and generates \$200 million of trade annually. FRV Marine capability is vital to keep the port functioning. To deliver this service we work alongside Ports Victoria, the Port of Melbourne Authority, other emergency service organisations and stakeholders to improve response capability and minimise the risk of a marine emergency.

The two new fireboats add significantly to our capability by providing an important level of versatility that was previously unavailable. FRV now has the capability to deploy a heavy weight of attack in previously inaccessible areas. The new vessels also have swim doors that enable people to be brought onboard. As well as rescue members of the public, this facility provides greater safety for our firefighters.



# Major initiatives (continued)

## Hazmat

FRV's Hazmat teams respond to incidents that involve hazardous materials. These include fires, chemical spills and chemical-related medical emergencies. Hazmat technicians are firefighters who have completed extensive additional training to carry out investigation, mitigation and decontamination work to ensure Hazmat incidents are managed safely. Hazmat technicians are supported 24 hours a day, seven days a week by Scientific Advisors providing expert scientific advice.

Appliances carrying Hazmat detection and mitigation equipment are strategically located across Victoria at South Melbourne, Lara, Lucas, Shepparton and Hallam. FRV also works closely with partner agencies including CFA, EPA, Victoria Police, and the Department of Health to ensure a seamless interagency response.

In 2021–22, the Hazmat department commissioned and obtained new personal protective equipment (PPE) including 32 new Level A fully-encapsulated suits and more than 1500 new Level B splash suits. This was a significant step in standardising Hazmat PPC and training across the state. We also delivered X-AM 8000 specialist detectors and associated training for Hazmat technicians. The new PPE will improve firefighter safety at hazmat incidents.

This year also saw the harmonisation of the four-week Hazmat Technician course. In early 2022, the course was delivered to 40 firefighters, improving FRV's Hazmat response capability. We also developed and initiated a two-day Atmospheric Monitoring course to qualify firefighters to operate additional detection equipment removal, to enhance personal and community safety.



Fire fighters test for chemical hazards in new Level B splash suits

## Emergency Medical Response

FRV firefighters co-respond with the nearest ambulance to Triple Zero (000) calls for patients who are unconscious, not breathing or with no pulse.

Since 2001, firefighters in metropolitan Melbourne have been trained to perform Emergency Medical Response (EMR) as part of their emergency response role, being dispatched at the same time as Ambulance Victoria paramedics to life threatening emergencies. This EMR response was extended to outer metropolitan and regional areas in Victoria in 2011. Since 2017 the EMR program has been rolled out to all FRV stations in Victoria.

EMR aims to improve survival rates by providing early intervention to patients in sudden cardiac arrest and other conditions that present an imminent threat to life. As a part of their role, FRV firefighters are trained to attend a number of different medical emergencies such as cardiac arrest, stroke, drowning, anaphylaxis and drug overdose.

FRV's response to medical emergencies is additional to the normal ambulance response - firefighters do not take the place of Ambulance Victoria paramedics. Firefighters work with paramedics to provide the quickest medical intervention possible, in order to improve the patient's chance of survival. FRV EMR trained firefighters are first on scene at about 50 per cent of incidents they attend.

FRV Firefighters complete specialist EMR training where they learn skills such as advanced CPR, supply of airway management and first aid, the use of defibrillators and how to respond to many other life-threatening medical scenarios.

Once qualified in EMR, FRV firefighters are required to take part in ongoing training each year that is facilitated by Ambulance Victoria, to keep their knowledge and skills up to date. They must also complete a recertification course every four years.

FRV firefighters are supported in their role as emergency medical responders by clinical follow-up sessions provided by Ambulance Victoria as well as operational debriefs where questions can be answered, and lessons learned.

FRV provides a broad range of services to firefighters to support them to deal with the trauma they are exposed to in this role. Support services include psychological services, proactive and ongoing preventative mental health programs, regular wellbeing checks, counselling and coaching. It is a high priority for FRV to ensure that it maintains a supportive organisational structure and team culture both on and off station to support its EMR responders and keep them functioning at their best.





### Road rescue

FRV firefighters attend road crashes and other technical rescues. They are highly trained and utilise specialist tools and equipment at Road Crash Rescues (RCR), complex transport incidents, industrial or domestic incidents. FRV has five Heavy Rescue vehicles which respond throughout FRV's Fire District. They are supported by firefighters performing Road Accident Rescue Support (RCRS). Appliances are fitted with tools to enable crews to perform first aid on patients, stabilise the vehicle and make access to the patients. RCRS works seamlessly with our Heavy Rescue and other emergency services appliances to deliver the best outcomes for patients.

FRV works closely with our emergency services partners to ensure our RCR arrangements are contemporary and work in the best interests of the community. Personnel qualified in RCR and RCRS participate in regular skills maintenance at our dedicated facility in Derrimut.

### High Angle Rescue Techniques Team

FRV Rope Rescue, while maintaining current capability, continues to evolve and harmonise its training and equipment to support our highly capable rope and confined space rescue firefighters.

FRV plans to commence delivery of its redeveloped rope and confined space rescue programs in early 2023. These programs will increase firefighter safety and improve specialist equipment to support firefighters and community in complex rescue incidents across Victoria. This represents the culmination of a significant body of work made possible by many stakeholders including subject matter experts, industrial representatives and FRV's training directorate.

Our desire to establish a best practice response capability is a key focus in the years ahead to best serve Victoria's communities, and support our partner emergency service agencies.

The design and implementation of comprehensive skills maintenance programs that underpin the new rope and confined space skills will ensure our firefighters are supported to confidently respond to and resolve the complex incidents.

### Remote Piloted Aircraft Systems (RPAS)

Remote Piloted Aircraft Systems (RPAS) (known as 'drones') are revolutionising emergency response. Our RPAS are equipped with thermal imaging and live streaming cameras to gather intelligence. This information improves community and firefighter safety.

RPAS are often used during large-scale bushfires, rescues, chemical incidents and other major fires. Our RPAS pilots are trained to Civil Aviation Safety Authority (CASA) standards.

### Urban Search and Rescue

Urban Search and Rescue (USAR) is a specialist capability. Its function is to locate, provide medical assistance to and remove victims who have been trapped or affected by a structural collapse. This can be as a result industrial accidents, explosions, natural disasters and terrorist activity.

USAR is an important component of Victoria's multi-agency response to large scale building collapse. FRV plays a key role in training and providing tactical and strategic support to other agencies.

Our USAR personnel are trained for long duration rescue operations, including technical search, shoring and concrete breaching and providing medical treatment. They undergo regular skills maintenance training, including simulated emergency scenarios using our dedicated USAR training prop.

### Trench Rescue

FRV provides a specialist trench rescue team, this involves the shoring up a trench, and digging a trapped person out of a collapsed trench. Trench rescue is one of the most dangerous rescue operations to complete.

# Major initiatives (continued)

## Hostile Act Response and Counter Terrorism Capability

FRV's Hostile Event Strategy sets the direction for FRV to continue to build and develop capabilities and resources to effectively prepare for and respond in a support role to class three (major) emergencies. Our goal is to create seamless and supportive integration with Victorian Police led operations. The strategy is designed to support this integration to facilitate the best outcomes for the community.

The potential spectrum of these emergencies can be wide ranging, therefore the strategy contains broad-reaching and tactical objectives. The outcome is an in-depth and strategic outline inclusive of capability and resources to support FRV Command staff and firefighters to operate safely and effectively when assisting with a class three emergency.

This important piece of work will help ensure that FRV is prepared and ready to provide assistance at class three emergencies (Acts of Terrorism). Our focus is to strengthen systems and processes that integrate with key agencies, including Victoria Police.

We also strive to ensure the safety and wellbeing of any of our members involved in these events, as well as our valued partner agency staff. This strategy complements FRV's commitment to working seamlessly alongside our emergency service partners, contributing to national and state security arrangements and performing a support role to achieve the best outcome for our community during a hostile event.

## Fire station refits and builds

FRV owns and oversees approximately \$1 billion in property assets across Victoria. In 2021–22, the capital program consisted of about \$25 million that included investigative works, upgrades and refurbishing of existing fire stations. We continually update our fire station facilities to support our operational capabilities.

We were proud to have the Green Building Council of Australia award the newly constructed Derrimut Fire Station (FS59) (Bunurong Country) with a 5 Star Green Star Certification. Derrimut is Australia's first fire station to achieve the certification and formally opened in April 2021, with verification and 5-Star awarded on 1 June 2022.

Meanwhile, the opening of Brooklyn Fire Station (FS45) (Bunurong Country) in August 2021 heralded a new era for fire station builds. After many years of planning and design the new station has set the benchmark for all new fire station builds. This station was designed using the new FRV Station Design Guidelines and significant work by the station design group has delivered a document that is easily adaptable to any new station in Victoria.

Work on the Box Hill Fire Station (FS20) (Wurundjeri Country) is progressing and will see firefighters moving into the newly completed fire station in August 2022.

The Broadmeadows Fire Station (FS5) (Wurundjeri Country) re-build is at tender and will be completed at the end 2023. The new station will incorporate three engine bays with accommodation for up to 12 firefighters. This is an increase of capacity from two bays and seven firefighters.

A planning permit was issued for the temporary fire station at Baker Street, Richmond (Wurundjeri Country). The station will house an ultra large pumper, control unit, ladder platform and rehab unit from Eastern Hill (FS1). While these appliances are re-located, major remodelling works will be completed at Eastern Hill. Once complete the appliances will return to Eastern Hill and the Richmond Fire Station appliances will move in. Richmond Fire Station will then undergo re-modelling works.

The Melton Fire Station (FS56) (Wurundjeri Country) renovation was transferred to FRV by CFA in December 2021. The upgrade has greatly improved amenities for the firefighters in areas such as the mess, offices and day room.

The temporary Bendigo Fire Station (FS73) (Dja Dja Wurring Country) being delivered by the CFA will be completed in October 2022 and will accommodate the firefighters and appliances from the existing Bendigo station while the station is re-built on the original site. The new station is scheduled to be completed in 2024.

Morwell Fire Station (FS78) (Gunaikurnai Country) is being completed by CFA on behalf of FRV. The Morwell community will be better protected from the threat of fire with the construction of the new \$11.6 million fire station.

Boronia Fire Station (FS85) (Wurundjeri Country) will undergo an upgrade to the station. Works will commence in October 2022 and will modernise the station with up-to-date amenities for career and volunteer firefighters.





### Acquisition and Leasing

Land has been acquired for a new fire station at Moe (Gunaikurnai Country). Works on the new station are set to start in 2023.

New station sites have also been acquired at Craigieburn and Springvale. These new sites and station builds, will enable better response times, improved operational capability and provide superior service and safety to the community. In line with the approach of having District Offices reside within their maintenance areas. New office accommodation has been leased for Eastern District, and Southern District 2 and a separate facility for Community Safety is being negotiated. The buildings will accommodate district administration staff, functional command staff and the district Assistant Chief Fire Officers.

A 10-year lease has been secured for Western District 3 offices in Geelong (Wadawurrung Country). Geelong is the fastest growing city in Victoria and will accommodate staff from Western District 3 in modern state-of-the-art premises.

### Clyde North fire station build

Land acquisition for the site of a new FRV station in Clyde North (Bunurong Country) was announced in April 2021. Completion is expected in late 2024.

The station will initially be resourced with one appliance and a crew of four but will be built to enable an additional appliance and crew to support future needs.

### Shepparton's new fire station

In June 2021, Shepparton Fire Station (FS75) (Yorta Yorta Country) transferred operations from our previous station of 53 years to a new Fire Station in Archer Street, Shepparton. The old station in Maude Street, Shepparton, was built in 1958 for one-on-call Station Officer. Over the years, staffing has increased to ten. Despite many renovation projects to increase capacity for staff and appliances, the station was too small to provide the services expected of a contemporary fire and rescue service.

The land area of the new station is three times larger than the old station and includes five bays for appliances, 14 dormitories and ample space to store equipment. The station layout is similar to other recent station construction projects. However, the new Shepparton station includes other features, such as vertical-opening engine bay doors, road crash rescue support training areas, and a hazmat equipment drying room.

### Integration of former CFA Assets

During 2021–22, FRV transferred the ownership of 38 fire stations which were previously operated by the CFA into FRV's portfolio.

### Fleet Services

FRV's Fleet Services team manages and maintains the entire FRV fleet of 220 appliances and the service and repair network for 626 active cars. This includes our ongoing partnership with CFA in maintaining the fleet of Fire and Rescue appliances across regional areas of FRV.

During 2021–22, the team accepted delivery of four MK5 Pumper Tankers with a further two on track to be delivered in the first quarter of 2022-23. The MK5 Pumper Tanker is locally engineered and built in Ballarat, in regional Victoria. They are the final builds in the current MK5 Pumper Tankers contract. These vehicles have the latest equipment layout with improved ergonomics and safety compliance, including stowed forcible entry tool and ground monitors to improve operational and rescue capability. The new chassis exceed the latest environmental emission standards sporting the latest Euro 6 technology, reducing our overall heavy vehicle emissions.

# Major initiatives (continued)

In the final quarter of 2021–22 two heavy Pumpers underwent extensive testing, evaluation and training exercises to meet the rigorous requirements of FRV primary response vehicles. The heavy pumpers are built in Brisbane and are likely to be the foundation design for the next generation of FRV appliance builds from 2024 onwards.

Geelong City (Wadawurrung Country) and Dandenong (Bunurong Country) are expected to receive their new Heavy Pumpers later in 2022.

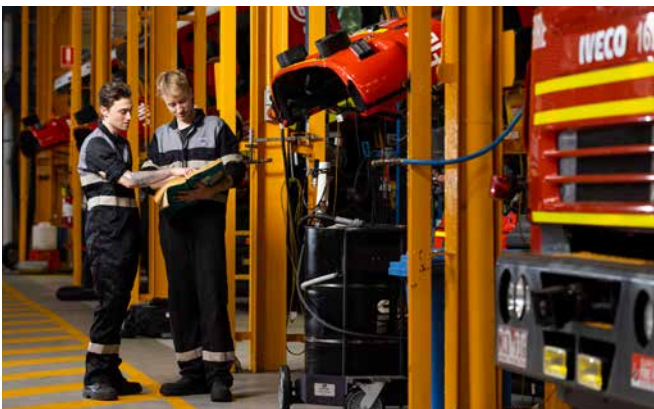
These vehicles are the latest generation and include updates and innovations in their specifications and development, helping to improve the harmonisation of equipment. The heavy pumpers are built on the new Scania NTG cab chassis, with improved safety features and an improved cabin layout, including touch screen emergency warning systems.

They also include Officer in Charge and rear passenger touch screens, a revised pumper panel and firefighter interface including two touch screens.

The light fleet team has had an exceptional year, replacing 123 operational and passenger cars while overcoming COVID-19 delivery delays. Our light fleet has grown significantly since the formation of FRV and now includes specialist custom-built ute bodies and specific design layouts.

Typically, FRV will need to replace around 130 cars each year to ensure adherence to Victorian Government’s Standard Motor Vehicle Policy (SMVP) replacement targets.

The Thornbury workshop delivered 750 appliance services during 2021–22 and attended to nearly 5,000 reported fleet issues. Our 24 hours a day seven days a week response attended 332 breakdowns and provided operational support at major incidents including refuelling at three major incidents. Workshops have a fleet of mobile repair and service vehicles to carry out repairs, maintenance, and operational support in station or on scene to reduce the impact on operational response and maximise appliance reliability and maintain availability to over 85 per cent.







### Pumper Platforms

Three new pumper platforms are currently being built in Brisbane for FRV. These appliances incorporate the latest technology to allow for response to urban environment fires and incidents with the added capability of a 28-metre hydraulic platform.

The new pumper platforms have road crash rescue equipment which will increase capacity to provide rapid patient extraction from motor vehicle accidents. Full work-flow and ergonomic design has been incorporated in line with the Risk and Injury Management Services (RIMS) ergonomic guideline to reduce workplace injuries caused by previous designs.

The aerial work platform will allow for rescues from heights, fire suppression and thermal imaging. Exceptional input has been provided by the working group involved in the project and the knowledge and research that has gone into all aspects of the build has produced a state of the art 21st century appliance. The appliances will be strategically located across the state where the combination of urban pumper and aerial capability are most needed. Many aspects of safety, ergonomics and mechanical design have been incorporated to produce an appliance that will serve Victoria for decades to come.

### Battery Powered Positive Pressure Ventilation (PPV) Fan Project

FRV is rolling out new Battery Powered Positive Pressure Ventilation (PPV) equipment to replace Petrol PPV Fans which have been on fire appliances since the early 2000s.

PPV Fans are used during firefighting operations to remove heat, fumes, smoke and other particulates during structure fires to reduce damage, improve visibility and provide a safer working environment for firefighters.

The new fans will allow firefighters to ventilate habitable high- and low-rise buildings, tunnels and underground for which the petrol fans cannot be used.

The new FRV Battery Powered PPV Fan is due to be rolled-out in the 2022-23 financial year.



*New FRV PPV will be rolled out in 2022-23*

# Major initiatives (continued)

## Helping recover

### Demolition of the former Hazelwood Mine and Power Station

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. The subsequent Hazelwood Mine Fire Inquiry 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 key component of the rehabilitation works to allow new uses for the Hazelwood site.

During 2021–22, the major demolition program at the former Hazelwood mine and power station site was completed.

FRV provided extensive planning support to the demolition works. We worked alongside partner agencies, including Victoria Police, VicRoads and WorkSafe to examine the risk of each planned demolition and to establish fire suppression activities to minimise any fires and ensure community safety

The final demolition works completed in 2021–22 were the demolition of Boiler House 2 on 17 August 2021 and the demolition of Boiler House 1 on 19 October 2021. The buildings were demolished using controlled explosive collapse demolition methods.

These works marked the end of a safe and successful demolition program, which included eight chimney stacks in May 2020, and four boiler houses and large mining equipment in the Hazelwood mine. FRV provided extensive planning support to the entire demolition program, attended numerous site inspections, and provided specialist input to demolition procedures.

On demolition days, FRV ensured the safety of all site personnel as well as the local community. We supplied Commander Staff, an Aerial Pumper, Heavy Pumper, Pumper Tanker and a RPAS crew to help detect and extinguish any hotspots or fires which were the result of the demolition.

FRV provided extensive planning support to the demolition works. We worked alongside partner agencies, including Victoria Police, VicRoads and WorkSafe.



# Victorians value FRV as a leading, progressive and accountable fire and rescue service

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## Outcome statements

**Prioritised firefighter safety and wellbeing:** Victorians are assured that the health, safety and wellbeing of firefighters, both in the immediate and longer term, is a priority given the increased likelihood of workplace exposure to hazardous and potentially traumatic incidents.

**A diverse and inclusive organisation:** FRV provides a safe, respectful and inclusive workplace and has a workforce that reflects the diversity of the community it serves and better meets the needs of all Victorians.

**A data-driven and innovative organisation:** Prevention, emergency response and incident control are continually improved through evidence gathering and analysis, effective use of agency data, expert technical advice, and support for innovation and adaptability.

**A socially and environmentally responsible organisation and respected partner:** FRV has strong governance and accountability mechanisms, operates efficiently, and plans for future needs and changing risks. FRV is a respected partner in the emergency sector and a leader in prevention and emergency management. FRV works collaboratively with employee representatives in pursuit of shared interests that benefit the organisation, staff and service delivery commitments.

# Major initiatives

## Prioritised fire fighter safety and wellbeing

### Protective Equipment

Equipment Resource Management improve the safety and effectiveness of operational firefighters, by ensuring they have access to the equipment required to fulfil their role. We research and implement new, improved small gear for primary appliances, provide input to new appliance designs and functions, and provides 24 hours a day seven days a week fireground logistics support.

In the Breathing Apparatus (BA) Department, we manage the 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. We also maintain the installed breathing air systems on aerial appliances used by firefighters in hostile environments.

All CFA breathing apparatus and air monitoring equipment is also maintained by our BA department.

### Perfluorinated and polyfluorinated substances (PFAS)

FRV recognises that poly- and perfluoroalkyl substances (PFAS) are a key organisational risk and strategic priority. FRV endorses a precautionary principle 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.

### PFAS Blood Reduction Study

The PFAS Project Team secured funding to undertake a PFAS Blood Reduction Study which was completed in 2022. This world-first study into the reduction of the PFAS levels in firefighters was published in the Journal of American Medical Association (JAMA) on 8 April 2022.

The Blood Study confirms outcomes that the donation of plasma or whole blood reduces the levels of PFAS in the body over a 12-month period. The study found that plasma on average reduced PFAS levels by 31 per cent and whole blood on average reduced PFAS by 10 per cent.

These are significant results for PFAS levels in firefighters not only in Victoria and Australia, but also for firefighters and affected communities around the world.

The PFAS Project Team and ACFO Mick Tisbury have continued to work with all stakeholders over the last 12 months to ensure the study has been able to be successfully peer reviewed and published. This was achieved by communications with key stakeholders in the USA, UK and Canada to ensure a successful result.

### Joint Standing Committee on Foreign Affairs, Defence and Trade-PFAS Sub-Committee

In March 2022, we were invited to provide a submission and testimony to the Australian Federal Government Senate Committee on the World First Firefighter PFAS Blood Reduction Study. Assistant Chief Fire Officer Mick Tisbury presented the findings of the study to the Senate as well as advocating for federal government legislative changes to protect firefighters and the community from legacy PFAS contamination. This follows previous presentations, submissions and testimony by Assistant Chief Fire Officer Tisbury to both the Australian Senate and the Australian House of Representatives.

On 31 March 2022, the Senate Committee tabled its final report on the Inquiry into PFAS Remediation in and around Defence Bases, which have recommended the adoption of our recommendations which includes the following:

**Recommendation 7:** *The Committee recommends that the Australian Government consider the research, with a view to examining suitable options for a mechanism for people with high levels of PFAS, who are otherwise unable to donate blood or plasma, to make therapeutic donations as an intervention to reduce their levels of PFAS.*

**Recommendation 8:** *The Committee recommends that the Australian Government provide funding for further longitudinal studies on potential adverse health effects for firefighters and members of PFAS affected communities.*



# FRV world-first study helps deliver United Nations' landmark PFHxS ban

## FRV's pioneering advocacy to eliminate PFAS received the ultimate endorsement in June 2022 when the United Nations Stockholm Convention banned another PFAS toxic chemical from firefighting use.

PFAS (Per- and poly-fluoroalkyl substances) refers to a family of heat and water-resistant chemicals associated with an array of health issues including cancer. PFAS was historically used in firefighting foams and are also present in much smaller quantities in consumer products like non-stick pans.

The landmark UN Stockholm Convention decision to list PFHxS to Annex A (Elimination) came after FRV Assistant Chief Fire Officer, Mick Tisbury, presented evidence from a world-first study on PFAS to the Convention.

Developed in partnership with FRV and involving almost 300 Victorian firefighters, the study shows it is possible to significantly reduce levels of PFAS in the bloodstream and potentially improve health outcomes as a result.

More than 1,000 blood tests and hundreds of blood and plasma donations collected from FRV firefighters over 12 months revealed both donation types resulted in significantly lower PFAS chemicals than the control group.

The findings, published in the medical research journal, JAMA Network Open, show plasma donation was most effective, resulting in a roughly 30 per cent decrease in PFAS concentrations. These changes were still noticeable three months later.

"The outcomes of the study are definitely a big deal, but the resulting decision by the UN is an absolute game changer for thousands of firefighters in Australia, New Zealand, Canada and the United States," Mick said.

"I'm thrilled that FRV and our partners in the study played such a big role in making this ban a reality. And that especially goes for all the FRV firefighters who rolled up their sleeves to donate blood and plasma for the study."

Among the study participants was Assistant Chief Fire Officer, Trudy Walker, who volunteered as one of the 85 plasma donors, despite being needle phobic.

"My daughter was amazed I agreed to join in because of my issue with needles," Trudy says. "It was only when I explained to her how it couldn't go ahead without people like me that I fully appreciated how important this study is for firefighters with PFAS, and how important it was not to sit back and do nothing."

As well as the health benefits for individual firefighters, the UN ban of PFHxS adds considerable weight to FRV's on-going efforts to have PFAS mitigation initiatives expanded to other fire services around Australia and overseas.

These include our voluntary blood testing of staff, the introduction of fluorine-free firefighting foams, PFAS decontamination for fire appliances and equipment, and the safe disposal of wastewater, and fire station PFAS testing.

To date, these initiatives have been adopted by the Canadian Defence Force and fire services in South Australia, Tasmania and the ACT. Since the UN ban, it is expected that many more services around the world to follow in FRV's footsteps.

FRV's spotlight on the world stage began with a hunch that Mick had back in 2015. It related to the varying levels of PFAS found in the bloodstreams of Mick and his colleagues, Tony Martin and Alan McLean. All three had worked in the fire service for more than 30 years but Mick's PFAS levels were significantly higher.

At first, they were perplexed. They'd been exposed to similar levels of PFAS over the years, including at the former Fiskville training. They also helped put out the Coode Island chemical fire in 1991, where huge amounts of PFAS fire foam was used.

It seemed there was only one difference between the trio. Alan was a regular blood donor and Tony had undergone a series of operations where he had lost blood, whereas Mick was unable to give blood due to time spent in the UK during the mad cow disease outbreak.

"I actually came up with the idea when I was changing the oil on my wife's car," Mick says. "I figured, if you keep topping up the oil you'll eventually blow the engine, which is why you change the oil in the first place. So I wondered if this would work with PFAS in our blood."

Eager to put his theory to the test, Mick reached out to environmental scientist, Professor Mark Taylor (now Victoria's Chief Scientist), after seeing him on TV releasing a report on PFAS contamination in NSW.

Mark agreed his idea sounded feasible and Mick helped secure \$1.2 million for a study from the former Melbourne Fire Brigade. The rest is history.

"I know a lot of firefighters who have been involved with foams and incidents that have involved PFAS, and they'll be breathing a sigh of relief. Obviously firefighters in Victoria are thrilled that we've now got a solution to get this stuff out of our bodies. I also think it makes us more conscientious about regularly checking on our health, being aware of what is in our blood and what's in our system.

"Putting the findings from our study on the table at the UN then getting this toxic stuff banned internationally is an incredible outcome, not just for firefighters but everyone in the wider community who we serve."



# Major initiatives (continued)

## Remediation Action Plan for Corio Fire Station

During 2021–22, the PFAS Project Team worked with the EPA and several external contractors to finalise a Remediation Plan for Corio Fire Station. Testing at the Corio Fire Station identified PFAS contamination on site which required a remediation action plan to contain.

The remediation action plan and remediation works, which commenced on 4 April 2022, provided a successful outcome for stakeholders and FRV. This essential work meets our objectives to ensure a safe work environment for our firefighters, and a safe environment for the community.

## Fire Station PFAS testing

We continued to test for PFAS levels at FRV Fire Stations, in particular former CFA stations. An example includes Frankston Fire Station where, once again, PFAS contamination was identified from the soil and groundwater testing. We are developing a remediation action plan for the Frankston Fire Station site with our current stakeholders, and this will include the engagement of the Frankston Fire Station operational personnel, EPA, external contractors and Frankston City Council.

## Portland Fire Station stage 2 testing

Preliminary testing conducted earlier in the year at the Portland fire station has identified elevated levels of PFAS on the boundary of the property which adjoins a local reserve area.

Site visits have been conducted with Fire Station operational personnel, external contractors, Glenelg Shire Council and the PFAS Project Team.

A Stage 2 soil and water testing assessment and if required, a remediation action plan will be developed to mitigate any on site and off-site legacy PFAS contamination.

## Neighbouring properties

The PFAS Project Team has continued to engage with our communities by contacting and liaising with residents who live near our fire station sites. We tested neighbouring properties and communicated with residents where PFAS contamination was identified at FRV Fire Station sites.

We work with neighbours to help with documentation, test results and any enquires. The PFAS Project Team has answered all enquires received. The following Fire Stations have had Community engagement with neighbouring properties:

- Keilor
- Bundoora
- Footscray
- Mentone
- Portland
- Epping.

## Requests to assist with Australian and international

## fire services and agencies

FRV led the way to develop several PFAS mitigation strategies, including:

- transitioning from fluorinated B Class foam concentrate (PFAS) to fluorine-free B Class foam concentrate (PFAS-Free).
- Implementing a 32-stage Fire Appliance PFAS cleaning process to remove or lower to acceptable thresholds in all FRV appliances.
- cleaning of fire hose and equipment
- testing of fire stations for PFAS levels in clean living areas
- PFAS Firefighter Blood reduction study
- fire station testing and remediation.

These PFAS mitigation strategies and programs have been followed closely by other fire services and agencies both in Australia and internationally. FRV has collaborated with other agencies, including helping the Canadian Defence Force and USA fire services and unions implement PFAS mitigation strategies. We also worked with most other fire and rescue services in Australia, including most recently with the ACT Fire Rescue Service. Our PFAS Project Team continues to provide advice and assistance to other agencies.

## Vegetable garden beds for fire station

Following the establishment of FRV, a Safety Alert was developed regarding vegetable garden beds and fruit trees at fire stations. The Safety Alert prevents people using or eating fruit and vegetables grown on Fire Station sites. This was introduced in August 2020 for the safety of firefighters and the community.

The PFAS Project Team has been working with industry experts to trial self-contained garden beds at fire stations. The project will provide safe PFAS-free soils to grow fruit and vegetables at station sites. A trial of the garden beds will be taken to the FRV Consultative Committee to identify the most suitable sites for garden beds. It is expected to commence the trial in early October 2022.

## FRV attends the Stockholm Convention

FRV firefighters from the PFAS Project Team were invited to present at the United Nations Stockholm Convention in Geneva on 6 June 2022. FRV attended to advocate for the international elimination of PFHxS foam concentrate and to present the findings of FRV's PFAS Firefighter Blood Reduction Study published in April 2022.

The United Nations continues to display a high level of interest in FRV's work in PFAS. The June presentation represented the second time FRV has participated in the Stockholm Convention, bringing our remediation and PFAS mitigation strategies to the world stage.

## Occupational Health and Safety

### Contemporary Safety Management System

During 2021-22, FRV modernised our suite of Occupational Health and Safety (OHS) procedures and templates to reflect best practice and contemporary approaches to safety risk management and legislative compliance. This involved subject matter experts and consultation through the OHS Policy Committee.

### Appliance contamination study

FRV commissioned an occupational hygienist to study the impacts of fire ground contaminants on fire appliances. The study is now complete and has highlighted several recommendations to reduce exposure to contaminants. The recommendations have been welcomed by FRV and a working party is currently developing the doctrine to ensure our people continue to work in a safe environment.

### Better mental health services

Our Employee Support Program supported FRV employees, families and retirees throughout the year by providing access to confidential mental health support services and initiatives. Despite the challenges of the COVID-19 pandemic, the team was able to adapt to deliver these services via telehealth as well as attending physical locations across Victoria when appropriate.

### Seeking better return to work outcomes

Throughout the year, FRV's Recovery Support Services Team worked to build on team skills and capabilities to ensure best practice in return to work.

During 2021-22 there was an increased focus on strengthening collaborative partnerships across FRV, to identify and leverage opportunities to support injured employees return to work and improve outcomes.

### Exercise science

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

During 2021-22, the Exercise Science team provided over 200 FRV employees with an outlet during a challenging lockdown period.

Each Wednesday, Exercise Physiologists hosted and recorded 30-minute Movement is Medicine virtual sessions focusing on alleviating the aches and niggles which commonly occur with sitting and sedentary positions, concentrating on the back, hips, shoulders and neck.



# Commissioner's Commendation – Leading Firefighter Geoffrey Brereton

The inaugural Fire Rescue Victoria Commissioner's Commendation was awarded on 16 February 2022 to Leading Firefighter Geoffrey Brereton.

The Commendation, held at the Fire Services Museum of Victoria, was the first commendation awarded in Fire Rescue Victoria's history, and was developed to acknowledge FRV people who go above and beyond the call of duty and demonstrate exceptional actions in service of the community.

Leading Firefighter Brereton was recognised for his outstanding conduct and leadership in responding while off-duty to a fatal collision on the Eastern Freeway on 22 April 2020, in which four Victoria Police officers tragically lost their lives in the line of duty.

During the ceremony, FRV honoured the fallen officers and acknowledged the attending FRV crews, Ambulance Victoria and Victoria Police who, under incredibly challenging conditions, undertook their duties with courage and professionalism.

Acting Deputy Commissioner Strategy Tony O'Day officiated at the event and was joined by Parliamentary Secretary for Police and Emergency Services Paul Edbrooke MP and Fire

Equipment Services' Stuart Schulze, whose wife Lynette was one of the officers tragically killed – and his family at the event.

As a mark of respect to our fallen police colleagues, a one minute's silence was observed. Our thoughts and deepest sympathies remain with their families, friends, and colleagues. Due to COVID-19 safety precautions, not all staff could attend the event but we had a live stream of the ceremony on the day and our people were invited to watch.

Geoffrey delivered a powerful speech when he accepted his award, and acknowledged all those who had supported him, and continue to do so.







## Training facilities

### Training facilities

FRV's Craigieburn Training Centre is a state-of-the-art, purpose-built emergency services training centre that combines academic and practical learning facilities.

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

Craigieburn is the state's primary centre for Recruit Firefighter training and hosts the FRV Leading Firefighter Development Program. A range of specialist courses are also accommodated at the facility and a range of emergency services organisations utilise the centre for training and multi-agency exercises.

Promotional Courses, including the Commander Course, Station Officer Course, and Specialist and Technical Operations Course are conducted at FRV's Training Centre at Burnley.

FRV is also currently delivering training at multiple locations across Victoria including;

- Brown Coal training delivered in the Latrobe region
- Bell Pumper Conversion training across multiple metropolitan and regional sites
- Emergency medical response (EMR) training and Airport familiarisation in Mildura
- EMR training in Geelong
- Continuation Training, EMR, Wildfire and Atmospheric Monitoring training at the University of Melbourne Hawthorn Campus
- Road Crash Rescue Support in Derrimut
- Debris (Decontamination, Exit/Entry, Breathing Apparatus Service, Rehabilitation incident accountability and Staging)
- Safety compliance training including low voltage fuse removal, safe work around water, and safe working at heights.

# Major initiatives (continued)

## Training delivered between 1 July 2021 and 30 June 2022

|   | Course Delivered | Total Participants |
|---|------------------|--------------------|
| <b>Organisational</b>                           |                  |                    |
| Recruit Firefighter Course                      | 8                | 263                |
| Continuation                                    | 6                | 174                |
| Leading Firefighter (LFF)                       | 21               | 180                |
| Station Officer (SO)                            | 1                | 32                 |
| Station Officer (SO) pre-entry                  | 1                | 42                 |
| Senior Station Officer Course (SSO) pre-entry   | 1                | 18                 |
| Senior Station Officer Course (SSO)             | 1                | 24                 |
| Commander Course pre-entry                      | 1                | 22                 |
| Commander Course                                | 1                | 15                 |
| <b>Cert IV</b>                                  |                  |                    |
| Cert IV Training and Assessment                 | 6                | 65                 |
| TAE Upgrade                                     | 6                | 29                 |
| <b>Operational</b>                              |                  |                    |
| Structural Firefighting                         | 4                | 36                 |
| Structural Firefighting Instructor Course       | 1                | 7                  |
| Atmospheric Monitoring (Div A)(Altair/MicroRAE) | 27               | 242                |
| Atmospheric Monitoring (Div B)                  | 27               | 242                |
| DEBRIS  | 150              | 380                |
| Brown Coal (Div B)                              | 30               | 82                 |
| Interdivisional Firefighter Program             | 4                | 36                 |
| Internal Secondment                             | 4                | 18                 |
| <b>Driving</b>                                  |                  |                    |
| Introduction to Driving Recruit Training        | 16               | 240                |
| Driver training Level 1                         | 21               | 150                |
| Trailer Training                                | 6                | 2                  |
| Driver Trainer Course (Electric Vehicle)        | 15               | 50                 |
| ESP Driver Training                             | 4                | 8                  |
| Driving Instructor                              | 1                | 3                  |
| <b>Specialist</b>                               |                  |                    |
| Safe Working at Heights                         | 39               | 247                |
| Low Voltage Fuse Removal                        | 29               | 198                |
| Safe Work around Water                          | 29               | 198                |
| Mk IV Pumper Tanker Conversion                  | 7                | 19                 |
| Transporter                                     | 4                | 16                 |

|  | Course Delivered | Total Participants |
|--|------------------|--------------------|
| <b>Specialist</b>                                |                  |                    |
| Return to work program                           | 10               | 10                 |
| MKV Governor Training                            | 32               | 75                 |
| MKV Pumper and Pumper Tanker                     | 2                | 6                  |
| Control Unit Course                              | 2                | 8                  |
| Transporter (Div A)                              | 15               | 30                 |
| Teleboom (Div A)                                 | 3                | 12                 |
| Aerial Pumper (Div B)                            | 3                | 15                 |
| Ladder Platform                                  | 4                | 32                 |
| Ladder Platform conversion                       | 29               | 72                 |
| Ultra Large Pumper                               | 3                | 12                 |
| Breathing Apparatus Service (Div A)              | 8                | 51                 |
| MMR Radios                                       | 31               | 233                |
| Breathing Apparatus Guidelines                   | 38               | 252                |
| 2017 Pumper                                      | 1                | 8                  |
| <b>Tech Ops</b>                                  |                  |                    |
| Swift Water Rescue Instructor course             | 1                | 8                  |
| Marine - General Purpose Hand Stage 1            | 2                | 3                  |
| Marine - Coxswains Stage 1                       | 1                | 1                  |
| Road Crash Rescue Support Skills Acquisition     | 13               | 101                |
| Road Crash Rescue Support Skills Maintenance     | 20               | 160                |
| High Angle Rescue Technician                     | 1                | 18                 |
| Hazmat Technician (Div A)                        | 2                | 13                 |
| Heavy Rescue Skills Maintenance                  | 62               | 452                |
| Heavy Hazmat Unit (Div B)                        | 2                | 27                 |
| <b>Other Training</b>                            |                  |                    |
| Recruitment Physical Aptitude Test               | 9                | 504                |
| Marine-ESS Course                                | 3                | 18                 |
| Marine-HLTAID011 Course                          | 8                | 36                 |
| Marine-SRI Upskill                               | 1                | 7                  |
| Marine-Fireboat 11 and 12 Inductions/Assessments | 5                | 8                  |
| Marine-Port Phillip Heads Transits               | 6                | 4                  |
| <b>External Training</b>                         |                  |                    |
| Victoria Police Critical Incident Response Team  | 1                | 25                 |



# Major initiatives (continued)

## A diverse and inclusive organisation

### Developing our Values

FRV was created on 1 July 2020 and our focus has been on establishing the new organisation as a modern fire and rescue service that meets the needs of twenty-first century Victoria. While there have been many changes over the past several years, what has defined us, what has inspired us and what has enabled us to serve the Victorian community has not changed.

The new organisation presented us with an opportunity to develop and articulate our organisational values. We wanted our values to be consistent with the Victorian Public Sector but unique to FRV. We also wanted to develop our values in partnership with our people.

In November 2021, we launched a program to shape and develop FRV's first set of organisational values. In early December 2021, more than 200 FRV leaders from across the organisation gathered in 12 workshops held across Victoria to work out how to engage all our people to develop our values.

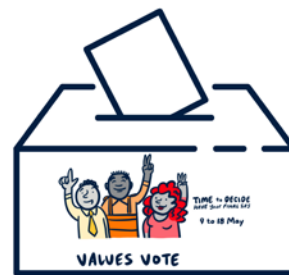
From March to May 2022, our employees across the state came together to participate in various activities to develop a set of values that are truly ours.

These activities included:

- facilitated conversations on topics guided by FRV leaders
- visual displays in stations and worksite prompting people to contribute
- interactive engagement with small, bite-sized questions
- scenarios and stories to spark creative problem solving
- reflective exercises and games.

We estimate that 66 per cent of our employees participated in one or more of the Values activities over the 10-week period. The insights from the activities were clustered into key themes and then employees were asked to take part in a Values Vote as a final activity.

## GET INVOLVED



Our Values respect and reflect our respective histories and guide us as we move forward together making a lasting and positive impact for our ourselves, our stakeholders and the community that we are all here to serve.

FRV's Organisational Values are:

- We serve the Community
- We value Teamwork
- We have Integrity
- We show Respect
- We are Accountable



**We serve the Community**

We lead by example to make a difference. We are driven by work that is purposeful. We continuously improve to best serve and protect others. We are proud of the work we do to serve the community and keep people safe.

**We value Teamwork**

We work together in unity as one FRV team. Our dedication to our work is underpinned by team spirit, connection, safety and friendship. We depend on each other's unique skills, knowledge and qualities to keep people safe. We collaborate across all FRV as one, connecting with our crews and teams across the organisation.

**We have Integrity**

We act with integrity in everything we say and do. Decisions are made through open, honest and clear communication. With active listening we build mutual trust and shared understanding. Working in a safe and transparent manner we do what is right.

**We show Respect**

We are respectful, inclusive and supportive of everyone. We recognise and value the diversity of our people. We are approachable and considerate of everyone's views. We are understanding, caring and show empathy. We are committed to everyone's safety at work. We acknowledge one another's contributions and treat people fairly.

**We are Accountable**

We are professional and accountable. We take pride in everything we do. We are consistent, reliable and strive for excellence. With a positive attitude, we show initiative and are responsive. We maintain a high level of safety for ourselves and for others. We take ownership and deliver on our commitments.

The FRV Values Wheel shows our Values coming together to guide our work and shape our culture. The FRV Values Wheel can also be extracted into segments as a rope, with the intertwined Values as common principles that guide our behaviours, actions and decisions at work. The rope signifies that our Values strengthen when used together.

**Our Values** 



# Major initiatives (continued)

## Diversity and Inclusion

We are committed to creating a psychologically safe, inclusive and respectful workplace that represents the diversity of the Victorian community. To support this, we are in the final stages of developing our Diversity and Inclusion Framework, Strategy and Action Plan (the Strategy).

Our vision for this Strategy is 'a modern fire and rescue service that meets the needs of all Victorians and where all our employees can be themselves at work'. We will adopt an ethical, evidence-based and intersectional approach to support this strategy.

Our focus is on building and understanding equity and on implementing a number of targeted foundational actions that will set us up for success now and into the future.

We are committed to taking positive action and making meaningful progress towards gender equality, as a defined entity under the *Gender Equality Act 2020 (Vic)*. Our key requirements under the Gender Equality Act were to:

- Conduct a workplace gender audit to establish a baseline as at 30 June 2021
- Develop a use of Gender Equality Action Plan to outline strategies and actions to achieve gender equality
- Undertake Gender Impact Assessments, that assess the impact of our services, programs and policies on people of all genders in the community
- Report on progress, to ensure we are held accountable for our actions.

We have delivered a range of engagement activities with employees and employee representatives, to ensure the actions and initiatives identified in the Gender Equality Action Plan apply an intersectional lens, are responsive to their needs and positions FRV as a modern fire and rescue service that meets the needs of all Victorians.

We are also in the final stages of completing our first 'Reflect' Reconciliation Action Plan which will allow us to establish a strong foundational understanding of Aboriginal and Torres Strait Islander peoples, communities and organisations, guide our relationship-building and help us continue to explore and develop opportunities that will improve outcomes for Aboriginal and Torres Strait Islander peoples and communities.

The Diversity and Inclusion Team is working collaboratively with stakeholders across FRV to apply an intersectional and inclusive lens to processes, policies and procedures which are new or under review. We recognise the important role workplaces can play in supporting the safety and wellbeing of employees experiencing family violence and we continue to provide training and support to the FRV Family Violence Contact Officers.

We are a member of the Emergency Management Victoria Inclusion and Diversity Leadership Group which seeks to drive meaningful change to create a sector that reflects the diversity of the Victorian community. We were also a member of the Sponsorship of Diverse Talent Working Group and contributed to the development of a cross sector project that paired women in the emergency management sector with senior leaders to support their growth, development and progress in the sector.

We continue to develop a range of initiatives and supports that enable all our teams and employees to build their awareness and understanding of groups traditionally marginalised in the workplace and society. In turn, this will help create the safe and inclusive workplace culture we want at FRV.

Our emphasis on diversity and inclusion resulted in teams leading their own activities recognising days of significance, including International Women's Day, IDAHOBIT Day, Midsumma Pride March, National Reconciliation Week and International Day for the Elimination of Racism/ Harmony Day.

We are committed to taking positive action and making meaningful progress towards gender equality.





FRV Commissioner leading the FRV contingent at 2022 Midsumma Pride March.

## Gender Equality Act focus groups

The *Gender Equality Act 2020 (Vic)* came into effect on 31 March 2021. FRV is a defined entity under the Act and therefore we are required to make meaningful progress towards gender equality:

The Act provides us with an opportunity to explore what actions we can take towards achieving gender equality and to ensure we are a modern fire service that not only reflects, but also meets the needs of the Victorian community.

During March and April 2022, we conducted a series of engagement activities to collect employee feedback on the results of the workplace gender audit. About 60 people participated in the activities, which were open to all employees. These activities included:

- seven online, facilitated workshops, including one specifically for men, to explore the results of the workplace gender audit and identify opportunities for improvement
- one-on-one conversations with every member of the Executive Leadership Team, to collect their perspectives and insights on how to enhance gender equality at FRV
- facilitated conversations with employee representatives
- an online form, allowing employees to share their thoughts and feedback anonymously.

A cross section of our employees participated in the range of engagement activities. There was representation across all directorates, corporate, technical and operational employees and people of different gender identities.

Conversations were extremely respectful and solutions-focussed, enabling an intersectional lens to be applied to suggested actions and initiatives to address gender inequality.

The insights we collected throughout the engagement activities were analysed and collated. Several consistent themes and opportunities emerged. These themes have informed the development of our first Gender Equality Action Plan (GEAP).

The GEAP is aligned to the pillars of our draft Diversity and Inclusion Framework, Strategy and Action Plan, and outlines our commitment towards gender equality.

# Major initiatives (continued)

## A data-driven and innovative organisation

### Station Turn Out system harmonisation

To ensure effective and efficient communication, all our stations now have the FRV Station Turn Out system. The system includes telephones, personal computers, printers, wi-fi (for potential incident-related updates prior to leaving stations), connectivity to the FRV network and FRV station automation which are required to turn out appliances to incidents.

We have configured and installed the FRV Station Turn Out in 38 former-CFA stations, allowing a significantly faster response to incidents to better serve our communities.

FRV has harmonised its Station Turn Out system for sending appliances to incidents. This achievement provides consistent turn out-related information and improved situational awareness across the state. FRV has worked to upgrade all 85 stations with the new FRV Station Turn Out and now operates one system across all stations within Victoria.

A new system for station key management and pre-plans for incidents is under development.

### Station Turn Out mapping and routing enhancement

Getting appliances to emergencies quickly is critical for saving lives and properties. The new FRV Station Turn Out system provides stations with:

- access to a common state-wide map for routing to incidents
- turn-by-turn recommended routing from the station to the incident
- accurate X-Y coordinates for the location of the incident
- the size of water-mains and location of hydrants (especially the nearest three)
- the identification of the property where the incident is located, including prevailing wind-direction at the time of turn out, or a pin-drop for highway and grass and scrub fires.

FRV has successfully implemented the new system across the state. This has provided consistency and harmonisation across all FRV stations.

### iPhone Harmonisation on Appliances

All former-CFA fire appliances, which transitioned to FRV on 1 July 2020 have now been fitted with an iPhone and docking facilities. This means that all FRV appliances now have the same mobile connectivity and that any information that goes out on those devices is consistent with FRV's technology upgrades.

### Harris Radio Trial

Victoria's Metropolitan Mobile Radio and Regional Mobile Radio provides secure, state-wide radio coverage for emergency service agencies across metropolitan and regional locations.

However, the Metropolitan and Regional networks – jointly referred to as the Victorian Radio Network – operate on different radio frequency spectrum bands and under separate commercial arrangements.

Dual band radio technology is designed to improve operational communications by allowing firefighters to seamlessly roam across the Victorian Radio Network.

In November 2021, a field trial of the XL 200Pi Harris portable dual band radio began. The trial tested 250 Harris radios across the state. The trial was successful and plans are being made to replace all current Motorola portables with Harris portables.

### FRV Doctrine

The Policy, Planning and Operational Guidance Department have continued to develop and review doctrine to reflect the needs of FRV, with a focus on harmonising former MFB and CFA practices.

Communication strategies have evolved further to attempt to maximise the adoption of FRV doctrine by FRV personnel, including modifications to the intranet to ensure the most relevant and recently developed doctrine can be accessed readily. This is particularly beneficial for operational personnel to quickly update knowledge following any period of leave.

FRV continues to work with CFA to harmonise FRV and CFA joint operational procedures.

### New high rise building procedures

A new suite of doctrine was developed to provide operational personnel with guidance and direction for responding to incidents involving high rise buildings. This suite of doctrine has been written considering lessons learnt from fires involving high rise structures throughout the world.

A significant area of focus was the update of high-rise building procedures by the London Fire Brigade in response to the Grenfell Tower Fire Inquiry, as well as incorporating best practice from North America. The procedures now provide a consistent approach to dealing with incidents in high rise buildings with the emphasis on firefighter and community safety.

### New asbestos procedures

A new suite of doctrine was developed to provide operational personnel across the state with guidance and direction for dealing with asbestos at incidents. The development of this new doctrine allows for a common practice across FRV.

### Establishment of organisational doctrine processes

New organisational doctrine processes have been established to ensure all FRV doctrine is maintained in a high quality and consistent manner and is kept current and relevant. This includes the provision of instruction and support to stakeholders across FRV to enable best practice doctrine management.







# Major initiatives (continued)

## A socially and environmentally responsible organisation and respected partner

### Working with our partners

We support our sector partners to provide integrated responses to better use our resources and share our knowledge and expertise. We do this to have a Victoria-wide focus in emergency management and planning.

We achieve this through actively displaying our organisational values, with positive stakeholder engagement and relationship management, effective communication and management of issues.

Our activities during 2021–22 included:

- Working with local government authorities and emergency management agencies through established relationships and participating in committees such as Municipal Emergency Management Planning Committees (MEMPCs), Municipal Fire Management Planning Committees (MFMP), Regional Emergency Management Planning Committees (REMPCs), Regional Emergency Management Teams (REMTs) and Regional Control Teams (RCTs).
- Participation in FRV and multi-agency debriefs for major fires and incidents. For example, the Southbank factory fire, the Lithium battery container incident at Swanson Dock and the grass and scrub fire in Maribyrnong, as well as several technical rescue/specialist unit responses across the state.
- Providing expertise and advice to stakeholders for planning and support to major events such as the Australian Open Tennis and the Australian Formula 1 Grand Prix, as well as working closely with Victoria Police and municipalities during mass gathering events both planned and unplanned.
- Participating in meetings, interagency training and joint exercises. For example, the roll out of DEBRIS (FRV's operations decontamination process) into CFA brigades and interoperable drills exercising Greater Alarm Response System (GARS) for new grass and scrub fire response escalations including the dispatch of CFA Tankers.
- Supporting CFA and emergency service partners in responding to incidents and providing specialist resources such as ladder platform, Hazmat and high and steep angle rescue
- Providing FRV staff to Regional Control Centres and Incident Management Teams to support the state emergency sector. FRV has invested in growing the regional tier capability and now has embed endorsed members on multiple Regional Control rosters across the State including performing Zone Controller requests
- Providing FRV staff to CFA via the secondment agreement and ongoing collaboration with CFA.
- Providing FRV staff dedicated to community engagement and liaison activities, such as attending community events to provide advice on event management and fire safety education. An example was engagement with Melbourne Immigration Transit Accommodation residents. Locally our District based teams conducted visits which have been led by FRVs multi-cultural liaison officers and our Community resilience Commanders. Such collaboration can be seen through active engagement with our Muslim, Sikh and Pasifika communities.
- As a major Emergency Management sector partner, FRV is represented on multiple State and local steering and Work groups to build a more capable and collaborative Emergency Management sector. It this engagement and investment in building capability through best practise development that keeps Victorians safe.
- Deploying support to the flooding incidents across Queensland and NSW.



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## FRV State Logistics Centre

The establishment of a new FRV State Logistics Centre will mark a significant capital works project in FRV history. Development of this multifaceted operational building will provide FRV with flexible options to service, store and supply critical equipment to continue to support our firefighters and the community across the state. During 2021–22, the project is in the concept phase which defined the scope of the project. The project team has engaged with key internal stakeholders to determine current and future requirements to meet the operational needs of FRV into the future.

## Environment

FRV aspires to be an environmental leader in the emergency management sector and is committed to reducing its ecological footprint 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 introduced and implemented in the following departments.

Our Environment Policy demonstrates our commitment to providing emergency response, fire suppression and prevention services in a safe, sustainable and environmentally conscious manner. The Environment Policy is reviewed and updated annually to ensure it aligns with the current organisational goals, legislative requirements and community expectations.

We collect and monitor our sustainability indicators and report on our environmental performance in our annual report, as required by *FRD 24D Reporting of office-based environmental data by government entities*.

We also participated in the climate change and environmental sustainability government reference groups, policy consultation processes and emergency management sector peak body forums. This helps us keep up to date with the latest in climate science and best-practice strategies and supports Victoria's transition to net zero emissions by 2050. It also helps us manage climate-related hazards, and comply with the General Environmental Duty under the *Environment Protection Act 2017*.

Our focus in 2021–22 was to champion and lead continued implementation of fire service reforms and complete our transition deliverables. We actively engaged staff in recognising the current and emerging environmental issues relevant to the organisation, exploring opportunities and piloting solutions to improve our environmental performance and reduce our contribution to climate change and environmental degradation.

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

- to decrease energy, water consumption and waste generation as best as possible
- to monitor and regularly review our targets, objectives, actions and policies in line with government and community expectations
- to increase adaptation and resilience of FRV and the community, resulting in the growing awareness of the effects of climate change, particularly in the aftermath of natural disasters
- to promote sustainable development and behaviour in FRV, our emergency services partners and the community.

To support these principles and *Victoria's Climate Change Strategy*, in a practical and cost-effective way, we commit to:

- comply with applicable legislation and other requirements we have committed to
- act to reduce the environmental impact of our operations
- minimise consumption, waste production and maximise recycling as best possible
- reduce our total waste by minimising our use of resources, by re-using, recycling and 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 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 annually - internally and externally
- manage our hazardous material, aiming to reduce their use and potential harm to the environment
- adopt sustainable practices in our operational, technical and corporate buildings to reduce our carbon footprint
- advocate to government bodies, the public and private organisations to encourage more environmentally-considerate behaviours and choices.

# Major initiatives (continued)

## Property Services

### Facility management, energy, water and waste

During 2021–22, we worked to further harmonise operations and corporate services across sites. We worked with competing priorities to deliver sustainable business outcomes, where possible, to lessen our environmental impact, such as:

- We continued the roll-out of an integrated Building Management System to new fire stations (such as Brooklyn Fire Station) to monitor energy and water consumption, diagnose performance issues, enable predictive maintenance scheduling, and minimise unplanned plant and equipment downtime and reduce carbon emissions.
- We continued to improve upon existing Asset Management Strategies and structures to develop comprehensive planned preventative and essential services maintenance schedules.
- Refined the existing Facility Management condition and functionality reporting to better understand forecast requirements and lifecycle costs.
- We completed a number of energy conservation projects including LED lighting upgrades and smart lighting installations which based on benchmarking resulted in measurable reductions in greenhouse gas emissions.
- We continued water quality monitoring of existing rainwater capture and harvesting systems at our facilities to ensure the availability and safety of recycled water for reuse in daily operations, therefore decreasing non-critical water use and reliance on reticulated water supply.
- We developed and distributed new waste posters to help employees and contractors easily identify items for recycling and garbage bins.

## Green Building

FRV continues to adopt and apply environmentally-sustainable development principles in property-related activities. We strive to incorporate 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 our project managers and the contractors, architects and engineers. During 2021–22:

- The Derrimut Fire station that was built last year has recently completed the recording and monitor process. This has now been awarded the first 5-Star, Green Star Fire Station in Australia.
- We opened the new Brooklyn Fire Station which is built as 5-star Green Star rating equivalent fire station, a 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.
- We installed rainwater capture and harvesting systems with connection to the toilet cisterns for flushing at more fire stations to slash potable water consumption.
- We delivered an LED lighting upgrade at a number of fire stations across the central, eastern, southern, western districts and the Eastern Hill Precinct for better energy efficiency and longer lifetime span.
- We completed various plant and equipment upgrades in the sites portfolio including reassessing, scaling and/or replacement of heating, ventilation and air conditioners, boilers and hot water systems to comply with the energy efficiency requirements in Section J of the National Construction Code (NCC), remove ozone depleting substances, meet operational demand, and enhance occupant comfort and productivity.

## Procurement

FRV sets and articulates its expectations for prospective vendors and suppliers to provide goods and services that meet high environmental standards in its procurement planning, engagement, selection and decision-making processes. Our environmental sustainability criteria and metrics are set out in product specifications, tender questionnaires, bid evaluation and contract finalisation.

We have delivered a major revamp of the Environmental and Sustainability Business Practices questionnaire which was endorsed and incorporated as an important consideration into the standardised tendering documentation package. This update reflects our encouragement of and promotion of sustainable innovations and goals in procurement of goods, services and capital projects - while attaining value for money over the life span of the project.



## Personal protective clothing project



In January 2021, our new personal protective clothing (PPC) contract with Stewart and Heaton commenced. The contract covers 11 years, including extensions, and has a total contract value of about \$135 million. The annual spend is about \$12.5 million. The contract covers manufacture, distribution of PPC, laundry, contaminant testing, end-of-life handling of garments as well as a new ordering software.

Next generation structural and wildfire PPC has been developed and is being rolled-out to firefighters. About 10,000 sets of structural PPC and 7,500 sets of wildfire PPC are on track to be delivered by the end of 2023.

A new PPC ordering tool, Tamstore, which is linked to our SAP business system, was introduced in 2021. The contract includes laundry and laundry-related logistics. We have improved the performance and transparency for this service with the new contract.

The Victorian Government's Local Jobs First Act and Social Procurement Framework applied to the PPC contract due to its size. We were mandated to have 63 per cent of the contract value sourced from local suppliers. However, we are on target to achieve 70 per cent of the contract value from local suppliers – far exceeding the number of new jobs the contract aimed to create.

The new PPC provides clear visual differentiation compared to the current garments while also offering better burn prevention, improved ergonomics to enable more freedom of movement and additional technological features designed into the reflective tapes to allow glow in the dark visibility. The new clothing also offers in styles to suit both men and women.

Operational staff started receiving the new PPC in August 2021 and it will be rolled out until January 2023.

## Travel and Transportation

When replacing general transport vehicles for departmental pool use, we have opted for hybrid electric vehicles (HEVs) when possible. HEVs deliver both considerable emissions benefits over conventional vehicles and better fuel economy.

In response to the *Victoria's Zero Emissions Vehicle Roadmap*, FRV has one full zero emissions vehicle (ZEV) and we will assess the possibility of expanding the number of ZEVs within our fleet in 2023.

Next generation structural and wildfire PPC has been developed and is being rolled-out to firefighters.

# 2. Governance

## Organisational structure

### Our Minister

The responsible Minister is the Minister for Emergency Services. The Hon. Jaclyn Symes MP was appointed as Minister for Emergency Services in August 2021. Previously, the Hon. Lisa Neville was the Minister for Police and Emergency Services from December 2018 to August 2021.

### 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 *Fire Rescue Victoria Act 1958* (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**, led the Corporate, Regulations and Strategic Services portfolio.

### Executive Leadership Team

The Executive Leadership Team advises the Fire Rescue Commissioner on setting FRV's strategic direction, monitors organisational performance, advises on key priorities and risks, manages organisational capacity and capability, advises on how government policy will be implemented and advances initiatives and reforms.



**Ken Block**  
Fire Rescue Commissioner

Ken has more than 40 years serving and leading fire and rescue services and was appointed as the first Fire Rescue Commissioner with FRV on 1 July 2020. 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 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*.



**Brendan Angwin AFSM**

Deputy Commissioner,  
Operational Training

Brendan Angwin has brought to FRV 40 years' experience as a firefighter working with the MFB, including as Assistant Chief Fire Officer Operations, prior to joining FRV. He began his service with the MFB in 1981 and worked as a

Commander in Operational Training for the MFB from 2008 to 2015. Brendan has extensive knowledge of national training systems, emergency management, operational knowledge and practices. He 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.



**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 MFB. Martin provides a wealth of knowledge

on operations, training, hazmat, operational communications, health and safety, and community resilience. Martin holds a Postgraduate Diploma of Organisational Leadership, a 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 also has the Emergency Services Medal and the National Medal.



**Ken Brown AFSM**

Deputy Commissioner, Office of  
the Fire Rescue Commissioner

Ken Brown brings 39 years' experience as an operational firefighter and executive leader. Ken is a state and nationally accredited Level 3 Incident Controller, State Response Controller, FRV Senior Duty

Officer and State Agency Commander. He has led many major emergencies across Melbourne and the wider emergency management sector. He previously spent more than 10 years in executive positions, including in Assistant Chief Fire Officer and acting Deputy Chief Officer positions. He holds a Graduate Certificate in Applied Management, an Advanced Diploma of Public Safety (Firefighting Management) and a Diploma in Project Management. Ken has 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.



**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. Michelle has held a number of different roles in operations, training, community safety and business management. In 2019, Michelle acted as Assistant Commissioner for Queensland's North Coast Region where she led transformation and reform. Michelle is the international Trustee for Women in Fire and is dedicated to attracting, promoting and developing women in the emergency services.

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.



# Organisational structure (continued)



**David Bruce AFSM**  
Deputy Commissioner,  
North-West Operations

David Bruce has 35 years' experience with MFB including time spent as 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 was promoted to the role of Deputy Chief Officer of the 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 led response as Regional Controller, Senior Duty Officer and as State Agency Commander at the State Control Centre.

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.



**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.



**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 the Tasmania Fire Service where he worked 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 been an endorsed Victorian State Response Controller since 2017, including in the damaging 2019–20 bushfire season.

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 chairs, or participates in, a range of forums at national and state level including the Bushfire Risk Advisory Panel, which was developed to lead and coordinate the implementation of evidence-based fuel management policy, practise and assurance and reporting on activities on both public and private land in Victoria.

Gavin received an Australian Fire Service Medal in 2011, the National Emergency Medal in 2013 and a National Medal in 2010. He is the current chair of the Australasian Urban operations Group.



**Jo Crabtree**  
Executive Director,  
People and Culture

Jo Crabtree joined FRV in 2021 and was promoted to Executive Director People and Culture in 2022. Leading FRV's P&C function, Jo is responsible for HR Systems and Services, Workplace Relations and Ethical Standards, Media

and Communications, and Organisational Development and Business Partnering.

Jo brings to FRV extensive leadership experience in building teams to deliver transformational change within complex environments, employee and industrial relations and change management. Prior to joining FRV, Jo has held leadership positions across the Victorian Emergency Service Sector as well as 18 years in the private sector across manufacturing, aerospace and resourcing.

Jo advocates for values-based leadership and creating positive workplace environments that are safe, respectful and inclusive for all.



**Tony Matthews**  
Executive Director,  
Corporate Services

Tony 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 improving financial literacy and accountability.



**Kirsty McIntyre**  
Acting Executive Director,  
Strategic Services

Kirsty has acted as the Executive Director, Strategic Services since 9 May 2022.

Commencing as General Counsel with the MFB in March 2018, Kirsty has led the development of FRV's organisational legal,

compliance and integrity frameworks and implemented key legal and governance components of the Fire Services Reforms. Kirsty has held senior legal and leadership roles in the Victorian public sector for over 20 years, in addition to previous employment with a national law reform body and as a legal practitioner in a leading national law firm. Kirsty has also served as a non-executive director on community-based legal services and women's organisations. Kirsty holds tertiary qualifications in Arts and Law.

# Organisational structure (continued)

## Audit, Risk and Compliance Committee

FRV's Audit Risk and Compliance Committee is established by FRV pursuant to the requirements of the *Financial Management Act 1994*. Its objective is to provide independent assurance and assistance to the Fire Rescue Commissioner regarding the effectiveness of FRV systems and controls to manage key risks and achieve strategic objectives.

In accordance with the functions of the Commissioner set out in the FRV Act, the Committee assists the Commissioner and FRV to discharge their responsibilities, by having oversight of:

- financial reporting systems and processes and the integrity of FRV's financial statements and the annual financial accounts
- FRV's annual budgeting process to ensure alignment with the strategic objectives and appropriate allocation and use of funding
- the operation, management, and review of FRV's risk management framework
- FRV's internal controls and compliance with statutory compliance obligations
- the Internal Audit function, including performance and independence
- liaison with the external auditor (Victorian Auditor-General).

The Committee has an advisory focus and is not responsible for the executive management of these functions.

The Committee has no executive powers, except those expressly provided by the Standing Directions made under the *Financial Management Act 1994* and as may be delegated to it from time to time by the Fire Rescue Commissioner. The Committee Chair is external to, and independent of, FRV. Including the Chair, there are four external/independent Committee members and two management representative (internal) members.

### Independent Members

#### Andrew Nicolaou

Andrew is a highly experienced risk management, assurance, consulting and regulation professional in financial services and government. He specialised in the financial institutions of government, with senior roles covering the Treasury portfolio in Victoria for more than 30 years.

Andrew is a former partner at PWC with a 24-year career in various roles including leading the firm's government practice in Victoria. He is also the Chair of the Audit Committees at Department of Transport, Grampians Wimmera Mallee Water, and the Victorian Parliament. He is a Fellow of the Institute of Chartered Accountants, a Graduate of the Australian Institute of Company Directors and a Fellow of IPAA.

#### Kerrie Howard

Kerrie has extensive senior executive and non-executive director experience in financial services, funds management, and superannuation. She specialises in governance, legal advisory services, company secretarial, risk, compliance and assurance frameworks and has a range of experience as a non-executive director. Kerrie was the General Counsel and Corporation Secretary for Victorian Funds Management Corporation from 2007 to 2017. Until recently, she worked in a senior governance role at VicSuper.

#### Karen Phillips

Karen has more than 20 years' experience in risk, controls and compliance as a senior audit professional working with government entities and listed Australian companies across various sectors. Karen is currently the Senior Executive – Internal Audit at Medibank. Before joining Medibank, Karen held the role of Principal, Group Internal Audit at Telstra. Prior to this, Karen was the Assistant Auditor-General, Information Systems Audit at the Victorian Auditor-Generals.

#### Greg Sword OAM

Greg is a highly experienced industrial relations professional and graduate of the Australian Institute of Company Directors. Greg's experience includes roles as National Secretary of the National Union of Workers, CEO LUCRF Industry Superannuation Fund, Chairman of St Vincent's Melbourne Public Hospital and Director of St Vincent's Health Australia. Greg has also served as National President of the Australian Labor Party and Senior Vice President of the Australian Council of Trade Unions. Greg was awarded an Order of Australia Medal for contribution to the Trade Union movement.

### Management Committee Members

The Management Committee members are:

- **Ken Brown**, Deputy Fire Rescue Commissioner, Office of the Fire Rescue Commission
- **Kirstie Schroder**, Deputy Secretary, Corporate, Regulations and Strategic Services

### Attendance

| Member           | Meetings attended |
|------------------|-------------------|
| Andrew Nicolaou  | 5/5               |
| Kerrie Howard    | 5/5               |
| Karen Phillips   | 5/5               |
| Greg Sword       | 5/5               |
| Kirstie Schroder | 5/5               |
| Ken Brown        | 5/5               |



## Strategic Advisory Committee

The FRV Strategic Advisory Committee is a public entity established pursuant to section 33A of the *Fire Rescue Victoria Act 1958* to provide independent and expert advice on:

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

The Strategic Advisory Committee consists of six members appointed by the Minister for Emergency Services under section 33B of the FRV Act.

**Dr David Hayward**, the Chairperson, is Emeritus Professor of Public Policy and the Social Economy 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** is a cross-cultural consultant who addresses issues of diversity, equity and inclusion across organisational leadership in the government, corporate and community sectors. She has expertise in anti-racism and cultural competency strategies.

**Mark Dixon** is an established regional leader in governance, culture and organisation change-management with national and international experience in operational leadership. He was a member of the SAC until January 2022.

**Tina Hosseini** is 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** is a disability and human rights advocate with extensive experience across disability rights and ensuring people with disability are included in services. She consults to government and non-government agencies.

**Gregory Sword AM** is an experienced industrial relations professional and graduate of the Australian Institute of Company Directors. He is an audit and risk leader and was awarded an Order of Australia for his contribution to the trade union movement and to society in general.

The Committee met four times in 2021–22

### Attendance

| Member                | Meetings attended |
|-----------------------|-------------------|
| Dr David Hayward      | 4/4               |
| Tasneem Chopra OAM    | 4/4               |
| Mark Dixon            | 2/4               |
| Tina Hosseini         | 3/4               |
| Patricia Malowney OAM | 4/4               |
| Gregory Sword AM      | 4/4               |

## Compliance Framework

FRV maintains a Compliance Framework that comprises formal policies, procedures and processes and governance arrangements to assist all FRV staff to understand and meet our legislative and regulatory obligations.

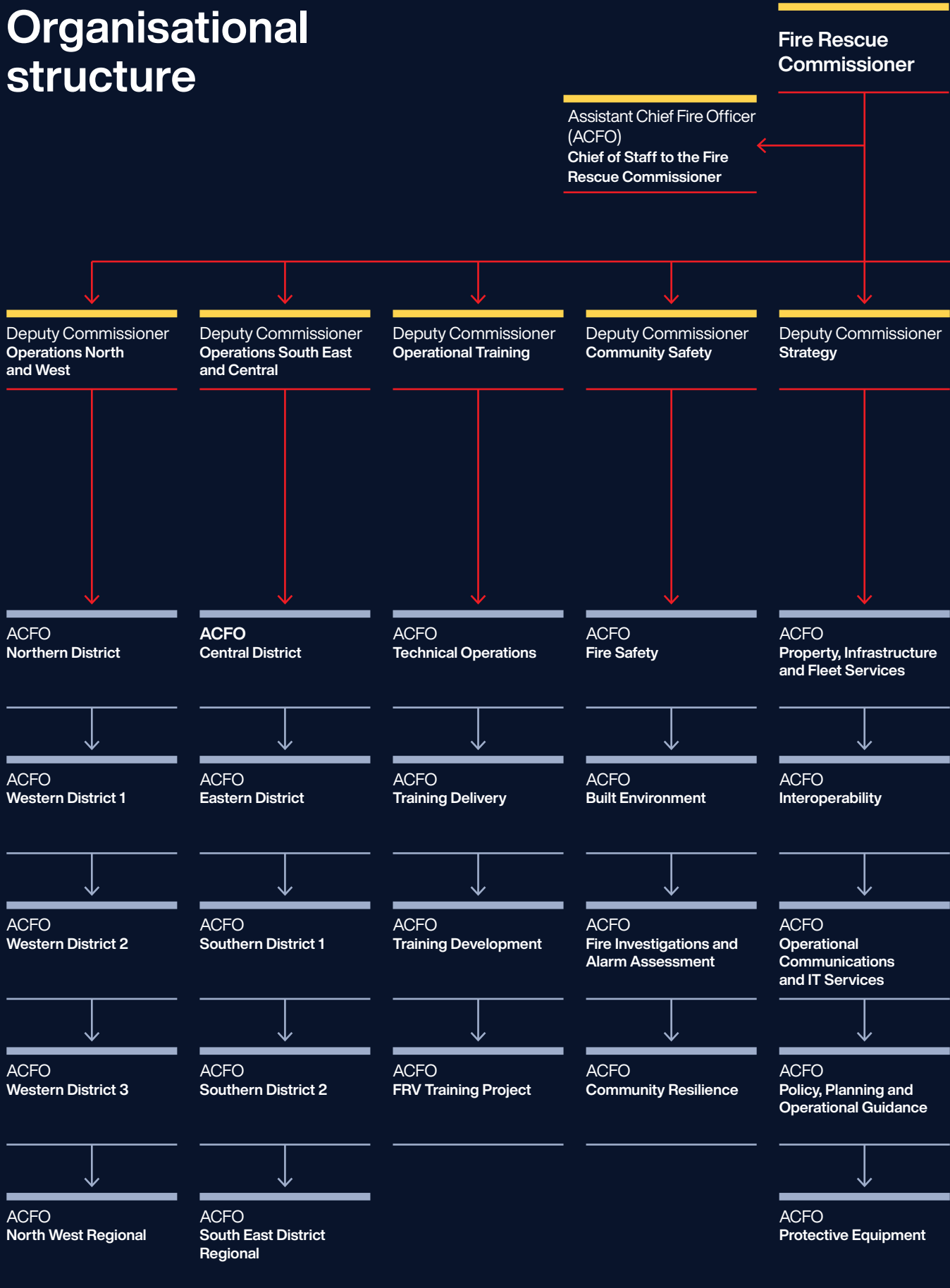
The framework provides assurance that we have the appropriate systems and arrangements in place, and that the roles and responsibilities for achieving and reporting on compliance activities are clearly defined, to enable FRV to proactively manage compliance risks and meet the challenges of new legislative and regulatory requirements. The Compliance Framework is reviewed annually and endorsed by our Executive Leadership Team and Audit, Risk and Compliance Committee.

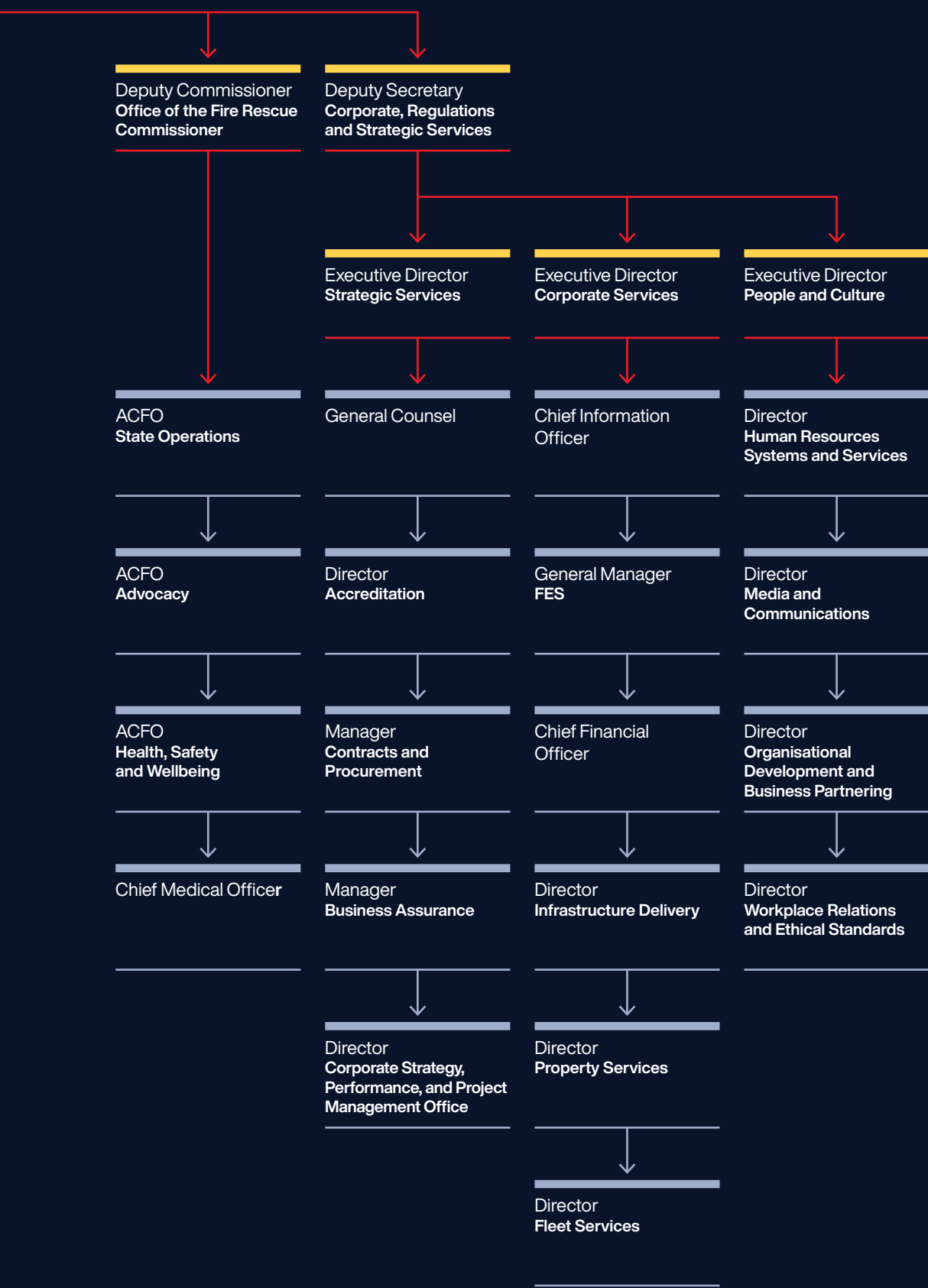
## Integrity Framework

FRV's Integrity Framework includes a working group made up of senior operational and corporate leaders. It helps our employees identify and address individual and specific integrity-related obligations and manage risks for conflicts of interest, gifts, benefits and hospitality offers, and public interest disclosures.

The group promotes compliance with integrity-related obligations through the review and implementation of relevant FRV policies and brings awareness of the policies and any emerging areas of integrity-related risk to the attention of our workforce through our in-house seminar program. The work of the group maintains public confidence in FRV as a public sector organisation that values and upholds integrity.

# Organisational structure







# Organisational structure (continued)

## Our structure

### Office of the Fire Rescue Commissioner

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

The office supports the day-to-day activities of the organisation, along with strategic input into our 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 our District Health and Safety Commanders to provide enhanced support to our people.

The office manages our 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.

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

The most visible part of FRV's work is delivered from the 85 fire stations across Victoria. Operations also includes 10 district offices which provide command and administration support to fire stations and head office.

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.

The risk profile across the areas varies considerably and includes critical infrastructure in the urban and regional areas, residential and commercial properties, high rise buildings, major hazards, transport through to grass and scrub fire threats. In addition to fire suppression activities, Operations is also a primary responder providing Emergency Medical Response (EMR) to events such as vehicle and traffic emergencies.

Operations works closely with other emergency sector partners such as the CFA to provide a comprehensive fire and emergency service across the state. It has 34 co-located facilities with CFA.



### 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 North 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  |                 |                       |                   |                       |

# Organisational structure (continued)

## Fire Safety

The Fire Safety directorate works with key stakeholders, including community, industry and government entities to minimise risks to improve firefighter and community safety in the built, dangerous goods and waste recycling environments. We achieve this through a range of planning, prevention and advocacy activities including formal submissions to update and improve the *Victorian Building Act (1993)*, *Building Regulations (2018)*, *Dangerous Goods Act (1985)* and Dangerous Goods Regulations.

Fire Safety is also responsible for providing expert advice and specialist technical information across a range of community and fire safety portfolios, including:

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

Fire Safety works across Victoria and collaborates with the CFA to provide community advice and education campaigns.

The Fire Safety Department continues to work collaboratively to develop harmonised systems, processes and skills to ensure consistent and professional fire safety delivery across the state.

FRV plays an active role in assisting building owners in understanding potential building safety issues and to ensure essential safety measures are in place. A new process has been developed and trials undertaken to further utilise and upskill FRV's operational fire fighters to leverage their knowledge and presence in the community to better provide this advice. Opportunities to partner with other stakeholders to educate building owners and managers on their roles and responsibilities around the management of fire safety issues has also been undertaken.

FRVs continues to advocate for the creation of new building legislation that addresses identified legislative gap resulting in life safety risks. This is most-commonly associated with new technology or emerging issues.

During 2021–22 FRV built capability and expertise regarding fires at waste and recycling facilities to enhance the safety of firefighters and the Victorian community. Together with DELWP, the EPA, CFA and other partner agencies we are actively involved in the Fire Prevention Program (FPP), a multiagency initiative aimed at reducing the incidence of fires at Waste and Resource Recovery Facilities.

Through an intelligence sharing network, non-compliant and illegal operators of waste and recycling facilities are targeted for inspections with the goal of reducing the fire risk.

FRV's Dangerous Goods unit worked closely with industry and regulators to provide advice regarding emergency planning and fire protection systems. This included participation in Work Safe Victoria safety case assessment for the licencing of Major Hazard Facilities. Requests from industry for advice from the fire services was significant due to an amendment to the Victorian Dangerous Goods (Storage and Handling) regulations 2012 requiring updated notifications to WorkSafe.

## Operational Training

The Operational Training Directorate has responsibility for the training and development of all FRV operational firefighters to ensure they perform their roles safely and effectively. The Directorate is a dynamic environment and creates and maintains contemporary, high quality training programs that deliver to firefighters the skills, knowledge and capabilities they need to support FRV operations. The Directorate consists of the following departments:

- Training Development
- Training Service Delivery
- Technical Operations

**Training Development** – provides educational expertise essential to developing the best possible opportunities for learning at FRV. This includes promotional programs, specialised courses, technical and other programs required to support FRV's operational needs.

The department manages FRV's Registered Training Organisation status, ensuring the maintenance of course accreditation with the Victorian Registration and Qualifications Authority and nationally recognised qualifications from the Public Safety Training Package. The department also designs, develops and supports the delivery of operational training programs to equip personnel with qualifications to undertake their roles safely and effectively. The department is also responsible to support FRV's specialist response capability.

**Training Service Delivery** – provides theoretical and practical training for all FRV's operational firefighters to ensure they are equipped with the skills and knowledge to meet operational capability.

**Technical Operations** – delivers FRV's technical specialist roles, providing advice on training, equipment, research, and doctrine, as well as supporting operations. The department includes Emergency Medical Services, Urban Search and Rescue, Trench Rescue, Heavy Rescue, Impact Assessment, High Angle Rescue, Confined Space Rescue and Marine and Hazmat units. The department delivers skills maintenance for all technical rescue skillsets and supports surge capacity at FRV's District Command and Incident Control Centres.





## Strategy

The Strategy Directorate delivers 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 our 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 our emergency management liaison and security/counter terrorism capabilities, the fire service communication controller service, management and servicing of our 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, 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 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 we map, develop and build our capacity and capability, service and public profile, the Corporate, Regulations and Strategic Services teams are leading and delivering multiple projects across FRV.

### Corporate Services

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

Corporate services oversee and manage the financial compliance and provides custodianship in relation to financial management for FRV. Currently there is a focus on financial sustainability and reviewing our longer-term requirements in property, fleet and technology to ensure operational excellence.

# Organisational structure (continued)



## 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 is of critical importance and will be facilitated by the People and Culture Directorate, defining our leadership, our relationships and the way we work. We are focused on ensuring that diversity and inclusion are valued, and our workplace, workforce and culture are aligned with government and community expectations.

Our sustainability, capability and capacity are managed through strategic workforce planning, and addressing systemic challenges and opportunities. With multiple and duplicate legacy systems and processes from former organisations, our focus is on integrating systems to provide consistent employee 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 our organisational excellence, and provides expert advice, support, strategy and reporting across FRV to inform direction, implementation and evaluation of our operational outcomes. Strategic Services is comprised of the following departments:

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

Strategic Services 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.

# Health and safety

## Health, Safety 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 we provide appropriate support for mental and physical wellbeing.

During 2021–22, we have strengthened our health, safety and wellbeing performance, and have made significant accomplishments during the year. We fully amalgamated as the Health, Safety and Wellbeing Department under the Office of the Fire Rescue Commissioner while supporting and maintaining operational continuity through the peak of the COVID-19 pandemic. We thank all our people for their commitment during what has been a demanding period.

We have a significant body of work in the year ahead to achieve our overarching goal of delivering an integrated Occupational Health and Safety Management System (OHSMS) and service delivery to support all our employees across Victoria.

Looking forward to 2022–23, our priorities will be to embed the Health, Safety and Wellbeing Model, including service delivery and integrate the OHSMS into the organisation. This will include the onboarding of a medical services provider to support the delivery of medical services to our people.

We respect the dedication our people bring to our health, safety and wellbeing work and are committed to ensuring all of our employees at FRV are healthy and safe and able to serve the community.

Some of the major initiatives we delivered during 2021–22 are outlined on pages 54–57.

## Response to COVID-19 Omicron variant



FRV has a long and proud tradition of community service. We take our commitment to community safety seriously, regardless of the extreme operational circumstances we may face.

Maintaining emergency response capacity amid the COVID-19 Omicron wave between December 2021 and March 2022 highlighted how seriously the FRV workforce takes its commitment to serve the community.

Before Omicron, FRV had an exemplary COVID-19 record with only six cases in the first year of the pandemic and no recorded workplace transmissions. This result was due to effective control measures and a high level of adherence by our staff.

When Omicron hit Victoria in late December 2021, related illnesses among FRV staff jumped significantly. Over 600 of our people were affected between January and March 2022 and the number of daily absences peaked at 258 per day. Having a fully-vaccinated workforce ensured individual symptoms were reduced and the transmission risk was lowered, allowing our crews to be back at work after seven days of isolation. While the large case load was proportional to the impact on the broader community, the way in which FRV dealt with the outbreak ensured service delivery to the community was maintained.

Since the beginning of the pandemic, FRV has maintained a COVID-19 support team and established an

incident management team (IMT) during peak periods, responsible for actions including contact tracing, outbreak management and delivering consistent advice. The IMT operated within the guidelines of an incident control framework – the Australasian Interservice Incident Management System (AIMS) – conducting contingency planning to ensure there were no disruptions to our service.

These established measures meant FRV was able to respond to Omicron. FRV was able to ensure the health, safety and wellbeing of our people whilst keeping the Victorian community safe.

‘The positive impact of our organisation-wide adherence to COVID 19 controls was evident very quickly,’ said FRV Health Safety and Wellbeing ACFO, Brad Quinn.

‘Our cases dropped from 335 to 117 within a month. Most importantly, we were able to navigate the pandemic without any impact to operational response. Not a single truck was taken off the road and we continued to deliver the level of service the Victorian community expects from us.’

Brad said that people outside FRV were often amazed at how well we responded, isolated and managed sites. ‘As a fire and rescue service, that’s just what we do,’ he said. ‘We’re a very agile and dedicated workforce that will always respond swiftly to the ever-changing nature of the pandemic.’



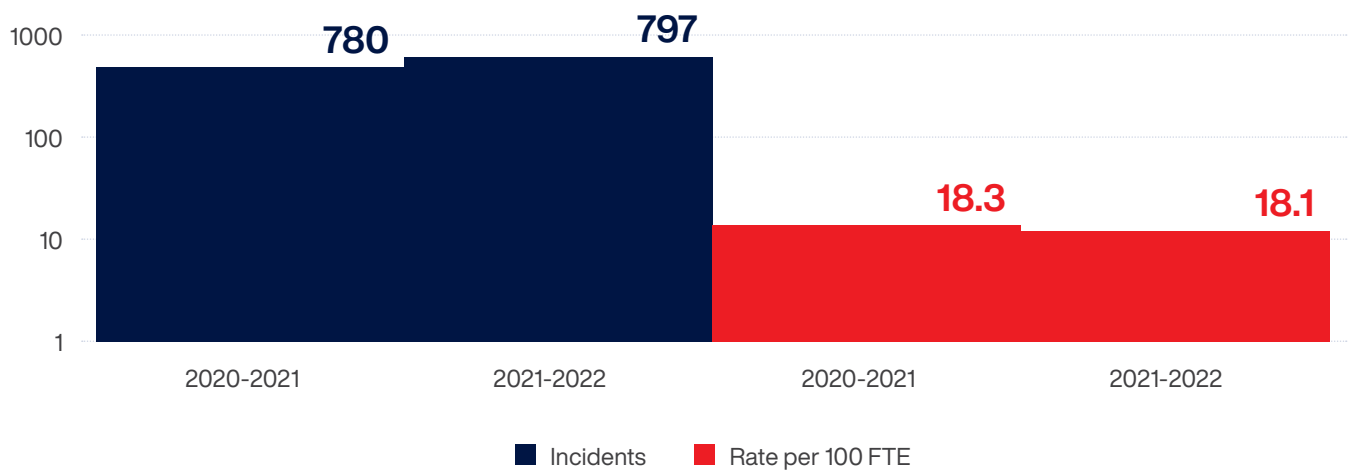
# Health and safety (continued)

## Occupational Health, Safety Performance

Throughout the 2021–22 financial year, the overall number of incidents across FRV increased by 17; however, the rate per 100 full time equivalent (FTE) staff decreased by 0.2 per cent. Incidents include injuries but not ‘near-misses’ or workplace hazards.

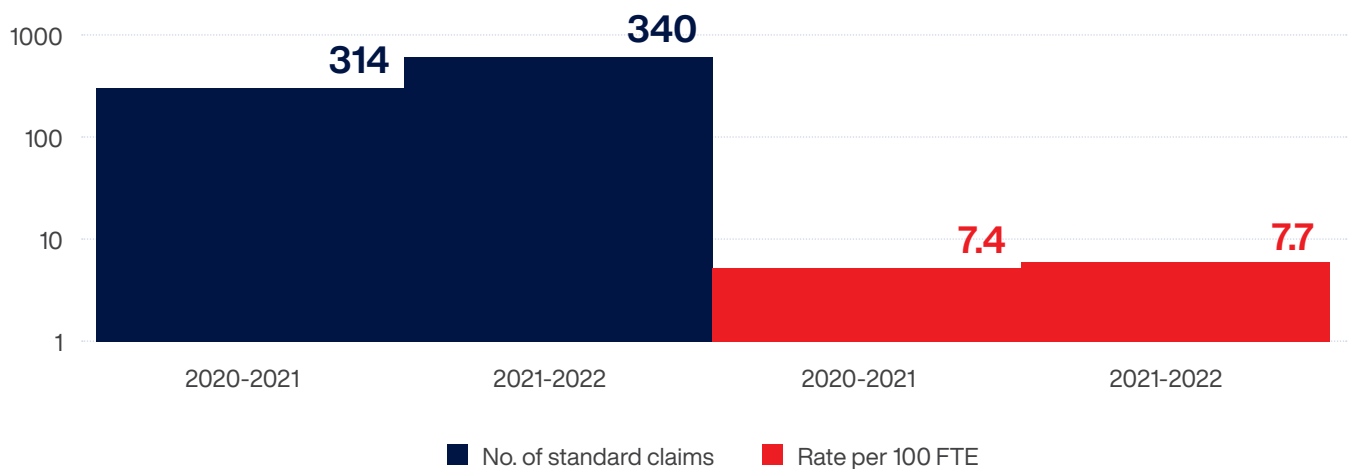
There were 17 notifiable incidents that occurred across FRV. Notifiable incidents are those which require immediate notification to WorkSafe Victoria.

Figure 1: Number of incidents and rate per 100 FTE



While the number of standard claims rose by 8.3 percent in 2021–22, the rate per 100 staff remained steady (Figure 2).

Figure 2: Number of standard claims and rate per 100 FTE



The total number of WorkCover claims lodged increased in 2021–22 (Figures 2 and 3). The claims rate for both standard claims and lost time claims increased slightly in comparison to 2020-21. The average cost per claim increased from \$46,576 to \$49,780.

Figure 3: Lost time claims and rate per 100 FTE

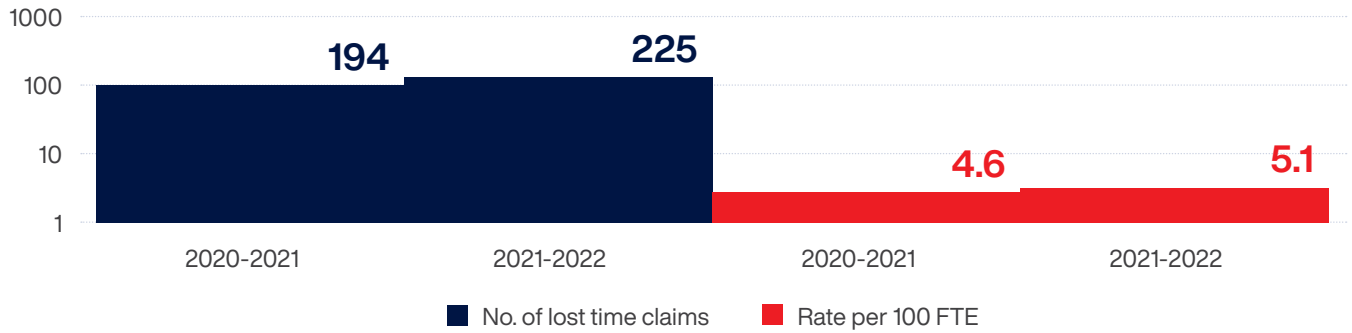


Figure 4: Claims exceeding 13 weeks and rate per 100 FTE

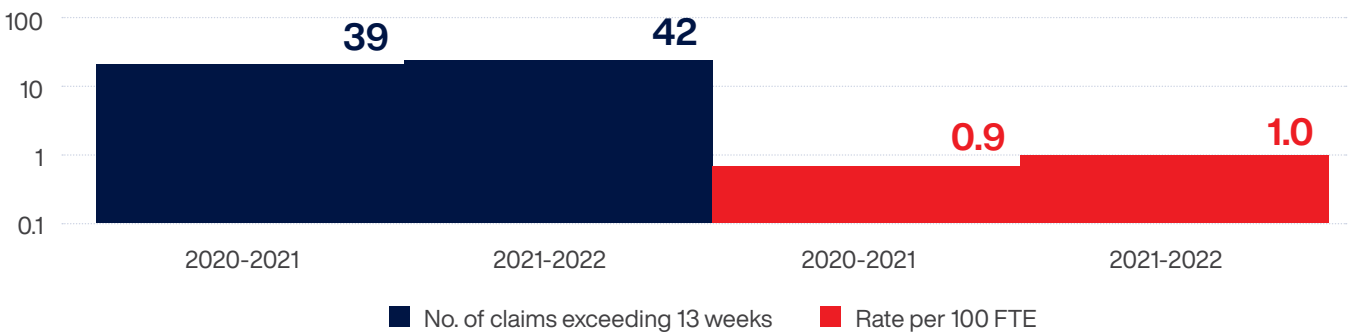
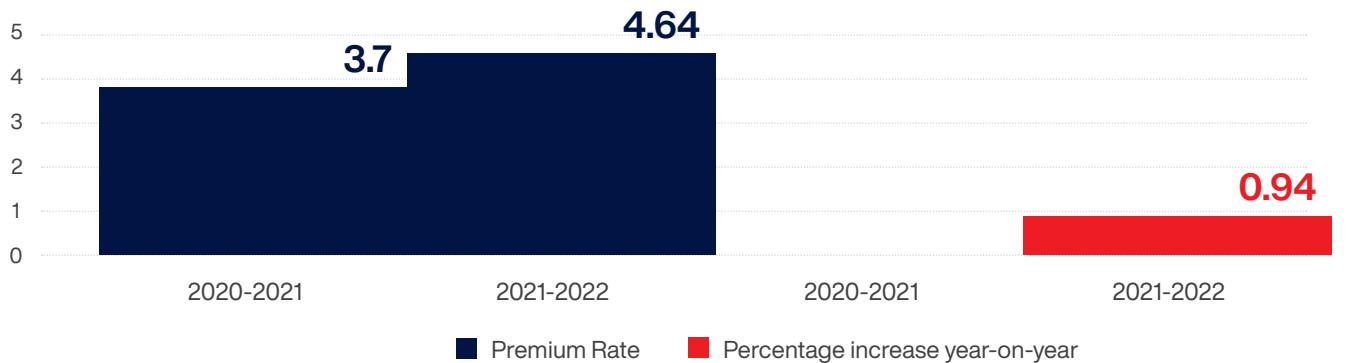


Figure 4: Claims exceeding 13 weeks and rate per 100 FTE



FRV experienced a significant year-on-year increase due to multiple complex factors. We have strategic objectives to target marked improvement in WorkCover performance, however, remain at risk of a significant increase in total premium for the immediate term due to culminating long-term factors (internal and external).

# 3. People

## Workforce data

Our people are essential to FRV's ability to serve and protect the Victorian community. Since the establishment of FRV, we have worked to build and grow the organisation while continuing to deliver the high standard of operational response our communities expect and deserve.

Victorian communities trust in and value our people for their skills, experience and professionalism.

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

*The Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity.

FRV adheres to the Code of Conduct for Victorian Public Sector Employees, which sets the standards of behaviour for all Victorian public sector employees. It outlines the public sector values: Responsiveness, Integrity, Impartiality, Accountability, Respect, Leadership and Human Rights and the associated behaviours expected of all VPS employees.

FRV has policies and practices that are consistent with the VPSC's employment standards and provide for fair treatment, career opportunities and the early resolution of workplace issues. FRV provides advice to our employees on how to avoid conflicts of interest, how to respond to offers of gifts, public interest disclosures and how it deals with misconduct.

FRV has completed a key milestone in its organisational Values and Culture program, developing FRV's inaugural organisational values through a co-designed, leader led process engaging FRV employees from across all areas of the organisation. FRV's inaugural organisational Values are consistent with the Victorian Public Sector Values

Together, FRV employees developed a set of Organisational Values that define their behaviours and contribute to a positive and productive workplace shaping the culture, informing actions and decisions. FRV has commenced a long-term program of work 'Values in Action' focused on embedding the values throughout the organisation.

### Employment and conduct principles

FRV is committed to applying merit and equity principles when appointing staff. The selection processes ensure applicants are assessed and evaluated fairly and equitably based on the key selection criteria and other accountabilities without discrimination.

FRV is currently delivering a new program of Workplace Behaviour Training for a Safe, Inclusive and Respectful Workplace. FRV has worked with key industrial stakeholders to comprehensively review and update the training program which is now being delivered across all areas of the organisation commencing with People Leaders.

The program forms part of FRV's ongoing duty and commitment to prevent discrimination, bullying, sexual harassment and victimisation, and to ensure leaders understand their obligations and FRV expectations in relation to workplace behaviour.

### Workforce inclusion policy

FRV is committed to creating a psychologically safe, inclusive and respectful workplace culture that represents the community we serve.

FRV has developed a draft Diversity and Inclusion Framework, Strategy and Action Plan which focuses on five priority diversity groups, adopts an equitable and intersectional approach, and aims to create a psychologically safe and inclusive workplace that represents the diversity of the community we serve.

FRV has developed and will launch its first Reconciliation Action Plan in November 2022. The Reflect Reconciliation Action Plan will provide a strong foundation to strengthen FRV's relationship with Aboriginal and Torres Strait Islander peoples and communities and create a culturally safe workplace.

FRV is working towards meeting its requirements under the *Gender Equality Act 2020* to take positive action towards workplace gender equality and promote gender equality in policies, programs and services.

More information on what we do to improve the skills and experience of our people is on pages 59–61. There is more information about what we do to encourage diversity and inclusion on page 64.





# Workforce data (continued)

## Comparative workforce data

Details of employment levels in June 2022 and June 2021

|                     |  | June 2022          |                |                       |                       |                       |                    |              |
|---------------------|--|--------------------|----------------|-----------------------|-----------------------|-----------------------|--------------------|--------------|
|                     |  | All employees      |                | Ongoing               |                       | Fixed term and casual |                    |              |
|                     |  | Number (headcount) | FTE            | Full-time (headcount) | Part-time (headcount) | FTE                   | Number (headcount) | FTE          |
| Demographic data    | <b>Gender</b>                                  |                    |                |                       |                       |                       |                    |              |
|                     | Women  | 513                |                | 431                   | 36                    |                       | 47                 |              |
|                     | Men  | 3999               |                | 3909                  | 2                     |                       | 91                 |              |
|                     | Self-described                                 | 4                  |                | 1                     | -                     |                       | 3                  |              |
|                     | <b>Total</b>                                   | <b>4516</b>        |                | <b>4341</b>           | <b>38</b>             |                       | <b>141</b>         |              |
|                     | <b>Age</b>                                     |                    |                |                       |                       |                       |                    |              |
|                     | 15-24  | 37                 |                | 28                    | -                     |                       | 9                  |              |
|                     | 25-34  | 944                |                | 918                   | -                     |                       | 26                 |              |
|                     | 35-44  | 1446               |                | 1389                  | 16                    |                       | 41                 |              |
|                     | 45-54  | 971                |                | 932                   | 8                     |                       | 31                 |              |
| 55-64               | 968  |                    | 938            | 8                     |                       | 22                    |                    |              |
| 65+                 | 150  |                    | 135            | 6                     |                       | 9                     |                    |              |
| <b>Total</b>        | <b>4516</b>                                    |                    | <b>4341</b>    | <b>38</b>             |                       | <b>141</b>            |                    |              |
| Classification data | <b>Operational and Corporate and Technical</b> |                    |                |                       |                       |                       |                    |              |
|                     | Operations                                     | 3888               | 3863.60        | 3847                  | 4                     | 3849.6                | 37                 | 14           |
|                     | Corporate and Technical Employees              | 628                | 610.32         | 493                   | 34                    | 515.4                 | 101                | 94.9         |
|                     | <b>Total</b>                                   | <b>4516</b>        | <b>4473.92</b> | <b>4340</b>           | <b>38</b>             | <b>4365</b>           | <b>138</b>         | <b>108.9</b> |
|                     | <b>Senior employees</b>                        |                    |                |                       |                       |                       |                    |              |
|                     | Statutory Appointment                          | 7                  | 7              | 7                     | -                     | 7                     | -                  | -            |
|                     | PESES 2  | 2                  | 2              | 2                     | -                     | 2                     | -                  | -            |
| PESES 1             | 13   | 13                 | 13             | -                     | 10                    | -                     | -                  |              |
| <b>Total</b>        | <b>22</b>                                      | <b>22</b>          | <b>22</b>      | <b>-</b>              | <b>22</b>             | <b>-</b>              | <b>-</b>           |              |

| June 2021          |               |                       |                       |               |                       |     |
|--------------------|---------------|-----------------------|-----------------------|---------------|-----------------------|-----|
| All employees      |               | Ongoing               |                       |               | Fixed term and casual |     |
| Number (headcount) | FTE           | Full-time (headcount) | Part-time (headcount) | FTE           | Number (headcount)    | FTE |
| 473                |               | 371                   | 45                    |               | 53                    |     |
| 3825               |               | 3740                  | 4                     |               | 77                    |     |
| <b>4298</b>        |               | <b>4111</b>           | <b>49</b>             |               | <b>130</b>            |     |
| 29                 |               | 26                    | -                     |               | 3                     |     |
| 903                |               | 872                   | 4                     |               | 31                    |     |
| 1293               |               | 1259                  | 17                    |               | 34                    |     |
| 976                |               | 940                   | 13                    |               | 36                    |     |
| 965                |               | 943                   | 8                     |               | 22                    |     |
| 132                |               | 128                   | 7                     |               | 4                     |     |
| <b>4298</b>        |               | <b>4111</b>           | <b>49</b>             |               | <b>130</b>            |     |
| 3723               | 3697.9        | 3679                  | 6                     | 3659.9        | -                     | -   |
| 575                | 559.8         | 432                   | 43                    | 462.8         | -                     | -   |
| <b>4298</b>        | <b>4257.7</b> | <b>4111</b>           | <b>49</b>             | <b>4122.7</b> | -                     | -   |
| 7                  | 7             | 7                     |                       | 7             |                       |     |
| 4                  | 4             | 4                     | -                     | 4             | -                     | -   |
| 14                 | 14            | 14                    | -                     | 14            | -                     | -   |
| <b>25</b>          | <b>25</b>     | <b>25</b>             | -                     | <b>25</b>     | -                     | -   |



# Workforce data (continued)

## Executive data

### Annualised total salary by \$20,000 bands for executives and other senior non-executive staff

| Income band (salary)  | PESES1    | PESES2   | Statutory Appointments |
|-----------------------|-----------|----------|------------------------|
| < \$160 000           |           |          |                        |
| \$160 000 – \$179 999 |           |          |                        |
| \$180 000 – \$199 999 | 1         |          |                        |
| \$200 000 – \$219 999 | 9         |          |                        |
| \$220 000 – \$239 999 | 3         |          |                        |
| \$240 000 – \$259 999 |           |          |                        |
| \$260 000 – \$279 999 |           |          |                        |
| \$280 000 – \$299 999 |           | 1        | 2                      |
| \$300 000 – \$319 999 |           | 1        | 2                      |
| \$320 000 – \$339 999 |           |          | 2                      |
| \$340 000 – \$359 999 |           |          |                        |
| \$360 000 – \$379 999 |           |          |                        |
| \$380 000 – \$399 999 |           |          |                        |
| \$400 000 – \$419 999 |           |          |                        |
| \$420 000 – \$439 999 |           |          |                        |
| \$440 000 – \$459 999 |           |          |                        |
| \$460 000 – \$479 999 |           |          | 1                      |
| \$480 000 – \$499 999 |           |          |                        |
| <b>Total</b>          | <b>13</b> | <b>2</b> | <b>7</b>               |

### Total number of senior appointments

| Class                  | All       |      | Women    |      | Men       |      | Self-described |      |
|------------------------|-----------|------|----------|------|-----------|------|----------------|------|
|                        | No.       | Var. | No.      | Var. | No.       | Var. | No.            | Var. |
| Statutory Appointments | 7         |      | 1        |      | 6         |      | 0              |      |
| PESES 2                | 2         |      | 1        |      | 1         |      | 0              |      |
| PSSSES 1               | 13        |      | 6        |      | 7         |      | 0              |      |
| <b>Total</b>           | <b>22</b> |      | <b>8</b> |      | <b>14</b> |      |                |      |

# 4. Other Disclosures

## 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 and for state-wide projects, or \$1 million or more for projects in regional Victoria. MPSG applies to all construction projects valued at \$20 million or more.

### Projects Commenced – Local Jobs First

During 2021–22, FRV commenced three Local Jobs First Standard projects totalling \$24.3 million. Of these projects, one was located in regional Victoria, with a commitment of 72.5 per cent of local content, and two in metropolitan Melbourne, with an average commitment of 91.4 per cent local content. No projects were commenced that occurred state-wide. The MPSG did not apply to any of these projects.

The outcomes expected from the implementation of the Local Jobs First policy to these projects where information was provided were:

- an average of 83.7 per cent of local content commitment was made
- a total of 43 jobs (annualised employee equivalent) were committed, including the creation of 25 new jobs and the retention of 20 existing jobs (annualised employee equivalent)
- a total of 10 positions for apprentices, trainees and cadets were committed, including the creation of 5 new apprenticeships, traineeships, and cadets and the retention of the remaining 5 existing apprenticeships, traineeships and cadets.

### Projects completed – Local Jobs First Standard

During 2021–22, FRV did not complete any Local Jobs First Standard Projects.

## Disclosure of government advertising expenditure

In 2021–22, there were no government advertising campaigns with total media spend of \$100,000 or greater (exclusive of GST).

During 2021–22, FRV commenced three Local Jobs First Standard projects totalling \$24.3 million.

## Consultancy expenditure

### Details of consultancies of \$10,000 or greater

In 2021–22, there were 24 consultancies where the total fees payable to the consultants were \$10 000 or greater. The total expenditure incurred during 2021–22 in relation to these consultancies is \$4,329,705 (excluding GST). Details of individual consultancies are outlined below:

| Consultant                     | Purpose of consultancy  |
|--------------------------------|---|
| Business Aspect Group          | Business Aspect: Migration Strategy   |
| Capgemini Australia            | Test Management Framework   |
| Cherub Consulting Group        | FRV – ICT Strategic Initiatives   |
| Cube Management Solutions      | FRV Strategy  |
| Data#3 Limited                 | System Centre Configuration Manager (SCCM) migration  |
| D K Sonin and Associates       | Human Resources Case Management   |
| Deloitte Consulting            | Incident Reporting Improvement  |
| Deloitte Touche Tohmatsu       | Review Risk Management Framework  |
| Donald Cant Watts Corke Vic    | Quantity Surveying Services to support Business Case for the Regional Training Facilities Project |
| Enviroprotect                  | Toxicology Testing and reporting for Tesla Battery Fire - Moorabool                               |
| Fidun                          | Regional Training Centres Strategic Action Plan   |
| Healthcare Management Advisors | Health Services and Strategy Plan for Fire Rescue Victoria  |
| KPMG                           | Child Safety Legislation and Policy Compliance Review and Action Plan                             |
| Parkinson Peter James          | Specialist Employment/IR Advice   |
| Prensa                         | PFAS Assessment   |
| Price Waterhouse Coopers       | FRV ICT Strategy  |
| Price Waterhouse Coopers       | Project management services for legacy payments   |
| Roe Julius                     | Legacy grievances facilitation  |
| Shea Business Consulting       | Skills recognition and training requirements  |
| Talent International Vic       | ICT Strategy and Operating Model  |
| Tata Consultancy Services      | Technology Improvement Program initiative   |
| RSM Australia                  | Probity Advisor for Medical Services Tender   |
| Infrastructure Services Group  | Eastern Hill Redevelopment  |
| Birmont Group                  | Medical Services Procurement Project  |
| <b>Total</b>                   |   |

| Start date | End date | Total approved project fee (excl. GST) | Expenditure 2021-22 (excl. GST) | Future expenditure (excl. GST) |
|------------|----------|--|---------------------------------|--------------------------------|
| Jun 21     | Jun 22   | \$91,600                               | \$45,363                        | \$21,311                       |
| Jun 22     | Jun 22   | \$156,542                              | \$128,364                       | \$28,178                       |
| Dec 21     | Jun 22   | \$230,563                              | \$230,563                       | \$0                            |
| Dec 21     | Jun 22   | \$313,500                              | \$313,500                       | \$0                            |
| Sep 21     | Feb 22   | \$45,288                               | \$42,524                        | \$2,764                        |
| Jul 21     | Jun 22   | \$54,430                               | \$54,430                        | \$0                            |
| Jun 22     | Jun 22   | \$91,000                               | \$91,000                        | \$0                            |
| Feb 22     | May 22   | \$86,989                               | \$86,989                        | \$0                            |
| Oct 21     | Apr 22   | \$12,400                               | \$12,400                        | \$0                            |
| Sep 21     | Sep 21   | \$28,400                               | \$28,400                        | \$0                            |
| Oct 21     | Mar 22   | \$135,930                              | \$135,930                       | \$0                            |
| Jan 22     | Jan 22   | \$61,000                               | \$61,000                        | \$0                            |
| Jun 22     | Jun 22   | \$32,230                               | \$32,230                        | \$0                            |
| Sep 21     | Jun 22   | \$420,000                              | \$120,600                       | \$156,564                      |
| Jul 21     | Jun 22   | \$88,938                               | \$88,938                        | \$0                            |
| Oct 21     | Jun 22   | \$961,586                              | \$961,586                       | \$0                            |
| Sep 21     | Nov 21   | \$750,000                              | \$750,000                       | \$0                            |
| May 21     | Mar 22   | \$42,570                               | \$16,995                        | \$4,125                        |
| Oct 21     | Nov 21   | \$54,420                               | \$54,420                        | \$0                            |
| Feb 22     | Jun 22   | \$564,955                              | \$406,089                       | \$158,866                      |
| Jun 22     | Jun 22   | \$461,200                              | \$395,197                       | \$66,003                       |
| Jun 22     | Jun 22   | \$30,000                               | \$13,916                        | \$16,084                       |
| May 22     | Jun 22   | \$97,341                               | \$77,824                        | \$19,517                       |
| Jan 22     | Jul 22   | \$290,000                              | \$181,446                       | \$108,554                      |
|            |          | <b>\$5,100,883</b>                     | <b>\$4,329,705</b>              | <b>\$581,965</b>               |



### Details of consultancies under \$10,000

In 2021–22 there were seven consultancies engaged during the year where the total fees payable to the individual consultancies were less than \$10,000. The total expenditure incurred during 2021–22 in relation to these consultancies was \$39,618.00 (excluding GST).

## Information and communication technology expenditure

For the 2021–22 reporting period, FRV had a total ICT expenditure of \$46.178 million, with the details shown below.

| All operational ICT expenditure | ICT expenditure related to projects to create or enhance ICT capabilities |   |                         |                     |
|---------------------------------|---|---|-------------------------|---------------------|
|                                 | Business as Usual (BAU) ICT expenditure                                   | Non business as usual (non BAU) ICT expenditure           | Operational expenditure | Capital expenditure |
| (Total)                         |   | (Total = Operational expenditure and capital expenditure) |                         |                     |
| \$31,466,607                    | \$14,711,975  |   | \$4,202,286             | \$10,509,689        |

ICT expenditure refers to our costs in providing business-enabling ICT services within the current reporting period. It comprises Business as Usual (BAU) ICT expenditure and Non-business as usual (Non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing our current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure that primarily relates to ongoing activities to operate and maintain the current ICT capability.

### Disclosure of major contracts

During 2021–22, FRV did not enter into any contracts greater than \$10 million.

## Freedom of Information

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 Sarah McKellar-White, Acting Freedom of Information Unit Manager, and Jan Smith, Freedom of Information Officer.

The purpose of the FOI 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 FOI Act.

Under the FOI 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 FOI 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 FOI 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 FOI 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 FOI 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  
[jan.smith@frv.vic.gov.au](mailto:jan.smith@frv.vic.gov.au)

Freedom of Information requests can also be lodged online at [www.foi.vic.gov.au](http://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.

## Freedom of information statistics

During the 2021–22 financial year, FRV received 559 Freedom of Information applications.

Further information regarding the operation and scope of the Freedom of Information Act can be obtained from OVIC at [ovic.vic.gov.au](http://ovic.vic.gov.au)

| Applicants            | Number | Outcome   |
|-----------------------|--------|---|
| Media organisations   | 2      | 1 matter – access to documents refused pursuant to exemptions under the FOI Act<br>1 matter – no documents within the scope of the request  |
| Members of Parliament | 10     | 4 matters – access to documents allowed in full<br>4 matters – access to some documents provided in part, access to other documents refused under the relevant legislative exemptions<br>2 matters – no documents within the scope of the request |
| Members of the public | 547    | Partial access to documents provided  |

| Time period                                  | Number |
|--|--------|
| Within the statutory 30-day period           | 541    |
| With the extended statutory 30–45 day period | 15     |
| 46–90 days                                   | 3      |
| More than 90 days                            | 0      |

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

FRV ensures it is compliant with provisions of the *Building Act 1993* and any other building legislation for its capital program. All works ensure appropriate certifications are in place during design and construction phases, and are compliant to the NCC code and all other legislative requirements. Building Surveyors provide certification via Occupancy Certificates or Certificates of Final Inspection on all relevant projects.

## Statement on Competitive Neutrality Policy

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

## Public Interest Disclosures

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](http://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. Any enquiries should be directed to:

FRV Public Interest Disclosures Coordinator  
456 Albert Street  
East Melbourne VIC 3002  
(03) 9935 1982  
[protecteddisclosurecoordinator@frv.vic.gov.au](mailto:protecteddisclosurecoordinator@frv.vic.gov.au)

### Reporting procedures

In accordance with the *Public Interest Disclosures Act 2012*, 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:

Level 1, North Tower  
459 Collins Street  
Melbourne VIC 3000  
1300 735 135

[www.ibac.vic.gov.au](http://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](mailto:protecteddisclosurecoordinator@frv.vic.gov.au)

### Compliance with 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 and in induction and training programs
- considering the care relationships principles when setting policies and providing services.

### Compliance with the *Disability Act 2006*

FRV recognises people with disability as a specific priority diversity group in our draft Diversity and Inclusion Strategy.

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.

## Office-based environmental impacts

### Energy usage by primary source

| Description                                  | Unit of measure     | 2021-22 | 2020-21 |
|--|---------------------|---------|---------|
| Energy consumption                           | GJ                  | 64,382  | 51,464  |
| Energy consumption per FTE                   | GJ per FTE          | 14.3    | 12.1    |
| Green power purchase rate                    | %                   | 0.0%    | 0.1%    |
| Greenhouse gas emissions (electricity)       | tCO <sub>2</sub> -e | 12,448  | 9,117   |
| Greenhouse gas emissions (natural gas + LPG) | tCO <sub>2</sub> -e | 1,112   | 1,186   |
| Greenhouse gas emissions from energy use     | tCO <sub>2</sub> -e | 13,560  | 10,303  |

### Waste Disposal by destination

| Description                                  | Unit of measure     | 2021-22 | 2020-21 |
|--|---------------------|---------|---------|
| Landfill waste                               | kg                  | 656,297 | 414,768 |
| Commingled recycling                         | kg                  | 242,861 | 199,960 |
| Total waste                                  | kg                  | 899,158 | 614,728 |
| Recycling rate                               | %                   | 27.01%  | 32.53%  |
| Greenhouse gas emissions from landfill waste | tCO <sub>2</sub> -e | 1,050   | 663.63  |

### Paper usage

| Indicator                 | Unit of measure | 2021-22      | 2020-21      |
|---------------------------|-----------------|--------------|--------------|
| 0-49% recycled            | A4 ream         | 2,281        | 1,719        |
| 75-100% recycled          | A4 ream         | 5,369        | 5,385        |
| <b>Total</b>              | <b>A4 ream</b>  | <b>7,650</b> | <b>7,104</b> |
| Paper consumption per FTE | A4 ream per FTE | 1.70         | 1.67         |



## Office-based environmental impacts (continued)

### Water usage

| Description               | Unit of measure | 2021-22 | 2020-21 |
|---------------------------|-----------------|---------|---------|
| Total metered consumption | kL              | 37,971  | 35,858  |
| Water consumption per FTE | kL per FTE      | 8.4     | 8.4     |

### Vehicle transport

| Description                                     | Unit of measure     | 2021-22  | 2020-21  |
|---|---------------------|----------|----------|
| Fuel consumption (diesel)*                      | GJ                  | 68,426   | 30,790   |
| Fuel consumption (unleaded)                     | GJ                  | 11,765   | 10,035   |
| Fuel consumption (biodiesel)**                  | GJ                  | 12,299   | 4,209    |
| Fuel consumption (E10)                          | GJ                  | 101      | NA       |
| Fuel consumption (LPG)                          | GJ                  | 14       | 15       |
| Total fuel consumption                          | GJ                  | 92,606   | 45,048   |
| Fuel consumption per FTE                        | GJ per FTE          | 20.5     | 10.6     |
| Greenhouse gas emissions from vehicle transport | tCO <sub>2</sub> -e | 5,624    | 2,849    |
| - diesel  | tCO <sub>2</sub> -e | 4,817.90 | 2,167.96 |
| - unleaded                                      | tCO <sub>2</sub> -e | 795.55   | 678.54   |
| - biodiesel                                     | tCO <sub>2</sub> -e | 3.27     | 1.12     |
| - E10   | tCO <sub>2</sub> -e | 6.17     | NA       |
| - LPG   | tCO <sub>2</sub> -e | 0.85     | 0.91     |

\* 2020-21 transitional year not including former CFA fleet

\*\* 2021-22 part year due to former CFA fleet transition

## Air travel

| Description                              | Unit of measure     | 2021–22 | 2020–21 |
|--|---------------------|---------|---------|
| Total distance travelled                 | kilometres          | 479,446 | 45,057  |
| Greenhouse gas emissions from air travel | tCO <sub>2</sub> -e | 119.29  | 11.98   |

## Marine operations

| Description                                     | Unit of measure     | 2021–22 | 2020–21 |
|---|---------------------|---------|---------|
| Total fuel consumption                          | GJ                  | 1,100   | 940     |
| Greenhouse gas emissions from marine operations | tCO <sub>2</sub> -e | 76.28   | 65.68   |

## Greenhouse gas emissions

| Description   | Unit of measure     | 2021–22 | 2020–21 |
|---|---------------------|---------|---------|
| Electricity use   | tCO <sub>2</sub> -e | 12,448  | 9,117   |
| Gas use   | tCO <sub>2</sub> -e | 1,112   | 1,186   |
| Vehicle transport   | tCO <sub>2</sub> -e | 5,624   | 2,849   |
| Air travel  | tCO <sub>2</sub> -e | 119.29  | 11.98   |
| Marine operations   | tCO <sub>2</sub> -e | 76.28   | 65.68   |
| Total GHG emissions from these sources                    | tCO <sub>2</sub> -e | 19,379  | 13,217  |
| Total GHG emissions reductions from green power purchases | tCO <sub>2</sub> -e | 0       | -7      |

### Explanatory notes:

1. Organisational boundary: FRV determines its reporting boundary applying the operational control approach as defined in the Greenhouse Gas Protocol Corporate Standard. The environmental data has been collected for all operations and assets, including owned and leased premises (such as fire stations, offices, workshops, warehouses, training centres and other facilities), fleet, and equipment over which FRV has operational control. Former CFA environmental data is integrated into the annual environmental reporting for the first time. This information was not included in the 2020–21 Annual Report as the property transfers from CFA to FRV were still in progress on 30 June 2021.
2. Reporting period: July 2021 to June 2022. The dataset for the 2021–22 financial year consists of actuals for 11 months between July 2021 and May 2022, and estimates for June 2022 which were based on data from previous years, monthly averages, or other appropriate methods.
3. Data coverage and quality: FRV undertakes reasonable efforts to collect, accurate and complete as possible, environmental data for its operations and assets. Nevertheless, not all required performance data is available, which is:
  - For the leased sites where FRV pays outgoings according to the agreed shared tenancy arrangement, utility invoices are prepared by and obtained from the landlords or their agents. In the case of any missing invoices, monthly averages were used as estimates.
  - Refuelling data for fireboats is no longer available at the Queenscliff Harbour fuel wharf due to operational changes. Therefore, the previous financial year's data was used as an estimate.
  - For the limited number of sites that are co-located with another Victorian Government entity, the entity who is the owner or primary lessee is responsible for the annual environmental reporting for the building complex.
  - For certain sites where waste collection services are partially or fully provided by the local councils, the general waste and recycling data for council bins is unavailable. A detailed survey of the council bins provision and setup at these sites will be scheduled in the next reporting period.

## Statement of availability of other information

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:
  - consultants/contractors engaged
  - services provided
  - 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

## Financial Management Compliance Attestation Statement

I, Gavin Freeman (Acting Fire Rescue Commissioner), certify that Fire Rescue Victoria has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



**Gavin Freeman**  
Acting Fire Rescue Commissioner  
Fire Rescue Victoria  
1 December 2022

## Compliance with DataVic Access Policy

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, FRV made 10 data sets available on the DataVic website in 2021–22. Information included in this Annual Report will also be available at [www.data.vic.gov.au](http://www.data.vic.gov.au) in electronic readable format.





# 5. Management discussion and analysis

## Executive summary

The 2021–22 financial year recorded a net result of \$132.5 million deficit which compares to the \$34.4 million surplus in the 2020–21 financial year. The comprehensive result was a deficit of \$132.5 million, compared to the \$157.8 million surplus for the previous financial year. Prior year included asset revaluation gains of \$123.5 million. The major impacts have come from the flow through of expenditure related to the FRV transition and the delay of programs in 2020–21 which have now been realised in the 2021–22 financial year.

## Comprehensive operating statement

### Total income

Income from transactions increased by \$1.8 million (0.2 per cent) to \$919.7 million primarily related to increased sales of services in false alarm charges of \$5.4 million, increased income from other services of \$4.8 million, and workers compensation recovered from WorkCover of \$2.2 million. These increases were offset by a reduction in receipts of \$10.7 million, primarily associated with the government funding related to year 2 of FRV transition support (2020–21 \$33.0 million, 2021–22 \$18.6 million).

### Total expenses and other economic flows

Expenses from transactions increased by \$143.8 million (15.6 per cent) to \$1,062 million. The main cause of the increase was employee expenses which increased by \$86.2 million to \$842.4 million; of this increase \$60.3 million primarily relates to increased salaries and overtime related to an increase in staffing due to the impacts of the FRV transition.

In addition to employee expenses there have been significant increases in depreciation (\$21.4 million) impacted by transferred assets from CFA having different asset life cycles from FRV, they have now been aligned which has led to the increase in depreciation. Other operating expenses have also increased considerably from \$104.0 million to \$137.7 million an increase of 32.4 per cent with the main areas being information technology (\$5.1 million), plant and equipment maintenance (\$4.5 million), uniforms (\$12.4 million), motor vehicle fuel and maintenance (\$2.5 million), training and development (\$3.4 million) and consultants (\$2.2 million).

Included in the net result, is other economic flow gain of \$9.8 million. This comprised other economic flows net loss on financial instruments of \$13.1 million resulting from the revaluation of financial assets at fair value; as well as a net gain of \$19.1 million reflecting a revaluation of employee leave liabilities to present value due to increased discount rate movements.

When accounting for the net other economic flows gain of \$9.8 million and the net operating balance result of \$145.3 million deficit, the overall net comprehensive result is \$132.5 million deficit.

## 4. Balance sheet

### Assets

Total assets as at 30 June 2022 were \$1,416.5 million compared to the previous year \$1,526.0 million, a decrease of \$109.5 million. The main reason for the decrease was a net reduction in cash and deposits and investments of \$125.6 million due to withdrawals to fund operations.

The investments on 30 June 2022 totalled \$87.8 million. The return is recorded in the operating statement as investment distributions \$5.4 million and an unrealised loss of \$12.8 million as the portfolio is valued to market value. The unrealised loss is recorded in the other economic flows in the operating statement.

### Liabilities

Total liabilities as at 30 June 2022 were \$369.5 million compared to 30 June 2021 of \$362.8 million, an increase of \$6.7 million, of which \$7.0 million relates to employee related provisions because of wage increases, wage inflation and discount rate changes.

### Equity

The net worth of FRV as at 30 June 2022 is \$1,046.9 million which represents 73.9 per cent equity over total assets controlled by the organisation.

# Declaration to the Financial Statements

---

The attached financial statements for 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 (AAS) 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 2022 and financial position of FRV at 30 June 2022.

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 23 November 2022.



**Gavin Freeman**  
Acting Fire Rescue Commissioner  
Fire Rescue Victoria  
Melbourne  
23 November 2022



**Marina Perri**  
Chief Financial Officer  
Fire Rescue Victoria  
Melbourne  
23 November 2022



Victorian Auditor-General's Office

# Independent Auditor's Report

## *To the Commissioner of Fire Rescue Victoria*

|   |  |
|---|--|
| <b>Opinion</b>  | <p>I have audited the financial report of Fire Rescue Victoria which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2022</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• declaration in the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of Fire Rescue Victoria as at 30 June 2022 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>                     |
| <b>Basis for opinion</b>  | <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> |
| <b>The Commissioner's responsibilities for the financial report</b> | <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>  |

---

**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.

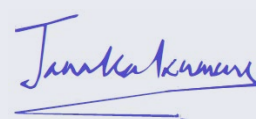
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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  
25 November 2022



Janaka Kumara  
*as delegate for the Auditor-General of Victoria*



# 6. Financial Report

## Report Structure

The Fire Rescue Commissioner of Fire Rescue Victoria (FRV) presents its audited general purpose financial statements for the financial year ended 30 June 2022 in the following structure to provide users with the information about FRV's stewardship of resources entrusted to it.

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|  | Statement of changes in equity  | 113        |
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|  | 3.1 Expenses incurred in delivery of services   | 121        |
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|  | 3.3 Contract services with State Government entities  | 124        |
|  | 3.4 Other operating expenses  | 125        |
|  | <b>4. Key assets available to support output delivery</b>   | <b>126</b> |
|  | Land, property, investment properties, intangible assets, investments accounted for using the equity method, investments and other financial assets, and acquisition and disposal of entities |            |
|  | 4.1 Total property, plant and equipment   | 126        |
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|  | <b>5. Other assets and liabilities</b>  | <b>133</b> |
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|  |                             |  |            |
|--|-----------------------------|--|------------|
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# Comprehensive Operating Statement<sup>(i)</sup>

For the financial year ended 30 June 2022

|  | Notes | 2022             | (\$ thousand)<br>2021 |
|--|-------|------------------|-----------------------|
| <b>Continuing operations</b>                                   |       |                  |                       |
| <b>Revenue and income from transactions</b>                    |       |                  |                       |
| Grants   | 2.2   | 848,944          | 859,629               |
| Sale of goods and services and statutory income                | 2.3.1 | 48,163           | 41,044                |
| Interest   | 2.3.2 | 980              | 516                   |
| Investment distributions                                       | 2.3.3 | 5,422            | 3,359                 |
| Other income   | 2.3.6 | 16,216           | 13,362                |
| <b>Total revenue and income from transactions</b>              |       | <b>919,725</b>   | <b>917,910</b>        |
| <b>Expenses from transactions</b>                              |       |                  |                       |
| Employee expenses  | 3.2.1 | 842,355          | 756,202               |
| Depreciation   | 4.1.2 | 54,798           | 33,403                |
| Contract services with State Government entities               | 3.3   | 27,136           | 24,663                |
| Other operating expenses                                       | 3.4   | 137,758          | 103,976               |
| <b>Total expenses from transactions</b>                        |       | <b>1,062,047</b> | <b>918,244</b>        |
| <b>Net result from transactions (net operating balance)</b>    |       | <b>(142,322)</b> | <b>(334)</b>          |
| <b>Other economic flows included in net result</b>             |       |                  |                       |
| Net gain/(loss) on non financial assets <sup>(ii)</sup>        | 8.2   | 3,903            | (562)                 |
| Net gain/(loss) on financial instruments <sup>(iii)</sup>      | 8.2   | (13,151)         | 9,691                 |
| Other gains/(losses) from other economic flows                 | 8.2   | 19,080           | 25,571                |
| <b>Total other economic flows included in net result</b>       |       | <b>9,832</b>     | <b>34,700</b>         |
| <b>Net result</b>  |       | <b>(132,490)</b> | <b>34,366</b>         |
| <b>Other economic flows – other comprehensive income:</b>      |       |                  |                       |
| <b>Items that will not be reclassified to net result</b>       |       |                  |                       |
| Changes in physical asset revaluation surplus                  | 4.1.4 | -                | 123,487               |
| <b>Total other economic flows – other comprehensive income</b> |       | <b>-</b>         | <b>123,487</b>        |
| <b>Comprehensive result</b>                                    |       | <b>(132,490)</b> | <b>157,853</b>        |

The accompanying notes form part of these financial statements.

Notes:

- (i) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.
- (ii) '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.
- (iii) '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.

## Balance Sheet<sup>(i)</sup>

As at 30 June 2022

|  | Notes | 2022             | (\$ thousand)<br>2021 |
|--|-------|------------------|-----------------------|
| <b>Assets</b>                          |       |                  |                       |
| <b>Financial assets</b>                |       |                  |                       |
| Cash and deposits                      | 6.3   | 148,349          | 266,831               |
| Receivables                            | 5.1   | 23,234           | 23,044                |
| Investments and other financial assets | 4.4   | 87,836           | 95,172                |
| <b>Total financial assets</b>          |       | <b>259,419</b>   | <b>385,047</b>        |
| <b>Non-financial assets</b>            |       |                  |                       |
| Inventories                            | 5.3   | 2,567            | 2,117                 |
| Property, plant and equipment          | 4.1   | 1,085,137        | 1,069,247             |
| Investment properties                  | 4.2   | 46,382           | 43,458                |
| Intangible assets                      | 4.3   | 10,105           | 14,637                |
| Prepayments                            |       | 12,854           | 11,477                |
| <b>Total non-financial assets</b>      |       | <b>1,157,045</b> | <b>1,140,936</b>      |
| <b>Total assets</b>                    |       | <b>1,416,464</b> | <b>1,525,983</b>      |
| <b>Liabilities</b>                     |       |                  |                       |
| Payables                               | 5.2   | 44,025           | 49,026                |
| Borrowings                             | 6.1   | 16,721           | 12,016                |
| Employee related provisions            | 3.2.2 | 308,247          | 301,225               |
| Other liabilities                      |       | 541              | 535                   |
| <b>Total liabilities</b>               |       | <b>369,534</b>   | <b>362,802</b>        |
| <b>Net assets</b>                      |       | <b>1,046,930</b> | <b>1,163,181</b>      |
| <b>Equity</b>                          |       |                  |                       |
| Accumulated surplus                    |       | 27,519           | 160,009               |
| Physical asset revaluation surplus     | 8.9   | 584,847          | 584,847               |
| Contributed capital                    |       | 434,564          | 418,325               |
| <b>Net worth</b>                       |       | <b>1,046,930</b> | <b>1,163,181</b>      |

The accompanying notes form part of these financial statements.

Notes:

(i) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.



## Cash flow statement<sup>(i)</sup>

For the financial year ended 30 June 2022

|  | Notes | 2022               | (\$ thousand)<br>2021 |
|--|-------|--------------------|-----------------------|
| <b>Cash flows from operating activities</b>  |       |                    |                       |
| <b>Receipts</b>  |       |                    |                       |
| Receipts from government   |       | 848,593            | 863,750               |
| Receipts from other entities   |       | 69,999             | 51,435                |
| Interest received  |       | 978                | 514                   |
| Investment distributions received <sup>(ii)</sup>  |       | 5,422              | 3,360                 |
| Goods and Services Tax recovered from the ATO <sup>(iii)</sup>                           |       | 15,616             | 13,984                |
| <b>Total receipts</b>  |       | <b>940,608</b>     | <b>933,043</b>        |
| <b>Payments</b>  |       |                    |                       |
| Payments to suppliers and employees  |       | (1,004,492)        | (885,171)             |
| <b>Total payments</b>  |       | <b>(1,004,492)</b> | <b>(885,171)</b>      |
| <b>Net cash flows from/(used in) operating activities</b>                                | 6.3.1 | <b>(63,884)</b>    | <b>47,872</b>         |
| <b>Cash flows from investing activities</b>  |       |                    |                       |
| Payments for investments <sup>(iv)</sup>   |       | (5,422)            | (3,359)               |
| Purchases of non financial assets  |       | (49,544)           | (20,005)              |
| Proceeds from sale of non financial assets   |       | 454                | 402                   |
| <b>Net cash flows from/(used in) investing activities</b>                                |       | <b>(54,512)</b>    | <b>(22,962)</b>       |
| <b>Cash flows from financing activities</b>  |       |                    |                       |
| Owner contributions by State Government – appropriation for capital expenditure purposes |       | 3,160              | 6,715                 |
| Cash received from CFA for activities transferred in <sup>(v)</sup>                      |       | 724                | 186,842               |
| Repayment of borrowings and principal portion of lease liabilities <sup>(vi)</sup>       |       | (3,970)            | (2,765)               |
| <b>Net cash flows from/(used in) financing activities</b>                                |       | <b>(86)</b>        | <b>190,792</b>        |
| <b>Net increase / (decrease) in cash and cash equivalents</b>                            |       | <b>(118,482)</b>   | <b>215,702</b>        |
| Cash and cash equivalents at beginning of financial year                                 |       | 266,831            | 51,129                |
| <b>Cash and cash equivalents at end of financial year</b>                                | 6.3   | <b>148,349</b>     | <b>266,831</b>        |

The accompanying notes form part of these financial statements.

Notes:

- (i) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.
- (ii) 'Investment distributions received' is recognised as cash flow from operating activities.
- (iii) Goods and services tax paid to and recovered from the ATO is presented on a net basis.
- (iv) Proceeds from sales of investments and payments for investments relate to the managed investment portfolio.
- (v) Cash transfers from CFA in 2022 are transfers of unspent capital funding; in prior year the funding was primarily for employee provisions and on costs and unspent funding transfer for capital and operating projects transitioned to FRV.
- (vi) 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<sup>(i)</sup>

For the financial year ended 30 June 2022

|   | Notes | Physical asset<br>revaluation<br>surplus | Accumulated<br>surplus | Contributed<br>capital | Total            |
|---|-------|--|------------------------|------------------------|------------------|
| <b>Balance at 1 July 2020</b>   |       | <b>461,360</b>                           | <b>125,643</b>         | <b>131,689</b>         | <b>718,692</b>   |
| Net result for the year   |       | -  | 34,366                 | -                      | 34,366           |
| Transfer to contributed capital <sup>(ii)</sup>                                 |       | -  | -                      | 6,715                  | 6,715            |
| Machinery of Government administrative<br>change – net assets received from CFA | 8.3   | -  | -                      | 279,921                | 279,921          |
| Other comprehensive income for the year   | 8.9   | 123,487                                  | -                      | -                      | 123,487          |
| <b>Balance at 30 June 2021</b>  |       | <b>584,847</b>                           | <b>160,009</b>         | <b>418,325</b>         | <b>1,163,181</b> |
| <b>Balance at 1 July 2021</b>   |       | <b>584,847</b>                           | <b>160,009</b>         | <b>418,325</b>         | <b>1,163,181</b> |
| Net result for the year   |       | -  | (132,490)              | -                      | (132,490)        |
| Transfer to contributed capital <sup>(ii)</sup>                                 |       | -  | -                      | 3,160                  | 3,160            |
| Machinery of Government administrative<br>change – net assets received from CFA | 8.3   | -  | -                      | 13,079                 | 13,079           |
| Other comprehensive income for the year   | 8.9   | -  | -                      | -                      | -                |
| <b>Balance at 30 June 2022</b>  |       | <b>584,847</b>                           | <b>27,519</b>          | <b>434,564</b>         | <b>1,046,930</b> |

The accompanying notes form part of these financial statements.

Notes:

- (i) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting.
- (ii) State Government funding towards non-financial asset acquisitions.

## 1. About this report

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FRV is a modern fire and rescue service that meets the needs of twenty-first century Victoria. FRV serves and protects communities across Melbourne and Victoria's major regional centres. The new organisation was established on 1 July 2020 as part of **Victoria's Fire Services Reforms**. FRV is a statutory authority established by the *Fire Rescue Victoria Act 1958*. 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.

Its principal address is:

**Fire Rescue Victoria**  
**456 Albert Street**  
**East Melbourne VIC 3002**

The annual financial statements represent the audited general purpose financial statements of FRV for the year ended 30 June 2022. The purpose of the report is to provide users with information about FRV's stewardship of resources entrusted to it.

### Basis of preparation

These financial statements are presented in Australian dollars and prepared in accordance with the historical cost convention unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis. The exceptions to the historical cost convention are:

- Revaluation
  - Land and buildings
  - Vehicles
  - Investment Property
  - Investments
- Liabilities
  - employee related provisions

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.

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Revisions to accounting estimates have been 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 relate to:

- Revaluation
  - Land and buildings are measured initially at historical cost and are subject to annual revaluation review by applying land and building indices published by Valuer-General Victoria. Material movements in a class are accounted for in the financial statements and full land and building revaluations are accounted for on a designated five-year cycle.
  - Vehicles are subject to annual revaluation review using current replacement cost method. Material movements in a class are accounted for in the financial statements and vehicle revaluations are accounted for on a designated five-year cycle.
  - Investment Property. Investment properties are adjusted annually by applying land and building indices published by Valuer-General Victoria.
  - Investments. VFMC managed investments are valued at fair value as at reporting date.
  - Refer also to Note 7.3 Fair Value Determination.
- Liabilities
  - Employee related provision are measured based on prevailing salary rates and the liabilities relating to periods above one year are indexed by the wage incremental rate and discounted to present value. The wage indexation and discount rates applied are provided by the Department of Treasury and Finance (DTF).

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.

During the current and prior financial years, specified assets, liabilities and rights and obligations have transferred from Country Fire Authority (CFA) and all assets, liabilities and rights and obligations of the Metropolitan Fire and Emergency Services Board (MFB) transferred into FRV. The transfers between FRV and 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 this financial statement. Further property, plant and equipment transfers are in planning to eventuate in the 2022/2023 financial year as detailed in Note 8.3.

### Compliance information

These general-purpose financial statements have been prepared in accordance with the Financial Management Act and applicable AAS which include Interpretations, issued by the Australian Accounting Standards Board (AASB). 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 AAS 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.

### Going Concern

FRV has prepared the financial statements on a going concern basis. FRV is primarily funded through grants from the Victorian Government. FRV reported a net operating deficit of \$132.49 million for the year ended 30 June 2022, mainly due to the continuing use of its accumulated liquid funds (cash and bank balances) to support its operations as agreed with the Victorian Government.

In relation to the ongoing cost pressures in the forward years in both operating and capital funding requirements, the Minister for Emergency Services (the Minister) is required by section 130 (3)a of the *Fire Rescue Victoria Act 1958* to produce funding plans to determine the ongoing and future funding requirements of the CFA and FRV. As part of this, FRV continues to work on the Year 2 – 5 Fire Services Reform Implementation Plan to establish the funding needed in the future to manage its services. The proposed funding plans, currently being developed, consist of an initial two-year funding plan and a longer-term funding plan. The Victorian Government will support FRV in meeting its financial obligations through interim supplementation funding or the annual Victorian State budget until the finalisation of the Fire Service Reform funding plans.



## 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 FRV 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.

FRV receives income in the form of grants from the Victorian State Government through the Department of Justice and Community Safety (DJCS). The grants are significantly funded by the Fire Services Property Levy (FSPL) which is administered by the State Revenue Office. The FSPL applies to property owners, including local municipal councils who remit the levy annually to the State Revenue Office. FRV has also received market-based service fees, statutory service fees and other income as detailed in the financial statements as part of the emergency services sector.

### Structure

|     |   |     |
|-----|---|-----|
| 2.1 | Summary of revenue and income that funds the delivery of our services | 116 |
| 2.2 | Grants  | 117 |
| 2.3 | Income from transactions  | 118 |

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

|   | Notes | 2022           | (\$ thousand)<br>2021 |
|---|-------|----------------|-----------------------|
| Grants <sup>(i)</sup>                           | 2.2   | 848,944        | 859,629               |
| Sale of goods and services and statutory income | 2.3.1 | 48,163         | 41,044                |
| Interest  | 2.3.2 | 980            | 516                   |
| Investment distributions - managed investment   | 2.3.3 | 5,422          | 3,359                 |
| Other income                                    | 2.3.6 | 16,216         | 13,362                |
| <b>Total income from transactions</b>           |       | <b>919,725</b> | <b>917,910</b>        |

(i) Included in Grants is a Treasurer's advance received via the Department of Justice and Community Safety is the State Government's re-imbursment 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

|   | 2022           | (\$ thousand)<br>2021 |
|---|----------------|-----------------------|
| <b>Income recognised as income of not-for-profit entities</b> |                |                       |
| General purpose   | 847,125        | 854,816               |
| Supplementary grants  | 1,453          | 4,714                 |
| Treasurer's advance <sup>(i)</sup>                            | 366            | 99                    |
| <b>Total grants</b>   | <b>848,944</b> | <b>859,629</b>        |

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

**Grant income** of \$848.9 million (2021: \$859.6 million), including Supplementary grants of \$1.5 million (2021: \$4.7 million), and Treasurer's advance of \$0.4 million (2021: \$0.1 million) occurred 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.

### Grants recognised under AASB 1058

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, has been 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 AAS. 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
- 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.

## 2. Funding delivery of our services (continued)

### 2.3 Income from transactions

#### 2.3.1 Sales of goods and services and statutory income

|  | 2022          | (\$ thousand)<br>2021 |
|--|---------------|-----------------------|
| <b>Contractual revenue:</b>                                  |               |                       |
| Fire suppression equipment sales and servicing               | 22,539        | 22,420                |
| Road accident rescue   | 5,604         | 5,373                 |
| Charges building control audits                              | 1,920         | 1,130                 |
| Other charges for services                                   | <b>1,713</b>  | <b>1,400</b>          |
| <b>Total contractual revenue</b>                             | <b>31,776</b> | <b>30,323</b>         |
| <b>Statutory income:</b>                                     |               |                       |
| False alarm charges  | 15,400        | 9,981                 |
| Hazardous materials  | 987           | 740                   |
| <b>Total statutory income</b>                                | <b>16,387</b> | <b>10,721</b>         |
| <b>Total sale of goods and services and statutory income</b> | <b>48,163</b> | <b>41,044</b>         |

### Revenue Recognition

#### Contractual Revenue

Contractual revenue is accounted according to AASB 15 Revenue from contracts with customers, accordingly revenue is recognised when the contract performance obligations are met and the goods or services is transferred to the customer and FRV has a present right to payment. Revenue from the rendering of fire suppression equipment sales and servicing 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.

Infrequently there may be a change in the scope of services provided, in such cases, 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; historically customer returns are insignificant in volume and amount.

Fire suppression equipment sales may include provision for advance consideration. 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 are satisfied but not yet billed, a contract asset is recorded (Note 5.1).

Road Accident Rescue revenue is determined under an agreement between FRV and the Transport Accident Commission (TAC); the agreement requires FRV to provide responsive road accident rescue services for the annual period. In providing this service an obligation is created over the period of the agreement to attend road incidents and stand ready to attend such incidents. Revenue is fully accounted within the reporting period on a monthly basis.

Building Control Audit services, which generally are accompanied by a formal report, and other charges for services revenue is recognised when the contract performance obligations are met and the service is transferred to the customer.

## Statutory Income

### False alarm and hazardous materials charges

False alarm and hazardous material charges are statutory charges. The income is recognised upon FRV's final determination that a charge is to be applied subsequent to consideration of related submissions that may be received detailing specific circumstances. FRV when reviewing the incident may determine that a reduction may apply prior to a final determination.

### 2.3.2 Interest Income

|   | 2022       | (\$ thousand)<br>2021 |
|---|------------|-----------------------|
| <b>Interest from financial assets not at fair value through profit and loss</b>       |            |                       |
| Interest on bank deposits   | 980        | 516                   |
| <b>Total interest from financial assets not at fair value through profit and loss</b> | <b>980</b> | <b>516</b>            |

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 was 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 has been accounted upon declaration and credit of the distribution to the investment account. As at 30 June 2022, FRV had investment distributions of \$5.4 million (2021: \$3.4 million).

### 2.3.4 Fair value of financial instruments

Where 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 has been measured using valuation techniques. The inputs to these techniques were taken from observable markets where possible, but where it is not feasible, a degree of judgement has been exercised in establishing fair values.

The investment portfolios were valued to fair market value periodically and as at 30 June 2022 resulted 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 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. Funding delivery of our services (continued)

### 2.3.5 Fair value of assets and services receive 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 have been 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 \$1.6 million (2021: \$2.7 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 had not been met.

The free of charge value of services from prior year has decreased this is primarily due to the measurement approach being based on actual data. In 2020-21, the transition post Fire Services Reform meant that some of this information was not easily available for the full year and the assumption of true and fair at the time was made to perform this calculation.

**Voluntary Services:** Contributions in the form of services have only been recognised in the instances where a fair value could be reliably determined and the services would have been purchased if not donated. FRV proudly works with the CFA, which is a community-based volunteer fire service.

### 2.3.6 Other income

|  | 2022          | (\$ thousand)<br>2021 |
|--|---------------|-----------------------|
| Workers compensation recovered from workcover        | 11,618        | 9,420                 |
| Discount received – workcover premium                | -             | 1,421                 |
| Rental income – investment properties <sup>(i)</sup> | 233           | 179                   |
| Other miscellaneous income                           | 4,365         | 2,342                 |
| <b>Total other income</b>                            | <b>16,216</b> | <b>13,362</b>         |

(i) Investment properties are reported in Note 4.2.

**Rental income** from leasing of investment properties which are operating leases have been 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, by 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** have been recognised when an invoice is issued, which establishes the entitlement to payment.

## 3. The cost of delivering our 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        | 121 |
| 3.2 | Employee benefit expenses                        | 121 |
| 3.3 | Contract services with State Government entities | 124 |
| 3.4 | Other operating expenses                         | 125 |

### 3.1 Expenses incurred in delivery of services

|  | Notes | 2022             | (\$ thousand)<br>2021 |
|--|-------|------------------|-----------------------|
| Employee benefit expenses                              | 3.2   | 842,355          | 756,202               |
| Depreciation and amortisation                          | 4.1.2 | 54,798           | 33,403                |
| Contract services with State Government entities       | 3.3   | 27,136           | 24,663                |
| Other operating expenses                               | 3.4   | 137,758          | 103,976               |
| <b>Total expenses incurred in delivery of services</b> |       | <b>1,062,047</b> | <b>918,244</b>        |

### 3.2 Employee benefit expenses

#### 3.2.1 Employee benefits in the comprehensive operating statement

|   | 2022           | (\$ thousand)<br>2021 |
|---|----------------|-----------------------|
| Salaries and wages, annual leave and long service leave | 564,092        | 528,104               |
| Overtime  | 96,095         | 71,813                |
| Defined benefit superannuation expense                  | 45,128         | 44,287                |
| Defined contribution superannuation expense             | 12,858         | 8,055                 |
| Movement in employee leave benefit provisions           | 30,538         | 32,817                |
| Payroll tax   | 37,786         | 31,560                |
| WorkCover   | 34,228         | 20,980                |
| Travelling/meal allowance                               | 16,604         | 15,044                |
| Relocation expenses                                     | 2,436          | 963                   |
| Fringe benefits tax                                     | 2,590          | 2,579                 |
| <b>Total employee expenses</b>                          | <b>842,355</b> | <b>756,202</b>        |

### 3. The cost of delivering our services (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, 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 \$60.3 million (2021: \$81.2 million) 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 \$1.6 million (2021: \$2.7 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 have been 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.

#### 3.2.2 Employee benefits in the balance sheet

Provision has been 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.

|   | 2022           | (\$ thousand)<br>2021 |
|---|----------------|-----------------------|
| <b>Current provisions:</b>                                |                |                       |
| <i>Annual leave</i>                                       |                |                       |
| Unconditional and expected to settle within 12 months     | 61,930         | 58,880                |
| Unconditional and expected to settle after 12 months      | 45,460         | 41,924                |
| <i>Accrued leave</i>                                      |                |                       |
| Unconditional and expected to settle within 12 months     | 1,583          | 1,402                 |
| Unconditional and expected to settle after 12 months      | 11,327         | 10,736                |
| <i>Long service leave</i>                                 |                |                       |
| Unconditional and expected to settle within 12 months     | 9,937          | 10,660                |
| Unconditional and expected to settle after 12 months      | 110,449        | 116,162               |
| <i>Provisions for on costs</i>                            |                |                       |
| Unconditional and expected to settle within 12 months     | 14,321         | 12,954                |
| Unconditional and expected to settle after 12 months      | 35,426         | 31,035                |
| <b>Total current provisions for employee benefits</b>     | <b>290,433</b> | <b>283,753</b>        |
| <b>Non current provisions:</b>                            |                |                       |
| Long service leave  | 14,536         | 14,684                |
| On costs  | 3,278          | 2,788                 |
| <b>Total non-current provisions for employee benefits</b> | <b>17,814</b>  | <b>17,472</b>         |
| <b>Total provisions for employee benefits</b>             | <b>308,247</b> | <b>301,225</b>        |

## Reconciliation of movement in on-cost provision

|   | 2022          | (\$ thousand)<br>2021 |
|---|---------------|-----------------------|
| <b>Opening balance</b>  | <b>46,181</b> | <b>29,407</b>         |
| Additional provisions recognised  | 34,930        | 36,497                |
| Reductions arising from payments/other sacrifices of future economic benefits | (24,483)      | (20,359)              |
| Unwind of discount and effect of changes in the discount rate                 | (3,603)       | 636                   |
| <b>Closing balance</b>  | <b>53,025</b> | <b>46,181</b>         |
| Current   | 49,747        | 43,393                |
| Non current   | 3,278         | 2,788                 |

**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 the Comprehensive Operating Statement 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
- 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.



### 3. The cost of delivering our services (continued)

#### 3.2.3 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.

After 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 13.2 per cent (2021: 14.5 per cent) and for personnel who transitioned from CFA 12.1 per cent (2021: 12.5 per cent).

|  | Paid contribution for the year |               | Contribution outstanding at year end |              |
|--|--------------------------------|---------------|--------------------------------------|--------------|
|  | 2022                           | 2021          | 2022                                 | 2021         |
|  | (\$ thousand)                  |               |                                      |              |
| <b>Defined benefit plans<sup>(i)</sup></b> |                                |               |                                      |              |
| Emergency Services Superannuation Fund     | 43,014                         | 43,442        | 2,172                                | 1,341        |
| <b>Defined contribution plans</b>          |                                |               |                                      |              |
| Emergency Services Superannuation Fund     | 7,620                          | 4,531         | -                                    | 92           |
| Other                                      | 5,238                          | 3,385         | -                                    | 125          |
| <b>Total</b>                               | <b>55,872</b>                  | <b>51,358</b> | <b>2,172</b>                         | <b>1,558</b> |

(i) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

#### 3.3 Contract services with State Government entities

|   | (\$ thousand) |               |
|---|---------------|---------------|
|   | 2022          | 2021          |
| Department of Justice and Community Safety                            | 13,665        | 12,566        |
| Emergency Services Telecommunications Authority (ESTA) <sup>(i)</sup> | 13,283        | 11,227        |
| Other   | 188           | 870           |
| <b>Total contract services with State Government entities</b>         | <b>27,136</b> | <b>24,663</b> |

(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.

### 3.4 Other operating expenses

|   | 2022           | (\$ thousand)<br>2021 |
|---|----------------|-----------------------|
| <i>Supplies and services:</i>             |                |                       |
| Fire systems contractor services expense  | 13,828         | 13,345                |
| Property utilities, rates and maintenance | 18,092         | 17,653                |
| Information technology                    | 15,791         | 10,695                |
| Plant and equipment maintenance           | 13,302         | 8,827                 |
| Uniforms                                  | 23,423         | 11,015                |
| Motor vehicles fuel and maintenance       | 11,135         | 8,593                 |
| Supplies and consumables                  | 9,058          | 10,143                |
| Training and development                  | 8,002          | 4,554                 |
| Communications                            | 6,733          | 6,214                 |
| Legals                                    | 1,693          | 1,126                 |
| Consultants                               | 4,369          | 2,195                 |
| Insurance                                 | 1,640          | 1,462                 |
| Property leases and outgoings             | 2,429          | 1,588                 |
| Travel                                    | 1,815          | 1,244                 |
| Cost of goods sold                        | 732            | 704                   |
| Internal audit and compliance audit       | 343            | 655                   |
| Advertising and promotional activity      | 133            | 138                   |
| Other                                     | 5,240          | 3,825                 |
| <b>Total other operating expenses</b>     | <b>137,758</b> | <b>103,976</b>        |

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

**Supplies and services** have been recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution have been 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
- 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 has been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments had occurred.

## 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

|     |   |     |
|-----|---|-----|
| 4.1 | Total property, plant and equipment                   | 126 |
| 4.2 | Investment properties                                 | 131 |
| 4.3 | Intangible assets                                     | 131 |
| 4.4 | Investments and other financial assets <sup>(i)</sup> | 132 |

### 4.1 Total property, plant and equipment

|   | Gross carrying amount |                  | Accumulated depreciation |                 | Net carrying amount |                  |
|---|-----------------------|------------------|--------------------------|-----------------|---------------------|------------------|
|   |                       |                  |                          |                 | (\$ thousand)       |                  |
|   | 2022                  | 2021             | 2022                     | 2021            | 2022                | 2021             |
| Land at fair value <sup>(i)</sup>           | 463,154               | 445,804          | -                        | -               | 463,154             | 445,804          |
| Buildings at fair value <sup>(i)</sup>      | 508,464               | 477,387          | (31,064)                 | (2,022)         | 477,400             | 475,365          |
| Plant, equipment and vehicles at fair value | 193,320               | 171,159          | (72,798)                 | (50,910)        | 120,522             | 120,249          |
| Assets under construction at cost           | 24,061                | 27,829           | -                        | -               | 24,061              | 27,829           |
| <b>Net carrying amount</b>                  | <b>1,188,999</b>      | <b>1,122,179</b> | <b>(103,862)</b>         | <b>(52,932)</b> | <b>1,085,137</b>    | <b>1,069,247</b> |

(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 |                | Net carrying amount |               |
|-------------------------------|-----------------------|---------------|--------------------------|----------------|---------------------|---------------|
|                               |                       |               |                          |                | (\$ thousand)       |               |
|                               | 2022                  | 2021          | 2022                     | 2021           | 2022                | 2021          |
| Buildings at fair value       | 17,430                | 10,415        | (4,856)                  | (1,830)        | 12,574              | 8,585         |
| Plant, equipment and vehicles | 4,173                 | 3,949         | (1,299)                  | (620)          | 2,874               | 3,329         |
| <b>Net carrying amount</b>    | <b>21,603</b>         | <b>14,364</b> | <b>(6,155)</b>           | <b>(2,450)</b> | <b>15,448</b>       | <b>11,914</b> |

|                                       | Buildings     | (\$ thousand)<br>Plant, equipment and<br>vehicles at fair value |
|---------------------------------------|---------------|---|
| <b>Opening balance – 1 July 2021</b>  | <b>8,585</b>  | <b>3,329</b>  |
| Additions                             | 7,292         | 224   |
| Transfers from CFA                    | -             | -   |
| Disposals                             | (25)          | -   |
| Depreciation                          | (3,278)       | (679)   |
| <b>Closing balance – 30 June 2022</b> | <b>12,574</b> | <b>2,874</b>  |
| <b>Opening balance – 1 July 2020</b>  | <b>4,556</b>  | <b>1,498</b>  |
| Additions                             | 5,366         | 2,373   |
| Transfers from CFA                    | 41            | 12  |
| Disposals                             | -             | (12)  |
| Depreciation                          | (1,378)       | (542)   |
| <b>Closing balance – 30 June 2021</b> | <b>8,585</b>  | <b>3,329</b>  |

**Initial recognition:** Items of property, plant and equipment, have been measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset was 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 were 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 was capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

#### **Right-of-use asset acquired by lessees – 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
- any initial direct costs incurred
- 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.

#### **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.



## 4. Key assets available to support output delivery (continued)

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**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 acquires 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 that 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 primarily office space arrangements and determined there was no impairment.

#### 4.1.2 Depreciation and amortisation

##### Charge for the period<sup>(i)</sup>

|  | 2022          | (\$ thousand)<br>2021 |
|--|---------------|-----------------------|
| Buildings                                  | 29,294        | 16,325                |
| Plant, equipment and vehicles              | 22,978        | 14,903                |
| Intangible produced assets (amortisation)  | 2,526         | 2,175                 |
| <b>Total depreciation and amortisation</b> | <b>54,798</b> | <b>33,403</b>         |

(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, have been depreciated. The exceptions to this rule include items under assets held for sale, land and investment properties.

Depreciation has generally been 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)<br>Useful life: |
|-------------------------------|-------------------------|
| Buildings                     | 3-45                    |
| Heritage buildings            | 1-50                    |
| Plant, equipment and vehicles | 2-40                    |
| Right-of-use assets           | 1-6                     |

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 reflected that FRV will exercise a purchase option, FRV depreciated the right-of-use asset over its useful life.

Leasehold improvements have been 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 was not recognised in respect of these assets because their service potential had not, in any material sense, been consumed during the reporting period.

#### 4.1.3 Carrying values by purpose groups<sup>(i)</sup>

|   | (\$ thousand)    |                  |
|---|------------------|------------------|
|   | 2022             | 2021             |
| <b>Nature based classification</b>          |                  |                  |
| Land at fair value                          | 463,154          | 445,804          |
| Buildings at fair value                     | 477,400          | 475,365          |
| Plant, equipment and vehicles at fair value | 120,522          | 120,249          |
| Assets under construction at cost           | 24,061           | 27,829           |
| <b>Net carrying amount</b>                  | <b>1,085,137</b> | <b>1,069,247</b> |

(i) Property, plant and equipment are classified by the 'purpose' for which the assets are used, according to the classification of the functions of Government (COFOG). All assets in a purpose group are further sub categorised according to the asset's 'nature' (i.e., buildings, plant, etc.), with each subcategory being classified as a separate class of asset for financial reporting purposes. All FRV assets are classified in the Purpose Group "Public Order and Safety".

## 4. Key assets available to support output delivery (continued)

### 4.1.4 Reconciliation of movements in carrying amount of property, plant and equipment

| 2022   | Land at fair value | Buildings at fair value <sup>(ii)</sup> | Plant, equipment and vehicles at fair value | Assets under construction at cost <sup>(ii)</sup> | (\$ thousand)    |
|--|--------------------|---|---|---|------------------|
|  |                    |   |   |   | Total            |
| <b>Opening balance</b>                       | <b>445,804</b>     | <b>475,365</b>                          | <b>120,249</b>                              | <b>27,829</b>                                     | <b>1,069,247</b> |
| Additions                                    | 17,350             | 7,292                                   | 11,898                                      | 20,904  | 57,444           |
| Transfers from/(to) CFA                      | -                  | 8,005                                   | 5,310                                       | -   | 13,315           |
| Disposals                                    | -                  | (25)                                    | (941)                                       | (3,429)   | (4,395)          |
| Transfer in/out of assets under construction | -                  | 16,057                                  | 6,984                                       | (23,041)  | -                |
| Revaluation of PPE                           | -                  | -                                       | -   | -   | -                |
| Transfer from/(to) intangible assets         | -                  | -                                       | -   | 1,798   | 1,798            |
| Depreciation                                 | -                  | (29,294)                                | (22,978)                                    | -   | (52,272)         |
| <b>Closing balance</b>                       | <b>463,154</b>     | <b>477,400</b>                          | <b>120,522</b>                              | <b>24,061</b>                                     | <b>1,085,137</b> |

| 2021 <sup>(i)</sup>                          | Land at fair value | Buildings at fair value <sup>(ii)</sup> | Plant, equipment and vehicles at fair value <sup>(ii)</sup> | Assets under construction at cost <sup>(ii)</sup> | (\$ thousand)    |
|--|--------------------|---|---|---|------------------|
|  |                    |   |   |   | Total            |
| <b>Opening balance</b>                       | <b>370,288</b>     | <b>278,174</b>                          | <b>46,613</b>   | <b>30,550</b>                                     | <b>725,625</b>   |
| Additions                                    | -                  | 5,366                                   | 4,347   | 14,919  | 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 | -                  | 11,749                                  | 7,601   | (19,350)  | -                |
| 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)         |
| <b>Closing balance</b>                       | <b>445,804</b>     | <b>475,365</b>                          | <b>120,249</b>  | <b>27,829</b>                                     | <b>1,069,247</b> |

(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.

(ii) Values restated to accurately report direct additions and transfers from work in process.

## 4.2 Investment properties

|   | 2022          | (\$ thousand)<br>2021 |
|---|---------------|-----------------------|
| <b>Balance at beginning of financial year</b> | <b>43,458</b> | <b>41,418</b>         |
| Net gain from fair value adjustments          | 4,519         | 101                   |
| Transfers from/(to) CFA <sup>(i)</sup>        | (1,595)       | -                     |
| Transfers (from)/ to investment property      | -             | 1,939                 |
| <b>Balance at end of financial year</b>       | <b>46,382</b> | <b>43,458</b>         |

(i) Relates to Shepparton Station – Ministerial agreement to transfer back to CFA. Refer Note 8.3 Machinery of Government – Transfer Statements, Transfers to CFA from FRV.

|                                   | 2022          | (\$ thousand)<br>2021 |
|-----------------------------------|---------------|-----------------------|
| Freehold land <sup>(i)</sup>      | 45,578        | 42,674                |
| Freehold buildings <sup>(i)</sup> | 804           | 784                   |
| <b>Total</b>                      | <b>46,382</b> | <b>43,458</b>         |

(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 were initially recognised at cost. Costs incurred after initial acquisition were capitalised when it was probable that future economic benefits in excess of the originally assessed performance of the asset would flow to FRV.

After initial recognition at cost, investment properties have been 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 were 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 |              | (\$ thousand)<br>Total |                 |
|---|-------------------|-----------------|-----------------|-----------------|-----------------------------------|--------------|------------------------|-----------------|
|   | 2022              | 2021            | 2022            | 2021            | 2022                              | 2021         | 2022                   | 2021            |
| <i>Gross carrying amount</i>                                  |                   |                 |                 |                 |                                   |              |                        |                 |
| <b>Opening balance</b>  | <b>32,349</b>     | <b>26,083</b>   | <b>13,388</b>   | <b>13,388</b>   | <b>5,594</b>                      | <b>2,418</b> | <b>51,331</b>          | <b>41,889</b>   |
| Additions   | 408               | 3,530           | -               | -               | 1,304                             | 5,912        | 1,712                  | 9,442           |
| Transfers from/(to) CFA                                       | 636               | -               | -               | -               | -                                 | -            | 636                    | -               |
| Transfers (from)/to intangible assets                         | -                 | -               | -               | -               | (1,798)                           | -            | (1,798)                | -               |
| Disposals   | -                 | -               | -               | -               | (2,429)                           | -            | (2,429)                | -               |
| Transfers from construction in progress                       | 53                | 2,736           | -               | -               | (53)                              | (2,736)      | -                      | -               |
| <b>Closing balance</b>  | <b>33,446</b>     | <b>32,349</b>   | <b>13,388</b>   | <b>13,388</b>   | <b>2,618</b>                      | <b>5,594</b> | <b>49,454</b>          | <b>51,331</b>   |
| <i>Accumulated depreciation, amortisation and impairment</i>  |                   |                 |                 |                 |                                   |              |                        |                 |
| <b>Opening balance</b>  | <b>(24,504)</b>   | <b>(22,329)</b> | <b>(12,190)</b> | <b>(11,793)</b> | <b>-</b>                          | <b>-</b>     | <b>(36,694)</b>        | <b>(34,122)</b> |
| Amortisation of intangible produced assets <sup>(i)</sup>     | (2,526)           | (2,175)         | -               | -               | -                                 | -            | (2,526)                | (2,175)         |
| Amortisation of intangible non produced assets <sup>(i)</sup> | -                 | -               | (127)           | (397)           | -                                 | -            | (127)                  | (397)           |
| Disposals   | -                 | -               | -               | -               | -                                 | -            | -                      | -               |
| <b>Closing balance</b>  | <b>(27,030)</b>   | <b>(24,504)</b> | <b>(12,317)</b> | <b>(12,190)</b> | <b>-</b>                          | <b>-</b>     | <b>(39,347)</b>        | <b>(36,694)</b> |
| <b>Net book value at end of financial year</b>                | <b>6,416</b>      | <b>7,845</b>    | <b>1,071</b>    | <b>1,198</b>    | <b>2,618</b>                      | <b>5,594</b> | <b>10,105</b>          | <b>14,637</b>   |

(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.



## 4. Key assets available to support output delivery (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 the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale
- (b) an intention to complete the intangible asset and use or sell it
- (c) the ability to use or sell the intangible asset
- (d) the intangible asset will generate probable future economic benefits
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- (f) 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 three 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. As at reporting date, FRV did not hold any indefinite life intangible assets.

Annual impairment testing was undertaken to determine if any events such as policy changes, new technology, emerging systems or other issues impacted the expected future life usage of the intangible assets or anticipated potential future cash flows.

Where impairment has been indicated, the asset value was 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

|   | 2022          | (\$ thousand)<br>2021 |
|---|---------------|-----------------------|
| <b>Non current investments and other financial assets<sup>(i)</sup></b> |               |                       |
| Managed investment schemes:   |               |                       |
| Balanced fund   | 52,043        | 56,193                |
| Growth fund   | 35,793        | 38,979                |
| <b>Total non current investments and other financial assets</b>         | <b>87,836</b> | <b>95,172</b>         |
| <b>Total investments and other financial assets</b>                     | <b>87,836</b> | <b>95,172</b>         |

(i) Refer Note 7.3 for additional information on the managed investment schemes fair value measurement approach. Managed funds are created through Victorian Funds Management Corporation (VFMC).

## 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 | 133 |
| 5.2 | Payables    | 134 |
| 5.3 | Inventories | 135 |

### 5.1 Receivables

|   | 2022          | (\$ thousand)<br>2021 |
|---|---------------|-----------------------|
| <b>Contractual<sup>(i)</sup></b>                              |               |                       |
| Sale of goods and services                                    | 7,846         | 4,644                 |
| Other receivables   | 7,005         | 11,421                |
| Allowance for impairment losses of contractual receivables    | (331)         | (118)                 |
| <b>Statutory<sup>(i)</sup></b>                                |               |                       |
| GST input tax credit recoverable                              | 3,379         | 2,108                 |
| Amounts owing from State Revenue Office                       | 453           | 453                   |
| Amounts owing from Department of Justice and Community Safety | 366           | 15                    |
| Regulatory fees charges                                       | 4,973         | 4,880                 |
| Allowance for impairment losses of statutory receivables      | (457)         | (359)                 |
| <b>Total receivables</b>                                      | <b>23,234</b> | <b>23,044</b>         |
| <i>Represented by:</i>  |               |                       |
| Current receivables   | 21,222        | 20,665                |
| Non-current receivables                                       | 2,012         | 2,379                 |

(i) Allowance for impairment losses in financial year 2020–21 has been separated into contractual and statutory.

**Contractual receivables** are classified as financial instruments and categorised as 'financial assets at amortised costs'. Sales of goods and services receivables are measured at transaction price, other receivables are recognised at fair value. FRV held the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured these 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.

## 5. Other assets and liabilities (continued)

### 5.2 Payables

|  | 2022          | (\$ thousand)<br>2021 |
|--|---------------|-----------------------|
| <b>Contractual</b>                         |               |                       |
| Supplies and services                      | 24,810        | 12,215                |
| Amounts payable to government and agencies | 3,028         | 14,002                |
| Accrued employee costs                     | 6,712         | 14,003                |
| Other payables                             | 2,694         | 2,692                 |
| <b>Statutory</b>                           |               |                       |
| FBT payable                                | 719           | 605                   |
| PAYG tax payable                           | 2,370         | 2,138                 |
| Payroll tax payable                        | 3,692         | 3,371                 |
| <b>Total payables</b>                      | <b>44,025</b> | <b>49,026</b>         |
| <i>Represented by:</i>                     |               |                       |
| Current payables                           | 44,025        | 49,026                |
| 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:** Recognised and measured similarly to contractual payables but have not been classified as financial instruments and have not been included in the category of financial liabilities at amortised cost, because they did not arise from contracts.

Payables for supplies and services have an average credit period of 30 days. No interest was 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 agreements and as they are not legislative payables, they have not been classified as financial instruments.

### 5.2.1 Maturity analysis of contractual payables<sup>(i)</sup>

|  | Carrying amount | Nominal amount | Less than 1 month | (\$ thousand)<br>Maturity dates |                   |
|--|-----------------|----------------|-------------------|---------------------------------|-------------------|
|  |                 |                |                   | 1 - 3 months                    | 3 months - 1 year |
| <b>2022</b>                                |                 |                |                   |                                 |                   |
| Supplies and services                      | 24,810          | 24,810         | 23,330            | 1,055                           | 425               |
| Amounts payable to government and agencies | 3,028           | 3,028          | 464               | 150                             | 2,414             |
| Accrued employee costs                     | 6,712           | 6,712          | 6,712             | -                               | -                 |
| Other payables                             | 2,694           | 2,694          | 2,694             | -                               | -                 |
| <b>Total</b>                               | <b>37,244</b>   | <b>37,244</b>  | <b>33,200</b>     | <b>1,205</b>                    | <b>2,839</b>      |
| <b>2021</b>                                |                 |                |                   |                                 |                   |
| 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             | -                               | -                 |
| <b>Total</b>                               | <b>42,912</b>   | <b>42,912</b>  | <b>40,897</b>     | <b>1,066</b>                    | <b>949</b>        |

(i) Maturity analysis is presented using the contractual undiscounted cash flows.

### 5.3 Inventories

|                                   | 2022         | (\$ thousand)<br>2021 |
|-----------------------------------|--------------|-----------------------|
| <b>Current inventories</b>        |              |                       |
| Supplies and consumables: at cost | 2,576        | 2,161                 |
| <b>Total current inventories</b>  | <b>2,576</b> | <b>2,161</b>          |
| Loss of service potential         | (9)          | (44)                  |
| <b>Total inventories</b>          | <b>2,567</b> | <b>2,117</b>          |

Inventories were recorded at cost upon receipt and then measured based on weighted average cost.

Inventory has been assessed regularly for obsolescence and carrying values adjusted where applicable.

Technical obsolescence occurs when an item still functions for some or all 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.



## 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

|     |                                    |     |
|-----|------------------------------------|-----|
| 6.1 | Borrowings                         | 136 |
| 6.2 | Leases                             | 137 |
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### 6.1 Borrowings

|                                     | 2022          | (\$ thousand)<br>2021 |
|-------------------------------------|---------------|-----------------------|
| <b>Current borrowings</b>           |               |                       |
| Advances from government(i)         | 238           | 238                   |
| Lease liabilities(ii)               | 4,144         | 2,251                 |
| <b>Total current borrowings</b>     | <b>4,382</b>  | <b>2,489</b>          |
| <b>Non current borrowings</b>       |               |                       |
| Advances from government(i)         | -             | 238                   |
| Lease liabilities(ii)               | 12,339        | 9,289                 |
| <b>Total non current borrowings</b> | <b>12,339</b> | <b>9,527</b>          |
| <b>Total borrowings</b>             | <b>16,721</b> | <b>12,016</b>         |

(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

| 2022                     | Carrying amount | Nominal amount | Less than 1 month | 1 - 3 months | (\$ thousand)<br>Maturity dates |               |
|--------------------------|-----------------|----------------|-------------------|--------------|---------------------------------|---------------|
|                          |                 |                |                   |              | 3 months - 1 year               | 1 - 5 years   |
| Advances from government | 238             | 238            | 238               | -            | -                               | -             |
| Lease liabilities        | 16,483          | 14,326         | 196               | 611          | 2,888                           | 10,631        |
| <b>Total</b>             | <b>16,721</b>   | <b>14,564</b>  | <b>434</b>        | <b>611</b>   | <b>2,888</b>                    | <b>10,631</b> |
| <b>2021</b>              |                 |                |                   |              |                                 |               |
| Advances from government | 476             | 476            | -                 | -            | 238                             | 238           |
| Lease liabilities        | 11,540          | 11,971         | 224               | 395          | 1,802                           | 9,550         |
| <b>Total</b>             | <b>12,016</b>   | <b>12,447</b>  | <b>224</b>        | <b>395</b>   | <b>2,040</b>                    | <b>9,788</b>  |

## Interest expense

|                               | 2022       | (\$ thousand)<br>2021 |
|-------------------------------|------------|-----------------------|
| Interest on lease liabilities | 255        | 176                   |
| <b>Total interest expense</b> | <b>255</b> | <b>176</b>            |

'Interest expense' includes costs incurred in connection with the borrowing of funds and includes interest component of lease repayments.

Interest expense has been recognised in the period in which it is incurred.

## 6.2 Leases

Information about leases for which FRV was a lessee is presented below.

### FRV'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.

On 30 June 2022, FRV commitments for short-term leases were immaterial.

### Leases at significantly below-market terms and conditions

FRV leases five fire station sites that range from an annual lease 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 \$30,000 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 Comprehensive Operating Statement

The following amounts are recognised in the Comprehensive Operating Statement relating to leases:

|   | 2022         | (\$ thousand)<br>2021 |
|---|--------------|-----------------------|
| Interest expense on lease liabilities <sup>(i)</sup>                    | 255          | 176                   |
| Expenses relating to short-term leases                                  | 1,053        | 860                   |
| <b>Total amount recognised in the comprehensive operating statement</b> | <b>1,308</b> | <b>1,036</b>          |

(i) Interest expense on liabilities relate to right-of-use assets (refer Note 4.1.1)

#### 6.2.3 Amounts recognised in the Cash Flow Statement

The following amounts are recognised in the Cash Flow Statement relating to leases:

|                                       | 2022         | (\$ thousand)<br>2021 |
|---------------------------------------|--------------|-----------------------|
| <b>Total cash outflows for leases</b> | <b>3,732</b> | <b>2,528</b>          |

## 6. How we financed our operations (continued)

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 in exchange for consideration'. To apply this definition FRV assessed whether the contract met three key evaluations:

- whether the contract contained 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 did 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
- whether FRV had the right to take decisions in respect of 'how and for what purpose' the asset was 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 comprised 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
- payments arising from purchase and termination options reasonably certain to be exercised.

#### *Lease Liability – subsequent measurement*

After initial measurement, the liability was reduced for payments made and increased for interest. It was 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 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 have been 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 has presented right-of-use assets as 'property plant equipment' unless they meet the definition of investment property, in which case they have been disclosed as 'investment property' in the balance sheet. Lease liabilities have been 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.

|  | 2022           | (\$ thousand)<br>2021 |
|--|----------------|-----------------------|
| Total cash and deposits disclosed in the balance sheet | 148,349        | 266,831               |
| <b>Balance as per cash flow statement</b>              | <b>148,349</b> | <b>266,831</b>        |

In accordance with the Financial Management Act, Standing Direction - Central Banking System (CBS), FRV entered arrangements with Westpac Banking Corporation (Westpac) 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 year

FRV managed all banking accounts through Westpac under FRV name, subsequently all receipts and payments are managed through FRV designated bank accounts.

#### 6.3.1 Reconciliation of net result for the period to cash flow from operating activities

|  | 2022             | (\$ thousand)<br>2021 |
|--|------------------|-----------------------|
| <b>Net result for the period</b>                             | <b>(132,490)</b> | <b>34,366</b>         |
| <b>Non cash movements:</b>                                   |                  |                       |
| Loss on sale or disposal of non financial assets             | 489              | 266                   |
| (Gain) on revaluation of investment property                 | (4,519)          | (101)                 |
| Depreciation and amortisation of non current assets          | 54,925           | 33,800                |
| Unrealised (gain)/ loss on held for trading investments      | 12,758           | (9,764)               |
| <b>Movements in assets and liabilities:</b>                  |                  |                       |
| Increase/(Decrease) in provision for expected credit loss(i) | 310              | (103)                 |
| (Decrease) in provision for inventory obsolescence(i)        | (35)             | (16)                  |
| (Increase) in operating receivables(i)                       | (500)            | (2,571)               |
| (Increase) in inventories(i)                                 | (415)            | (9)                   |
| (Increase) in prepayments                                    | (1,378)          | (7,263)               |
| (Decrease)/increase in payables                              | (5,001)          | 18,332                |
| Increase/(decrease) in RoU liability buildings and vehicles  | 4,943            | (5,949)               |
| Net gain arising from revaluation of employee provisions     | 19,080           | 25,571                |
| (Decrease) in employee provisions                            | (12,058)         | (38,627)              |
| Increase/(decrease) in other liabilities                     | 7                | (60)                  |
| <b>Net cash flows from/(used in) operating activities</b>    | <b>(63,884)</b>  | <b>47,872</b>         |

(i) The movement above for receivables and inventories reflects the gross movement prior to adjusting for the allowance for expected credit loss and inventory obsolescence respectively.

#### 6.3.2 Financing facilities

FRV had access to an unsecured credit card facility of \$1.7 million. Invariably at month end and year end reporting periods, only a small portion of the credit card facility is utilised.



## 6. How we financed our operations (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 2022                                |                  |              |          | (\$ thousand) |
|---|------------------|--------------|----------|---------------|
|   | Less than 1 year | 1 - 5 years  | 5+ years | Total         |
| Capital expenditure commitments payable             | 9,440            | -            | -        | 9,440         |
| Other commitments payable                           | 25,693           | 1,037        | -        | 26,730        |
| <b>Total commitments (inclusive of GST)</b>         | <b>35,133</b>    | <b>1,037</b> | <b>-</b> | <b>36,170</b> |
| Less GST recoverable from the Australian Tax Office | 3,194            | 94           | -        | 3,288         |
| <b>Total commitments (exclusive of GST)</b>         | <b>31,939</b>    | <b>943</b>   | <b>-</b> | <b>32,882</b> |

| 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        |
| <b>Total commitments (inclusive of GST)</b>         | <b>31,590</b>    | <b>6,165</b> | <b>-</b> | <b>37,755</b> |
| Less GST recoverable from the Australian Tax Office | 2,872            | 560          | -        | 3,432         |
| <b>Total commitments (exclusive of GST)</b>         | <b>28,718</b>    | <b>5,605</b> | <b>-</b> | <b>34,323</b> |

#### 6.4.2 Details of commitments

|  | (\$ thousand)                    |                                  |
|--|----------------------------------|----------------------------------|
|  | 2022<br>Nominal value (incl GST) | 2021<br>Nominal value (incl GST) |
| Capital expenditure commitments: plant, equipment and vehicles | 6,005                            | 9,521                            |
| Intangible asset commitments                                   | 3,435                            | 804                              |
| Lease commitments: temporary station and office                | -                                | 5,186                            |
| Other operational supplies and services commitments            | 27,298                           | 22,244                           |
| <b>Total commitments</b>                                       | <b>36,738</b>                    | <b>37,755</b>                    |

## 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 managed 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 were measured at amortised costs if both of the following criteria were 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
- the assets' contractual terms gave rise to cash flows that were solely payments of principal and interests.

These assets were 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)

##### Financial assets at fair value through net result

Equity instruments are part of the managed investment scheme through VFMC. Equity instruments, inclusive of derivative instruments are classified as fair value through net result. Other financial assets were 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.

FRV's investments in managed investment schemes have been measured at fair value through net result.

**Financial assets 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.

## 7. Risks, contingencies and valuation judgements (continued)

**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)
- 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) has derecognised when:

- the rights to receive cash flows from the asset expired
- FRV retained the right to receive cash flows from the asset, but assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement
- FRV transferred its rights to receive cash flows from the asset and either:
  - had transferred substantially all the risks and rewards of the asset
  - 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 has been 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 expired.

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 changed such that its previous model would no longer apply.

However, FRV was generally unable to change its business model because this 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 Financial Management Act.

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

| 2022  | Cash and deposits | Financial assets at fair value through Net Result (FVTPL) | Financial assets at amortised cost (AC) | Financial liabilities at amortised cost (AC) | Other Financial Instruments | (\$ thousand) Total |
|---|-------------------|---|---|--|-----------------------------|---------------------|
| <b>Contractual financial assets</b>                       |                   |   |   |  |                             |                     |
| Cash and deposits   | 148,349           | -   | -                                       | -  | -                           | 148,349             |
| <b>Receivables<sup>(i)</sup></b>                          |                   |   |   |  |                             |                     |
| Sale of goods and services                                | -                 | -   | 7,846                                   | -  | -                           | 7,846               |
| Other receivables   | -                 | -   | 7,005                                   | -  | -                           | 7,005               |
| <b>Investments and other contractual financial assets</b> |                   |   |   |  |                             |                     |
| VFMC managed investments                                  | -                 | 87,836  | -                                       | -  | -                           | 87,836              |
| <b>Total contractual financial assets</b>                 | <b>148,349</b>    | <b>87,836</b>   | <b>14,851</b>                           | <b>-</b>                                     | <b>-</b>                    | <b>251,036</b>      |
| <b>Contractual financial liabilities</b>                  |                   |   |   |  |                             |                     |
| <b>Payables<sup>(i)</sup></b>                             |                   |   |   |  |                             |                     |
| Supplies and services                                     | -                 | -   | -                                       | 24,810                                       | -                           | 24,810              |
| Amounts payable to government and agencies                | -                 | -   | -                                       | 3,028  | -                           | 3,028               |
| Accrued employee costs                                    | -                 | -   | -                                       | 6,712  | -                           | 6,712               |
| Other payables  | -                 | -   | -                                       | 2,694  | -                           | 2,694               |
| <b>Borrowings</b>   |                   |   |   |  |                             |                     |
| State Government loan                                     | -                 | -   | -                                       | 238  | -                           | 238                 |
| Lease liabilities   | -                 | -   | -                                       | -  | 16,483                      | 16,483              |
| <b>Total contractual financial liabilities</b>            | <b>-</b>          | <b>-</b>  | <b>-</b>                                | <b>37,482</b>                                | <b>16,483</b>               | <b>53,965</b>       |

(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. Risks, contingencies and valuation judgements (continued)

### 7.1.2 Financial instruments: Categorisation

| 2021  | Cash and deposits | Financial assets at fair value through Net Result (FVTPL) | Financial assets at amortised cost (AC) | Financial liabilities at amortised cost (AC) | Other Financial Instruments | (\$ thousand) Total |
|---|-------------------|---|---|--|-----------------------------|---------------------|
| <b>Contractual financial assets</b>                       |                   |   |   |  |                             |                     |
| Cash and deposits   | 266,831           | -   | -                                       | -  | -                           | 266,831             |
| <b>Receivables<sup>(i)</sup></b>                          |                   |   |   |  |                             |                     |
| Sale of goods and services                                | -                 | -   | 4,644                                   | -  | -                           | 4,644               |
| Other receivables   | -                 | -   | 11,421                                  | -  | -                           | 11,421              |
| <b>Investments and other contractual financial assets</b> |                   |   |   |  |                             |                     |
| VFMC managed investments                                  | -                 | 95,172  | -                                       | -  | -                           | 95,172              |
| <b>Total contractual financial assets</b>                 | <b>266,831</b>    | <b>95,172</b>   | <b>16,065</b>                           | <b>-</b>                                     | <b>-</b>                    | <b>378,068</b>      |
| <b>Contractual financial liabilities</b>                  |                   |   |   |  |                             |                     |
| <b>Payables<sup>(i)</sup></b>                             |                   |   |   |  |                             |                     |
| 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               |
| <b>Borrowings</b>   |                   |   |   |  |                             |                     |
| State Government loan                                     | -                 | -   | -                                       | 476  | -                           | 476                 |
| Lease liabilities   | -                 | -   | -                                       | -  | 11,540                      | 11,540              |
| <b>Total contractual financial liabilities</b>            | <b>-</b>          | <b>-</b>  | <b>-</b>                                | <b>43,388</b>                                | <b>11,540</b>               | <b>54,928</b>       |

(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).

### 7.1.3 Financial instruments - Net holding gain/(loss) on financial instruments by category

| 2022   | Net holding gain/(loss) | Total interest income/(expense) | (\$ thousand) Total |
|--|-------------------------|---------------------------------|---------------------|
| <b>Contractual financial assets</b>                              |                         |                                 |                     |
| Investments  | (7,336)                 | -                               | (7,336)             |
| Financial assets at amortised cost – other than on derecognition | -                       | 980                             | 980                 |
| <b>Total contractual financial assets</b>                        | <b>(7,336)</b>          | <b>980</b>                      | <b>(6,356)</b>      |
| <b>Total contractual financial liabilities</b>                   | <b>-</b>                | <b>-</b>                        | <b>-</b>            |
| <b>2021</b>  |                         |                                 |                     |
| <b>Contractual financial assets</b>                              |                         |                                 |                     |
| Investments  | 13,123                  | -                               | 13,123              |
| Financial assets at amortised cost – other than on derecognition | -                       | 516                             | 516                 |
| <b>Total contractual financial assets</b>                        | <b>13,123</b>           | <b>516</b>                      | <b>13,639</b>       |
| <b>Total contractual financial liabilities</b>                   | <b>-</b>                | <b>-</b>                        | <b>-</b>            |

[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 has been 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 has been 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
- for financial asset and liabilities that are mandatorily measured at or designated at fair value through net result, the net gain or loss has been calculated by taking the movement in the fair value of the financial asset or liability.

#### 7.1.4 Financial risk management objectives and policies

FRV's financial risk management program sought to manage these risks and the associated volatility of its financial performance. FRV is exposed to a number of financial risks, including:



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 and financial liability 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. Primary responsibility for the identification and management of financial risks rests with the Accountable Officer of FRV.

#### 7.1.5 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 utilised 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.

FRV provides for impairment on financial assets by the recognition of a loss allowance for expected credit losses. The loss allowance has been recognised in other comprehensive income and there is no adjustment to the carrying amount of the related financial asset.

Contract financial assets have been written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent has been classified as a transaction expense. Bad debt written off following a unilateral decision was 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.

## 7. Risks, contingencies and valuation judgements (continued)

### Credit quality of financial assets

|   | Financial institutions<br>(double-A credit rating) | Government agencies<br>(triple-A credit rating) | Other<br>(no credit rating) | (\$ thousand)<br>Total |
|---|--|---|-----------------------------|------------------------|
| <b>2022</b>   |  |   |                             |                        |
| <b>Financial assets</b>   |  |   |                             |                        |
| <b>Financial assets with loss allowance measured at 12-month expected credit loss</b> |  |   |                             |                        |
| Cash and deposits   | 148,349  | -   | -                           | 148,349                |
| Statutory receivables (no impairment loss recognised)                                 | -  | 201   | 8,513                       | 8,714                  |
| Contractual receivables applying the simplified impairment approach <sup>(i)</sup>    | -  | 2,670   | 11,850                      | 14,520                 |
| Investments and other financial assets <sup>(ii)</sup>                                | -  | -   | 87,836                      | 87,836                 |
| <b>Total financial assets</b>   | <b>148,349</b>                                     | <b>2,871</b>                                    | <b>108,199</b>              | <b>259,419</b>         |
| <b>2021</b>   |  |   |                             |                        |
| <b>Financial assets</b>   |  |   |                             |                        |
| <b>Financial assets with loss allowance measured at 12-month expected credit loss</b> |  |   |                             |                        |
| 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 <sup>(i)</sup>    | -  | 1,839   | 14,945                      | 16,784                 |
| Investments and other financial assets <sup>(ii)</sup>                                | -  | -   | 95,172                      | 95,172                 |
| <b>Total financial assets</b>   | <b>266,831</b>                                     | <b>1,968</b>                                    | <b>117,444</b>              | <b>386,243</b>         |

(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.

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 have applied the AASB 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 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 2021 <sup>(i)</sup>                      | Current       | Less than<br>1 month | 1-3<br>months | 3 months<br>- 1 year | 1-5<br>years | Total      |
| <b>Expected loss rate</b>                        | 0.1%          | 1.1%                 | 2.1%          | 0.6%                 | 10.6%        | -          |
| Gross carrying amount of contractual receivables | 13,804        | 752                  | 274           | 440                  | 795          | 16,065     |
| <b>Loss allowance</b>                            | <b>17</b>     | <b>8</b>             | <b>6</b>      | <b>3</b>             | <b>84</b>    | <b>118</b> |
| <b>30 June 2022</b>                              |               |                      |               |                      |              |            |
| <b>Expected loss rate</b>                        | 0.2%          | 0.2%                 | 0.3%          | 0.5%                 | 3.5%         | -          |
| Gross carrying amount of contractual receivables | 4,254         | 779                  | 274           | 539                  | 9,005        | 14,851     |
| <b>Loss allowance</b>                            | <b>8</b>      | <b>2</b>             | <b>1</b>      | <b>2</b>             | <b>318</b>   | <b>331</b> |

(i) Financial year 2020/21 loss allowance included both statutory and contractual. 2020/21 has been restated to only include contractual.

Reconciliation of the movement in the loss allowance for contractual receivables is shown as follows:

|   | (\$ thousand) |            |
|---|---------------|------------|
|   | 2022          | 2021       |
| <b>Balance at beginning of the year</b>   | <b>118</b>    | <b>253</b> |
| <b>Opening Loss Allowance</b>   | <b>118</b>    | <b>253</b> |
| Increase in provision recognised in the net result                                | 230           | 8          |
| Reversal of provision of receivables written off during the year as uncollectible | (17)          | (143)      |
| <b>Balance at end of the year</b>   | <b>331</b>    | <b>118</b> |

(i) Financial year 2020-21 loss allowance included both statutory and contractual. 2020-21 has been restated to only include contractual.

Credit loss allowance was 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 were classified as a transaction expense. Subsequent recoveries of amounts previously written off have been credited against the same line item.

Statutory receivables and debt investments at amortised cost

FRV's non-contractual receivables arising from statutory requirements are not financial instruments. However, they were nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables were 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.

Reconciliation of the movement in the loss allowance for statutory receivables is shown as follows:

|   | (\$ thousand) |            |
|---|---------------|------------|
|   | 2022          | 2021       |
| <b>Balance at beginning of the year</b>   | <b>359</b>    | <b>328</b> |
| <b>Opening Loss Allowance</b>   | <b>359</b>    | <b>328</b> |
| Increase in provision recognised in the net result                                | 164           | 64         |
| Reversal of provision of receivables written off during the year as uncollectible | (66)          | (33)       |
| <b>Balance at end of the year</b>   | <b>457</b>    | <b>359</b> |

## 7. Risks, contingencies and valuation judgements (continued)

### Debt investments at fair value through net result

FRV was also exposed to credit risk in relation to debt instruments within the managed fund scheme that are designated at fair value through net result. The investments in managed funds incorporated high grade debt instruments from time to time, though the value of debt instruments is not significant.

#### 7.1.6 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
- 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 loan carrying amount (refer Table 7.1.6) is a contractual financial liability that and relates to a loan from State Government (interest free loan) of \$0.2 million (2021: \$0.5 million) and represents FRV's maximum exposure to liquidity risk. Also, FRV had issued low value bank guarantees totalling less than \$100,000.

#### 7.1.7 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 (2021: 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 (2021: 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.

#### 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.

### 7.1.8 Financial instruments: Market risk

#### Interest rate exposure of financial instruments

| 2022   | Weighted average<br>interest rate (%) | Carrying<br>amount | Fixed<br>interest rate | Variable<br>interest rate | (\$ thousand)<br>Noninterest<br>bearing |
|--|---------------------------------------|--------------------|------------------------|---------------------------|---|
| <b>Financial assets</b>                            |                                       |                    |                        |                           |   |
| Cash and deposits                                  | 0.30                                  | 148,349            | -                      | 148,349                   | -                                       |
| Receivables <sup>(i)</sup>                         |                                       |                    |                        |                           |   |
| Sale of goods and services                         |                                       | 7,846              | -                      | -                         | 7,846                                   |
| Other receivables                                  |                                       | 7,005              | -                      | -                         | 7,005                                   |
| Investments and other contractual financial assets |                                       |                    |                        |                           |   |
| Managed investments                                |                                       | 87,836             | 22,837                 | 14,054                    | 50,945                                  |
| <b>Total financial assets</b>                      |                                       | <b>251,036</b>     | <b>22,837</b>          | <b>162,403</b>            | <b>65,796</b>                           |
| <b>Financial liabilities</b>                       |                                       |                    |                        |                           |   |
| Payables <sup>(i)</sup>                            |                                       |                    |                        |                           |   |
| Supplies and services                              |                                       | 24,810             | -                      | -                         | 24,810                                  |
| Amounts payable to government and agencies         |                                       | 3,028              | -                      | -                         | 3,028                                   |
| Accrued employee costs                             |                                       | 6,712              | -                      | -                         | 6,712                                   |
| Other payables                                     |                                       | 2,694              | -                      | -                         | 2,694                                   |
| Borrowings   |                                       |                    |                        |                           |   |
| Loan from State Government <sup>(ii)</sup>         | 0                                     | 238                | -                      | -                         | 238                                     |
| Lease liabilities                                  | 1.63                                  | 16,483             | 16,483                 | -                         | -                                       |
| <b>Total financial liabilities</b>                 |                                       | <b>53,965</b>      | <b>16,483</b>          | <b>-</b>                  | <b>37,482</b>                           |

(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.

## 7. Risks, contingencies and valuation judgements (continued)

### 7.1.8 Financial instruments: Market risk (continued)

#### Interest rate exposure of financial instruments

| 2021   | Weighted average interest rate (%) | Carrying amount | Fixed interest rate | Variable interest rate | (\$ thousand) Noninterest bearing |
|--|------------------------------------|-----------------|---------------------|------------------------|-----------------------------------|
| <b>Financial assets</b>                            |                                    |                 |                     |                        |                                   |
| Cash and deposits                                  | 0.32                               | 266,831         | -                   | 266,831                | -                                 |
| Receivables <sup>(i)</sup>                         |                                    |                 |                     |                        |                                   |
| 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                            |
| <b>Total financial assets</b>                      |                                    | <b>378,068</b>  | <b>24,745</b>       | <b>282,058</b>         | <b>71,265</b>                     |
| <b>Financial liabilities</b>                       |                                    |                 |                     |                        |                                   |
| Payables <sup>(i)</sup>                            |                                    |                 |                     |                        |                                   |
| 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 <sup>(ii)</sup>         | 0                                  | 476             | -                   | -                      | 476                               |
| Lease liabilities                                  | 2.41                               | 11,540          | 11,540              | -                      | -                                 |
| <b>Total financial liabilities</b>                 |                                    | <b>54,928</b>   | <b>11,540</b>       | <b>-</b>               | <b>43,388</b>                     |

(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

| 2022   | Carrying amount | -100 basis points Net result | +100 basis points Net result |
|--|-----------------|------------------------------|------------------------------|
| <b>Contractual financial assets</b>                |                 |                              |                              |
| Cash and deposits                                  | 148,349         | (1,483)                      | 1,483                        |
| Investments and other contractual financial assets | 36,891          | (369)                        | 369                          |
| <b>Total impact</b>                                |                 | <b>(1,852)</b>               | <b>1,852</b>                 |
| <b>2021</b>  |                 |                              |                              |
| <b>Contractual financial assets</b>                |                 |                              |                              |
| Cash and deposits                                  | 266,831         | (2,668)                      | 2,668                        |
| Investments and other contractual financial assets | 39,972          | (400)                        | 400                          |
| <b>Total impact</b>                                |                 | <b>(3,068)</b>               | <b>3,068</b>                 |

## Foreign currency risk

All foreign currency transactions during the financial year were 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 were 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 were translated to the functional currency at the rates prevailing at the date when the fair value was determined.

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 maintain a structured currency hedging program to manage and minimise exposure to exchange rate risk on the two investments held by FRV.

## Equity price risk

FRV was exposed to equity price risk relating to the managed investment schemes (refer Table 7.1.6). 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 monitored performance and managed 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

|   |                 | -15%           | (\$ thousand)<br>+15% |
|---|-----------------|----------------|-----------------------|
| 2022  | Carrying amount | Net result     | Net result            |
| <b>Contractual financial assets</b>                               |                 |                |                       |
| Investments and other contractual financial assets <sup>(i)</sup> | 50,945          | (7,642)        | 7,642                 |
| <b>Total impact</b>   |                 | <b>(7,642)</b> | <b>7,642</b>          |
| <b>2021</b>   |                 |                |                       |
| <b>Contractual financial assets</b>                               |                 |                |                       |
| Investments and other contractual financial assets <sup>(i)</sup> | 55,200          | (8,280)        | 8,280                 |
| <b>Total impact</b>   |                 | <b>(8,280)</b> | <b>8,280</b>          |

(i) Investments and other contractual financial assets include 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 have not been recognised in the balance sheet but are disclosed below and, if quantifiable, were measured at nominal value.

Contingent assets and liabilities have been 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.

## 7. Risks, contingencies and valuation judgements (continued)

### 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
- 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
  - the amount of the obligations cannot be measured with sufficient reliability.

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 2022 are:*

As at balance date, FRV has determined that the Per-fluoroalkyl and poly-fluoroalkyl substances (known as PFAS) contamination at specific FRV properties and adjoining surroundings is a non-quantifiable contingent liability. FRV continues to test exposure sites across all properties and adjoining surroundings which include the more recent inheritance of the CFA sites and locations. Due to the ongoing complexities of each site and adjoining surroundings together with the multiple stages of testing required to establish the degree of penetration, FRV is unable to estimate an underlying value for this liability across all of its sites while this testing continues and a complete program of works to remediate is finalised. Without an agreed remediation plan and set strategy to ensure consistent removal/containment of PFAS, it remains difficult for FRV to determine the cost of the program of works that will need to be undertaken to meet the environment and people safety obligations across FRV sites and surrounding locations. PFAS contamination may also impact on the carrying value of affected properties.

Legal claims were made during the 2021–22 year against FRV on various matters, which due to confidentiality and legal process are unable to be disclosed. As at 30 June 2022, these were not quantified but were 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
- 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, several 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
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

FRV determined whether transfers had 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.

The Valuer General Victoria (VGV) is FRV's independent valuation agency, FRV, in conjunction with VGV [and other external valuers, if applicable], monitored changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation was required.

#### 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
- 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
  - 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
- 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 2021–22 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:

- Managed Investments

#### Financial liabilities

##### Payables:

- For supplies and services
- Amounts payable to government and agencies
- Other payables

##### Borrowings:

- Loan from State Government



## 7. Risks, contingencies and valuation judgements (continued)

The following information provides the fair value and carrying amounts of financial instruments.

### Fair value of financial liability measured at amortised cost

|   | 2022            |            | 2021            |            |
|---|-----------------|------------|-----------------|------------|
|   | Carrying amount | Fair value | Carrying amount | Fair value |
|   | 2022            | 2022       | 2021            | 2021       |
| <b>Financial liability</b>                |                 |            |                 |            |
| Loan from State Government <sup>(i)</sup> | 238             | 238        | 476             | 476        |

(i) Loan from State Government is an interest free 7-year term loan commencing July 2015.

### Financial assets measured at fair value

| 2022  | Carrying amount<br>as at 30 June | Fair value measurement at end of reporting period using |                        |                        |
|---|----------------------------------|---|------------------------|------------------------|
|   |                                  | Level 1 <sup>(i)</sup>                                  | Level 2 <sup>(i)</sup> | Level 3 <sup>(i)</sup> |
| Financial assets at fair value through profit or loss |                                  |   |                        |                        |
| Managed investments                                   | 87,836                           | -   | 87,836                 | -                      |
| <b>Total</b>  | <b>87,836</b>                    | <b>-</b>  | <b>87,836</b>          | <b>-</b>               |
| <b>2021</b>   |                                  |   |                        |                        |
| Financial assets at fair value through profit or loss |                                  |   |                        |                        |
| Managed investments                                   | 95,172                           | -   | 95,172                 | -                      |
| <b>Total</b>  | <b>95,172</b>                    | <b>-</b>  | <b>95,172</b>          | <b>-</b>               |

(i) There is no significant transfer between Level 1 and Level 2 or Level 3.

There were no transfers between levels during the period.

The fair value of the financial assets and liabilities were 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.

**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

| 2022  | Carrying amount as at<br>30 June 2022 | Fair value measurement at end of reporting period using: |                        |                        |
|---|---------------------------------------|--|------------------------|------------------------|
|   |                                       | Level 1 <sup>(i)</sup>                                   | Level 2 <sup>(i)</sup> | Level 3 <sup>(i)</sup> |
| Land at fair value <sup>(ii)</sup>                          |                                       |  |                        |                        |
| Specialised land  | 402,485                               | -  | -                      | 402,485                |
| Non-specialised land  | 60,669                                | -  | 60,669                 | -                      |
| <b>Total of land at fair value</b>                          | <b>463,154</b>                        | <b>-</b>   | <b>60,669</b>          | <b>402,485</b>         |
| Buildings at fair value                                     |                                       |  |                        |                        |
| Specialised buildings                                       | 456,640                               | -  | -                      | 456,640                |
| Heritage assets <sup>(iii)</sup>                            | 8,186                                 | -  | -                      | 8,186                  |
| Right-of-use  | 12,574                                | -  | -                      | 12,574                 |
| <b>Total of buildings at fair value</b>                     | <b>477,400</b>                        | <b>-</b>   | <b>-</b>               | <b>477,400</b>         |
| Plant, equipment and vehicles at fair value                 |                                       |  |                        |                        |
| Vehicles <sup>(iv)</sup>                                    | 94,163                                | -  | -                      | 94,163                 |
| Plant and equipment   | 26,359                                | -  | -                      | 26,359                 |
| <b>Total of plant, equipment and vehicles at fair value</b> | <b>120,522</b>                        | <b>-</b>   | <b>-</b>               | <b>120,522</b>         |

(i) Classified in accordance with the fair value hierarchy, see Note 7.3.1.

(ii) FRV holds \$6.2 million worth of property listed as heritage asset. This heritage asset cannot be modified nor disposed of without formal ministerial approval.

(iii) Appliance vehicles are categorised as Level 3 assets as FRV uses the depreciated replacement cost in estimating the fair value.

| 2021  | Carrying amount as at<br>30 June 2021 | Fair value measurement at end of reporting period using: |                        |                        |
|---|---------------------------------------|--|------------------------|------------------------|
|   |                                       | Level 1 <sup>(i)</sup>                                   | Level 2 <sup>(i)</sup> | Level 3 <sup>(i)</sup> |
| Land at fair value <sup>(ii)</sup>                          |                                       |  |                        |                        |
| Specialised land  | 402,485                               | -  | -                      | 402,485                |
| Non-specialised land  | 43,320                                | -  | 43,320                 | -                      |
| <b>Total of land at fair value</b>                          | <b>445,805</b>                        | <b>-</b>   | <b>43,320</b>          | <b>402,485</b>         |
| Buildings at fair value                                     |                                       |  |                        |                        |
| Specialised buildings                                       | 458,239                               | -  | -                      | 458,239                |
| Heritage assets <sup>(iii)</sup>                            | 8,541                                 | -  | -                      | 8,541                  |
| Right-of-use  | 8,585                                 | -  | -                      | 8,585                  |
| <b>Total of buildings at fair value</b>                     | <b>475,365</b>                        | <b>-</b>   | <b>-</b>               | <b>475,365</b>         |
| Plant, equipment and vehicles at fair value                 |                                       |  |                        |                        |
| Vehicles <sup>(iv)</sup>                                    | 100,214                               | -  | -                      | 100,214                |
| Plant and equipment   | 20,035                                | -  | -                      | 20,035                 |
| <b>Total of plant, equipment and vehicles at fair value</b> | <b>120,249</b>                        | <b>-</b>   | <b>-</b>               | <b>120,249</b>         |

(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 basis the market approach and adjusted for Community Service Obligations (CSO).

(iii) FRV holds \$8.5 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.

(v) This has been restated as \$7.5m was incorrectly classified as Heritage and was Specialised buildings.

## 7. Risks, contingencies and valuation judgements (continued)

Land, Buildings and the vehicle classes of assets underwent management reviews of valuations as at 30 June 2022, as the book values closely represented the fair value valuations (accounting for depreciated replacement cost values to core buildings and vehicles), the increase was immaterial by asset class. Accordingly, land, buildings and vehicles were not revalued as at 30 June 2022. In performing the land and buildings asset classes valuation review, management applied the 30 June 2022 Valuer-General Victoria indices. In performing the vehicle asset class valuation review management applied current replacement costs.

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 current 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 was not determined at the time of the preparation of these financial statements.

The Valuer-General Victoria valuation report noted that the market was being impacted by uncertainty as a consequence of the COVID-19 pandemic and accordingly, the land and building valuations were reported based on "significant valuation uncertainty". Market uncertainty continues as a consequence of inflationary pressure, increasing interest rates, decreased availability of building materials and increased construction costs, consequently land and buildings valuations remain subject to 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 is 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 2022.

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 reflects 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 was 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)<br>Plant and equipment |
|--|------------------|-----------------------|-----------------|---------------|----------------|--------------------------------------|
| <b>2022</b>  |                  |                       |                 |               |                |                                      |
| <b>Opening balance</b>   | <b>402,485</b>   | <b>458,239</b>        | <b>8,541</b>    | <b>8,585</b>  | <b>100,214</b> | <b>20,035</b>                        |
| Purchases  | -                | 16,057                | -               | 7,292         | 12,223         | 6,659                                |
| Transfers from/(to) CFA  | -                | 8,005                 | -               | -             | 1,859          | 3,451                                |
| Disposals  | -                | -                     | -               | (25)          | (941)          | -                                    |
| Transfers in (out) of Level 3  | -                | -                     | -               | -             | -              | -                                    |
| Transfer to investment property  | -                | -                     | -               | -             | -              | -                                    |
| Gains or losses recognised in net result   | -                | -                     | -               | -             | -              | -                                    |
| Depreciation   | -                | (25,661)              | (355)           | (3,278)       | (19,192)       | (3,786)                              |
| <b>Subtotal</b>  | <b>402,485</b>   | <b>456,640</b>        | <b>8,186</b>    | <b>12,574</b> | <b>94,163</b>  | <b>26,359</b>                        |
| <i>Gains or losses recognised in other economic flows – other comprehensive income</i> | -                | -                     | -               | -             | -              | -                                    |
| Revaluation  | -                | -                     | -               | -             | -              | -                                    |
| <b>Closing balance</b>   | <b>402,485</b>   | <b>456,640</b>        | <b>8,186</b>    | <b>12,574</b> | <b>94,163</b>  | <b>26,359</b>                        |
| Unrealised gains/(losses) on non financial assets                                      | -                | -                     | -               | -             | -              | -                                    |

|  | Specialised land | Specialised buildings | Heritage assets | RoU buildings | Vehicles       | (\$ thousand)<br>Plant and equipment |
|--|------------------|-----------------------|-----------------|---------------|----------------|--------------------------------------|
| <b>2021</b>  |                  |                       |                 |               |                |                                      |
| <b>Opening balance</b>   | <b>329,038</b>   | <b>262,897</b>        | <b>10,722</b>   | <b>4,556</b>  | <b>35,400</b>  | <b>11,213</b>                        |
| Purchases  | -                | 11,729                | 19              | 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   | -                | (14,274)              | (714)           | (1,378)       | (11,298)       | (3,606)                              |
| <b>Subtotal</b>  | <b>400,100</b>   | <b>372,008</b>        | <b>10,027</b>   | <b>8,585</b>  | <b>74,921</b>  | <b>20,035</b>                        |
| <i>Gains or losses recognised in other economic flows – other comprehensive income</i> |                  |                       |                 |               |                |                                      |
| Revaluation  | 2,385            | 86,231                | (1,486)         | -             | 25,293         | -                                    |
| <b>Closing balance</b>   | <b>402,485</b>   | <b>458,239</b>        | <b>8,541</b>    | <b>8,585</b>  | <b>100,214</b> | <b>20,035</b>                        |
| Unrealised gains/(losses) on non financial assets                                      | -                | -                     | -               | -             | -              | -                                    |

(ii) Restated to transfer a building incorrectly classified as Heritage assets instead of Specialised buildings

## 7. Risks, contingencies and valuation judgements (continued)

### Description of significant unobservable inputs to Level 3 valuations

| 2021 and 2022                | Valuation technique <sup>(i)</sup>       | Significant unobservable Inputs <sup>(i)</sup> | Range (weight average) <sup>(a)</sup>   | Sensitivity of fair value measurement to changes in significant unobservable inputs <sup>(i)</sup>  |
|------------------------------|--|--|---|---|
| <b>Specialised land</b>      | Market approach                          | Community service obligation (CSO) adjustment  | 20-80 per cent<br>(28 per cent) <sup>(a)</sup>  | A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value                        |
| <b>Specialised buildings</b> | 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 <sup>2</sup>   |   |
|                              |  | Site engineering                               | \$938 - \$1,389m <sup>2</sup>   |   |
|                              |  | Fit Out  | \$1,179 - \$1,235m <sup>2</sup>   |   |
|                              |  | Trunk Reticulated building systems             | \$1,911 - \$2,410m <sup>2</sup>   |   |
|                              | Useful life of specialised buildings     | 3-45 years                                     |   | A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation    |
| <b>Heritage assets</b>       | Current replacement cost <sup>(ii)</sup> | Direct cost per square metre                   | \$1,196 - \$1,720 m <sup>2</sup><br>(\$1,206) <sup>(a)</sup>  | 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.                       |
| <b>Vehicles</b>              | Current replacement cost                 | Costs per unit                                 | Appliances primarily range in replacement value between \$1,063,550 per pumper, \$1,090,730 per heavy pumper, \$1,425,000 per pumper tankers to \$2,048,550 per ladder platform 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  |   |



Description of significant unobservable inputs to Level 3 valuations (continued)

| 2021 and 2022       | Valuation technique <sup>(i)</sup> | Significant unobservable Inputs <sup>(i)</sup>   | Range (weight average) <sup>(a)</sup> | Sensitivity of fair value measurement to changes in significant unobservable inputs <sup>(i)</sup>  |
|---------------------|------------------------------------|--|---------------------------------------|---|
| 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 1-4% (1.63%)(ii)  | 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 2021.

Investment properties measured at fair value and their categorisation in the fair value hierarchy

| 2022                  | Carrying amount as at 30 June | Fair value measurement at end of reporting period using: (\$ thousand) |                        |                        |
|-----------------------|-------------------------------|--|------------------------|------------------------|
|                       |                               | Level 1 <sup>(i)</sup>   | Level 2 <sup>(i)</sup> | Level 3 <sup>(i)</sup> |
| Investment properties | 46,382                        | -  | 46,382                 | -                      |
| 2021                  |                               | Level 1 <sup>(i)</sup>   | Level 2 <sup>(i)</sup> | Level 3 <sup>(i)</sup> |
| Investment properties | 43,458                        | -  | 43,458                 | -                      |

(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 2022.

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 properties at 30 June 2022 have been arrived at based on a management revaluation utilising the independent valuations determined as at 30 June 2021 and applying the published Victorian Valuer General's market indices which represent the movement in land and building valuations since 30 June 2021 to reflect fair value as at 30 June 2022.

## 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<sup>(i)</sup>

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.

|   | 2022       | (\$ thousand)<br>2021 |
|---|------------|-----------------------|
| Forgiveness or waiver of debt <sup>(ii)</sup>   | 37         | 94                    |
| Compensation for economic loss <sup>(iii)</sup> | 648        | 79                    |
| <b>Total ex gratia expenses</b>                 | <b>685</b> | <b>173</b>            |

(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 3.2.1

## 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
- 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.

|  | 2022            | (\$ thousand)<br>2021 |
|--|-----------------|-----------------------|
| <b>Net gain/(loss) on non financial assets</b>                                       |                 |                       |
| Amortisation of non produced intangible assets <sup>(i)</sup>                        | (127)           | (397)                 |
| Revaluation of investment property   | 4,519           | 101                   |
| Net (loss) on disposal of property plant and equipment (including intangible assets) | (489)           | (266)                 |
| <b>Total net gain/(loss) on non financial assets</b>                                 | <b>3,903</b>    | <b>(562)</b>          |
| <b>Net gain/(loss) on financial instruments</b>                                      |                 |                       |
| Impairment of:   |                 |                       |
| Loans and receivables <sup>(ii)</sup>  | (393)           | (73)                  |
| Net (loss) arising from revaluation of financial assets at fair value – market risk  | (12,758)        | 9,764                 |
| <b>Total net gain/(loss) on financial instruments</b>                                | <b>(13,151)</b> | <b>9,691</b>          |
| <b>Other gain/(loss) from other economic flows</b>                                   |                 |                       |
| Net gain/(loss) arising from revaluation of leave liabilities                        | 19,080          | 25,571                |
| <b>Total other gain/(loss) from other economic flows</b>                             | <b>19,080</b>   | <b>25,571</b>         |

(i) This is amortisation of non produced intangible assets with finite useful lives.

(ii) Forgiveness of receivables basis hardship applications and waiver of salary adjustments as considered by FRV.

## 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 legislated in force the *Fire Rescue Victoria Act*, these legislative changes are referred as Fire Services Reform.

Fire Services Reform gave rise to restructuring of FRV administration arrangements during the current and prior year. This restructure resulted in a range of transfers between CFA and FRV, which included associated property, rights, liabilities and obligations (both identified and contingent). Key elements that transferred during this current year :

- cash
- buildings
- intangible assets (software)
- firefighting equipment and other tools of trade.

These assets and liabilities transferred in the current year are shown in the below transfer statements. The values reflect the carrying amounts of those assets and liabilities

## 8. Other Disclosures (continued)

### TRANSFER STATEMENTS

#### Transfers from CFA to FRV

The transfer statement signed by the Minister for Emergency Services on 12 May 2022 with an effective date of 30 April 2022.

|                 |  | (\$ thousand) |               |
|-----------------|--|---------------|---------------|
| <b>INCREASE</b> | Cash   | 724           |               |
|                 | Property Plant and Equipment – Land and Buildings  | 8,005         |               |
|                 | Property Plant and Equipment – Plant and Equipment | 5,686         |               |
|                 | Property Plant and Equipment – Intangible Assets   | 636           |               |
| <b>INCREASE</b> | <b>Contributed Capital</b>                         |               | <b>15,051</b> |

#### Transfers to CFA from FRV

The transfer statement signed by the Minister for Emergency Services on 12 May 2022 with an effective date of 30 April 2022.

|                 |                                     | (\$ thousand) |              |
|-----------------|-------------------------------------|---------------|--------------|
| <b>DECREASE</b> | Property Plant and Equipment – Land | 1,595         |              |
| <b>DECREASE</b> | <b>Contributed Capital</b>          |               | <b>1,595</b> |

The transfer statement (pertaining to FRD 119A) signed by FRV Chief Financial Officer on 14 June 2022 and by the CFA Chief Finance Officer on 15 June 2022 with an effective date of 30 April 2022.

|                 |   | (\$ thousand) |            |
|-----------------|---|---------------|------------|
| <b>DECREASE</b> | Property Plant and Equipment – Appliances | 377           |            |
| <b>DECREASE</b> | <b>Contributed Capital</b>                |               | <b>377</b> |

#### Planned Future Transfer Statements between CFA and FRV

Subsequent to the Transfer Statements referred above, future Transfer Statements are in planning for 2022-23 financial year. These transfers will occur subject to the approval of the agencies and the Minister for Emergency Services and the transfer of other assets will occur as CFA complete specified projects on behalf of FRV.

### 8.4 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the Financial Management Act, 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, are detailed in the table below.

|  |                              |   |
|--|------------------------------|---|
| Minister for Emergency Services        | The Hon. Jaclyn Symes MP     | 1 July 2021 to 30 June 2022   |
| Acting Minister for Emergency Services | The Hon. Natalie Hutchins MP | 20 September 2021 to 1 October 2021<br>19 April 2022 to 27 April 2022 |
| Acting Minister for Emergency Services | The Hon. Lisa Neville MP     | 18 April 2022 to 18 April 2022<br>16 June 2022 to 18 June 2022        |
| Fire Rescue Commissioner               | Ken G Block                  | 1 July 2021 to 30 June 2022   |
| Acting Fire Rescue Commissioner        | Ken Brown AFSM               | 19 July 2021 to 26 July 2021<br>2 August 2021 to 20 August 2021       |
| Acting Fire Rescue Commissioner        | Gavin Freeman AFSM           | 29 December 2021 to 18 January 2022                                   |
| Acting Fire Rescue Commissioner        | Martin Braid AFSM            | 7 May 2022 to 31 May 2022   |

## 8.4.2 Remuneration – Responsible Persons

| Remuneration band:  | No. of responsible persons: |            |
|---|-----------------------------|------------|
|   | 2022                        | 2021       |
| \$550,000 - \$559,999   | 1                           | -          |
| \$580,000 - \$589,999   | -                           | 1          |
| <b>Total</b>  | <b>1</b>                    | <b>1</b>   |
| <b>Total Remuneration of Responsible Persons (\$ thousands)<sup>(i)</sup></b> | <b>558</b>                  | <b>581</b> |

(i) 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 provide 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)<br>Total remuneration |               |
|--|-------------------------------------|---------------|
|  | 2022                                | 2021          |
| Short-term employee benefits                               | 24,191                              | 18,011        |
| Post-employment benefits                                   | 2,866                               | 1,803         |
| Other long-term benefits (including long service leave)    | 550                                 | 411           |
| Termination benefits                                       | 72                                  | 284           |
| <b>Total remuneration</b>                                  | <b>27,679</b>                       | <b>20,509</b> |
| <b>Total number of executives</b>                          | <b>94</b>                           | <b>85</b>     |
| <b>Total annualised employee equivalents<sup>(i)</sup></b> | <b>91.70</b>                        | <b>72.6</b>   |

(i) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.

(i) The above table excludes remuneration pertaining to executives that are reported as key management personnel, as their remuneration is reported in the table titled Compensation of KMPs.

## 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, Executive Directors, Chief Financial Officer and their close family members
- The Minister for Police and Emergency Services and her close family members
- 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. Other Disclosures (continued)

### 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 was \$848.9 million (2021 \$859.6 million).

FRV regularly transacted with other emergency services. Significant interactions with other State Government entities include the following:

| Entity  | Nature  | (\$ thousand) |       |          |        |
|---|---|---------------|-------|----------|--------|
|   |   | Receipts      |       | Payments |        |
|   |   | 2022          | 2021  | 2022     | 2021   |
| Ambulance Victoria (AV)                                     | IT hosting services   | 66            | 69    |          |        |
|   | Rent and outgoings for co-occupancy at FRV Fire Stations  | 106           | 123   |          |        |
| Country Fire Authority (CFA) <sup>(i)</sup>                 | Monthly recharging of invoices processed on behalf of FRV whilst vendors and arrangements were being transferred to FRV |               |       | 6,388    | 9,339  |
|   | Initial bond paid as surety over reimbursement of the monthly recharge invoices   |               |       |          | 5,000  |
|   | Reimbursement of capital project spend incurred on behalf of FRV  |               |       | 1,905    |        |
|   | Portion of July 2020 salaries paid by CFA on FRV's behalf as payroll transitioned to FRV                                |               |       |          | 6,647  |
|   | ICT support and operational support activity.   | 802           | 757   |          |        |
|   | Costs for FRV employees seconded to CFA for special projects  | 1,327         |       |          |        |
|   | Free of charges services provided from FRV to CFA   |               |       | 60,359   | 81,230 |
|   | <i>Refer Note 3.11</i>  |               |       |          |        |
|   | <i>Free of charge services provided by CFA to FRV</i>   | 1,576         | 2,730 |          |        |
|   | <i>Refer Note 2.3.5</i>   |               |       |          |        |
| Department of Environment, Land, Water and Planning (DEWLP) | Milestone receipts – Clyde North  |               | 1,050 |          | -      |
| Department of Justice and Community Safety                  | Emergency Management Victoria (EMV) and the departments governance and support services provided to FRV                 |               |       | 13,665   | 12,566 |
|   | Emergency Management Victoria (EMV) for support to other agencies for operational support                               | 1,077         |       |          |        |
|   | Cladding Rectification Program funding  | 264           |       |          |        |
| Department of Transport                                     | Operational support for major projects and employee costs   | 70            |       |          |        |
| Emergency Services Telecommunications Authority (ESTA)      | Call taking and dispatch and related activity   |               |       | 13,283   | 11,227 |
| Mallee Catchment Management Authority                       | Transfer employee costs   | 26            |       |          |        |
| State Revenue Office  | Payroll tax   |               |       | 37,786   | 31,560 |
| TAC   | Road Accident Recovery  | 1,415         | 4,857 |          |        |
| Victoria Building Authority (VBA)                           | Support for Statewide Cladding Audit  | 94            | 142   |          |        |
| Victoria Police   | Employee costs and operational support activity   | 102           |       |          |        |
| Victoria State Emergency Service (SES)                      | ICT support services  | 155           | 151   |          |        |
| Victorian Managed Insurance Authority                       | Insurance   |               |       | 1,770    | 1,575  |
| WorkCover <sup>(ii)</sup>                                   |   |               |       | 34,228   | 20,262 |

(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 included the Portfolio Minister- the Minister for Emergency Services, the Fire Rescue Commissioner, Deputy Commissioners, Deputy Secretary, the Executive Directors and Chief Financial Officer. 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 is reported within the State's Annual Financial Report.

| <b>Compensation of KMP<sup>(i)</sup></b> | <b>2022</b>  | <b>(\$ thousand)<br/>2021</b> |
|--|--------------|-------------------------------|
| Short-term employee benefits             | 3,898        | 3,644                         |
| Post-employment benefits                 | 265          | 209                           |
| Other long-term benefits                 | 89           | 82                            |
| <b>Total</b>                             | <b>4,252</b> | <b>3,935</b>                  |

(i) Key Management Personnel was determined to include the Executive Directors and Chief Finance Officer; accordingly the 2021 amounts were restated in the above.

#### **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**

|   | <b>2022</b> | <b>(\$ thousand)<br/>2021</b> |
|---|-------------|-------------------------------|
| <b>Victorian Auditor-General's Office</b>   |             |                               |
| Audit or review of the financial statements | 212         | 207                           |
| <b>Total remuneration of auditors</b>       | <b>212</b>  | <b>207</b>                    |

#### **8.8 Coronavirus Pandemic (COVID-19)**

The impact of COVID-19 is anticipated to be ongoing, management estimates the financial impact is \$13.8 million (2021: \$6.9 million).

## 8. Other Disclosures (continued)

### 8.9 Reserves

|  | 2022           | (\$ thousand)<br>2021 |
|--|----------------|-----------------------|
| <b>Physical asset revaluation surplus:<sup>(i)</sup></b> |                |                       |
| Balance at beginning of financial year                   | 584,847        | 461,360               |
| Revaluation increments                                   | -              | 123,487               |
| <b>Balance at end of financial year</b>                  | <b>584,847</b> | <b>584,847</b>        |

(i) The physical assets revaluation surplus arises on the revaluation of land, buildings and vehicles.

### 8.10 Subsequent events

There are no subsequent events.

### 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 2021–22 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 includes:

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 2020-6 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. The Department will not early adopt the Standard. 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.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on FRV's reporting.

- AASB 17 Insurance Contracts.
- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments.
- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates.
- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction.
- AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards.
- AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections.

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## 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.

**Financial liability** is any liability that is:

## 8. Other Disclosures (continued)

**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 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.



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**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.

## 8. Other Disclosures (continued)

**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
- 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
- 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
- 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.

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### 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 2021–22 *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.

# Disclosure index

The annual report of Fire Rescue Victoria is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of Fire Rescue Victoria's compliance with statutory disclosure requirements.

| Legislation   | Requirement   | Page reference    |
|---|---|-------------------|
| <b>Standing Directions and Financial Reporting Directions</b> |   |                   |
| <b>Report of operations</b>                                   |   |                   |
| <b>Charter and purpose</b>                                    |   |                   |
| FRD 22  | Manner of establishment and the relevant Ministers                              | 14, 72            |
| FRD 22  | Purpose, functions, powers and duties   | 14-15             |
| FRD 8   | Objectives, indicators and outputs  | 22-24             |
| FRD 22  | Key initiatives and projects  | 22-71             |
| FRD 22  | Nature and range of services provided   | 14-21             |
| <b>Management and structure</b>                               |   |                   |
| FRD 22  | Organisational structure  | 72-84             |
| <b>Financial and other information</b>                        |   |                   |
| FRD 8   | Performance against output performance measures                                 | 25-26             |
| FRD 8   | Budget portfolio outcomes   | 116-120           |
| FRD 10  | Disclosure index  | 172-173           |
| FRD 12  | Disclosure of major contracts   | 96                |
| FRD 15  | Executive disclosures   | 92, 163           |
| FRD 22  | Employment and conduct principles   | 88                |
| FRD 22  | Occupational health and safety policy   | 57, 85            |
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| FRD 22  | Significant changes in financial position during the year                       | 115               |
| FRD 22  | Major changes or factors affecting performance                                  | 115               |
| FRD 22  | Subsequent events   | 166               |
| FRD 22  | <i>Application and operation of Freedom of Information Act 1982</i>             | 96-97             |
| FRD 22  | <i>Compliance with building and maintenance provisions of Building Act 1993</i> | 97                |
| FRD 22  | Statement on National Competition Policy  | 97                |
| FRD 22  | <i>Application and operation of the Public Interest Disclosures Act 2012</i>    | 97-98             |
| FRD 22  | <i>Application and operation of the Carers Recognition Act 2012</i>             | 98                |
| FRD 22  | Details of consultancies over \$10 000  | 94-95             |
| FRD 22  | Details of consultancies under \$10 000   | 96                |
| FRD 22  | Disclosure of government advertising expenditure                                | 93                |
| FRD 22  | Disclosure of ICT expenditure   | 96                |
| FRD 22  | Statement of availability of other information                                  | 102               |
| FRD 24  | Reporting of office based environmental impacts                                 | 99-101            |
| FRD 25  | Local Jobs First  | 93                |
| FRD 29  | Workforce Data disclosures  | 88-92             |
| SD 5.2  | Specific requirements under Standing Direction 5.2                              | 102, 105-107, 166 |

| Legislation   | Requirement   | Page reference              |
|---|---|-----------------------------|
| <b>Standing Directions and Financial Reporting Directions</b>   |   |                             |
| <b>Compliance attestation and declaration</b>   |   |                             |
| SD 5.1.4  | Attestation for compliance with Ministerial Standing Directions   | 102                         |
| SD 5.2.3  | Declaration in report of operations   | 4                           |
| <b>Financial statements</b>   |   |                             |
| <b>Declaration</b>  |   |                             |
| SD 5.2.2  | Declaration in financial statements   | 105                         |
| <b>Other requirements under Standing Directions 5.2</b>   |   |                             |
| SD 5.2.1(a)   | Compliance with Australian accounting standards and other authoritative pronouncements  | 105, 114-115, 171           |
| SD 5.2.1(a)   | Compliance with Standing Directions   | 76, 102, 105, 142           |
| SD 5.2.1(b)   | Compliance with Model Financial Report  | 166, 171                    |
| <b>Other disclosures as required by FRDs in notes to the financial statements (a)</b>   |   |                             |
| FRD 9   | Departmental Disclosure of Administered Assets and Liabilities by Activity  | 122                         |
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| FRD 103   | Non Financial Physical Assets   | 129                         |
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| (a) (a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure. |   |                             |
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|   | <i>Building Act 1993</i>  | 97                          |
|   | <i>Public Interest Disclosures Act 2012</i>   | 97-98                       |
|   | <i>Carers Recognition Act 2012</i>  | 98                          |
|   | <i>Disability Act 2006</i>  | 98                          |
|   | <i>Local Jobs Act 2003</i>  | 93                          |
|   | <i>Financial Management Act 1994</i>  | 4, 76, 102, 105             |
|   | <i>Fire Rescue Victoria Act 1958</i>  | 14, 22, 72, 76, 77, 114-115 |



# Abbreviations

|                 |  |
|-----------------|--|
| <b>AAS</b>      | Australian Accounting Standards  |
| <b>AASB</b>     | Australian Accounting Standards Board                                    |
| <b>ACFO</b>     | Assistant Chief Fire Officer   |
| <b>AFFF</b>     | Aqueous film forming foam  |
| <b>AFSM</b>     | Australian Fire Service Medal  |
| <b>AMAF</b>     | Asset Management Accountability Framework                                |
| <b>ASMA</b>     | Australian Maritime Safety Authority                                     |
| <b>AV</b>       | Ambulance Victoria   |
| <b>BA</b>       | Breathing apparatus  |
| <b>BAU</b>      | Business as usual  |
| <b>CASA</b>     | Civil Aviation Safety Authority  |
| <b>CBD</b>      | Central business district  |
| <b>CFA</b>      | Country Fire Authority   |
| <b>CPR</b>      | Cardiopulmonary resuscitation  |
| <b>CSO</b>      | Community service obligation   |
| <b>DEBRiS</b>   | Decontamination, Exit/Entry, Breathing Apparatus Service, Rehabilitation |
| <b>DJCS</b>     | Department of Justice and Community Services                             |
| <b>EAL</b>      | English as an Additional Language  |
| <b>EMR</b>      | Emergency Medical Response   |
| <b>EPA</b>      | Environment Protection Authority   |
| <b>ESTA</b>     | Emergency Services Telecommunications Authority                          |
| <b>FES</b>      | Fire Equipment Services  |
| <b>FRD</b>      | Financial reporting directive  |
| <b>FRV</b>      | Fire Rescue Victoria   |
| <b>FS</b>       | Fire station   |
| <b>FSPL</b>     | Fire Services Property Levy  |
| <b>GARS</b>     | Greater Response System  |
| <b>GEAP</b>     | Gender Equality Action Plan  |
| <b>GHG</b>      | Greenhouse Gases   |
| <b>GST</b>      | Goods and services tax   |
| <b>HART</b>     | High Angle Rescue Techniques   |
| <b>Hazmat</b>   | Hazardous material   |
| <b>IBAC</b>     | Independent Broad-based Anti-corruption Commission                       |
| <b>ICT</b>      | Information and communication technology                                 |
| <b>IDAHOBIT</b> | International day against homophobia, biphobia and transphobia           |
| <b>IMT</b>      | Incident Management Team   |

|                |  |
|----------------|--|
| <b>LGBTIQ+</b> | Lesbian, gay, bisexual , transgender, intersex, queer and others |
| <b>LSL</b>     | Long service leave   |
| <b>MEMPC</b>   | Municipal Emergency Management Planning Committee                |
| <b>MFMPC</b>   | Municipal Fire Management Planning Committees                    |
| <b>MLO</b>     | Multicultural Liaison Officer                                    |
| <b>MPSG</b>    | Major Project Skills Guarantee                                   |
| <b>MOU</b>     | Memorandum of Understanding                                      |
| <b>MP</b>      | Member of Parliament   |
| <b>NAIDOC</b>  | National Aboriginal and Islander Day Observance Committee        |
| <b>NAV</b>     | Net asset value  |
| <b>OVIC</b>    | Office of the Victorian Information Commissioner                 |
| <b>PFAS</b>    | Per- and poly-fluoroalkyl substances                             |
| <b>PPC</b>     | Personal protective clothing                                     |
| <b>PPE</b>     | Personal protective equipment (health and safety)                |
| <b>PPE</b>     | Property, plant and equipment (finance)                          |
| <b>RCT</b>     | Regional control teams   |
| <b>REMPC</b>   | Regional Emergency Management Planning Committee                 |
| <b>REMT</b>    | Regional Emergency Management Team                               |
| <b>RPAS</b>    | Remote Piloted Aircraft Systems                                  |
| <b>RIMS</b>    | Risk and Injury Management Services                              |
| <b>SES</b>     | State Emergency Service  |
| <b>SO</b>      | Station Officer  |
| <b>SSO</b>     | Senior Station Officer   |
| <b>SLA</b>     | Service Level Agreement  |
| <b>SLP</b>     | Strategic Location Plan  |
| <b>SMVP</b>    | Standard Motor Vehicle Policy                                    |
| <b>USAR</b>    | Urban Search and Rescue  |
| <b>VIPP</b>    | Victorian Industry Participation Policy                          |
| <b>VGV</b>     | Valuer General Victoria  |
| <b>VPS</b>     | Victorian Public Sector  |
| <b>VPSC</b>    | Victorian Public Sector Commission                               |

