

Annual Report

Responding to Emergencies. Preparing for the Future.

22
23

Disclosure guide

Throughout this document you will see tags relevant to different disclosures. As a statutory authority, FRV has an obligation to disclose certain things to meet legislative requirements. These tags look like this e.g.:

 FRD 25

You can find a disclosure index on page 99.

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Acknowledgement

FRV proudly acknowledges the Traditional Owners of Country throughout Victoria. We pay our respect to Elders past and present. We recognise their continuing connection to land, waters and culture.

Accessibility

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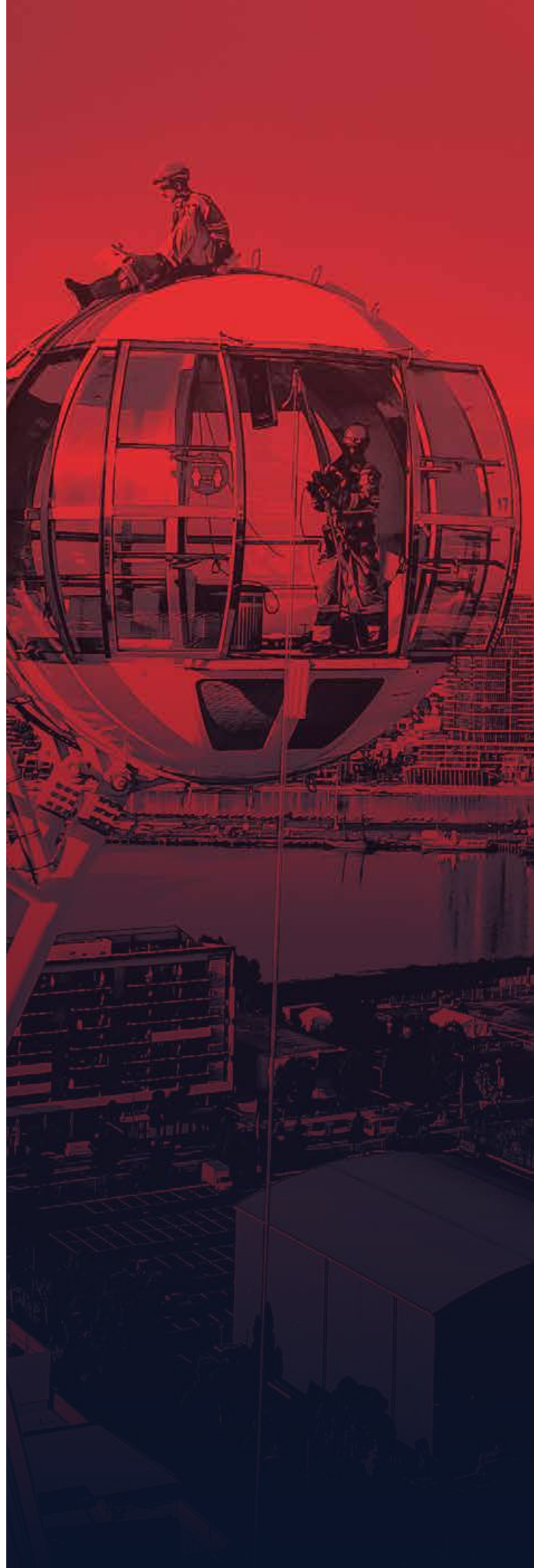
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About the cover

The digitised effect of flames and emergency service lights in the night sky symbolises the nature of FRV's work. Night time represents our 24/7 service, the flames/light represent an emergency and the digitised effect symbolises the modernisation of FRV. Together, these elements illustrate the words on the cover 'Responding to Emergencies. Preparing for the Future.'

Design

Vetro



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Declaration

 SD5.2.3

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 2022–23 Annual Report for the year ending 30 June 2023, in accordance with the *Financial Management Act 1994* (Vic).



Gavin Freeman AFSM
Commissioner
Fire Rescue Victoria
29 September 2023

Highlights

93.3%

of Emergency Medical Response incidents responded to within benchmark of **9 minutes 12 seconds**
93.8% last year
 ↓0.5 percentage points from last year

83.7%

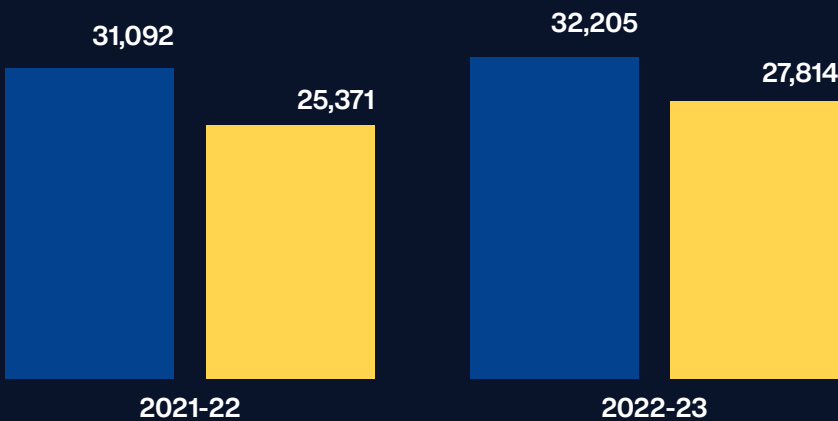
of structure fires responded to within benchmark of **7 minutes 42 seconds**
88.2% last year
 ↓4.5 percentage points from last year

9 preventable fatalities 12 last year

Despite the cyber-attack of December 2022, FRV continued to turn out fire trucks and crews to protect life and property. The business continuity actions we put in place were effective.

Incidents attended within FRV districts

● Fires and incidents ● False alarms



Important information: Cyber-attack effects on data

A cyber-attack in December 2022 caused significant disruptions to our technology systems and prevented us from retrieving some data for our annual report. Despite this we continued to mobilise crews and fire trucks for all emergencies to protect life and property. The attack meant some systems were unavailable for us to record data and some historical data was quarantined. This means we are unable to report on as many metrics as planned. A more detailed report on the effects of the cyber-attack can be found on page 21 of this report.

The decrease in response performance was caused by an increase in the time taken to 'turn out' (mobilise). This is the time it takes firefighters to depart the station after crews are dispatched to an incident. The time taken to arrive on scene, after leaving the station, remained constant. The cyber-attack in December 2022 shut-down the electronic and automated Station Turnout System (STO). While the system has since been recovered, manual processes such as pagers, were temporarily used to dispatch crews. See page 12 for a diagram on the response process and times.

Partnering Effectively



7,179

Responses to incidents outside of FRV's districts (i.e. in CFA districts). Accounts for 10.7% of incidents attended.

7,131 last year (10.6%)

679

Employees trained to contribute to State Emergency Management Arrangements

807 last year

Culture of Support



2.89%

Turnover of all operational firefighters

Goal is to maintain low turnover.
2.82% last year

5.1%

Women firefighters
Fulltime equivalent (200)

170 at time of Gender Equality Action Plan Audit at 30 June 2021

Modernising for Better Outcomes



3

New pumper platforms with 28 metre platforms to better respond to urban environment fires

1,536

Training courses delivered

603 last year

8,959

Participants

4,678 last year

Building Community Resilience



171

Engagements with Local Government Areas by the Community Safety team

289 last year

161

School visits by firefighters

148 last year

9,184

Students received fire education

8,104 last year

Delivering Fire and Rescue Excellence



360

Staff deployed to assist Victorians in the October 2022 floods

This was the largest deployment of the year and included over 1,500 days of work by staff

350

Firefighters qualified as leading firefighters, senior station/station officers, or commanders.

251 last year

The above are a select few of the metrics FRV tracks and reports on to monitor progress for our 2022-32 Strategic Plan and identify meaningful insights to help improve services. You can find more detail in the [Strategic Plan](#) or the [Quarterly Fire Services Outcomes Framework Progress Reports](#).



Find out more:

Commissioner's foreword



Responding to Emergencies. Preparing for the Future.

As the Commissioner of Fire Rescue Victoria (FRV), I am pleased to present our 2022–23 Annual Report. This year, we have faced significant challenges, including lingering impacts from the COVID-19 pandemic, a significant cyber-attack and national and state emergencies that remind us of the dynamic nature of what we do. Despite these challenges, our people have risen to the challenge every time, and we continue to deliver on the Victorian Government's Fire Services Reforms.

I had the immense honour of being appointed Fire Rescue Commissioner in May 2023. I am acutely aware of both the privilege of the position, which humbles me, and the opportunity to make a difference. I have said before that my tenure's focus will be on finding practical solutions for FRV to address the challenges we face, while setting us up for the future and making improvements to everyday operations. I am committed to leading a fire and rescue service that adheres to our values of service to the community, teamwork, respect, integrity and accountability.

I would like to take this opportunity to acknowledge and thank FRV's inaugural commissioner, Ken Block, for his significant contribution to establishing the FRV we know today. I also thank the Victorian Government for the trust and faith it has placed in me to continue the work our inaugural commissioner started.

The adoption of our 10-year strategic plan through to 2032 is driving FRV to become an industry-leading fire and rescue service. It's predicted that over the next 10 years, Victoria will grow from 6.6 million to 7.9 million, that growth in Victoria's regions will outpace Melbourne, and that Melbourne will surpass Sydney as Australia's largest city. This is likely to place increased demand on FRV and we know we will need to be adaptive, data-driven and enhance our capability to continue to deliver high levels of service to the community we serve.

Climate change continues to be a pressing issue that has increased the frequency of extreme fire weather and flash flooding, causing us to constantly review the way we prepare and respond operationally. Over the past year, we have witnessed widespread flooding in agricultural areas, town centres and Melbourne. These events not only pose significant risks to public safety but also have the potential to put firefighters and operational staff in harm's way. Our firefighters have been on the frontline rescuing Victorians, pumping out flooded properties, recovering stranded vehicles and fighting bushfires alongside our colleagues at the Country Fire Authority (CFA), Forest Fire Management Victoria (FFMV) and the Victoria State Emergency Service (VICSES).

Working with our partner agencies to provide high levels of service when Victorians need us is why we turn up every day. There have been many events that have impacted our community over the past year. The bus crash at Eynesbury where 11 of 45 children onboard were hospitalised, with life-threatening injuries, some requiring amputations, was among the most confronting. I am proud of the collaborative efforts of Victoria's emergency services, alongside the community. This included members of the public working with schoolteachers, CFA, Victoria Police, VICSES, Ambulance Victoria and FRV. This was an exemplary demonstration of partnering effectively and putting the community first.

Per-fluoroalkyl and polyfluoroalkyl substances (PFAS) remains a concerning issue for firefighters worldwide. I am very pleased to report that FRV received the 34th Banksia National Sustainability Health and Wellbeing Award for our world-leading work in PFAS mitigation. Exposure to these chemicals can have harmful effects on human health, including increased risks of cancer, hormonal disruptions and other health conditions. This award, among other things, recognised the advocacy work and the successful remediation of Corio fire station (FS62, Wathaurong country). The treatment applied at this station reduced PFAS concentration in surface and water runoff, bringing PFAS levels at the site to below the ecological screening criteria (see case study on page 42).

In addition to these challenges, the cyber-attack of 15 December 2022 created challenges for service delivery and compromised our systems (see report on page 21). The attack highlighted the need for increased investment in cybersecurity infrastructure, training and awareness. We worked tirelessly to ensure our community operations continued without disruption, and our technology teams are continuing to restore our systems and establish safeguards to prevent future cyber threats. While we experienced a widespread technology outage the business continuity actions we put in place were effective.

We are working closely with cybersecurity experts and our partners in the state and federal governments, including the Australian Cyber Security Centre, to investigate and respond to the cyber-attack. Like almost every organisation, we rely on technology heavily. We know in this rapidly changing world our cyber defences must be constantly uplifted so we can continue to deliver uninterrupted fire and rescue services to Victorians. The attack has accelerated our technology transformation program, which will help to ensure our systems are contemporary, fit-for-purpose and more efficient.

This transformation extends to the physical environment too. We have been working diligently to upgrade our fire appliances, equipment and stations to better serve our communities. We completed a major redevelopment of Box Hill Fire Station in Melbourne's east, refurbished several stations and obtained planning permits for a new station in Moe (see Infrastructure on page 30). We have invested in new equipment and technologies (including 12 heavy pumpers) to improve firefighting capabilities and our ability to respond to medical emergencies, rescue operations and hazardous chemical incidents while actively working to reduce our carbon emissions.

Our teams have been working closely with local authorities and community organisations to promote fire prevention and awareness programs. In the coming year, we will launch online tools for Victorians to undertake a fire risk assessment and arrange building inspections.

Advocacy continues to be an important part of the work we do in preventing fires. In 2022-23, there have been some notable achievements, including our advocacy for mandatory interconnected smoke alarms in garages and mandatory smoke alarms for solar panel installations, the latter of which took effect on 1 July 2023 (see case study on page 44).

Recruiting and retaining women firefighters remains an ongoing focus and women now make up 5.1% of firefighters, an increase from 170 to 200 women over two years. Ten of our 24 senior appointments are women. You can see more detail in the Workforce Inclusion section on page 70.

We will continue to invest in training, equipment and technology to enhance our fire and rescue capabilities and protect the health and safety of our firefighters and the Victorian community. This includes partnering closely with the CFA and other government agencies, researchers and industry partners to better respond to fire and other emergencies at a community level. In this report you will find case studies about our partnerships with other agencies, PFAS, lithium-ion battery fires and the use of aerial drones in firefighting that illustrate what we are doing to modernise our services.

I would like to express my heartfelt gratitude to our dedicated firefighters, corporate, technical and workshop employees for their unwavering commitment to serving the Victorian community. Thank you also to the families of our people for the support you give your loved ones as they work hard to make Victoria a safe place to live. I would also like to extend my gratitude to our industrial partners, especially the United Firefighters Union, for their ongoing support of FRV.

I am proud of our achievements over the past year and confident in our ability to navigate the challenges ahead. FRV will excel in our vision to build safer and more resilient communities supported by a modern, professional and inclusive fire and rescue service.



Gavin Freeman AFSM
Commissioner
Fire Rescue Victoria

About Fire Rescue Victoria

Our vision:

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





Purpose and functions

FRD 22

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 by:

- 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

RECOMMENDATION 39, PAEC REPORT ON THE 2015-16 BUDGET ESTIMATES

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

FRD 8, RECOMMENDATION 15, PAEC REPORT 118

FRV is required to perform its functions and exercise its powers under the *Fire Rescue Victoria Act 1958* 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.

Employees, infrastructure and fleet

3,813



Firefighters and operations employees full-time equivalent

↓51 3,864 last year

703



Corporate and technical employees full-time equivalent

↑93 610 last year

85



Stations
We progressed the acquisition, design, refurbishment or construction of 21 stations

85 last year

156



Pumping appliances (fire trucks)

↑5 151 last year

642



Light vehicles

↑16 626 last year

34



Specialist appliances

↓1 35 last year

28



Technical operations pods

28 last year

10



Fireboats

10 last year

13



Ladder platform appliances

13 last year

5



Teleboom appliances

5 last year

4



Aerial pumper appliances

4 last year

3



Pumper platform appliances

0 last year

Staff numbers are the full-time equivalent at the last pay period in June. See the Workforce Data section on page 61 for a breakdown of headcount vs full-time equivalent, gender and age.

The increase in the number of corporate and technical staff was driven by the introduction of FRV Health (the new health, safety and wellbeing model), increased cyber-security capacity following the cyber-attack in December 2022, the demands of the Fire Services Reform and changes that reflect the focus of FRV on major metropolitan areas across Victoria.

The decrease in firefighters was due to a number of firefighters retiring. Of the 107 departures, 23 were employees age 65+ years and 67 were employees age 55-64 years. FRV anticipates total operational employee numbers to increase during 2023-24 when new recruits commence. Recruit courses comprise of up to 30 recruits, with up to 8 courses conducted per year.

See page 31 for further fleet details.

What we do

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 material incidents. Prompt arrival is key to saving lives and limiting the damage of property. We measure both our response times to events and the outcomes, such as containment of fires to the room of origin.

We perform specialist response and emergency management for complex incidents. We also conduct fire investigations and advocate for reforms to building design, regulations and legislation. We invest in research and develop prevention programs that improve community safety and build community resilience.

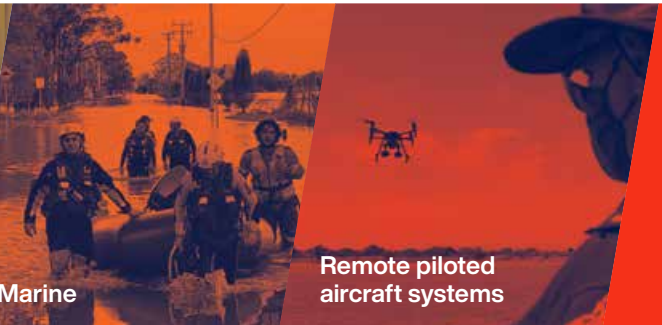
Our strong presence in the community promotes safety and creates opportunities for Victorians to engage with our people so they feel safe when our staff respond to calls for assistance.

FRV trains and maintains a number of specialist response teams to be prepared to respond to different types of emergencies



Hazmat

Fire



Marine

Remote piloted aircraft systems



Emergency medical response



Trench rescue



Road rescue



High angle rescue



Hostile response



Impact assessment



Urban search and rescue



State Emergency Management collaboration

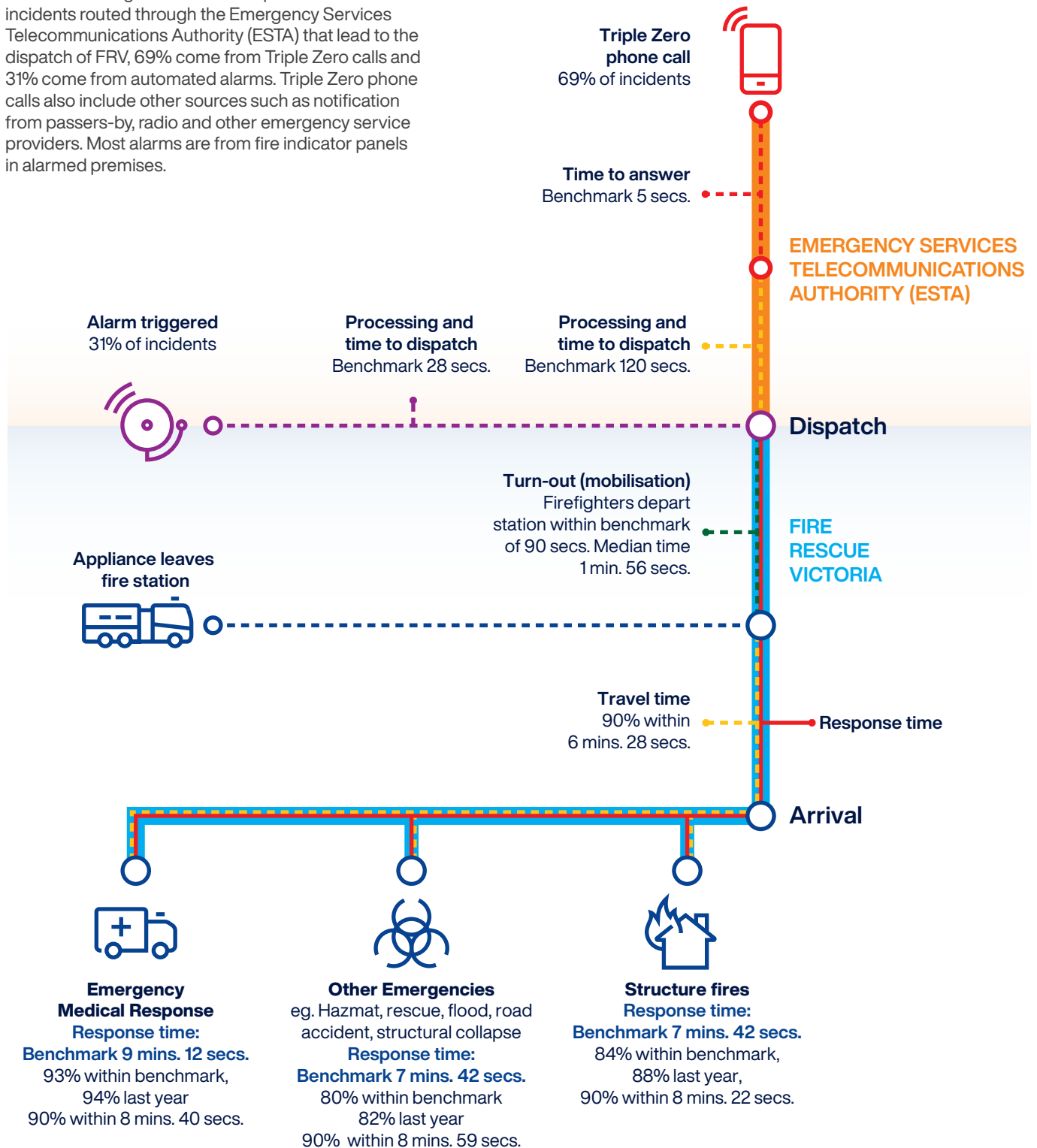


Find out more:

Response times

Code 1 emergencies are the highest priority responses. They are potentially life-threatening emergencies and receive a 'lights and siren' response. Of the incidents routed through the Emergency Services Telecommunications Authority (ESTA) that lead to the dispatch of FRV, 69% come from Triple Zero calls and 31% come from automated alarms. Triple Zero phone calls also include other sources such as notification from passers-by, radio and other emergency service providers. Most alarms are from fire indicator panels in alarmed premises.

Time from a call or alarm to arrive on scene for code 1 emergencies



The figures for benchmark performance have been rounded to the nearest percentage for simplicity within the diagram. You can see the figures to a single decimal point on page 4.

Where we work

We deliver services to communities across Melbourne and Victoria's major regional centres. Our geographic footprint is aligned to Victoria's regional boundaries under the state emergency management arrangements. This forms the platform for integrated emergency management planning at local, municipal, regional and state levels. We regularly provide services outside of these districts, for example, assisting the CFA with bushfires and rescues, or the Victoria State Emergency Service with floods and storms. Within FRV's districts, 62% of incidents occur in residential locations and 38% in non-residential locations.

We also play a role in Victoria's State Control Centre and regional control centres. In these centres, command staff from all agencies work together on emergencies 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 statewide emergency planning and preparation.

FRV's districts



4,247,925 people
Approximately 63% of Victorians
1,834,105 dwellings



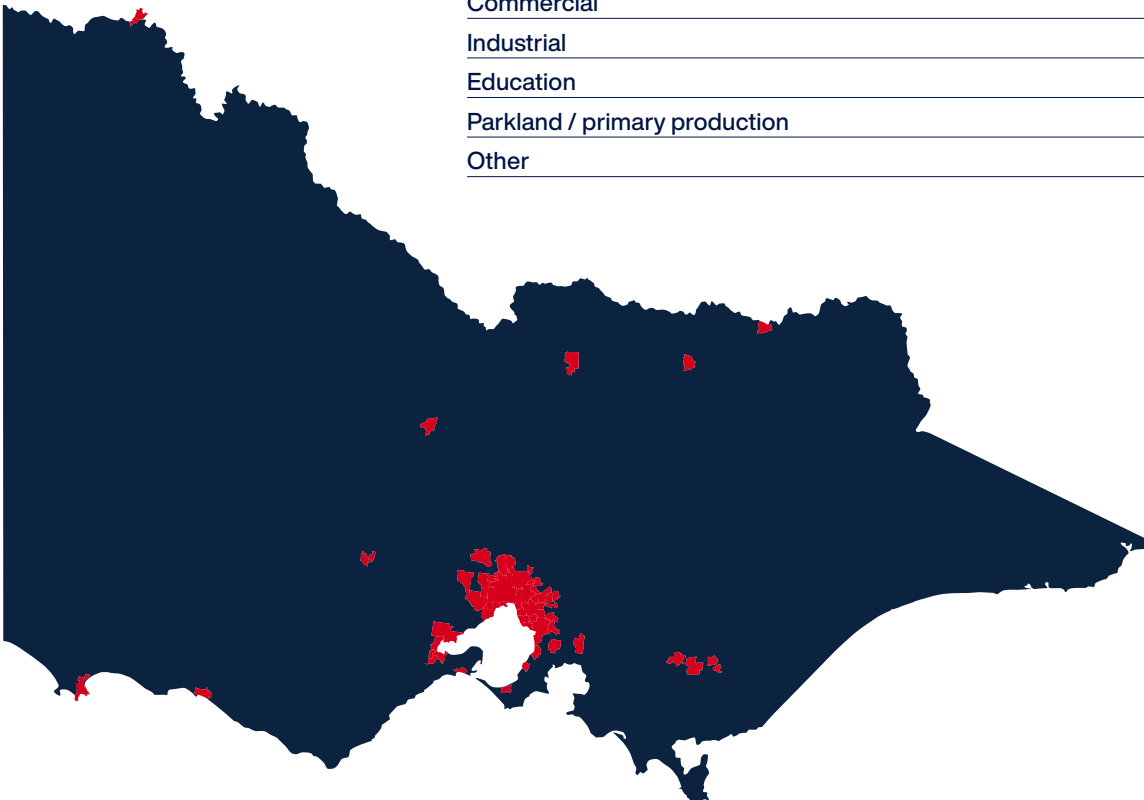
60,019 incidents
attended within FRV
districts (89.3%)



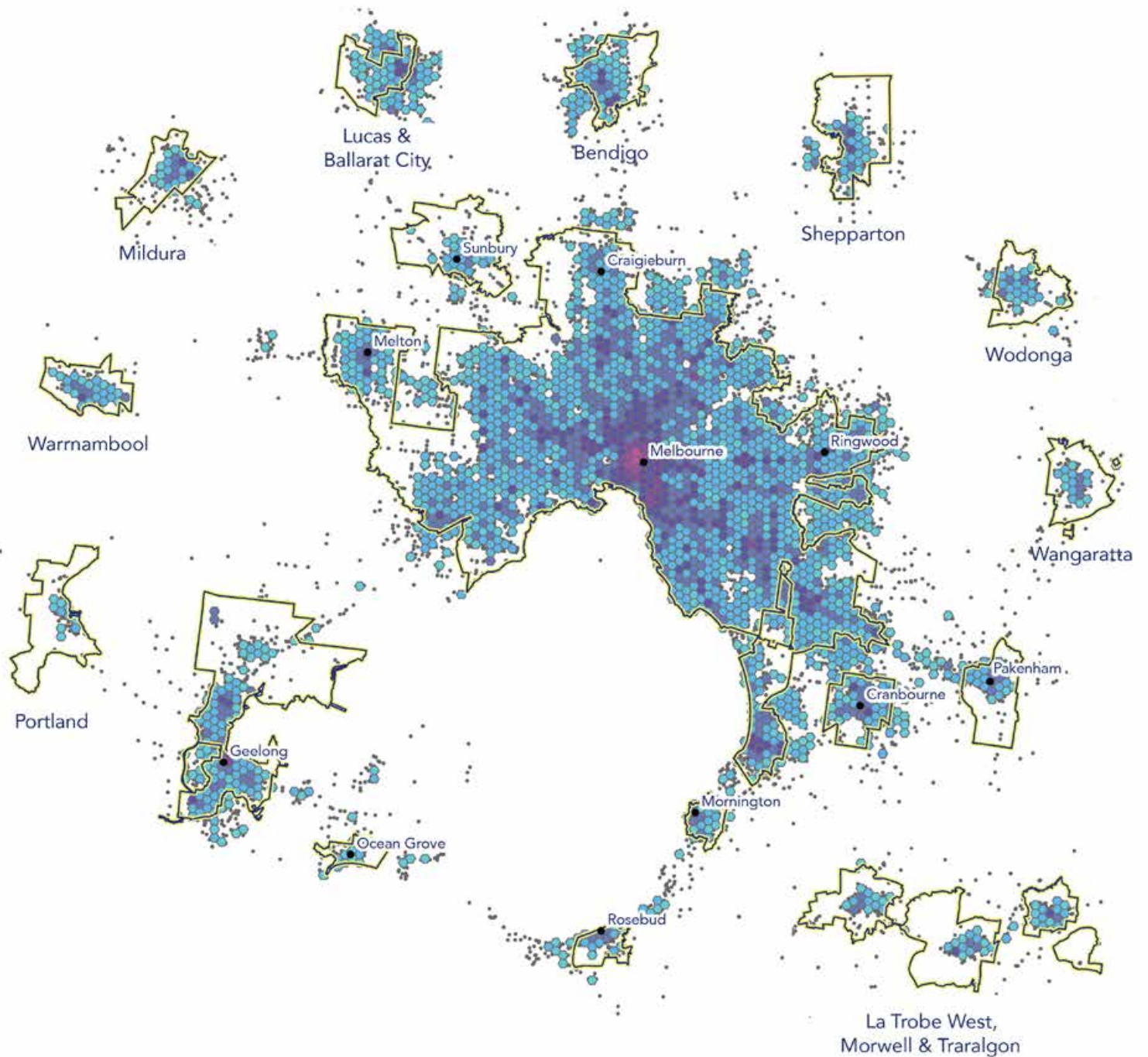
7,179 incidents
attended outside FRV
districts (10.7%)

Areas we protect

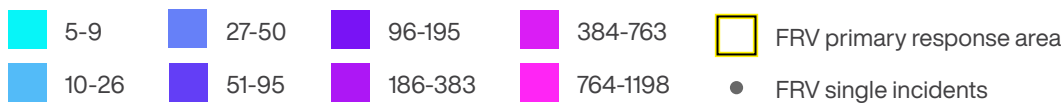
Residential	44%
Commercial	4%
Industrial	10%
Education	2%
Parkland / primary production	33%
Other	7%



Incidents attended by FRV



Incident counts





Our Strategic Plan 2022–32

FRV has identified the key drivers for change in our strategic and operating context. These will continue to influence and shape the strategic choices we make now and over the ten-year plan. The drivers of our 2022–32 plan are as follows.

A changing context for the communities we serve:

- Climate change and extreme weather
- Increasing population density
- Diverse and unique communities
- Government's fiscal strategy
- Changing land use.

Leading fire and rescue services:

- Embrace new technologies and ways of working
- Strengthen relationships within the emergency management sector
- Build a diverse and inclusive workplace
- Be accountable to the community and stakeholders.

Creating our unique culture:

- Foster a diverse suite of skillsets
- Integrate technology across the organisation
- Modernise internal operating environment
- Provide a place of work that people aspire to join.

See the Statement of Progress for the Strategic Plan 2022–32 on page 18.



Find out more:

Strategic pillars

1 Partnering effectively



- A trusted and professional collaborator
- We value relationships and foster partnerships to improve shared arrangements for Victoria's emergency management sector. We're proactive, listen, and understand needs to make communities safer.

2 Culture of support



- A place where everyone belongs
- We build a positive, inclusive culture where all contribute to staff safety, have opportunities to grow, and workforce diversity is prioritised. We develop our current and future leaders.

3 Modernising for better outcomes



- Enabling industry-leading services
- We invest in modern capabilities, diverse teams, cutting-edge technology and research, and monitor performance for continuous improvement. We work to improve financial and environmental sustainability.

4 Building community resilience



- An informed and ready community
- We draw on industry-leading practice to deliver education and information, tailor and adapt our services to diverse communities, and connect effectively with community leaders to build trust.

5 Delivering fire and rescue excellence



- A service that sets the industry standard
- We're operationally ready and capable, with health and safety focused training, shared knowledge and assets, and professional service delivery. We strive to provide timely and appropriate services.

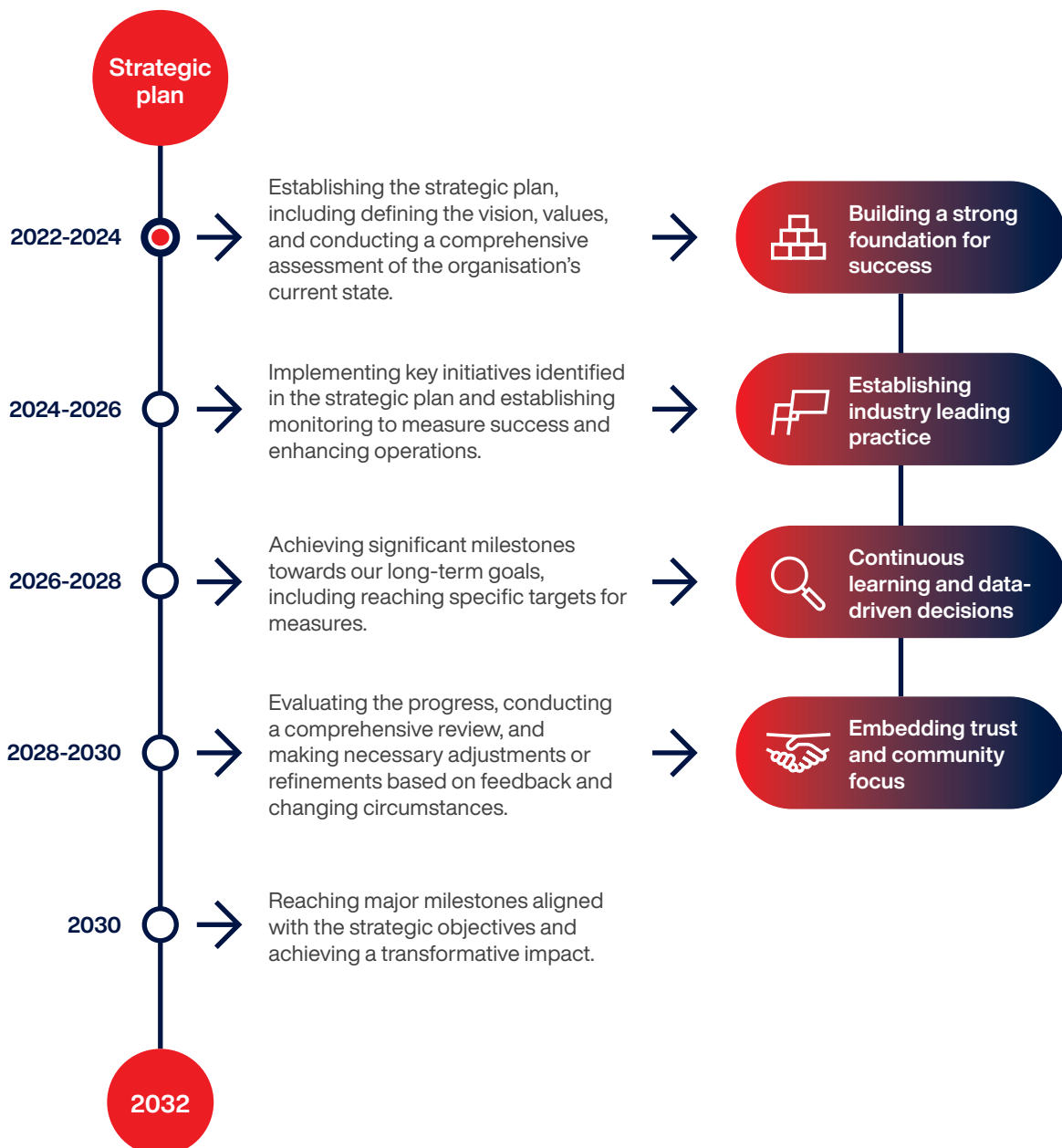
Our Values



Statement of progress: Strategic Plan 2022-32

Over the past year, FRV has prioritised the delivery of our ten-year strategic plan. To establish the plan over the next year, we will continue planning and implementation of priority initiatives and focus on how we communicate the strategy. We will cascade both the communication and responsibility for initiatives throughout the organisation.

To ensure a strong foundation for success, we have mapped, prioritised, and commenced strategic initiatives required over the current phase of the plan. This aligns the work that commenced as part of the Fire Services Reform Implementation Plan, achieving significant progress in delivering on the reform goals.



The Fire Services Reform stemmed from a number of reviews of emergency management services following the 2009 Victorian bushfires. Reforming Victoria's fire services became law with the introduction of the *Firefighters' Presumptive Rights Compensation and Fire Services Legislation Amendment (Reform) Act 2019* and the establishment of FRV on 1 July 2020. The reform continues to address modernisation, creating a more integrated and coordinated response to fires and other emergencies, and improving the safety and wellbeing of firefighters and emergency services workers. The 'Year Two to Five Implementation Plan' sets out the priorities and actions that, once implemented, will create a modern fire service. In addressing the objectives of the plan, we have:

- Upgraded station communication systems including installation of fibre optic links
- Adopted a service demand planning and continuous quality improvement framework set out by the Commission on Fire Accreditation International (CFAI)
- Implemented a Health Model, which establishes statewide organisational health standards
- Acquired new generation personal protective equipment for firefighters
- Developed a plan of agreed interoperability procedures to work in conjunction with other agencies.

As part of the ongoing work of the reform, we are also:

- developing and implementing an Information and Communications Technology (ICT) Strategy, ICT Roadmap and Target Operating Model (the model shows the future state we are moving towards to achieve our strategy)
- planning capital works to improve stations co-located by FRV and the CFA
- working with the CFA to harmonise procedures and agree standard service level agreements (SLAs).

We will continue to identify strategic projects and initiatives to achieve this plan. We are confident that our progress so far has set us on the path to achieving our vision of safer and more resilient communities supported by a modern, professional and inclusive fire and rescue service.

In our efforts to establish industry-leading practice, we have adopted the CFAI Accreditation model to guide the implementation and integration of service delivery planning and continuous quality improvement. This will help to align FRV's service delivery with community expectations, enhancing public confidence and operational efficiency, as the model is founded on a platform of continuous improvement.



Year in review



2022 cyber-attack

On 15 December 2022, we discovered that our systems had been affected by a significant cyber-attack, which had a profound impact on technology and communication systems. The attack was executed by a malicious third party with sophisticated techniques and caused a breach of our cyber security defences and potentially exposed sensitive information.

FRV has subsequently been made aware that a person or persons may have stolen information from FRV and may have uploaded information stolen from FRV on the Dark Web. As of 30 June 2023, the files purporting to contain FRV's information could not be verified to contain FRV data by any of the cyber security experts who have been engaged to support FRV. We remain unsure whether the malicious third-party is in possession of stolen data.

FRV made a data breach notification to the Office of the Australian Information Commissioner (OAIC) and the Office of the Victorian Information Commissioner (OVIC) and has published notifications to individuals whose identifying information may have been illegally accessed or stolen by the malicious third-party.

The impact of the cyber-attack on FRV was far-reaching. Our business operations were disrupted as many of our systems became inaccessible, including our internal servers, email and telephony systems.

The disruption caused communication challenges that ultimately impacted business critical processes, affecting day-to-day administration and forcing operations to activate business continuity plans. Despite this, we continued providing critical fire and rescue services to the community using mobile phones, pagers and radio communication, turning out crews and fire trucks to protect life and property.

Payment of some employee entitlements was delayed in the months that followed the cyber-attack due to the need to implement more manual payment practices. As of 30 June 2023, all wages and entitlements that were delayed due to the cyber-attack had been paid in full. FRV is particularly grateful to employees for their patience in the months following the December 2022 attack.

The potential unauthorised access of FRV information raises concerns regarding privacy, confidentiality and potential misuse of sensitive data. We take this matter seriously and have been working diligently to mitigate the impact on those who may be affected and to enhance our data protection measures. Copies of FRV's data breach notifications to the OAIC are available on our website at frv.vic.gov.au. These notices outline the types of information that could be impacted by the attack. This includes personal information relating to certain groups.

In response to the cyber-attack, we immediately activated our incident response plan and engaged external cyber security experts to investigate the breach, contain the damage and commence the task of restoring our business-critical systems to a secure state. This process involved forensic analysis, system restoration and development of a roadmap to strengthen our cyber security infrastructure to reduce the likelihood and consequence of such incidents in the future.

While we took immediate actions to mitigate the impact and prevent further compromise, we understand that rebuilding trust is a critical endeavour. We have reached out to those who may be affected to provide guidance on protecting their personal information and to provide necessary support to mitigate any potential harm caused by the breach. This has included providing access to a credit monitoring service for individuals, Equifax Protect, and advice on how to increase personal cyber security and mitigate the potential impact of the attack on individuals.

We are also investing in awareness programs for our staff to raise awareness about cyber threats, phishing scams and best practices for maintaining a secure digital environment and a culture of vigilance.

We are resolute in our commitment to maintaining the highest standards of cyber security and safeguarding FRV.

We are deeply appreciative of the ongoing support from our employees and the United Firefighters Union, who helped us to implement interim solutions to unusual business practices.

Operations performance

Outcomes framework

The *Fire Rescue Victoria Act 1958* requires FRV and the CFA to prepare and publish an outcomes framework. We have established an outcomes framework with indicators and measures to monitor and demonstrate our progress and opportunities for improvement. We report our progress to the

Fire Services Reform Implementation Monitor each quarter (see Fire Services Implementation Monitor reports available at vic.gov.au). In the past we have included relevant indicators in the annual report, however this was limited this year, due to the cyber-attack.

Key metrics

Incidents within FRV and CFA districts by incident type

Description	2022-23 Incidents in FRV districts	% change	Incidents in CFA districts	% change	Total incidents	2021-22 Incidents in FRV districts	Incidents in CFA districts
EMR	6,761	4.1%	787	11.6%	7,548	6,494	705
False Alarm	27,814	9.6%	2,388	3.4%	30,202	25,371	2,309
Non-Structure Fire	5,412	-6.8%	1,108	-11.1%	6,520	5,804	1,247
Other Incidents	16,306	8.1%	2,168	4.2%	18,474	15,091	2,081
Structure Fire	3,726	0.6%	728	0.4%	4,454	3,703	725
Total	60,019	6.3%	7,179	1.6%	67,198	56,463	7,067

Due to the cyber-attack, alternative methods were utilised to extract incident data. Minor differences in the data extraction business rules results in a small difference between numbers reported in the 2021 – 22 annual report (56,324), and the prior year comparatives disclosed above (56,463) for incidents in FRV districts.

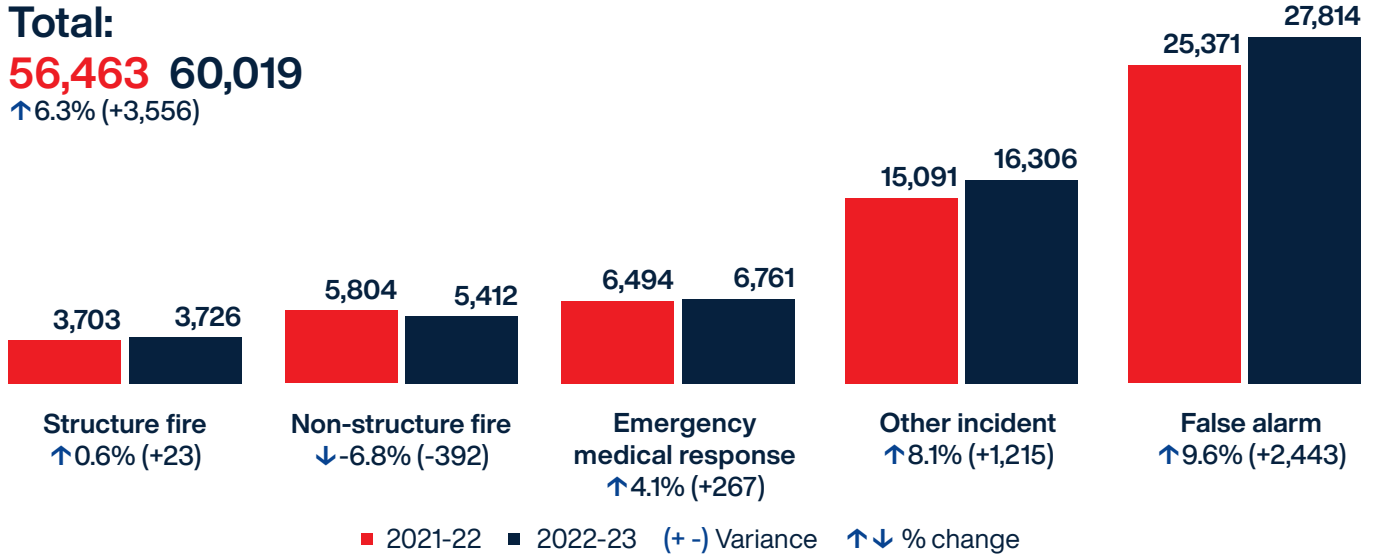
Key observations:

- This is the first year since FRV's inception where incident numbers have not been impacted by COVID-19 lockdowns. The overall increase in activity of 6.3% is in line with expectations given the increased activity on roads, infrastructure, businesses and building occupancy rates moving closer to pre-pandemic levels.
- FRV has been consistently responding to incidents involving structure fires but encountered fewer non-structure fires which includes storage, trains, cars, buses, garbage and liquid fires.
- False alarms accounted for 45.1% of calls compared to 46.3% the year prior. Reducing the volume of unwanted false alarms is a key area for efficiency improvement. See Alarms and Engagement section on page 33 for more detail.



Find out more:

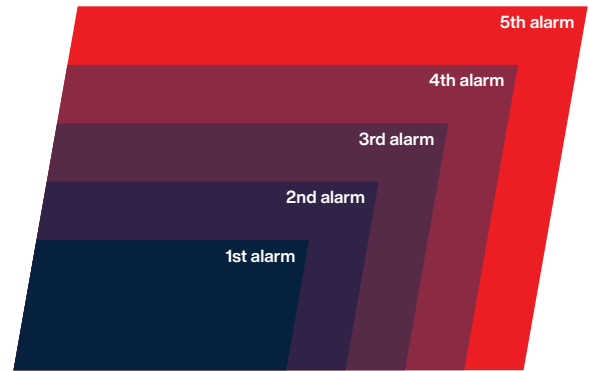
Incidents within FRV districts by incident type



In addition to the calls attended within FRV districts, FRV also attends incidents within CFA districts. This is most common close to the borders of CFA and FRV districts.

Greater alarm response system

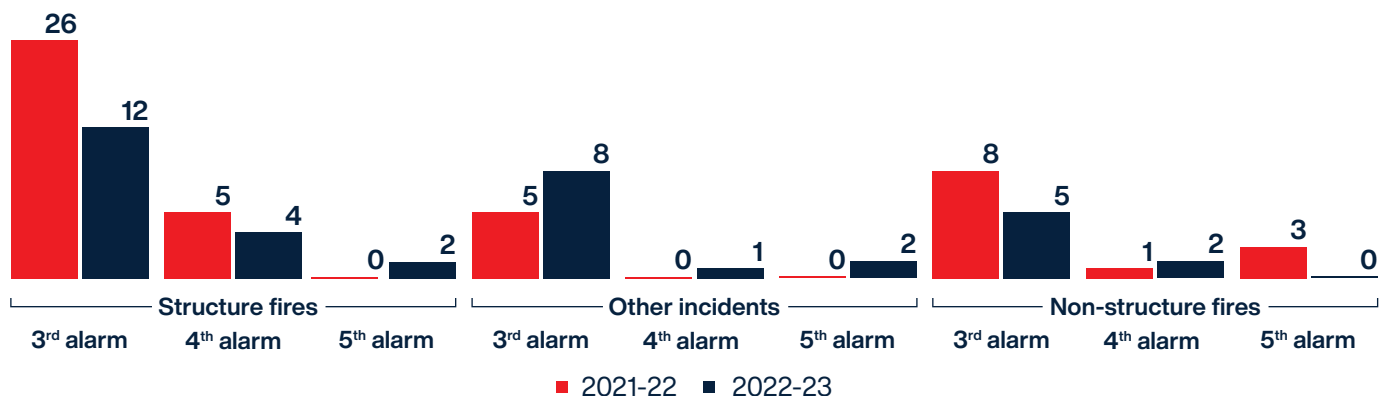
FRV classifies emergencies by the type of risk and each emergency is resourced proportionately, as predetermined, relative to risk. Most stations in greater Melbourne use a classification known as the Greater Alarm Response System (GARS). In GARS, the resources allocated are relevant to the type of incident and escalate with the level of alarm. For example, a 1st alarm non-structure fire requires two primary appliances (fire trucks) at a minimum but a 3rd alarm structure fire requires nine primary appliances, specialist support such as a ladder platform and breathing apparatus and additional staff including higher ranked firefighters such as commanders and an assistant chief fire officer.



↑ As the alarm levels increase, the resources allocated increase.

3rd alarms and above or equivalent attended by FRV within the FRV fire districts by type of incident

Note: Alarm levels are determined by FRV and are different to other agency or state government levels. For incidents not classified using GARS, an equivalent GARS level has been applied.



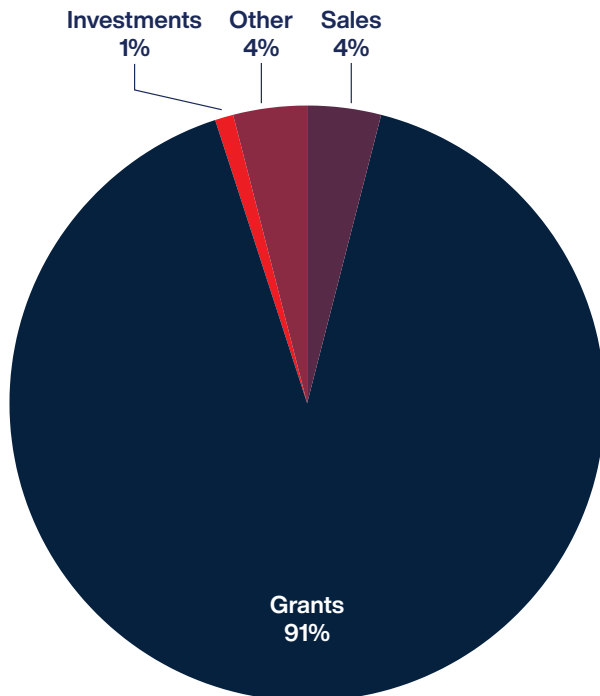
Financial management discussion and analysis

As a government statutory body with a vital role in protecting the lives and properties of Victorians, our financial performance is also of significance.

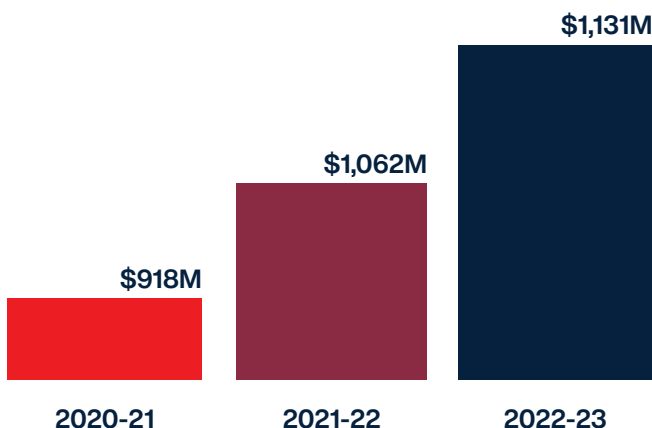
We received grants of \$877.89 million in 2022–23 to deliver fire rescue services to the Victorian community 24 hours a day, seven days a week.

As a statutory authority we are accountable to government and the community for our performance.

Total revenue



Total expenses from transactions \$m



Summary of financial performance \$'000

Description	2023	2022
<i>Continuing operations</i>		
Income from transactions		
Grants	\$877,889	\$848,944
Sales of goods and services	\$35,759	\$48,163
Interest	\$7,704	\$980
Investment distributions	\$0	\$5,422
Gain/(Loss) on financial instruments - investments	\$4,228	\$0
Other income	\$35,374	\$16,216
Total income from transactions	\$960,954	\$919,725
Expenses from transactions		
Employee expenses	\$887,869	\$842,355
Depreciation and amortisation	\$57,187	\$54,798
Contract services with State Government entities	\$26,263	\$27,136
Other operating expenses	\$159,422	\$137,758
Total expenses from transactions	\$1,130,741	\$1,062,047
Net result from transactions (net operating balance)	-\$169,787	-\$142,322
Total other economic flows included in net result	-\$528	\$9,832
Net result	-\$170,315	-\$132,490
Total other economic flows - other non-owner changes in equity	\$50,727	\$0
Comprehensive result - total change in net worth	-\$119,588	-\$132,490

Technical operations

We deliver specialist capabilities in emergency medical response (EMR), road rescue, urban search and rescue, trench rescue, impact assessment, rope rescue, confined space rescue, marine and hazmat. Advanced training in these specialised disciplines achieves FRV's strategic pillar of fire and rescue excellence.

Emergency medical response

Firefighters are trained and equipped for EMR and are dispatched simultaneously with Ambulance Victoria paramedics to life-threatening medical emergencies. 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. Our firefighters are trained to attend various medical emergencies including cardiac arrest, stroke, drowning, anaphylaxis and drug overdose.

Key achievements in the year to 30 June included:

- Recertification training in regional areas that allowed firefighters to undertake training within 100km of work locations to reduce travel and time away from home. This successful initiative has improved the efficiency of EMR training in FRV's regional areas with EMR training centres established at Mildura, Wangaratta, Lucas, Bendigo, Morwell, Warrnambool and Corio.
- Commencement of a trial of electronic patient care records.
- Updated procedural and clinical governance documentation.
- Improved collaboration and training with Ambulance Victoria including understanding the operations of other responders such as Ambulance Community Officers (ACOs), Community Emergency Response Teams (CERT) and GoodSAM (Good Smart Phone Activated Medics) community responders.

Hazmat

FRV responds to incidents that involve hazardous materials including fires, chemical spills and chemical-related medical emergencies. Our technicians and scientific advisors carry out investigation, mitigation and decontamination work.

In the year to 30 June, we:

- responded to 722 hazardous materials incidents ranging from small fuel spills and domestic gas leaks to large chemical spills and industrial fires. Of these, 117 were supported by FRV scientific advisors.
- commenced planning for best practice hazmat response for the 2026 Commonwealth Games (since cancelled) including modernising our decontamination strategy and upgrading remote gas detectors.
- obtained approval to commence building next generation hazmat response vehicles.

To support our staff and achieve fire and rescue excellence in hazmat response we conduct regular training. This year's focus was on heavy hazmat training for staff in regional areas and 19 technicians were trained. Additionally, training has been delivered as part of Station Officer, Senior Station Officer and Fire Services Communications Controller courses to ensure candidates have the latest knowledge and skills in this area.

Marine

FRV maintains skills in marine operations including swiftwater rescue and managing fire and hazardous noxious substance (HNS) incidents.

Swiftwater rescue was particularly important in the past year given the floods in regional Victoria in late 2022. We worked closely with Victoria Police and deployed teams and specialist equipment over a 20-day period during the height of the floods. There were further deployments in ports including a significant fire in the Port of Melbourne on board the vehicle carrier vessel, *Hoegh Trooper*.

Completion of skills maintenance is essential to continued operations and FRV met ongoing compliance requirements with the Australian Maritime Safety Authority (AMSA) regulations for our 34 coxswains and 54 general purpose hands. Sixteen new general-purpose hands were trained with eight qualifying in early 2023 and a further eight to qualify in late 2023.

Technical operations (continued)

Rescue

FRV delivers Heavy Rescue, Road Crash Rescue (RCR), and Road Crash Rescue Support (RCRS) for complex rescue scenarios. Highly trained FRV firefighters equipped with specialised tools and equipment conduct road crash rescues and other technical rescues. Last year, FRV responded to over 5,000 motor vehicle accidents, with over 1,000 requiring a heavy rescue response.

We currently operate eight Heavy Rescue vehicles supported by dedicated firefighters at 38 locations delivering RCRS. Equipped with specialised tools, our appliances enable crews to stabilise vehicles, manage hazards and provide access for paramedics to care for patients. Coordination among RCRS, Heavy Rescue and other emergency services is essential to ensure optimal outcomes. Collaboration with partner agencies also facilitates expanded training in heavy vehicles, mass casualty incidents and industrial and domestic rescues.

Urban Search and Rescue

Urban Search and Rescue (USAR) is a critical rescue capability provided by FRV, which involves locating, removing and providing medical assistance to victims of structural collapses. FRV trains and supports professionals in multi-agency responses to building collapses. During the October 2022 Victorian floods, FRV conducted over 6,000 damage assessments to support affected communities. Development of an updated USAR technician course is in its final stages, which will enhance the capabilities of our operators, including to incidents involving vehicle collisions with structures.

Rope rescue

Rescues from confined spaces, trenches or at heights require firefighters with specialist training and equipment. These emergencies involve challenging, hazardous environments and require the safe transfer of patients into the care of Ambulance Victoria Paramedics. This year, FRV has commissioned two additional Technical Rescue appliances located at Lucas and Morwell fire stations to bring more skills and equipment to regional Victoria. New rope rescue qualifications have commenced and new equipment has been adopted that will ensure rope rescue is consistent and compatible across FRV. For instance, FRV has delivered its first Rope Rescue Instructor Course, Rope Rescue Technician Course and newly harmonised Trench and Confined Space Rescue Courses. The Rope Rescue Specialist Course is in the final stages of development and is planned for delivery in 2023–24.





Facilities

FRV places great importance on effective facilities management to support our operations and vision. Operations are 24/7 and facilities need to be fit for purpose to meet our service delivery obligations to the community. Facilities management encompasses a range of activities aimed at ensuring safe, functional and sustainable working environments for our firefighters, staff, and the communities we serve.

Our facilities management approach focuses on four key areas:

1. **Safety and compliance:** We set a high standard and adhere to regulatory compliance measures, conducting regular inspections, implementing preventive measures and addressing any identified hazards promptly.
2. **Infrastructure maintenance:** We prioritise regular maintenance, repair and upgrade of our facilities, including fire stations, training centres and administrative buildings.
3. **Asset management:** We employ asset management practices, including inventory tracking, maintenance scheduling and lifecycle planning to maximise the lifespan of facilities.
4. **Sustainability:** We strive to minimise our carbon footprint by implementing energy-efficient technologies, waste management strategies and water conservation measures.

Our commitment to maintaining well-managed facilities ensures operational readiness and resilience.

Infrastructure

FRV owns and oversees more than \$1 billion in property assets across Victoria. The portfolio includes 85 fire stations and more than 50 other facilities that we maintain and continually improve to ensure they are fit for purpose in supporting our operations. In 2022–23, the capital program consisted of \$43 million towards land acquisition for future stations, planning and design works, construction and refurbishment of fire stations and offices.

We are developing infrastructure to ensure the safety and wellbeing of the Victorian community and to meet future requirements. These initiatives enable FRV to provide ongoing critical emergency response. Our infrastructure development efforts have focused on modernising existing fire stations, incorporating advanced technology systems and fostering strategic partnerships.

Over the 2022–23 year, we:

- progressed the acquisition, design, construction or refurbishment of 21 fire stations and 9 other facilities to support delivery of world-class emergency services
- conducted a maintenance and improvement program including re-roofing and re-cladding of 12 fire stations
- commenced installation of diesel exhaust capture systems in fire stations to improve the health and safety of staff and volunteers
- began planning for electrification of our properties (incorporating solar generation, energy storage and electric vehicle charging stations) and trials for a major technology upgrade to building management systems.

See Compliance with *Building Act 1993* on page 91 for more detail.

Infrastructure (continued)

Significant works

Moe – a new fire station

Concept plans for a new fire station in Moe (Boonwurrung country) are complete and a planning permit was issued in December 2022. We are now seeking a building permit. The design is compliant with 5-star Green Star Certification to minimise waste, water consumption and energy usage. The site is being partially demolished and will be subdivided and then have services such as water and electricity connected to subdivisions. Completion is expected by October 2024 and will bring best practice emergency response and community protection in an environmentally sensitive manner to the Latrobe West regional community.

Top to bottom: Moe Fire station development site aerial view. North elevation Llyod Street.



Box Hill Fire Station – major redevelopment

Box Hill Fire Station (Wurundjeri country) was a six-stage project completed in March 2023. The heritage site was retained and redeveloped to provide new facilities to better protect the local community. This includes three appliance bays, training facilities and new accommodation to support crews and a divisional commander.

Boronia Fire Station refurbishment

A three-stage major half-life refurbishment at Boronia Fire Station (Wurundjeri country) is in progress to provide safety and operational upgrades to this co-located (FRV and CFA) station. A new entry and rear extension (stage one) is complete and stage two is underway. Final works are expected to be completed by January 2024. The refurbishment will replace aged systems to ensure local operations meet community needs and important safety standards.

Top to bottom: Box Hill Fire Station major redevelopment.



Infrastructure (continued)

Ringwood Fire Station – rebuild

A major rebuild of the Ringwood Fire Station (Wurundjeri country) is underway which will provide significant upgrades and improved community response capabilities. Stage one has already been completed and the whole project is expected to be completed by December 2023. The new facilities will provide three appliance bays and new accommodation to support crews including a modern kitchen and gym.

Broadmeadows – builder challenges

The Broadmeadows Fire Station (Wurundjeri country) refurbishment commenced in August 2022 and the appointed builder entered liquidation in March 2023. This forced works to stop as we sought alternative arrangements to complete the project.

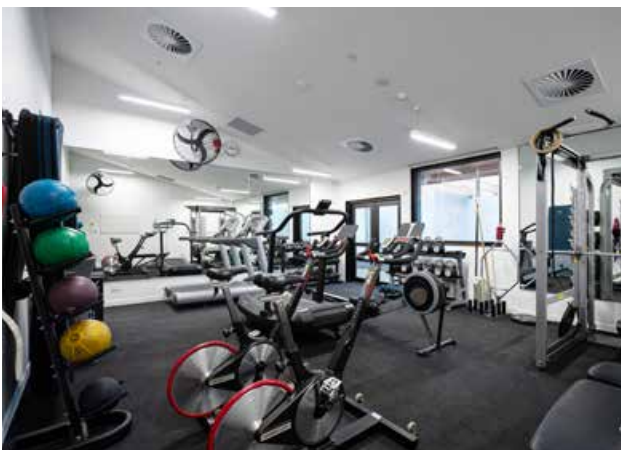
Project planning separated works into stages and isolated the operations of the fire station from construction works so there was no detrimental impact to emergency response. To mitigate financial risk within construction projects, FRV has spread supplier appointments and strengthened probity checks (prior to project commencement), project monitoring and performance reviews.

Operational Communications – new home in Bayswater

FRV has secured a new, industry leading facility within the Bayswater region (Wurundjeri country) to accommodate our Operational Communications and IT Services Department. This new facility will improve operational capability and ensure FRV is compatible with the latest communication technology and best practice. The building will accommodate administrative staff, operational staff, technicians and commanders, along with housing multiple station appliances.

Community Safety – a new home in Hawthorn East

To facilitate the strategic requirement of developing the FRV Burnley facility into a dedicated training academy, the Community Safety directorate will be relocated. New premises were identified in Hawthorn East (Wurundjeri country) with design and fit-out works being undertaken to provide 117 staff with enhanced functional capability to improve community safety services.



Clockwise from top:
Ringwood Fire Station in progress, Ringwood FS kitchen and gym fit-out.

Fleet

FRV's Fleet Services team manages and maintains the entire FRV fleet of vehicles and the service and repair network. This includes our ongoing partnership with CFA in maintaining the fleet of FRV vehicles across regional areas of Victoria.

Summary of infrastructure and appliances

Staff, infrastructure and appliances	2022-23	2021-22	2020-21
Stations	85	85	85
Light vehicles	642	626	584
Pumping appliances (fire trucks)	156	151	159
Aerial appliances	25	22	22
Ladder platforms	13	13 [^]	13
Telebooms	5	5	5
Water tower	4	4	4
Pumper platform	3	0	0
Specialist appliances	34	35	32
Breathing apparatus	4		
Hazmat	4		
Transporter	10		Not reported
Rescue	11		
Other*	5		
Fireboats	10	10	8
Technical operation pods	28	28	28

*Other specialist appliances include control unit, decontamination, tray trucks and transport trucks.

[^]The number of ladder platforms was incorrectly stated in the 2021-22 Annual Report as 14, this has been corrected in this report.



Within fire and rescue services the word 'appliance' is used to refer to fire trucks and other vehicles used to assist firefighters. The primary appliance that carries firefighters to fires are pumping appliances. These may be called pumper trucks, pumping appliances or fire trucks.

During 2022–23, FRV accepted delivery of three new pumper platforms. 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 pumper platforms have road crash rescue equipment which will increase capacity to provide rapid patient extraction from motor vehicle accidents. The appliances will be strategically located across the state where the combination of urban pumper and aerial capability is most needed.

New pumper platform with hydraulic platform stabilisers deployed. The platform with a maximum height of 28 metres can be seen on the top of the truck.

Fleet (continued)

Modernising our fleet for better outcomes – new appliances currently in project phase

Appliance	Benefits
Electric Pumpers	To contribute to Victoria's Zero Emissions Vehicle Roadmap, we are planning a trial of an electric appliance and anticipate finalising an order in 2023–24.
12 Heavy Pumpers	These replace older appliances in the fleet and are the first harmonised FRV specific designed appliances. The first appliance is due to come online in 2024.
4 Heavy Rescue	These are fit for purpose contemporary appliances and align rescue capabilities across metropolitan and rural areas.
2 Rehabilitation Support	These provide mobile rehabilitation capabilities in line with the current operational response strategy. These appliances transport all required gear and shelter for firefighter rehabilitation activities.
1 Ultra Large Pumper	Replaces an existing appliance with a fit for purpose modern appliance to ensure continuous fleet capability. It has a very high-water pumping capability for large and long duration fires.
3 Breathing Apparatus (BA) Support Vehicles	These appliances replace older appliances and provide on-scene BA capabilities, such as additional cylinders and long duration BA sets.

During 2022–23 our fleet technicians:

- completed 1,355 appliance services
- attended to 3,406 reported fleet issues
- made 333 modifications to modernise the fleet, totalling 3,700 workshop modification hours
- attended 203 breakdowns and operations as part of our 24/7 response and support at major incidents, including refuelling duties
- achieved fleet availability above 85%.

This significant modernisation of the fleet has included phasing out gas detectors which are no longer supported and the harmonisation of standards to ensure our firefighters receive modern, effective equipment that offers the highest capability and safety.



Fire safety, community resilience and service delivery

Alarm assessment and engagement

FRV reviews and charges for false alarms, hazardous materials incidents and salvage incidents. We also engage with the community and fire service industry to reduce ‘unwanted false alarms’. Unwanted false alarms are alarms where the situation would not have resulted in any danger to the occupants and premises from fire.

Alarms from automated systems are common and make up most of the unwanted false alarms. As these take resources away from emergencies and may cause complacency, it is important to reduce false alarms.

FRV is developing systems and strategies that will drive improvement in the processing of false alarm charging and consider engagement techniques to reduce the number of unwanted false alarms. This work will also include advocacy to reduce unwanted false alarms and update detection systems.

FRV will also continue direct engagement with key stakeholders including:

- Hospitals
- Nursing homes
- Universities
- Owners’ corporations (ie. property managers)
- Government building managers
- Prisons
- Public housing
- Fire industry safety technicians.

Under the *Fire Rescue Act 1958*, FRV can charge for attendance to false alarms which originate from automatic fire alarm systems in addition to charges for attending at a hazardous materials incident. However, FRV is routinely assessing alarm causes to inform our education and engagement strategy. Due to the cyber-attack in December 2022 and protected industrial action, data for 2022–23 includes a higher proportion of unknown causes for which FRV cannot charge. For this reason the amount charged is much lower than the prior year.

False alarms charges

Year	\$'000	Change
2022–23	4,921	-68%
2021–22	15,400	54%
2020–21	9,981	-



Fire safety, community resilience and service delivery (continued)

Smoke alarm campaign

FRV continues to promote the importance of installing smoke alarms in every bedroom and living area via our shared campaign with the CFA. The campaign highlights the life-saving value of smoke alarms.

In the critical moments of a fire starting, a working smoke alarm becomes the first line of defence, alerting occupants to the presence of smoke and providing valuable time to escape to safety. By raising awareness about the significance of smoke alarms, we aim to empower households across Victoria to take proactive steps towards their fire safety.

These alarms can be interconnected through wireless technology creating a network that ensures simultaneous activation when one alarm detects smoke. Additionally, many modern smoke alarms now come equipped with carbon monoxide detectors along with long-lasting, sealed lithium batteries which can last for 10 years.

FRV encourages households to stay up-to-date with the latest advancements in smoke alarm technology and consider upgrading to modern, interconnected alarms. By investing in these advanced devices, you are taking a proactive step towards maximising the safety and protection of your loved ones and your home.



A smoke alarm is a bedroom essential



Find out more:

Fire safety education at the Royal Melbourne Show

FRV's participation at the Royal Melbourne Show captivated visitors with an engaging and interactive stand that highlighted our dedication to community safety. Our exhibition was acknowledged with the award for Best Overall Exhibitor at the event.

At the FRV exhibition, visitors had the opportunity to speak with firefighters, witness demonstrations and create a digital photo with a fire safety message. A digital photo booth was available, allowing visitors to capture fun moments and photos.

Royal Melbourne Show statistics

Description	Number
Photos	10,623
Shares (number of people with whom the photos were shared)	13,682
People reached through social media (number of people who saw the content)	308,931
Impressions (number of times the content was displayed, no matter if it was clicked or not)	1,039,299

This impactful initiative promoted safety, strengthened community engagement and created positive lasting impressions.

Fire investigations

Fire investigation plays a critical role in the operations of FRV, as it provides valuable insights into the causes of fires. By uncovering the root causes of fires, we can develop targeted strategies to mitigate risks, improve fire prevention measures and educate the community on fire safety.

All fires are investigated and in most cases the cause is determined by the firefighters attending the scene. When the cause is not able to be determined, it is investigated by the State Fire Investigation Unit within FRV.

Our dedicated team of fire investigators bring a wealth of expertise and specialised skills. They meticulously examine fire scenes, analyse evidence and employ advanced techniques to determine the cause, origin and circumstances surrounding each incident. Through their work, they gather valuable data and insights that inform our decision-making processes and enable us to develop evidence-based findings.

The findings and recommendations derived from fire investigations are integral to shaping our policies, training programs and public education initiatives. They help us identify emerging fire hazards, advocate for necessary safety measures and strengthen collaboration with relevant stakeholders, including government agencies, community organisations and other emergency response agencies.

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. As the indicator relates to fatalities deemed preventable, FRV Fire Investigators work closely with the Victoria Police Forensic Services Department at fatality scenes, analysing the built environment, fire safety measures and human factors to determine if fire-related fatalities were preventable. The reported fatalities within the FRV fire districts were deemed preventable at the time of reporting (fatalities from deliberately lit fires and motor vehicles are excluded), however the cause of fatalities is ultimately determined by the State Coroner.

Fire investigations by cause

Item	2022-23	Percentage points change	2021-22	2020-21
Accidental	33.7%	-1.5%	35.2%	35.0%
Accidental electrical	38.3%	7.1%	31.2%	30.0%
Natural	0%	-1.7%	1.7%	0.0%
Suspicious incendiary	3.2%	-1.9%	5.1%	17.0%
Suspicious undetermined	5.2%	-1%	6.2%	0.0%
Undetermined	19.5%	3.6%	15.9%	12.0%
Still under investigation	0.0%	-	4.50%	6.0%
Total	100.0%	-	100.0%	100.0%

Totals may not add up to 100% due to minor rounding.

Preventable fatalities attended by the State Fire Investigation Unit within FRV districts

Year	Preventable fatalities
2022-23	9
2021-22	12
2020-21	18

Fire safety, community resilience and service delivery (continued)

In the last year FRV has observed:

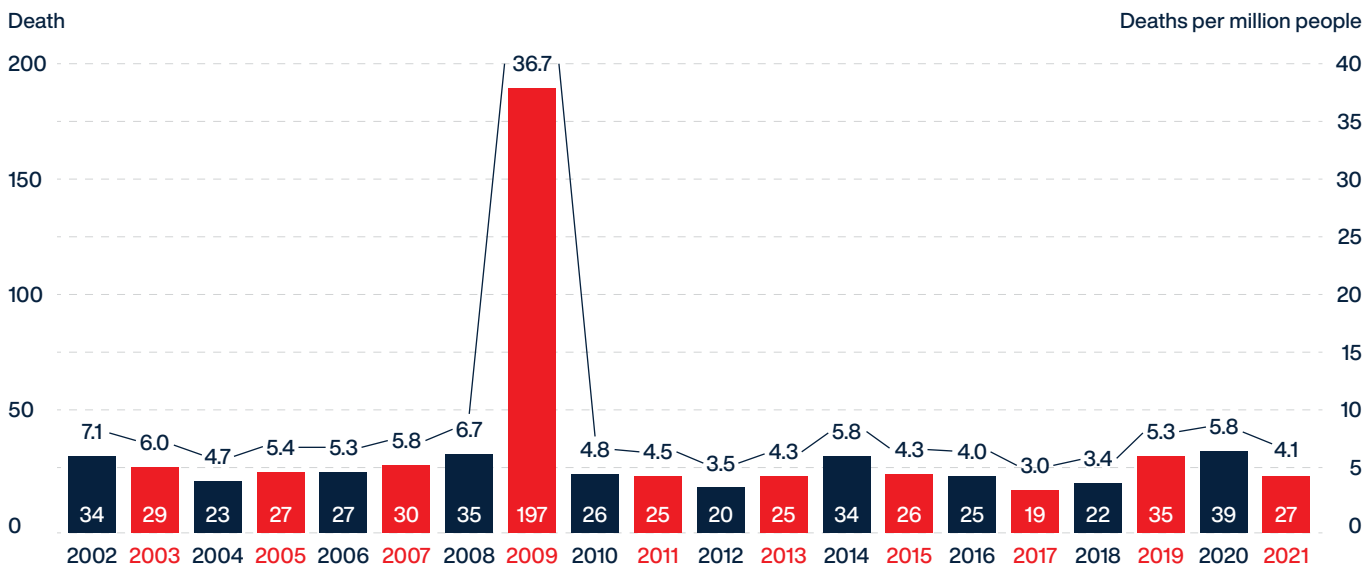
- an increase in fires related to lithium-ion batteries
- common causes of fires in domestic settings are unattended cooking, heating appliances and faulty electrical equipment
- numerous examples where smoke detectors alerted occupants of a fire which led to safe escape and early response by firefighters.

Key achievements during 2022–23

- Signed the FRV/CFA Interoperability Procedure which supports FRV Fire Investigators conducting investigations within CFA districts when requested
- Reviewed the fire investigation skills maintenance program to continue to build on harmonised training for FRV fire investigation

- Conducted 59 station education visits on fire investigation awareness, empowering cause and origin determination by on-scene crews
- Ongoing representation on the Victoria Association of Fire Investigation (VAFI) Committee and healthy association membership and participation among investigators.
- Significant fires investigated in 2022–23 included:
 - Buddhist temple fire in Springvale, February 2023
 - Cargo ship engine room at the Port of Melbourne, February 2023 (carrier vessel, *Hoegh Trooper*).

Fire related deaths in Victoria



The 2009 Black Saturday bushfires were the most deadly of any bushfire in Victorian history and account for 173 of the 197 deaths recorded in 2009. Preventable housefires are a key contributor to deaths in other years.

Source: Productivity Commission (Cwlth.), *Report on Government Services 2022*, Emergency services for fire and other events. Includes deaths where the underlying cause of death is related to smoke, fire and flames, and includes all fires, ie. both structure and landscape. Includes deaths outside of FRV districts.

Built environment

FRV recognises our critical role of enhancing community safety and resilience within the built environment. As part of our commitment to fire prevention and emergency preparedness across Victoria, we engage with architects, builders, developers and regulatory authorities to ensure that fire safety measures are integrated into the design, construction and maintenance of facilities.

Our trained personnel such as firefighters, engineers, building surveyors, town planners and other technical staff provide guidance for fire and safety measures. This includes work associated with Victoria's Big Build, infrastructure projects such as transport tunnels, bushfire management, land use planning and working with other emergency agency partners.

We advise on new buildings where a fire engineering brief or pre-build design brief is submitted or when we receive applications for Report and Consent Pursuant to Building Regulation 129 from building surveyors. After consideration by our fire engineers, our recommendations to ensure fire safe systems are forwarded to the applicant and these must be adhered to during the construction. Completed buildings are inspected to ensure compliance with the recommendations.

To enhance fire safety in the built environment, we conduct regular inspections and audits of various types of facilities, including residential, commercial and industrial buildings. Review of engineering, material science, occupant evacuation, fire detection and suppression systems all assist in ensuring compliance with regulations and building codes. Technical staff hold skills and qualifications in relevant fields and work closely with delegated officers on matters of engineering, building surveying and performance-based building design.

Specific tasks include:

- Consultation with both internal and external stakeholders in relation to fire safety
- Case management of FRV involvement in major infrastructure and building designs
- Fire engineering analysis including the implementation of the Fire Brigade Intervention Model (FBIM)
- Provision of engineering, legislative and research advice in relation to fire safety
- Provision of research and fire-related data analysis
- Contribution to the development of FRV guidelines and regulatory reform
- Representing the Australasian Fire and Emergency Service Authorities Council at the Fire Engineering Network and Standards Australia committees
- Networking with Engineers Australia and Society of Fire Safety.

FRV works in partnership with various stakeholders to address fire safety concerns and mitigate risks associated with major road and rail projects across Victoria. This can include the following with regulatory authorities and construction consortiums:

- Concept design development
- Building code compliance
- Emergency response planning
- Advocacy in fire safety improvements in design
- Collaboration with other authorities and agencies.

FRV has formed strong working relationships within Victoria's Big Build (205 projects) and supports local governments and partner agencies such as the CFA.

We work with the CFA within regional areas of Victoria and report against bushfire management and land use planning requirements and ensure compliance with regulations and building codes.

Other areas of work and collaboration within the built environment include caravan parks, renewable energy generation and storage systems, liaison with both state and local governments and other state and nationally based stakeholder groups. These partnerships allow us to obtain and use information to inform decisions and identify areas for improvement, supporting the mitigation of potential fire hazards and reducing the risk of fire-related incidents.

We engage in public awareness campaigns to educate residents and building occupants about fire safety practices specific to the built environment. We provide information on evacuation procedures, fire drills and the proper use of fire safety equipment within buildings. By empowering individuals with knowledge and promoting a culture of fire safety, we aim to create a community that is well-prepared and resilient in the face of fire emergencies.



FRV staff conduct an inspection at the Metro Tunnel Projects (MTP) Parkville Station.

Fire safety, community resilience and service delivery (continued)

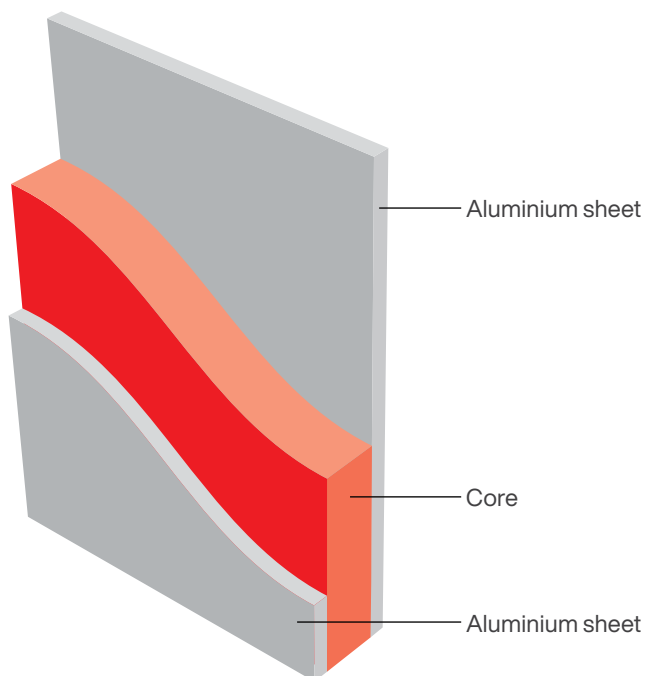
Cladding

International awareness of the risks of flammable aluminium composite cladding have been high since the 2014 Lacrosse Apartments fire in Melbourne and the 2017 Grenfell disaster in the UK.

We continue to work closely with Cladding Safety Victoria, the Victorian Building Authority, local councils and building owners, to identify buildings with potentially hazardous cladding materials. This includes participating in audits and inspections to assess the presence and extent of flammable cladding. Through these efforts, we are better prepared to respond to and combat fires within these identified buildings.

Fire safety education delivered by FRV informs residents and building occupants about the risks associated with flammable cladding. This body of community education emphasises the importance of early detection, reporting and taking appropriate fire safety measures within multi-storey buildings.

Specialised intelligence is shared between our Community Safety and Operational directorates, so firefighters can effectively respond to incidents involving buildings with flammable cladding. This includes developing informed operational plans to address the unique challenges posed by such structures.



Aluminium composite cladding consists of a layer of plastic between two aluminium sheets. The plastic layer, usually made of polyethylene, is the flammable part.

Source: Wikipedia Commons

Waste and recycling

FRV continues to address fire safety issues at waste and resource recovery facilities and participates in the State Government's Coordinated Prevention and Response Framework. This includes active involvement in the:

1. Waste Intelligence Network (WIN)

This involves various government agencies including the Environment Protection Authority Victoria (EPA), WorkSafe, CFA, Victoria Police, Sustainability Victoria and nine local government agencies. All agencies work collaboratively and share information regarding sites and individuals that present fire and environmental risks.

2. Fire Prevention Program (FPP)

FPP was established in 2021 and the Department of Energy, Environment and Climate Action (DEECA) provides program oversight and coordination. It aims to reduce the number of fires at waste and resource recovery facilities. It works with the community and waste and resource recovery sector to ensure correct disposal of e-waste and other combustibles, such as batteries.

WIN and the FPP address many of the risks identified by the Victorian Government Resource Recovery Facilities Audit Taskforce (of which FRV was a member).

Since the State Government's Coordinated Prevention Response Framework was implemented, there have been no major fires of the scale of those such as the SKM Industries Coolaroo recycling plant fire in 2017 that burned for 20 days. The WIN and FPP continue to address key risks such as illegal dumping, waste tyre storage, soft plastic storage (chiefly connected with the collapse of REDCycle) and battery disposal (especially lithium-ion batteries).

We have been working closely with the Battery Stewardship Council which is launching a battery safety campaign, B-cycle, in late 2023 that will promote proper disposal of batteries. Fires in waste trucks are often caused when lithium-ion batteries are crushed and then ignite. The Council estimates there are up to 15 waste truck fires a month in Australia. The campaign will include education about taping terminals and proper disposal of batteries at recycling centres. While there are already punitive fines for improper disposal in many jurisdictions which act as a deterrent, regulators are also taking a constructive approach to educate Victorians about how to dispose of batteries and developing a culture for recycling is paramount to fire prevention.

Business as usual activities include carrying out joint inspections with our partner agencies and targeting non-compliant and illegal operators of waste and recycling facilities. The shared intelligence enables us to protect firefighter safety by forewarning crews of potential risks and applying operational controls, such as turnout notes and enhanced responses.

Fire Equipment Services

Fire Equipment Services (FES) is the trading name and commercial arm of FRV. It conducts maintenance and installation of fire equipment as well as consultancy services. 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 our 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 a key focus for building owners and facility managers. FES draws upon the specialist knowledge of more than 150 staff and contractors to deliver highly specialised fire protection and emergency management services including:

- 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).

FES faced significant challenges during 2022–23 caused by the December 2022 cyber-attack. Notwithstanding the loss of access to technology tools that manage the daily activities of our staff and technicians in the field, FES introduced interim measures to ensure that our clients' fire protection assets were maintained to regulatory standards.

Ensuring the safety of our clients' people through education and training remains a key strategic outcome for FES. During 2022–23, 5,603 Victorians actively participated in learning and education sessions led by our qualified firefighters (2021–22: 4,554).



Case Study

Beyond firefighting – our multi-agency response

FRV cannot manage large incidents without the assistance of multiple agencies and the Victorian public. When an emergency occurs, we work with our partners to keep Victoria safe.

For example, in a flood emergency, Victoria Police, Victoria State Emergency Service (VICSES) and FRV may work together to evacuate residents from affected areas and transport them to emergency shelters. Police may be responsible for alerting residents to the danger and helping them leave their homes, while we may conduct aerial surveillance using drones, boats and other appliances to rescue people trapped in floodwaters.

In addition, we may be responsible for setting up and operating pumping systems to remove water from flooded areas. We may also work to prevent fires and other hazards that can arise during a flood, such as downed power lines or gas leaks. Victoria Police control traffic and road closures, as flooded roads can be dangerous and impassable. They divert traffic to safer routes, set up barricades and direct emergency vehicles to the areas where they are needed most.

The Eynesbury bus accident in May of 2023 was a significant event and 11 of 45 children on board were hospitalised. Children suffered multiple traumatic injuries, including amputations and crushed limbs. Along with our emergency service partners VICSES, CFA, Ambulance Victoria and Victoria Police, we worked for many hours to free trapped children from the bus.

The crash site was a particularly confronting scene for the members of the public who first assisted and the emergency responders. Joint efforts of this nature instil confidence in emergency services workers, and the collaborative approach leverages the strengths of each agency and leads to swifter responses, minimises impact and saves lives.

In late 2022, Victoria experienced severe weather patterns and extensive flooding across the state. 314 of our personnel supported VICSES with flood mitigation tasks. This included swift-water rescue teams, rapid impact assessment teams, aviation crews and incident management team support. Our crews assessed damage to 1,700 properties and were pivotal in the rescue of people, property and wildlife. All incident management teams were selected from agencies across Victoria. We worked alongside CFA, VICSES, Victoria Police and Ambulance Victoria. Experienced incident controllers, operations officers and planning officers directed the rescue. It is common for an incident control team to have a VICSES incident controller and FRV operations officer working together to support teams in the field.

Agencies are also coordinating efforts in prevention and education, for example the CFA and FRV smoke alarm campaign and the CFA and FRV Vegetation Management Memorandum of Understanding. Under the Victorian Government *Safer Together* program, the CFA may conduct planned burning in FRV areas, making it important for us to work with the CFA in planning and execution of planned burns. The burn shown in the image inset was scheduled in the Joint Fuel Management Plan, which mandates its completion before the 2023–2024 fire season. Attending planned burns provides an opportunity to gain an understanding of the techniques and processes employed by the CFA and allows both organisations to assess the risks to their respective areas.

There is a strong community expectation that we work with other agencies to coordinate and deliver seamless emergency response in times of need. By working together and sharing information, agencies can ensure a more coordinated and effective response to emergencies and minimise harm to the community.



A planned burn in Maryknoll (South East of Melbourne near Pakenham) coordinated by CFA and attended by several FRV brigades.



Eynesbury bus crash. A truck collided with the school bus which rolled over and trapped children. Emergency service crews elevated the bus to release those trapped.

Case Study

Leading the world to clean up PFAS

FRV is a leader in addressing the harm of PFAS (per- and polyfluoroalkyl substances) and their removal from the environment and human bodies.

PFAS has been used in consumer products since the 1950s and most people will be familiar with it in non-stick cookware. It was commonly used in firefighting foam because of its high-level of heat, oil and water resistance.

Unfortunately, the very persistent nature of PFAS leads to persistent health effects. It can leak into the environment, is toxic to humans and the National Health and Medical Research Council recognise it causes elevated levels of cholesterol, has effects on kidney function and on the levels of some hormones.

In the last year, we became the Industry Leader award winner in the Premier's Sustainability Awards 2022 – Healthy and Fair Society Category. Subsequently, we were awarded the 34th National Banksia Sustainability, Health and Wellbeing Award, for our ground-breaking PFAS mitigation strategies and advocacy work around the globe.

Our work was further recognised by the success of a world-first clinical trial initiated and led by us which found a solution to the decades-long problem of how to reduce PFAS levels in human blood. The study found: “both blood and plasma donation resulted in significantly lower PFAS chemicals than the control group, and these differences were maintained three months later. Plasma donation was most effective, resulting in a roughly 30% decrease in average blood serum PFAS concentrations over the 12-month trial period.”

We have an ongoing project to clean fire stations and equipment. The successful remediation of Corio fire station brought PFAS concentration in surface and water runoff to levels below the ecological screening criteria. The Federal Government is now investigating how it can adopt this methodology as part of the National Environmental Management Plan and we are working to apply this across all affected sites and effectively eliminate PFAS contamination.

In 2022, we completed cleaning all appliances and equipment of PFAS contamination. While all equipment obtained PFAS levels below 1,000 parts per trillion, which meets the requirement for firefighting equipment, two-thirds of the equipment had reduced levels to less than 70 parts per trillion, which meets the requirements for drinking water.

The use of PFAS products in firefighting in Australia has largely been phased out over the last 20 years and NSW and South Australia have also banned it. In May, our representatives attended the United Nations in Geneva to further advocate and advise on PFAS. Notably, the United Nation's Stockholm Convention on persistent organic pollutants commits signatories to the elimination, restriction and reduction of unintentional releases of chemicals in the PFAS family. These are:

- Perfluorooctanoic acid (PFOA), its salts and PFOA-related compounds
- Perfluorohexane sulfonic acid (PFHxS), its salts and PFHxS-related compounds
- Perfluorooctane sulfonic acid (PFOS), its salts and perfluorooctane sulfonyl fluoride (PFOSF).

In 2019, the exemption for use in firefighting for PFOSF was removed and PFOA was added to the list of chemicals for elimination. Then in 2022, PFHxS was also added to the list of chemicals for elimination. Our advocacy has been instrumental in these changes. These amendments effectively ended the exceptions for these chemicals in firefighting. If Australia does ratify the amendments this would make the use of these chemicals in firefighting illegal and bind all Australian governments to stopping and cleaning up these types of PFAS pollution in all industries. We are continuing to advocate across Australia and internationally to reduce PFAS in our community and environment.



Assistant Chief Fire Officer Michael Tisbury addresses the Persistent Organic Pollutants Review Committee of the Stockholm Convention at the UN in Geneva.

Case Study

Using thermal imaging drones in firefighting

In recent years, remotely piloted aircraft systems (RPAS), also known as drones, have emerged as an innovative new tool for fire and rescue services.

We have invested in aircraft that are used to monitor fires and provide real-time information to firefighters on the ground. We have 20 operational multirotor aircraft. Thermal and optical cameras are utilised at a range of emergencies to support operations.

The investment is part of an ongoing project to test the effectiveness of remote aircraft in fire and rescue operations with a view to making this a standard part of operations. Equipped with thermal imaging and infra-red cameras, these aircraft are able to detect hot spots and other signs of fire activity that might not be visible from the ground. This provides critical information that may not be visible to the naked eye such as when thick smoke obscures a site.

The aircraft are now routinely used at the most serious fire and rescue operations. In the last year, the aircraft were used at incidents including a factory fire with hazardous chemicals to monitor the temperature of the fire, and a fire at the Bright Moon temple in Springvale to identify hotspots and direct a teleboom to maximise the effectiveness of the spray of water. In these cases, the fires were brought under control rapidly, reducing water consumption, runoff and noxious gases. The use of the aircraft during the factory fire for temperature monitoring removed the need for firefighters to enter the building and be exposed to extreme temperatures.

The aircraft are also used in other non-fire emergencies. For example, members of the RPAS team were deployed for over 50 days during the floods that affected large areas of central and eastern Victoria. The aircraft were able to obtain footage of areas where vehicles were unable to go and search for trapped people and animals, to facilitate rescues. Importantly, the aircraft fly lower than helicopters, obtaining more detailed information to assist in rescue efforts.

Real-time images from the aircraft are streamed to firefighters and other agencies. We have adopted technology that allows the streaming of images to be shared through a channel accessible to other agencies, such as Forest Fire Management Victoria and the Victoria State Emergency Service.

By investing in this technology, we are modernising our organisation and staying at the forefront of the latest technological developments in the field. RPAS has been able to demonstrate the benefits of obtaining intelligence at low risk to firefighters and in real-time during serious incidents. Aircraft can be quickly and easily deployed, even in remote or hard-to-reach areas. This can be particularly valuable in the early stages of a fire, when time is of the essence and quick action can make a significant difference in reducing the impact of fire.

RPAS in firefighting represents a powerful new tool for protecting Victorians, reducing property and environmental damage as well as helping to save lives. As technology continues to advance and the use of aircraft becomes more widespread, we can expect to see even more innovative applications of this technology in the years to come.



Case Study

The challenge of lithium-ion battery fires

Improvements in the density of energy in batteries has made it possible for batteries to power more devices. Lithium-ion batteries are found in handheld devices including phones, laptops, battery operated power tools and in mobility devices such as e-scooters, e-bikes, hoverboards and electric vehicles (EVs), including cars, buses and trucks. When damaged, either by misuse, over-charging or physical abuse, batteries can ignite and go into thermal runaway.

Thermal runaway is where a fire is accelerated by increased temperature, in turn releasing energy that further increases temperature. These types of fires are problematic for fire and rescue services, as there are considerable challenges associated with fires involving thermal runaway. We have observed instances of fires taking hours to contain and extinguish with a risk of secondary ignition up to four weeks after the initial fire.

Creating standards that govern battery powered devices, cars and homes is essential to safe management. We have established an Alternate Renewable Energy Technology (ARET) working group which examines the fire risks associated with electric vehicles (EVs, both hybrid and battery powered), battery energy storage systems, hydrogen and emerging technologies. The working group examines the causes of fires and looks at both the tactical approach to extinguish fires and prevention through community education, technical advocacy and legislative measures. A member of the working group sits on the Australasian Fire Authorities Council's (AFAC) ARET Group.

We are actively advocating for safety regulations and in the past year have made submissions to state and federal governments about lithium-ion battery fires including:

- A submission to the Building Regulations Advisory Committee. We are advocating for mandatory interconnected smoke alarms in garages (class 1 and 10 buildings) with energy systems comprising photovoltaic panels, battery storage and electric vehicle charging. This will provide effective early occupant warning for fires. The proposal is to create retrospective legislation to address homes constructed before 2016.
- Working with Solar Victoria to mandate the requirement for interconnected smoke alarms to be installed within garages of attached dwellings where battery energy storage solutions are proposed, where consumers are seeking a subsidy, which takes effect on 1 July 2023.
- A submission to Australian Competition and Consumer Commission (ACCC): We made a detailed submission to ACCC to support its issues paper and provided advice on product safety issues and hazard prevention strategies for lithium-ion batteries.

In 2022, AFAC published the Electric Vehicles (EV) and EV Charging Equipment in the Built Environment paper. This provides guidance for installers, builders and developers in the safe installation of EV charging in buildings. The National Construction Code (NCC) is now requiring new buildings to be ready for EV charging.

Our ARET working group is also involved in ongoing discussion about standardisation for EV charging points. The location of charging points, fire suppression systems and smoke alarms will be key to prevention and management of fires at public charging stations, apartment blocks (both new and retro-fitted) and private residences. The NCC has identified EV chargers in buildings as a special hazard. We are working with AFAC and partner agencies to lobby for more substantial coding inclusions within the NCC 2025.

EV FireSafe, a private research group sponsored by the Commonwealth Department of Defence, has tracked electric vehicle fires worldwide since 2010 and has observed 375 verified fires, the majority of which happened in the last two years.¹ As sales of electric vehicles in Australia increase, projected to hit 70,000 a year by 2027, the frequency of EV fires is anticipated to increase.² The location of large lithium-ion batteries under electric vehicles makes it difficult to direct water onto the battery to cool the battery and suppress the fire. Even after these fires are exhausted, the risk of secondary ignition is present as there are thousands of cells in a battery pack that could short-circuit and ignite a fire. EV FireSafe's research found secondary ignition occurred in 13% of fires.

Although EVs pose a risk to fire agencies especially as the uptake of EVs continues to grow, the greater risk is with light electric vehicles (LEVs) including e-scooters, hoverboards and e-bikes. There are far more manufacturers for LEVs and the standards can vary more than that of major commercial EV manufacturers. These items are commonly stored and charged indoors and can lead to structure fires. Storage in bedrooms, apartment balconies and garages all present fire risk.

Victorian fire services are responding to at least one significant lithium-ion battery-related fire each week and this trend is expected to increase.

¹ EVFireSafe, EV fires – Overview, Passenger EV LIB Fire Incidents Global, 30 April 2023

² Statista, Mobility Market Insights Electric Vehicles - Australia, Mar 2022

We have not observed any increased frequency of fires in electric vehicles compared to conventional vehicles but there are still relatively few of these vehicles on the road. There are now over 83,000³ electric vehicles on the road in Australia, of the 20.1 million⁴ registered vehicles, which is more than double the year before. By comparison, in 2022, there were over 75,000 e-bikes sold Australia-wide.⁵

Over the last year we have developed operational guidance and procedures for dealing with renewable energy technology. New operational guidance material is under development to assist firefighters when responding to lithium-ion battery energy storage systems (BESS) fires and incidents in general, but also specifically for EVs, EV Heavy Rescue, LEVs, EV Buses and submerged batteries. Further operational guidance for hydrogen vehicles, production plants and transportation, wind and solar power stations is currently being developed. Training will accompany the new operational guidance.

In the coming year we will also be focusing on risks from new technologies, namely hydrogen powered cars, trucks, machinery and battery energy systems for properties.



Lithium-ion batteries in LEVs, such as the e-bike shown below, present a higher risk to life as they are often stored indoors in either garages or and sometimes bedrooms.



³ Guardian, Number of electric vehicles on Australian roads soars as demand exceeds supply, 7 Feb 2023

⁴ Australian Bureau of Statistics, Motor Vehicle Census, Australia, Jan 2021

⁵ ABC News, Concerns over growing number of fires linked to lithium-ion batteries in e-scooters and e-bikes, 18 Jan 2023

Case Study

Fire Ops 101 – Equipping community leaders with first-hand firefighting experience

Fire Ops 101 is an invitation-only program that provides influential Victorians with an immersive experience in the world of firefighting and emergency response. The program aims to increase public awareness and understanding of the challenges faced by firefighters and emergency personnel in the line of duty.

Prominent Victorians including parliamentarians and others such as Tottie Goldsmith OAM, Susie McLean, Mike Brady and Rebecca Maddern joined business leaders to participate in an immersive firefighting experience. The events include a series of simulated emergency scenarios, where participants don firefighting gear, operate firefighting equipment and experience first-hand the physical and mental demands of the job.

We ran seven courses with a total of 56 participants during the year. Participants were guided by experienced firefighters who

provided valuable insights and instructions. The participants gained an understanding of the safe systems of work applied by our firefighters in emergencies including communication and coordination.

The Fire Ops 101 program continues to be a resounding success, fostering a greater appreciation for the teamwork and skill of firefighting, rescue, emergency medical response and attending other emergencies. Participants walk away with a deeper understanding of the challenges faced by emergency responders.

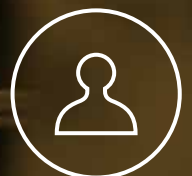
The event garnered significant media coverage, raising public awareness about the critical role of firefighters, the value of the services they provide to the community and the need for ongoing support and resources for FRV



Find out more:



Governance and organisational structure



Executive leaders



Gavin Freeman AFSM Commissioner

Gavin was appointed Fire Rescue Commissioner in May 2023. Gavin joined FRV as a Deputy Commissioner in 2020. He previously served with the CFA 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 the CFA's Chief Executive Officer/Chief Officer and has been an endorsed Victorian State Response Controller since 2017, including during 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 participates in a range of forums at national and state level. Up until his appointment as Fire Rescue Commissioner, Gavin chaired the Australasian Urban Operations Group and was a member of the Bushfire Risk Advisory Panel, which advises the State Government on the implementation of evidence-based bushfire risk management 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. Gavin is also a Director of AFAC – the Australian and New Zealand National Council for fire and emergency services.



Ken Block Commissioner (retired 29 March 2023)

Ken has more than 40 years' experience serving and leading fire and rescue services and was appointed inaugural Fire Rescue Commissioner 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. Throughout his career, Ken has led significant organisational change, and delivered improvements to fire stations, appliances, equipment and building codes, as well as to community safety outcomes through fire prevention, public education, fire investigations and fire engineering.

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 internationally for presumptive rights for firefighters including in Victoria.

We are grateful to inaugural Fire Rescue Commissioner Ken Block for his significant contribution to the establishment of FRV. Commissioner Block oversaw the creation of our ten year Strategic Plan 2022-32, implemented substantial parts of the Victorian Government's Fire Services Reform, modernised our personal protective equipment, championed our advocacy work and implemented foundational plans and strategies to set us up for the future.



Find out more:

Deputy commissioners and executive officers



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. Before joining FRV, Kirstie served as the Executive Director Strategic Services.

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.



Michelle Young AFSM

Deputy Commissioner, Community 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 several 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 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.



Brendan Angwin AFSM

Deputy Commissioner, Operational Training

(until 28 May 2023,
retired 30 June 2023)

Brendan Angwin brought to FRV 40 years' experience as a firefighter working with the MFB, including as Assistant Chief Fire Officer Operations. 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.

Brendan holds a Graduate Certificate in Management and an Advanced Diploma in Firefighting Management, and has played a key role in developing the state's training model. Brendan has received a National Emergency Medal, National Medal and Chief Officer Commendations for Hazmat and Wildfire and was awarded an Australian Fire Service Medal 2021.



Martin Braid AFSM

Deputy Commissioner, Operational Training

(from 29 May 2023 onwards)

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 is also a recipient of the Emergency Services Medal and the National Emergency Medal.



Ken Brown AFSM

Deputy Commissioner, Office of the Fire Rescue Commissioner

(retired 30 June 2023)

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 the response to many major emergencies across Melbourne and the wider emergency management sector.

Ken previously spent more than 10 years in executive roles, 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. Ken Brown retired on 30 June 2023



David Bruce AFSM

Deputy Commissioner, Operations North and West

(retired 30 June 2023)

David Bruce has 38 years' experience with FRV and the former MFB, including time spent as Acting Chief Executive Officer/Chief Officer. David held the role of 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.

David 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 has led responses 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 has received an Australian Fire Services Medal, the National Emergency Medal and a National Medal. David retired on 30 June 2023.

Deputy commissioners and executive officers (continued)



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. He has over 20 years' experience within Victorian Government departments including working as the Executive Director Corporate and Board Secretary for Environment Protection Authority Victoria and in senior roles with the Department of Premier and Cabinet.

Tony is a graduate of the Australian Institute of Company Directors, holds a Masters of Business Administration (MBA) and is a qualified Certified Practising Accountant (CPA). He 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 improving financial literacy and accountability.



Jo Crabtree

Executive Director, People and Culture

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



Luisa Interligi

Acting Executive Director, Strategic Services

Luisa joined FRV in May 2022 and brings her experience in health practitioner regulation, health workforce, service and strategic policy and planning to the organisation. With qualifications in science, education and a Master in Public Health, Luisa has held roles across government, higher education and in the health, practitioner regulation, health complaints and education sectors.

Previously, as Executive Officer to the Dental Board of Australia, Luisa provided executive leadership to the Board in the establishment, coordination and maintenance of systems and structures to ensure proper registration and regulation of the profession. In her time as Victoria's Deputy Health Complaints Commissioner, she worked to help drive ongoing improvement in the quality of health services.

Leading the Strategic Services Directorate, Luisa has oversight of strategic business planning, project management, performance monitoring and reporting functions. She also has oversight for business assurance, which includes enterprise risk management, business continuity, and internal audit. She leads FRV's approach to service demand planning and continuous quality improvement through implementing the Commission on Fire Accreditation International (CFAI) framework.



Gary Mann

Acting Deputy Commissioner, Operations Central, South and East

Gary Mann brings over 25 years' experience to FRV as an operational firefighter and senior leader having controlled major emergencies in metropolitan Melbourne.

Gary has held several senior executive positions with FRV. Since November 2022, he has served as Acting Deputy Commissioner for Operations (Central, South and East) and has previously fulfilled the roles of Acting Deputy Commissioner for the Office of the Fire Rescue Commissioner, and Operational Training.

At FRV's inception in 2020 his substantive position was Assistant Chief Fire Officer (ACFO) State Operations. He was formerly with MFB and held a variety of senior roles such as the ACFO leading State Capability, Technical Operations, and Central District Operations departments where he advanced specialist operational capability and service delivery.

In the operational context, Gary is a Level 3 Incident Controller through Australian Maritime Safety Authority. He has also served in emergency management operations as a Regional Controller and FRV State Agency Commander. Gary was awarded the National Medal and the National Emergency Medal for the Black Saturday 2009 bushfires where he led a multi-agency search and rescue deployment. He holds a Graduate Diploma in Emergency Management, Advanced Certificate in Applied Science, and Advanced Diploma of Public Safety (firefighting management).



Tony O'Day AFSM

Acting Deputy Commissioner, Strategy

Tony was the Assistant Chief Fire Officer – Interoperability upon the formation of FRV in 2020 and assumed the role of Acting Deputy Commissioner – Strategy in 2023. He started his career with the CFA as a recruit in 1993 and worked at fire stations throughout Victoria including in district command roles.

Tony was the Assistant Chief Fire Officer, Director – Emergency Medical Response & Wellbeing for the CFA and acted on numerous occasions as the CFA Deputy Chief Officer. He also participated in the International Firefighter Fellowship Program and completed an exchange with Leicestershire Fire & Rescue Service in the UK. Tony has worked with Victoria Police in the Counter Terrorism and Emergency Management Department.

He holds a Graduate Diploma in Executive Leadership (Emergency Management), Graduate Certificate in Applied Management (Emergency Management), and is a graduate of the Executive Fire Officer Program at the National Fire Academy, Emmitsburg, USA. Tony received an Australian Fire Service Medal in the 2023 and has been awarded the National Emergency Medal (2013) and a National Medal (2006).



Mark Kennedy

Chief of Staff to the Fire Rescue Commissioner

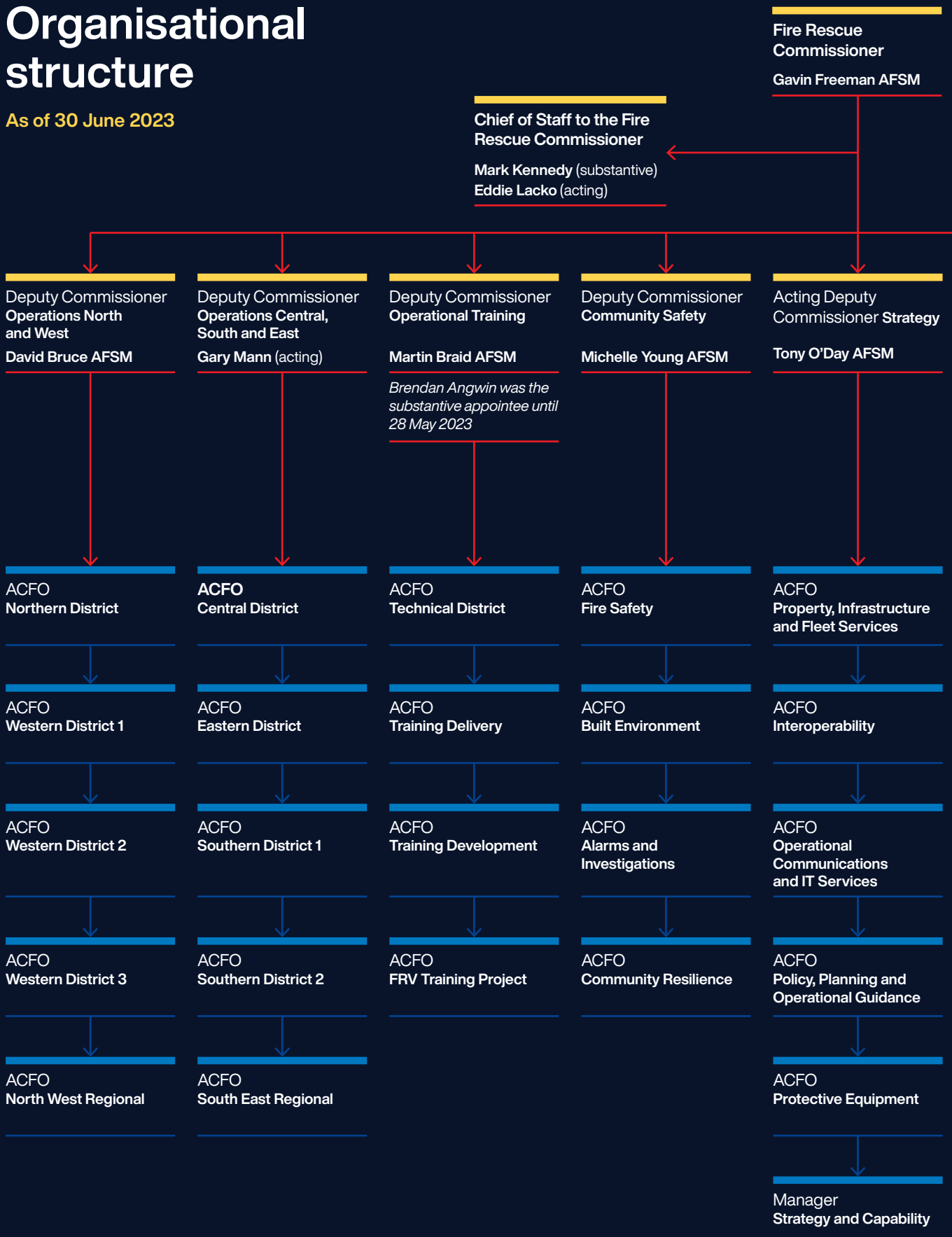
Mark commenced as a recruit firefighter with the CFA and served for 22 years at stations and districts around regional and outer metropolitan Victoria. He worked up to the rank of Operations Manager/ Assistant Chief Fire Officer. In 2021, after extensive service, Mark was appointed to FRV from the CFA during the Fire Services Reform and establishment of FRV to the role of Assistant Chief Fire Officer – Chief of Staff to the Fire Rescue Commissioner. He took a leading role within both organisations in implementing changes stemming from the Fire Services Reform.

Mark has been involved in the management of many significant fires and incidents throughout his career and was awarded a National Emergency Medal for Black Saturday and a National Medal with first clasp in 2022. Mark holds a Graduate Diploma in Executive Leadership from the Australian Institute of Police Management (AIPM). He is the current President of Yarra Road Primary School Council.

From September 2021 to 30 June 2023, Mark was acting in the role of Deputy Commissioner, Office of the Fire Rescue Commissioner.

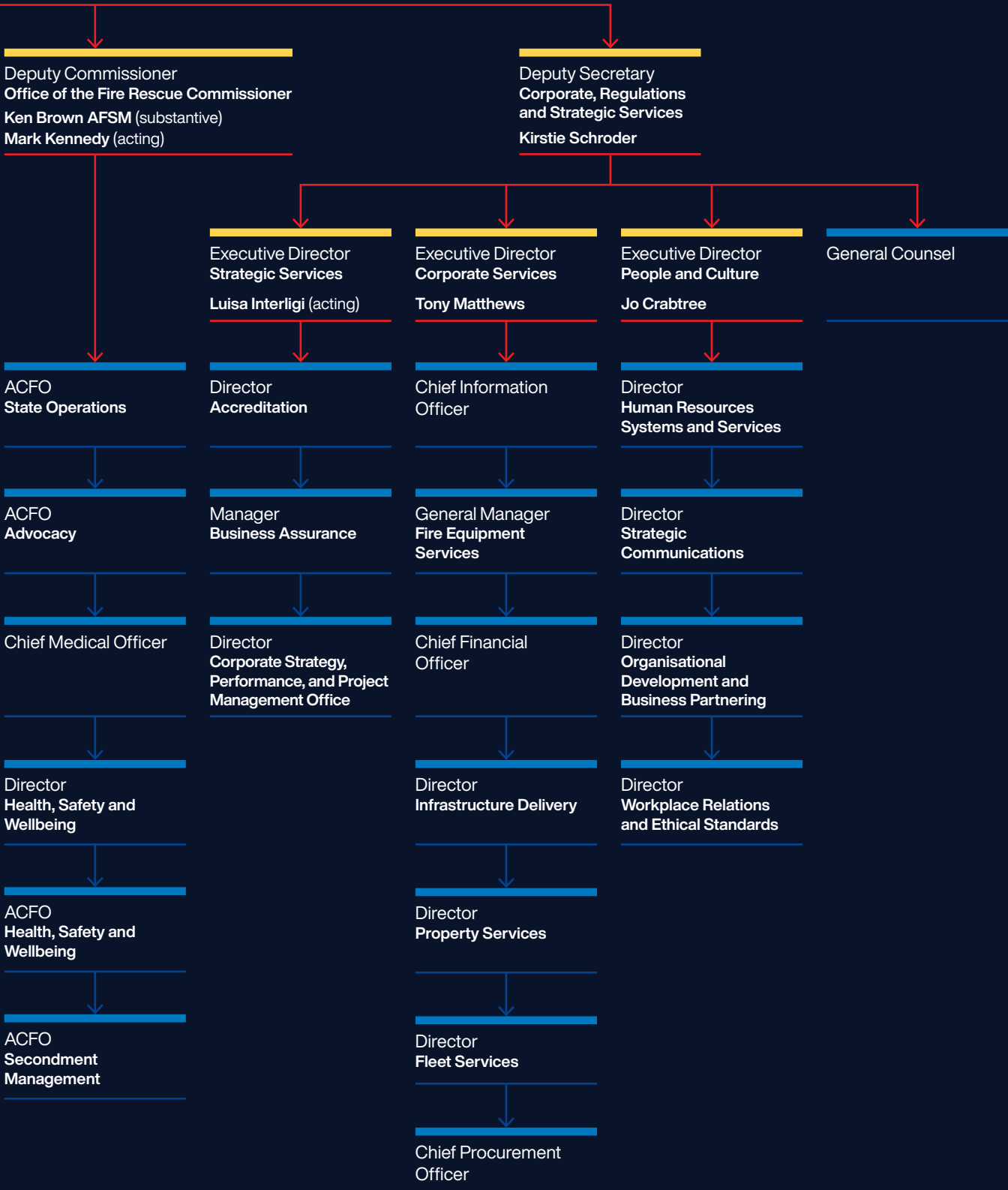
Organisational structure

As of 30 June 2023



Senior roles are filled by staff acting where roles are vacant or staff are on extended leave. Both the substantive appointee and the acting appointee are shown below where this was the case at 30 June. Where roles were vacant, the acting appointee is shown. In July of 2023, Michelle Young was appointed to Deputy Commissioner Operations North and West, and Costa Katsikis was appointed to Acting Deputy Commissioner Community Safety.

ACFO = Assistant Chief Fire Officer



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.

Fire Rescue Commissioner

FRV is constituted by a single Commissioner, the Fire Rescue Commissioner Gavin Freeman. Commissioner Freeman 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:

- David Bruce AFSM,
Deputy Commissioner, North and West Operations
- Gary Mann,
Acting Deputy Commissioner, Central,
South and East Operations
- Ken Brown AFSM,
Deputy Commissioner,
Office of the Fire Rescue Commissioner
- Martin Braid AFSM,
Deputy Commissioner, Operational Training
- Michelle Young AFSM,
Deputy Commissioner, Fire Safety
- Tony O'Day AFSM,
Acting Deputy Commissioner, Strategy

In addition, a Deputy Secretary, Kirstie Schroder, led the Corporate, Regulations and Strategic Services portfolio.

At 30 June 2023:

- The roles above where a deputy was acting were vacant
- Mark Kennedy was acting for Ken Brown in the role of Deputy Commissioner, Office of the Fire Rescue Commissioner.

Other appointments and departures included:

- Ken G Block was Fire Rescue Commissioner from 1 July 2022–28 March 2023.
- Gavin Freeman AFSM was appointed Acting Fire Rescue Commissioner from 29 March 2023 until his permanent appointment on 24 May 2023.
- Brendan Angwin was the Deputy Commissioner, Operational Training until 28 May 2023.
- In July of 2023, Michelle Young was appointed to Deputy Commissioner Operations North and West, and
- Costa Katsikis was appointed to Acting Deputy Commissioner Community Safety.

Audit Risk and Compliance Committee

 SD 3.2.13(F) / FRD 22

Our Audit Risk and Compliance Committee is established to meet the requirements of the *Financial Management Act 1994*. It provides independent assurance and assistance to the Fire Rescue Commissioner about the effectiveness of our systems and controls to manage risks and achieve strategic objectives. It assists the Commissioner and has 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. It has no executive powers, except those provided by the Standing Directions made under the *Financial Management Act 1994* and delegated to it by the Commissioner. The Committee Chair is independent of FRV. Including the Chair, there are four independent Committee members and two management members.

Member	Relation to FRV	Meetings attended
Andrew Nicolaou	Independent	6/6
Kerrie Howard	Independent	6/6
Karren Phillips	Independent	6/6
Gregory Sword AM	Independent	5/6
Kirstie Schroder	Management	6/6
Ken Brown	Management	1/6
Mark Kennedy (acting for Ken Brown)	Management	3/6
David Bruce (acting for Ken Brown)	Management	1/6
Michael Tisbury (acting for Ken Brown)	Management	1/6

Strategic Advisory Committee

The Strategic Advisory Committee is a public entity established to meet the requirements of the *Fire Rescue Victoria Act 1958*. It has up to seven members appointed by the Minister. It is external to FRV and provides independent and expert advice on:

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

Member	Relation to FRV	Meetings attended
Dr David Hayward	Independent	5/5
Tasneem Chopra OAM	Independent	5/5
Greg Ferrington (appointed June 2023)	Independent	1/5
Tina Hosseini	Independent	5/5
Patricia Malowney OAM	Independent	4/5
Gregory Sword AM	Independent	5/5

Fire District Review Panel

The Fire District Review Panel is a public entity established to meet the requirements of the *Fire Rescue Victoria Act 1958*. It is external to FRV and provides reviews on the boundaries between fire services at least once every four years. The Panel's determination was published on 30 March 2023. The current review period is from 1 July 2020 to 30 June 2024. The Panel's work is independent of FRV and its advice is provided to the Minister. The Panel's determination is material to the operations of both the CFA and FRV.

Member	Relation to FRV
Ms Valerie Callister PSM, Chair	Independent
Ms Anna Kilborn	Independent
Mr Michael Walker AFSM	Independent



Health, Safety and Wellbeing

FRD 22 / BEST PRACTICE DISCLOSURE BASED ON RECOMMENDATION 70, PAEC REPORT 87

Our people are our greatest asset, and integral to this is ensuring our employees' health, safety and wellbeing is protected. As a part of the Fire Services Reform there has been a significant transformation of health, safety and wellbeing to protect employees so that we can continue to serve the Victorian community to the fullest extent.

In the last two years we have implemented a contemporary health, safety and wellbeing model which is designed to meet the needs of a modern, statewide fire and rescue service. This led to the creation of FRV Health, which complements the Fire Services Reform, Years 2–5 Implementation Plan.

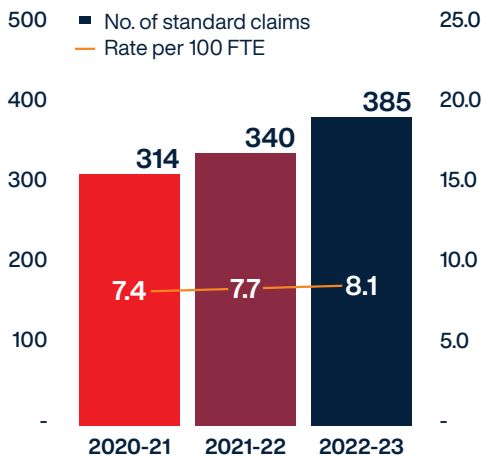
FRV Health will drive a gold standard of care across the whole-of-life injury/illness spectrum specific to modern fire and rescue services. FRV Health's model is evidence-based, data-driven and person centered. The model combines multiple health, safety and wellbeing services into an integrated system to minimise health and safety risks, identify occupational illnesses early, respond to emerging health trends and maximise workplace participation. After an extensive open tender process, we appointed Cogent Thinking. They have an established track record of delivering agreed core services, including occupationally focused, evidence-based programs to address current and emerging risks to firefighters and non-operational employees.

FRV Health includes, but is not limited to:

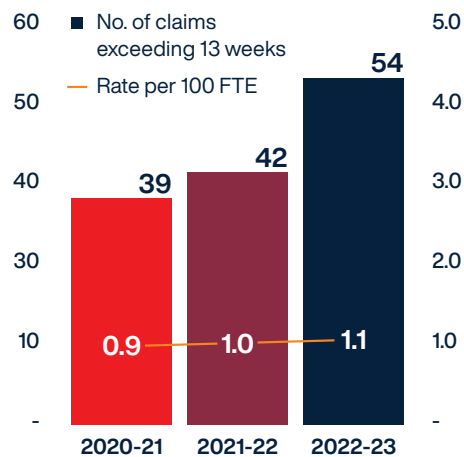
- Acute work-related injury triage and advice 24 hours, 7 days per week. The 24/7 support line is a triage service allowing employees to speak to a nurse or allied health professional and seek assistance for any work-related injuries
- Pre-employment, promotion and specialist medicals
- Occupational health monitoring and routine medical assessments which are designed to support employees to engage with their health, prepare to take on the physical and mental requirements of the work, and to take early actions to prevent and mitigate any illness or injury
- Regular screening for occupational-related exposures in recognition of the inherently high-risk, dynamic and diverse nature of fire and rescue personnel, including PFAS and occupational cancers
- FRV Health Protection Program – including immunisations and health education
- FRV Psychological/Mental Health Services, including an Employee Assistance Program for all employees and immediate family members.



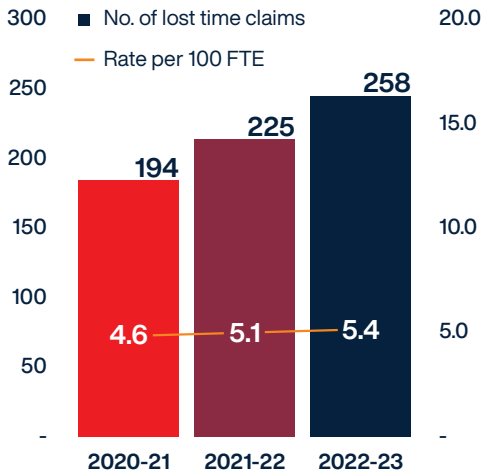
Number of standard claims and rate per 100 full-time employees at 30 June



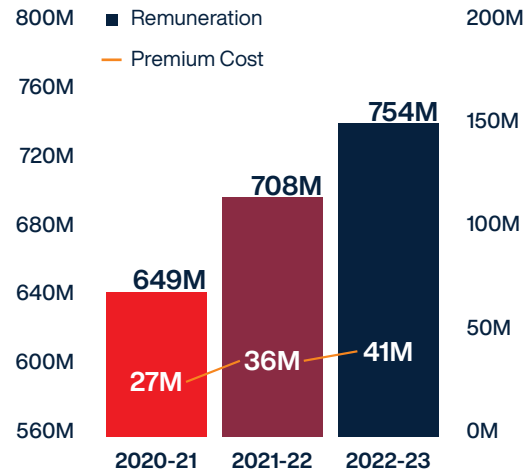
Claims exceeding 13 weeks rate per 100 full-time employees at 30 June



Lost time claims and rate per 100 full-time employees at 30 June



Three Yearly Premium Cost vs. Remuneration



This chart shows the premium cost for Fire Rescue Victoria's worker's compensation insurance and the remuneration paid to staff. The calculation of workers' compensation insurance is subject to adjustment and is certified in October-November each year. The figures for 2022-23 are estimates, whereas other years are final. Premium cost is GST inclusive.

Employment and conduct principles

FRD 22

FRV appoints employees on merit and equity principles. The selection processes ensure applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination. Employees have been correctly classified in workforce data collections.



Workforce data

FIRE RESCUE
VICTORIA



The following tables disclose the headcount and full-time staff equivalent (FTE) of all FRV employees, employed in the last full pay period in June of the current reporting period (2022–23), and in the last full pay period in June of the previous reporting period (2021–22).

The increase in the number of corporate and technical staff was driven by the introduction of FRV Health (the new health, safety and wellbeing model), increased cyber-security capacity following the cyber-attack in December 2022, the demands of the Fire Services Reform and changes that reflect the focus of FRV on major metropolitan areas across Victoria.

The decrease in firefighters was due to a number of firefighters retiring. Of the 107 departures, 23 were employees age 65+ years and 67 were employees age 55–64 years. FRV anticipates total operational employee numbers to increase during 2023–24 when new recruits commence. Recruit courses comprise of up to 30 recruits, with up to 8 courses conducted per year.

Details of employment levels FRD 22 FRD 29

		2022-23						
		All employees		Ongoing		Fixed term and casual		
		Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE
Demographic data	Gender							
	Women	566	550.6	456	37	480.0	73	70.6
	Men	3,982	3957.7	3,862	4	3864.3	116	93.4
	Self-described	9	7.6	3	1	3.5	5	4.1
	Total	4,557	4515.9	4,321	42	4347.8	194	168.1
	Age							
	15-24	29	29.0	22	-	22.0	7	7.0
	25-34	879	876.9	833	3	834.3	43	42.6
	35-44	1,503	1493.7	1,430	15	1438.7	58	55.0
	45-54	1,030	1018.3	975	12	983.4	43	34.9
55-64	944	932.4	905	7	909.8	32	22.6	
65+	172	165.6	156	5	159.6	11	6.0	
Total	4,557	4515.9	4,321	42	4347.8	194	168.1	
Classification data	Operations employees	3,836	3813.1	3,780	3	3782.1	53	31.0
	Corporate and Technical Employees	721	702.8	541	39	565.7	141	137.1
	Operations employees							
	Men	3,634	3613.0	3,583	-	3583.0	51	30.0
	Women	202	200.1	197	3	199.1	2	1.0
	Self-described	-	-	-	-	-	-	-
	Corporate and Technical Employees							
	Men	348	344.7	279	4	281.3	65	63.4
	Women	364	350.5	259	34	280.9	71	69.6
	Self-described	9	7.6	3	1	3.5	5	4.1
	Total	4,557	4515.9	4,321	42	4347.8	194	168.1
	Senior executive							
	Statutory Appointment*	6	6	6	-	6.0	-	-
PESES 2	3	3	3	-	3.0	-	-	
PESES 1	15	15	15	-	15.0	-	-	
Total	24	24	24	-	24.0	-	-	

*Excluded in the above.

Some sub-totals for 2022 have been restated for accuracy. The change is not material and does not change the overall headcount of 4,516.

Summary of employment levels

Item	2023 all employees FTE	Change	2022 all employees FTE
Operations employees	38,13.1	-1.31%	3,863.6
Corporate and technical employees	702.8	15.15%	610.3
Total number of employees	4,515.9	0.94%	4,473.9

Excludes statutory appointments

2021-2022						
All employees		Ongoing			Fixed term and casual	
Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE
513	-	430	36	-	47	-
3,999	-	3,909	2	-	88	-
4	-	1	-	-	3	-
4,516	-	4,340	38	-	138	-
37	-	28	-	-	9	-
944	-	918	-	-	26	-
1,446	-	1,389	16	-	41	-
971	-	932	8	-	31	-
968	-	938	8	-	22	-
150	-	135	6	-	9	-
4,516	-	4,340	38	-	138	-
3,888	3,863.6	3,847	4	3,849.6	37	14
628	610.3	493	34	515.4	101	94.9
Not reported	Not reported	Not reported	Not reported	Not reported	Not reported	Not reported
Not reported	Not reported	Not reported	Not reported	Not reported	Not reported	Not reported
Not reported	Not reported	Not reported	Not reported	Not reported	Not reported	Not reported
Not reported	Not reported	Not reported	Not reported	Not reported	Not reported	Not reported
Not reported	Not reported	Not reported	Not reported	Not reported	Not reported	Not reported
Not reported	Not reported	Not reported	Not reported	Not reported	Not reported	Not reported
4,516	4,473.9	4,340	38	4,365	138	108.9
7	7	7	-	7	-	-
2	2	2	-	2	-	-
13	13	13	-	10	-	-
22	22	22	-	22	-	-

The following table discloses the annualised total salary for senior employees. The salary amount is reported as the full-time annualised base salary, not package. One of the statutory appointments, Deputy Commissioner Operations South East and Central role, was vacant at time of reporting and is not included in the table below.

Annualised total salary by \$20,000 bands for executives and other senior non-executive staff  FRD 29

Income band (salary)	Statutory Appointments	PESES2	PESES1
< \$160 000	-	-	-
\$160 000 – \$179 999	-	-	-
\$180 000 – \$199 999	-	-	3
\$200 000 – \$219 999	-	-	6
\$220 000 – \$239 999	-	-	4
\$240 000 – \$259 999	-	1	2
\$260 000 – \$279 999	-	-	-
\$280 000 – \$299 999	-	1	-
\$300 000 – \$319 999	3	1	-
\$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	-	-	-
Total	6	3	15

Total number of senior appointments  FRD 15

Income band (salary)	Statutory Appointments	PESES2	PESES1	Total
2023				
Women	1	2	7	10
Men	5	1	8	14
Self-described	-	-	-	-
All	6*	3	15	24
2022				
Women	1	1	6	8
Men	6	1	7	14
Self-described	-	-	-	-
All	7	2	13	22

One vacant statutory appointment is not counted, i.e. Deputy Commissioner Operations South East and Central.
Public Entity Senior Executive Service (PESES) roles are within 3 bands: 1 is the lowest and 3 is the highest.

Training for employees

Course	Courses delivered 22/23	Total participants	% change courses delivered	% change total participants	Courses delivered 21/22	Total participants
Organisational						
Recruit Firefighter Course	2	60	-75.00%	-77.19%	8	263
Continuation	8	263	33.33%	51.15%	6	174
Leading Firefighter (LFF)	24	240	14.29%	33.33%	21	180
Station Officer (SO)	2	47	100.00%	46.88%	1	32
Station Officer (SO) pre-entry	1	30	0.00%	-28.57%	1	42
Senior Station Officer Course (SSO) pre-entry	1	26	0.00%	44.44%	1	18
Senior Station Officer Course (SSO)	2	45	100.00%	87.50%	1	24
Commander Course pre-entry	2	22	100.00%	0.00%	1	22
Commander Course	2	18	100.00%	20.00%	1	15
Fire Services Communications Controller (FSCC)	1	3	Didn't run in 2021–22		0	0
Cert IV						
Cert IV Training and Assessment	6	118	0.00%	81.54%	6	65
TAE Upgrade	3	24	-50.00%	-17.24%	6	29
Operational						
Structural Firefighting (SFF/CFBT)	16	128	300.00%	255.56%	4	36
Structural Firefighting Instructor Course	1	7	0.00%	0.00%	1	7
Structural Firefighting Skills Maintenance	15	136	Didn't run in 2021–22		0	0
Practical Skills Maintenance	46	314	Didn't run in 2021–22		0	0
Atmospheric Monitoring (Div A) (Altair/MicroRAE)	92	772	240.74%	219.01%	27	242
Atmospheric Monitoring (Div B)	9	68	-66.67%	-71.90%	27	242
Brown Coal (Div B)	5	18	-83.33%	-78.05%	30	82
Interdivisional Firefighter Program (IFP)	8	120	50.00%	233.33%	4	36
Internal Secondment	1	34	0.00%	88.89%	4	18

Course	Courses delivered 22/23	Total participants	% change courses delivered	% change total participants	Courses delivered 21/22	Total participants
Driving						
Introduction to Driving Recruit Training	2	60	-87.50%	-75.00%	16	240
Driver Training 6 Day Course (Course now superseded – See below)	3	18	Didn't run in 2021–22		0	0
Driver Training 4 Day Course – Defensive Driver	36	418	Didn't run in 2021–22		0	0
Driver Training 2 Day Course – Emergency Response	42	227	Didn't run in 2021–22		0	0
Trailer Training	5	25	-16.67%	108.33%	6	2
Driver Trainer Course Electric Vehicle (EV)	30	30	100.00%	-40.00%	15	50
GATOR RV Training	10	20	Didn't run in 2021–22		0	0
Driving Instructor Course	1	8	Didn't run in 2021–22		0	0
Specialist						
Safe Working at Heights	4	40	-89.74%	-83.81%	39	247
Low Voltage Fuse Removal	1	1	-96.55%	-99.49%	29	198
Safe Work around Water	2	64	-93.10%	-67.68%	29	198
Mk IV Pumper Tanker Conversion	32	64	357.14%	236.84%	7	19
Technical Rescue Transporter (Div B)	22	94	Didn't run in 2021–22		0	0
Return to Work Program	4	4	-60.00%	-60.00%	10	10
MKV Governor Training	73	146	128.13%	94.67%	32	75
MKV Pumper and Pumper Tanker	24	47	1100.00%	683.33%	2	6
Control Unit Course	0	0	-	-	2	8
Transporter (Div A)	30	60	100.00%	100.00%	15	30
Teleboom (Div A)	10	40	233.33%	233.33%	3	12
Aerial Pumper (Div B)	11	40	266.67%	166.67%	3	15
Ladder Platform	8	64	100.00%	100.00%	4	32
Ladder Platform conversion	20	36	-31.03%	-50.00%	29	72
Ultra Large Pumper	6	22	100.00%	83.33%	3	12
Breathing Apparatus Service (Div A)	4	10	-50.00%	-80.39%	8	51

Training for employees (continued)

Course	Courses delivered 22/23	Total participants	% Change Courses Delivered	% Change Total Participants	Courses delivered 21/22	Total participants
Specialist						
MMR Radios	34	172	9.68%	-26.18%	31	233
Breathing Apparatus Guidelines	34	172	-10.53%	-31.75%	38	252
Pumper platform	51	189	Didn't run in 2021–22		0	0
Mills Tui Pumper	9	19	Didn't run in 2021–22		0	0
2020 Pumper	68	229	Didn't run in 2021–22		0	0
2017 Pumper	30	40	Didn't run in 2021–22		1	8
Technical Operations						
Steep Angle	6	48	Didn't run in 2021–22		0	0
Swift Water Rescue Instructor course	0	0	-	-	1	8
Marine - General Purpose Hand Stage 1	1.5	16	-25.00%	433.33%	2	3
Marine - Coxswains Stage 1	0	0	-	-	1	1
Road Crash Rescue Support Skills Acquisition	14	78	7.69%	-22.77%	13	101
Road Crash Rescue Support Skills Maintenance	100	451	400.00%	181.88%	20	160
High Angle Rescue Technician (HART)	5	60	400.00%	233.33%	1	18
HAZMAT Technician (Div A)	0	0	-	-	2	13
Heavy Rescue Skills Acquisition	3	36	-95.16%	-92.04%	62	452
Heavy HAZMAT Unit (Div B)	1	19	-50.00%	-29.63%	2	27
Other Training						
Recruitment Physical Aptitude Test	0	0			9	504
Pre entry WER Course Swim Testing	5	12	Didn't run in 2021–22		0	0
Marine - ESS Course	0	0	-	-	3	18
Marine - HLTAID011 Course	0	0	-	-	8	36
Marine - SRI Upskill	0	0	-	-	1	7
Marine - Fireboat 11 and 12 Inductions/Assessments	9	72	80.00%	800.00%	5	8
Assist Marine Department - Skills Maintenance Programs	14	72	Didn't run in 2021–22		0	0

Course	Courses delivered 22/23	Total participants	% Change Courses Delivered	% Change Total Participants	Courses delivered 21/22	Total participants
External Training						
Victoria Police Critical Incident Response Team (CIRT)	2	100	100.00%	300.00%	1	25
Victoria Police SOG Live Fire Training	1	8	Didn't run in 2021-22		0	0
External Leadership Training and Events						
Fire Ops 101 Program	7	56	Didn't run in 2021-22		0	0
District Skills Maintenance Sessions	257	1877	Didn't run in 2021-22		0	0
Open Water Drill	36	184	Didn't run in 2021-22		0	0
Combined Drill	9	72	Didn't run in 2021-22		0	0
Pumping General	10	25	Didn't run in 2021-22		0	0
Command and Control	13	48	Didn't run in 2021-22		0	0
RNERV	23	104	Didn't run in 2021-22		0	0
Door Entry Prop	110	580	Didn't run in 2021-22		0	0
Other Drills	61	189	Didn't run in 2021-22		0	0

FRV delivered 71 different courses over the year and a total of 1,540 courses. This represents a significant increase from the previous year's 603 courses which was limited by COVID restrictions. Participant numbers increased by 92% to 8,959 participants (many participants do multiple courses).

FRV prioritised the competence and readiness of our workforce through a culture of support and targeted training programs. This assists us in meeting our output measures such as the percentage of staff with core skills and technical operations skills to achieve fire and rescue excellence.

Operational training courses reflect FRV's strong emphasis on hands-on training and high level of technical competency. Training ensures we establish safe systems of work so firefighters have the appropriate skills and knowledge to respond to any type of emergency. We continued to develop our people through courses such as Leading Firefighter, Station Officer, Senior Station Officer and Commander which advances firefighters to higher ranks and helps them become model leaders.

FRV is always looking to the future to ensure we meet the needs and expectations of the evolving emergency risk profile in which we respond. Contemporary training strategies, innovative approaches and relationships with our national and international counterparts are vital for FRV Operational Training in developing leaders to meet the organisation's current and future needs. FRV is exploring ways to refine training development and delivery to reflect best practice responses across the world.

Over the year we introduced new training courses that expanded existing programs. Noteworthy additions include a significant number of employees completing driver training and leadership courses. We ran significantly more technical and specialist courses, increasing to 607 courses compared to 389 the previous year.

Workforce inclusion policy

RECOMMENDATION 20, PAEC REPORT 107 FRD 29

FRV is committed to creating a safe, inclusive and respectful workplace that represents the diversity of the community we serve. This includes advancing gender equality within FRV.

As it was only in the late 1980s – 1990s when women were first able to become career firefighters, we recognise that our current state of gender equality stems from a range of complex societal factors. FRV recognises the opportunity we have to advance gender equality within our workforce and contribute to a safer, respectful and more equitable community.

Women now account for 11% of FRV’s workforce. Of our senior appointments in 2023, eight (36%) of the 22 are women, which is the same as 2022.

Workforce area	Group	2022–23	2021–22
Executives	Women	33%	33%
	Men	66%	66%
Firefighters	Women	5%	Not reported
	Men	95%	Not reported
Corporate	Women	49%	Not reported
	Men	50%	Not reported
	Self-described	1%	Not reported

FRV fully supports the aims and requirements of the *Gender Equality Act 2020 (Vic)* and is committed to improving gender equality for our employees and in the services we provide to the Victorian community. As a defined entity within the Act, FRV must take meaningful action to improve gender equality.

Consistent with the *Gender Equality Act 2020*, in the last year FRV launched a Gender Equality Action Plan which includes proactive steps to address gender inequality over 2022– 2025. This document is made available on our website.

FRV’s Gender Equality Action Plan outlines 22 objectives across the pillars of Leadership, Culture and People and seeks to:

- develop a strong foundational understanding of equality, equity and inclusion that enables the creation of a psychologically safe, inclusive and respectful workplace
- identify and remove barriers, if any, to our systems and processes, enabling equitable access to leave requirements, development opportunities, recruitment and promotion and a reduction in the gender pay gap
- break down unhelpful gender stereotypes that prevent FRV from being a contemporary fire service that is reflective of, and responsive to, the community it serves.

FRV will provide regular progress reports to the Gender Equality Commissioner on our progress against the Gender Equality Act requirements.

As part of our obligations under the Gender Equality Act, FRV is also required to undertake a workplace gender audit against the seven key indicators that are outlined in the Gender Equality Act. FRV’s first workplace gender audit results are available on the Commission for Gender Equality in the Public Sector Insights Portal.

As of 30 June 2023, the Public Sector Gender Equality Commissioner has not currently set a target or quota for any organisation. The Commissioner has recognised that in the first years of the Act’s operation that there will be a transition period for defined entities to move towards a full understanding of obligations and adequately meeting them.

Gender Equality Act Key Indicators are reported on the genderequalitycommission.vic.gov.au website. This includes:

- Gender composition at all levels of the workforce
- Gender composition of governing body
- Gender pay gap
- Workplace sexual harassment
- Recruitment and promotion
- Leave and flexibility
- Gendered workforce segregation.

FRV's measures of success in our Gender Equality Action Plan are:

Leadership

1. Increased confidence in reporting inappropriate behaviour
2. Improved data availability for the 2023 Workplace Gender Audit
3. Quarterly reporting to executive leadership team and the Strategic Advisory Committee and Audit Risk and Compliance Committee shows improvement in a variety of diversity and inclusion metrics.

Culture

5. Increase in number of reports of inappropriate behaviour
6. Increase in employee satisfaction of how the complaint was handled
7. Increasing number of employees participating in awareness raising activities
8. Increase in effective bystander action being taken
9. Increase in number of employees utilising flexible work and leave options to support their wellbeing
10. Establishment of a reliable gender pay gap calculation and reduction over time.

People

11. Increase in the number of women and those with intersectional identity in operational and leadership roles
12. Increased engagement/networking opportunities for women
13. Increase in women accessing career progression and promotional opportunities
14. Reduction in regrettable exits across FRV workforce.

These measures were adopted in 2022 and FRV intends to measure progress against these in future reports.



Find out more:

Reconciliation Action Plan

FRV is committed to supporting Reconciliation and a more equitable future for Aboriginal and Torres Strait Islander peoples.

In the last year, we published our first Reconciliation Action Plan (RAP) 2022–2024. This document is made available on our website.

Our RAP articulates FRV’s commitment to Reconciliation. We aim to strengthen our relationships and trust with Aboriginal and Torres Strait Islander peoples and communities and build a culturally safe and respectful workplace.

The action plan has 15 activities across four areas:

Relationships

- Establish and strengthen mutually beneficial relationships with Aboriginal and Torres Strait Islander stakeholders and organisations.
- Build relationships through acknowledging and celebrating National Reconciliation Week (NRW).
- Promote reconciliation through our sphere of influence.
- Promote positive race relations through anti-discrimination and anti-racism strategies.

Respect

- Increase understanding, value and recognition of Aboriginal and Torres Strait Islander cultures, histories, knowledge and rights through cultural learning.
- Demonstrate respect to Aboriginal and Torres Strait Islander peoples by observing cultural protocols.
- Build respect for Aboriginal and Torres Strait Islander cultures and histories by celebrating NAIDOC Week.
- Demonstrate respect to Aboriginal and Torres Strait Islander peoples by increasing cultural safety within FRV.

Opportunities

- Improve employment outcomes by increasing Aboriginal and Torres Strait Islander recruitment, retention and professional development.
- Increase Aboriginal and Torres Strait Islander supplier diversity to support improved economic and social outcomes.
- Improve the quality of services provided by FRV.

Governance

- Establish and maintain an effective RAP Working Group (RWG) to drive governance of the RAP.
- Provide appropriate support for effective implementation of RAP commitments.
- Build accountability and transparency through reporting RAP achievements, challenges and learnings both internally and externally.
- Continue our reconciliation journey by developing our next RAP.



Find out more:

Since the launch of the Reconciliation Action plan in late 2022 FRV has established governance structures to support the implementation of the RAP, held a series of Reconciliation Leadership workshops for FRV's Executive Leadership Team and provided a number of opportunities for employees to build their awareness and understanding of Aboriginal history and culture.



Artist: Samantha Richards – Wurundjeri, Dja Dja Wurrung

The themes of our artwork combine Victorian Indigenous art, fire, and the work that FRV does in the community. The artwork is layered, using traditional Wurundjeri symbols. The story is about our stations across the community, represented by the large red and black circle. These are surrounded by smaller circles; meeting places where everybody talks. The layers of red, yellow and orange represent the situations we respond to, and landscapes across Victoria, from the three triangles of mountain ranges, to the four circles of water, and the lines of everything in between. The double circles represent the physical, mental and emotional strength of FRV members and their dedication to using combined knowledge: the single circles, to assist in supporting the community.

Other disclosures



Environmental Reporting

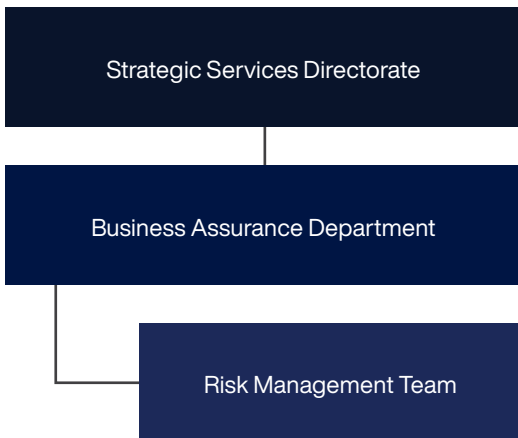
Climate-related risk disclosure

FRD 24 PARAGRAPH 4.6

Governance

Climate-related risks are managed alongside other risks within FRV’s governance structure. Risk management is part of the Business Assurance Department within the Strategic Services directorate. The Risk Management team is a consultative resource that advises FRV on all risk management including climate change-related risks. It reports FRV’s performance on managing strategic and key operational risks to the Executive Leadership Team, the Fire Rescue Commissioner and the Audit Risk Compliance and Committee.

The FRV Risk Management Policy and Risk Management Framework embodies FRV’s approach to risk management based on Victorian Government mandatory requirements. The Framework is for use by all FRV employees who create and protect value by managing risks, making decisions, setting and achieving objectives and improving performance. It assists FRV in integrating risk management into all activities and functions.



There are two key considerations for governance:

- How climate change may affect emergency operations, eg firefighting and rescue operations
- How climate change may affect the administration of the organisation, for example major projects, maintenance, reporting obligations.

Strategy

FRV can be viewed in two key groups of staff, **operations** (i.e. active firefighters) and corporate, technical and administrative staff (abbreviated as **corporate**).

The potential risks of climate change are addressed differently for operations and corporate:

Operations: How climate change may affect emergency operations, eg firefighting and rescue operations. These risks are principally owned by the Strategy Directorate. This includes addressing risks such as:

- Increase in extreme fire weather and fire seasons
- Increase in drought length and severity
- Increase in extreme rainfall and flash flooding
- Flow-on effects to resourcing, eg staff required to work more consecutive days during fires and flooding, suitability of appliances and technology.

Corporate: How climate change may affect the administration of the organisation, for example major projects, maintenance, reporting obligations. These risks are principally owned by the Corporate Regulations and Strategic Services Directorate. This includes addressing risks such as:

- Risks to infrastructure and assets
- Legal and reporting obligations, eg *Climate Change Act 2017*, FRD 24 Reporting of environmental data by government entities
- Financial implications, e.g. cost to transition to net-zero emissions, increase in insurance costs.

Other structures, roles and groups that address climate change related risk within FRV:

Environmental Sustainability and Compliance Manager

Environmental reporting including greenhouse gas emissions is tracked by FRV and a dedicated role of Environmental Sustainability and Compliance Manager sits within the Office of the Fire Rescue Commissioner directorate.

Alternative Renewable Energy Technologies (ARET) working group

FRV's ARET considers the risks associated with firefighting in connection with a range of technologies that are part of the transition to net-zero emissions. The technologies included are:

- Electric vehicles
- Residential technologies and battery energy storage systems
- Renewable energy installations and battery energy storage systems
- Hydrogen
- Waste and recycling (additionally FRV is an active member of the Waste Intelligence Network and Fire Prevention Program).

To address climate-related risks within the vehicle fleet, there are a variety of activities and processes:

- Ongoing assessment of electric pumping trucks
- Ongoing fleet diversification including assessment and adoption of hybrid and electric vehicles
- Diesel emissions reduction for newer pumper trucks through the addition of diesel exhaust fluid (DEF, also known as AUS 32 and marketed as AdBlue)
- End of life and disposal policy and procedure
- Idling minimisation policy for trucks
- Maintenance schedule and emission compliance testing.

Facilities and infrastructure are also key areas for management of climate-change risks. Key activities and policies include:

- New fire stations are constructed with supporting infrastructure for charging electric vehicles in place. The charging stations are not installed but can be easily fitted.
- Installing energy efficient lighting progressively at office and station refurbishments.
- Progressively replacing heating, ventilation and air conditioning systems with the most energy efficient options available.

Risk management

FRV addresses climate-change-related risk as an integrated part of risk management and not in isolation. There are two risk types for climate-change-related risk: physical and transition.

Physical risks. This includes those such as the possibility of:

- an increase in the frequency and severity of extreme fire weather and increasing intensity, severity, frequency and duration of other weather and ocean hazards (eg heatwave, bushfire, flooding, storm surge, etc.)
- altered ecosystem, reduced biodiversity and diminishing environmental values
- rising loss of public and private infrastructure and properties
- long-term challenges on the EM sector to conduct established disaster mitigation activities (eg prescribed burning).

This impacts the resources we require such as the number of days firefighters would be deployed in the event of extended extreme fire danger days or major emergencies, as well as the number and type of appliances (eg pumper tanker, helicopter) required to adequately meet demand.

Transition risks. This includes risks associated with changes such as:

- meeting the *Climate Change Act 2017* target of net-zero emissions by 2045
- updating the fleet to electric vehicles (importantly, the availability of both funds and vehicles), phasing out old technology and training staff in new doctrines or use of technology.
- This also includes the risks of:
 - reputational damage if failing to acknowledge, assess and respond to climate change and community and other stakeholder expectations
 - OHS physical and emotional impacts on workforces and communities due to elevated operational risks and response requirements
 - variation and uncertainty in the financing and insurability of government operations and critical infrastructure against changing risk profiles.

Metric and targets

FRV measures our environmental performance via metrics including total energy use, electricity use, stationary fuel use and vehicle fuel consumption, greenhouse gas emissions etc. See the Environmental Indicators summary tables in the Environmental Reporting section to the right.

FRV has not set targets but is working towards environmental footprint reductions in order to play our part to meet the Victorian Government's net-zero emissions target in 2045. Refer to the discussions of environmental indicators on the next page for more details and highlights of the past financial year.

Environmental Reporting

We are working to reduce our impact on the environment, manage climate-related hazards and comply with the General Environmental Duty under the *Environment Protection Act 2017*. We participate in climate change and environmental sustainability government reference groups, policy consultation processes and emergency management sector peak body forums. This keeps us abreast of the latest climate science and best industry practice while supporting Victoria's transition to net zero emissions by 2045.

We maintain our Environmental Policy to manage the sustainable and environmentally conscious delivery of emergency response, fire suppression and prevention services. The policy is reviewed regularly to align with the strategic plan, legislative requirements and community expectations.

We collect and monitor against sustainability indicators to measure our environmental performance. These are published in our annual report, as required by the *FRD 24 Reporting of environmental data by government entities*.

Organisational boundary

FRV determines our reporting boundaries for environmental reporting using the operational control approach from the *Green House Gases Protocol Corporate Standard*. Data has been collected for all operations and assets, including owned and leased premises (e.g. fire stations, offices, workshops, warehouses, training centres and other facilities), fleet, plants and equipment over which FRV has operational control.

Operational context

The reporting period of environmental data coincides with the financial year 2022–23. Estimates for missing values where practicable are based on data from the previous years, monthly averages or other appropriate methods.

Fulltime equivalent staff (FTE) is used as the normalisation factor for some indicators..

Data coverage and quality

Reasonable efforts have been made to collect accurate and complete environmental data for FRV's operations and assets. Nevertheless, not all of the required performance data is available at the time of preparing this annual report (eg bills from utility providers). Data unavailable is denoted as NA in the environmental indicators tables. Disclosures of data availability and completeness are detailed in the explanatory notes under each indicator. The outcome of utility data assessment is presented in the table below.

Utility	No. of sites with metres	No. of metres with data	% of sites with metres	% of metres with data	% of estimation against total	Comment
Electricity	110	110	100%	100%	6	Estimates are made using the previous year's data for some missing measures such as July 2022 electricity supplier invoices and several landlord invoices
Natural gas	79	78	72%	99%	21	Estimates are made using the previous year's data for the quarterly invoices yet to be released.

The following methods are employed to collect and store FRV's environmental information:

- Utility consumption (including electricity, natural gas, etc.) – We engage Eden Suite, a third party environmental data management system provider, to source and track usage invoices directly from the utility suppliers.
- Stationary fuel use (in addition to natural gas) – We obtain the fuel delivery record and installed generation capacity of the backup generators from the maintenance contractor.
- Transportation – We use the internal software to upload and retrieve fleet data including the number and type of vehicles and the associated fuel use.
- Buildings and infrastructure – We summarise the property related activities through inquiries and interviews with the relevant internal stakeholders in the Corporate Services Department.
- Other fugitive emissions – We obtain the refrigerant types and operating losses record of the refrigeration and air conditioning systems from our maintenance contractors.

Greenhouse gas emissions

The reporting of greenhouse gas emissions is broken down into emissions 'scopes'. Scope 1 emissions are direct emissions from sources that FRV owns or controls, such as burning fossil fuels in its vehicles or machinery. Scope 2 emissions are indirect emissions from FRV's use of electricity from the grid which is produced from coal and gas-fired power generation.

FRV's scope 1 direct greenhouse gas emissions increased by 69% from 2020–21 to 2021–22 and by 28% from 2021–22 to 2022–23. These increases were largely driven by the reform of fire services in Victoria which meant former CFA vehicles moved into FRV's fleet and increased vehicle use as travel activities resumed after the extended remote work periods over 2020 and 2021 caused by COVID-19 restrictions.

FRV's scope 2 indirect greenhouse gas emissions increased by 39% from 2020–21 to 2021–22 and decreased by 7% from 2021–22 to 2022–23. These changes were caused by the resumption of on-site work and energy efficiency upgrades.

Indicator	2022–23	% change	2021–22	2020–21
Total scope 1 greenhouse gas emissions (Tonnes CO₂-e) → INDICATOR G1	8,650.14	27.6%	6,779.01	4,020.95
Greenhouse gas emissions from fuels (stationary and transportation)	8,580.73	26.6%	6,779.01	4,020.95
Carbon Dioxide (CO ₂)	8,527.28	27.1%	6,708.16	3,989.49
Methane (CH ₄)	3.44	-72.8%	12.67	5.97
Nitrous Oxide (N ₂ O)	50.00	-14.1%	58.18	25.49
Greenhouse gas emissions from refrigerant gases ^(a)	69.41		NA	NA
Refrigerant – R22 (HCFC-22)	17.60		NA	NA
Refrigerant – R32 (HFC-32)	1.02		NA	NA
Refrigerant – R410A (HFC-410A)	50.79		NA	NA
Total scope 2 greenhouse gas emissions (Tonnes CO₂ e) → INDICATOR G2	8,427.96	-6.9%	9,053.39	6,523.98

Notes:

- (a) The refrigerant losses data is only available for the financial year of 2022–23, but unavailable for the years prior to that at the time of preparing this annual report. Raw data requests will be further refined and communicated to the relevant internal and external stakeholders to ensure that the data supplied will be as complete as possible for the next annual report.
- (b) At the two FRV data centres, inert gaseous agent IG-541 is used in the fire suppression systems, which contains a small proportion (8%) of carbon dioxide. Therefore, fugitive emissions from this source are considered insignificant and are unlikely to exceed the material activity threshold.

Electricity production and consumption

In 2021–22 we increased electricity consumption by 48%. This was due to the gradual resumption of on-site work post the COVID-19 pandemic. Following the completion of a number of lighting, plant and equipment upgrades, FRV's use of grid sourced electricity decreased by 1% in 2022–23.

We will continue to implement and extend energy efficient solutions and measures to reduce electricity use, such as:

- progressive rollout of the Siemens Building Management System (BMS) to new and Division B fire stations to monitor energy and water consumption, diagnose performance issues, enable predictive maintenance scheduling and hence minimise unplanned plant and equipment downtime and avoid unnecessary energy wastage.
- progressive replacement of lighting with LEDs across FRV sites for better energy efficiency and longer lifetime span.
- reassessing, scaling and replacement of heating, ventilation and air conditioners (HVACs) and hot water systems to comply with the energy efficiency requirements in Section J of the *National Construction Code*.
- preferencing high energy efficiency rated products when purchasing new and replacing dated electric appliances and devices to satisfy the business requirements.
- establishing the power savings display and sleep settings as the default in desktop computers and laptops which in turn hibernate monitors and save electricity.

Indicator	2022–23	% change	2021–22	2020–21
Total electricity consumption (MWh) → INDICATOR EL1 ^(a)	12,268.63	-1.0%	12,397.69	8,365.22
Purchased Electricity ^(b)	12,268.63	-1.0%	12,397.69	8,365.22
Self-generated ^(c)	NA	-	NA	NA
On-site electricity generated (MWh) → INDICATOR EL2 ^(d)	NA	-	NA	NA
Solar PV ^(c)	NA	-	NA	NA
Consumption behind-the-meter ^(c)	NA	-	NA	NA
Exports	16.33	-5.6%	17.30	NA
On-site installed generation capacity (MW) → INDICATOR EL3	NA	-	NA	NA
Solar PV ^(c)	NA	-	NA	NA
Diesel backup generator	14.33	0.0%	14.33	13.80
Total electricity offsets (MWh) → INDICATOR EL4	0.37	-	0	0
Greenpower	0.37	-	-0	0

Notes:

- (a) The total electricity consumption across FRV is based on purchased electricity only. Refer to note (c) below.
- (b) For the leased sites where FRV pays outgoings according to the agreed shared tenancy arrangement, utility invoices are prepared by and received from the landlords or their agents. In the case of any missing invoices, the previous year's data or monthly averages are used as estimates.
- (c) Approximately 19 small scale legacy solar PV systems are installed on the fire station rooftops within the sites portfolio. The on-site installed generation capacity of these systems is currently unavailable, and the systems are not separately metered. As such, the electricity produced by these systems is not captured in the on-site electricity generated. When these solar systems are replaced or upgraded in the future, appropriate monitoring instruments will be installed.
- (d) Diesel backup generation is not separately metered. However, the electricity produced by these systems is considered insignificant and is not reported at indicator EL2 given their incidental usage mainly for routine testing purposes. Instead, fuel used in these stand-by power systems is reported at indicator F1.

Stationary fuel use

Sources of emissions from stationary fuel include natural gas used in some buildings' heating systems and diesel used in backup generators at a number of fire stations.

Stationary fuel use decreased by 4% from 2020–21 to 2021–22 and increased by 10% from 2021–22 to 2022–23. Changes in stationary fuel use were due to fluctuations in employees working on-site and resultant heating demand, as well as the addition of diesel-powered backup generators.

Indicator	2022–23	% change	2021–22	2020–21
Total Fuels used in buildings and machinery (MJ) → INDICATOR F1	22,356,995.10	9.7%	20,385,398.89	21,299,029.83
Buildings	22,333,456.50	9.6%	20,385,398.89	21,299,029.83
Natural gas ^(a)	22,333,456.50	9.6%	20,385,398.89	21,299,029.83
Machinery	23,538.60		NA	NA
Diesel ^{(b)(c)}	23,538.60		NA	NA
Greenhouse gas emissions from stationary fuel consumption (Tonnes CO₂-e) → INDICATOR F1	1,152.49	9.7%	1,050.46	1,097.54
Natural gas	1,150.84	9.6%	1,050.46	1,097.54
Diesel ^{(b)(c)}	1.65		NA	NA

Notes:

- (a) For the leased sites where FRV pays outgoings according to the agreed shared tenancy arrangement, utility invoices are prepared by and received from the landlords or their agents. In the case of any missing invoices, the previous year's data or monthly averages are used as estimates.
- (b) FRV operates backup generators at a number of fire stations. The calculations of diesel used in backup generators and the associated greenhouse gas emissions are based on the fuel delivery record supplied by the maintenance contractors.
- (c) The diesel delivery data is only available for 2022–23, but unavailable for the years prior to that at the time of preparing this annual report. Raw data requests will be further refined and communicated to the relevant internal and external stakeholders to ensure that the data supplied will be as complete as possible for the next annual report.

Transportation

FRV's fleet comprised of 918 vehicles essential to the provision of fire and rescue services to keep our people and our communities safe. Of these vehicles, 23% are fire appliances and 70% are passenger vehicles. The remainder are marine vessels and special work vehicles.

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

Indicator	2022-23	%	% change	2021-22	2020-21
Number and proportion of vehicles → INDICATOR T2	918	100.00%	NA	NA	NA
Road vehicles	857	93.36%	1.30%	846	800
Fire appliances	215	23.42%	-2.27%	220	220
Internal combustion engines	215	23.42%	-2.27%	220	220
Diesel/Biodiesel	215	23.42%	-2.27%	220	220
Passenger vehicles ^{(a)(b)}	642	69.93%	2.56%	626	580
Internal combustion engines ^(b)	641	69.83%	2.56%	625	579
Petrol (includes hybrid)	213	23.20%	NA	NA	NA
Diesel/Biodiesel	427	46.51%	NA	NA	NA
LPG	1	0.11%	NA	NA	NA
Electric propulsion	1	0.11%	-	1	1
Battery Electric Vehicle (BEV)	1	0.11%	-	1	1
Non-road vehicles ^(c)	61	6.64%	NA	NA	-
Marine vessels	10	1.09%	-	10	4
Internal combustion engines	10	1.09%	-	10	4
Petrol	10	1.09%	-	10	4
Special work vehicles ^(a)	51	5.56%	NA	NA	-
Internal combustion engines	19	2.07%	NA	NA	-
Petrol	9	0.98%	NA	NA	-
Diesel/Biodiesel	7	0.76%	NA	NA	-
LPG	3	0.33%	NA	NA	-
Other	32	3.49%	NA	NA	-

Notes:

- The exact numbers of the passenger vehicles and special work vehicles by engine/fuel type are available for 2022-23, but unavailable for the years prior to that at the time of preparing this annual report. Raw data requests will be further refined and communicated to the relevant internal and external stakeholders to ensure that the data supplied will be as complete as possible for the next annual report.
- FRV has a number of hybrid passenger vehicles; however, they are not classified as plug-in hybrid electric vehicle (PHEV) or range-extended electric vehicle as defined in the Guidance for FRD Reporting. Therefore, these hybrid passenger vehicles have been included in the internal combustion engines category instead of the hybrid category.
- Special work vehicles include transport related assets such as forklifts, equipment pods, trailers etc, some of which are fuel powered (e.g. generators) and some are not (e.g. trailers).

Transportation (continued)

Energy used in transport fuels increased by 104% from 2020–21 to 2021–22 and by 13% from 2021–22 to 2022–23. Correspondingly, greenhouse gas emissions from transportation increased by 96% from 2020–21 to 2021–22 and by 30% from 2021–22 to 2022–23. A similar trend is also observed for commercial air travel. These increases were primarily driven by the resumption of business trips following the easing of travel restrictions post the COVID-19 pandemic, together with contributions from the expansion of the passenger vehicle fleet.

Indicator	2022–23	% change	2021–22	2020–21
Total energy used in transportation (MJ) → INDICATOR T1	106,091,478.80	13%	93,522,376.50	45,916,655.00
Biodiesel	0	-100%	12,089,575.50	4,136,765.40
Diesel	93,684,882.70	36%	69,098,415.40	31,545,069.80
Road vehicles ^(a)	93,095,198.10	36%	68,426,370.20	30,790,451.60
Fire appliances	51,623,323.50		NA	NA
Passenger vehicles	41,471,874.60		NA	NA
Non-road vehicles	589,684.60	-12%	672,045.20	754,618.20
Marine vessels	557,163.59	-17%	672,045.20	754,618.20
Special Work Vehicles	32,521.01		NA	NA
Petrol (ULP)	11,357,303.50	-7%	12,193,230.30	10,219,914.20
Road vehicles ^(a)	11,186,286.70	-5%	11,765,063.10	10,034,553.30
Fire appliances	90,107.00		NA	NA
Passenger vehicles	11,096,179.70		NA	NA
Non-road vehicles ^(b)	171,016.80	-60%	428,167.20	185,360.90
Marine vessels	171,016.80	-60%	428,167.20	185,360.90
Petrol (E10)	1,036,983.80	924%	101,307.80	0
LPG	12,308.80	-69%	39,847.50	14,905.60
Road vehicles	12,308.80	-11%	13,906.70	14,905.60
Passenger vehicles	12,308.80	-11%	13,906.70	14,905.60
Non-road vehicles	0	-100%	25,940.80	0
Special Work Vehicles	0	-100%	25,940.80	0
Electricity ^(c)	NA		NA	NA

Indicator	2022-23	% change	2021-22	2020-21
Greenhouse gas emissions from vehicle fleet (Tonnes CO ₂ e) → INDICATOR T3	7,428.24	30%	5,728.55	2,923.41
Biodiesel	0	-100%	30.22	10.34
Diesel	6,596.35	36%	4,865.22	2,221.09
Road vehicles ^(a)	6,554.83	36%	4,817.90	2,167.96
Fire appliances	3,634.80		NA	NA
Passenger vehicles	2,920.03		NA	NA
Non-road vehicles	41.52	-12%	47.32	53.13
Petrol (ULP)	767.98	-7%	824.51	691.07
Road vehicles ^(a)	756.42	-5%	795.55	678.54
Fire appliances	6.09		NA	NA
Passenger vehicles	750.32		NA	NA
Non-road vehicles	11.56	-60%	28.95	12.53
Petrol (E10)	63.15	924%	6.17	0
LPG	0.75	-69%	2.43	0.91
Road vehicles	0.75	-12%	0.85	0.91
Passenger vehicles	0.75	-12%	0.85	0.91
Non-road vehicles	0	-100%	1.58	0
Special Work Vehicles	0	-100%	1.58	0
Electricity ^(c)	NA		NA	NA
Total distance travelled by commercial air travel (Passenger km) ^(d) → INDICATOR T4	950,171.49	82%	521,600.62	45,057.00

Notes:

- (a) The energy used in and the greenhouse gas emissions from the road vehicles are only segregated into the fire appliances and passenger vehicles categories for 2022-23, but not for the years prior to that at the time of preparing this annual report. Raw data requests will be further refined and communicated to the relevant internal and external stakeholders to ensure that the data supplied will be as complete as possible for the next annual report.
- (b) Fireboats refuelling data is no longer available at the Queenscliff Harbour fuel wharf as a result of operational changes. Therefore, the previous year's data is used as an estimate.
- (c) The battery electric passenger vehicle and its charging infrastructure situated at the Eastern Hill Headquarter is not separately metered. However, the electricity consumed by this car is considered insignificant and is unlikely to exceed the material activity threshold. When the car is replaced or upgraded in the future, appropriate monitoring instruments will be installed.
- (d) The commercial air travel distance for June 2023 is estimated based on the June 2022 data.

Total energy use

Total energy used by FRV from 2021–22 to 2022–23 increased 9%. This was far less than the increase of 63% from 2020–21 to 2021–22. Both were driven by the gradual resumption of on-site work and business trips as COVID-19 restrictions eased. This led to more use of electricity, stationary fuels and transportation. While our overall energy use has increased over the last two financial years, the energy used per full-time-equivalent staff member has remained relatively stable.

Indicator	2022–23	% change	2021–22	2020–21
Total energy used from fuels (stationary and transportation) (MJ) → INDICATOR E1	128,448,473.90	13%	113,907,775.39	67,215,684.83
Total energy used from electricity (MJ) → INDICATOR E2	44,167,077.79	-1%	44,631,684.12	30,114,788.03
Total energy used segmented into renewable and non-renewable sources (MJ) → INDICATOR E3	172,615,551.69	9%	158,539,459.51	97,330,472.86
Renewable	8,408,446.91	-59%	20,396,736.50	9,837,494.70
Non-renewable	164,207,104.78	19%	138,142,723.01	87,492,978.16
Units of energy used normalised by FTE → INDICATOR E4	4,983.40	10%	4,517.23	5,002.33

Sustainable buildings and infrastructure

The Environmental Policy was reviewed and updated in 2022 to include a section for sustainable buildings and infrastructure with the following provisions:

- Adopt environmentally sustainable design (ESD) principles and innovative solutions in property-related activities throughout a building's life cycle, from planning to design, construction, operation, maintenance, renovation and demolition.
- Continue energy performance upgrades to improve energy efficiency, and seek alternative energy options across the supply chain, infrastructure, fleet, plant and equipment where appropriate.
- Introduce water conservation measures into existing and new premises and select drought-tolerant native plant species local to the area where feasible.

We are currently developing the new Fire Station Design Guidelines for use by our project managers, contractors, architects and engineers. The guidelines will embed 5-star Green Star principles and resource efficient considerations in the technical, functional and performance specifications for the design, budgeting and delivery of fire stations owned by FRV, which will guide the decisions on and be easily adaptable to any new station builds in the future. → INDICATOR B1

During 2022–23, we continued to deliver various lighting, plant and equipment upgrades, including but not limited to:

- connection of toilet cisterns to rainwater capture and harvesting systems for flushing at the Western District Offices and Warehouse to reduce potable water consumption.
- replacement of lighting with LEDs at a number of offices, fire stations and other facilities across the central, eastern, southern and western districts, as well as at Fire Rescue Victoria Training Academy, Burnley Complex, Thornbury Stores and Eastern Hill Precinct to optimise electricity savings.
- replacement of legacy heating, ventilation and air conditioning split system units in the southern district and Thornbury Stores to remove refrigerants containing ozone-depleting substances and achieve better energy efficiency.

These upgrade works not only provide environmental benefits and cost savings, but also meet operational demand and enhance occupant comfort and productivity.

The Environmental Policy also requires that new leases preference buildings with higher energy efficiency ratings and those covered by a Green Lease Schedule. → INDICATOR B2

Environmentally Sustainable Design in new buildings and infrastructure

In 2022–23 we did not construct any new office buildings or commission any substantial tenancy fit-outs. Some existing locations already meet high standards, such as the leased office accommodation at Spring Street Melbourne which has a 5-star NABERS Energy rating for the base building and the Eastern District Blackburn Office which has a 4.5-star NABERS Energy rating for the base building. The selection of new office locations is predominantly driven by the operational needs so FRV can adequately protect Victorians. For new leases, the most environmentally sustainable building options are considered and assessed for suitability. → INDICATOR B3

The most recently accredited non-office building is the Derrimut Fire Station which was completed in October 2020 and subsequently awarded a 5-star Green Star – Design & As Built certified rating on 1 June 2022. This is Australia's first 5-star Green Star fire station and contains several 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 are investigating a portfolio rating against the new Fire Station Design Guidelines in future capital projects throughout the planning, design, construction and completion phases.

→ INDICATORS B4 and B5

Sustainable procurement

The Environmental Policy reflects our sustainable procurement objectives through implementation of the Social Procurement Framework, with the following new provisions:

- Apply ethical and sustainable procurement principles when purchasing goods, services and works, considering life cycle cost and materials circularity perspectives, to support the state's circular economy plan.
- Articulate our appreciation for vendors and suppliers to propose and provide goods, services and works that meet or exceed high environmental standards where possible.
- Choose goods, services and works attaining the best value for money on a whole life basis, creating benefits not only for the organisation, but also to society, the economy and the environment.

The Environmentally Sustainable Business Practices questionnaire forms part of the standardised tendering documentation package and, furthermore, the environmental criterion is assigned an appropriate weighting for the purposes of procurement planning, market approaching, supplier engagement and contract management processes.

Local jobs first disclosure

FRD 25

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

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

MPSG applies to all construction projects valued at \$20 million or more. The MPSG guidelines and VIPP guidelines will continue to apply to MPSG-applicable and VIPP applicable projects respectively where contracts have been entered prior to 15 August 2018.

Projects commenced – Local Jobs First Standard

During 2022–23, FRV commenced ten Local Jobs First Standard projects totalling \$65.65 million. Of those projects, there were no projects specifically focused in regional Victoria, and two (2) in metropolitan Melbourne, with an average commitment of 91.58% local content. Eight projects were commenced that occurred statewide with an average commitment of 77.19% local content.

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

- an average of 80.07% of local content commitment was made for the 10 contracts
- a total of 69.45 jobs Annualised Employee Equivalent (AEE) for total employment commitment, which consist of the creation of 27.60 new jobs and the retention of 41.86 existing jobs (AEE).

The MPSG did not apply to any of these ten projects.

Projects completed – Local Jobs First Standard

During 2022–2023, FRV did not complete any Local Jobs First Standard Projects.

Disclosure of government advertising expenditure

◻ RECOMMENDATION 49, PAEC REPORT 118

In 2022–23, there were no government advertising campaigns with total media spend of \$100,000 or greater (exclusive of GST).

Consultancy expenditure

Consultancy expenditure of \$10,000 or greater

◻ FRD 22/ RECOMMENDATION 71, PAEC REPORT 87

In 2022-23, there were 37 consultancies engaged during the year where the total fees payable to the individual consultancies were \$10,000 or greater. The total expenditure incurred during 2022-23 in relation to these consultancies is \$14.0M (excluding GST). In 2022-23, there were 8 consultancies engaged as part of the cyber-attack where the total fees payable to individual consultancies were \$11.2M.

Summary of consultancy expenditure of \$10,000 or greater

	2022–23	2021–22
Number of consultancies	37	24
Total expenditure ex. GST	\$14,096,063	\$4,329,705

*Total expenditure excluding GST related to the cyber-attack was \$11,244,300. See consultancies in the table marked with an asterix.

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

Consultant	Purpose of consultancy	Start Date	End Date	Total approved project fee (excl. GST)	Expenditure (excl. GST)	Future expenditure (excl. GST)
EnviroLab Services Pty Ltd	Sampling services	Jul-23	Jun-23	\$94,835	\$94,835	\$0
KPMG	Services for the scenario based security testing	Jun-23	Jun-23	\$135,000	\$135,000	\$0
Deloitte Touche Tohmatsu*	Establishment of governance structures to respond to cyber security incidents	Apr-23	May-23	\$175,000	\$175,000	\$0
Mann Promotions Pty Ltd	Media/communication engagement consultancy	Apr-23	Sep-23	\$65,455	\$0	\$43,637
Deloitte Touche Tohmatsu	Risk management consultancy	Apr-23	Apr-23	\$38,196	\$38,196	\$0
Deloitte Touche Tohmatsu	Implement risk management system	Mar-23	Jun-23	\$81,927	\$81,927	\$0
Deloitte Touche Tohmatsu	Risk and assurance - advisory project	Feb-23	Mar-23	\$36,580	\$0	\$0
OneTeam IT Pty Ltd*	Systems recovery 2022/23 project	Jan-23	Jul-25	\$3,491	\$0	\$249,975
Deloitte Consulting Pty Limited*	Technical computer expert services in connection with the cyber recovery program	Dec-22	Dec-23	\$10,035,000	\$0	\$4,475,647
Capgemini Australia Pty Ltd*	Technical computer expert services in connection with the cyber recovery program	Dec-22	Dec-23	\$4,954,546	\$0	\$365,046
Data#3 Limited*	Strategic recovery partner	Dec-22	Dec-23	\$3,000,000	\$0	\$1,871,397
Cybercx Ptd Ltd*	Recovery assurance for 2023	Dec-22	Dec-23	\$4,000,000	\$0	\$3,280,886
Perfekt Pty Ltd*	Technical assistance during FRV cyber breach recovery	Dec-22	Jan-23	\$72,640	\$72,640	\$10
Sygnia Consulting Ltd*	Professional services - cyber security incident response	Dec-22	May-23	\$66,443	\$66,443	\$0
Australian Workplace Mediations Pty Ltd	Review and advise on return to work procedure	Nov-22	Feb-23	\$13,688	\$13,688	\$0
Gartner Australasia Pty Ltd	Gartner exec programs leadership team	Nov-22	Nov-22	\$43,867	\$43,867	\$43.9
PwC	Test management framework document and testing services	Oct-22	Mar-23	\$445,300	\$0	\$0
Deloitte Touche Tohmatsu	Review, assess and provide advice on financial processes	Aug-22	Sep-22	\$45,358	\$45,358	\$45.4
Empired Ltd	Home fire safety tool design	Aug-22	Oct-22	\$20,950	\$20,950	\$21.0
Deloitte Touche Tohmatsu	Provision of financial advisory service and tool	Jul-22	Dec-23	\$180,975	\$180,975	\$181.0
The Trustee for DRC Partners Trust	Remediation work	Jul-22	Jun-23	\$114,040	\$114,040	\$114.0
Braird Engineers Pty Ltd	Engineer - station upgrade works - Braird	Jul-22	Jul-22	\$33,000	\$33,000	\$33.0

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

Consultant	Purpose of consultancy	Start Date	End Date	Total approved project fee (excl. GST)	Expenditure (excl. GST)	Future expenditure (excl. GST)
The Trustee For SWA Cost Management Trust	Quantity survey - station upgrade works - SWA	Jul-22	Jul-22	\$18,150	\$18,150	\$18.2
D K Sonin & Associates Pty Ltd	HR case management	Jul-22	Jun-23	\$0	\$0	\$0
Pricewaterhouse Coopers	ERC business case and support services	Jun-22	Jun-23	\$1,439,652	\$1,112,836	\$0
Jacobs Group Australia Pty Ltd	AMAF reassessment and AMS recommended configuration and key position description	Jun-22	Jul-22	\$49,760	\$0	\$0
Ds Architects Pty Ltd	Architect - station upgrade works - GL	Jun-22	Jun-22	\$37,450	\$37,450	\$0
Cherub Consulting Group Pty Ltd	Professional services provided by PwC	Jun-22	Aug-22	\$35,100	\$0	\$0
Tata Consultancy Services Limited	TCS design and plan roadmap for technology improvement program	May-22	Dec-22	\$461,200	\$0	\$395,197
Capgemini Australia Pty Ltd	Test management framework document and testing services	May-22	May-25	\$156,542	\$0	\$128,364
Deloitte Tax Services Pty Ltd	Professional services related to 2022 fringe benefits tax (FBT)	Mar-22	Jul-22	\$24,150	\$0	\$0
Deloitte Tax Services Pty Ltd	Professional services related to 2022 fringe benefits tax (FBT)	Mar-22	Jul-22	\$13,230	\$0	\$0
The Trustee For Birdanco Practice T	Probity services relating to the medical services tender	Mar-22	Mar-22	\$30,000	\$0	\$18,064
Terra Firma Pty Ltd	Operational resilience model and project management fee	Feb-22	Nov-22	\$199,113	\$0	\$111,018
WB Eastmont Pty Ltd	Medical services procurement project	Jan-22	Nov-22	\$224,653	\$0	\$103,176
Parkinson Peter James	Specialialist advice in negotiating in employment contracts	Sep-21	Jun-23	\$580,946	\$215,900	\$101,610
Hagrid Solutions Pty Ltd	ServiceNow services	Jul-21	Jun-23	\$272,000	\$68,000	\$0

Consultancy expenditure of less than \$10,000

In 2022–23, there were 30 consultancies engaged during the year where the total fees payable to the individual consultancies was less than \$10 000. The total expenditure incurred during 2022–23 in relation to these consultancies was \$1,55,009 million (excl. GST).

Details of information and communication technology (ICT) expenditure

FRD 22

For the 2022-23 reporting period, FRV had a total ICT expenditure of \$60,744,451, with the details shown below.

All operational ICT expenditure Business as Usual (BAU) ICT expenditure (total)	ICT expenditure related to projects to create or enhance ICT capabilities Non Business as Usual (non BAU)		
	Total = Operational expenditure and capital expenditure	Operational expenditure	Capital expenditure
\$32,159,360	\$28,585,091	\$14,755,331	\$13,829,760

ICT expenditure refers to FRV's 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 FRV's 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

FRD 12

During 2022-23, FRV entered three (3) contracts greater than \$10 million.

FRV has disclosed, in accordance with the requirements of government policy and accompanying guidelines, all contracts greater than \$10 million in value entered during the financial year ended 30 June 2023. Details of contracts that have been disclosed in the Victorian Government Contracts Publishing System can be viewed at tenders.vic.gov.au

Freedom of information

FRD 22

The *Freedom of Information Act 1982* allows the public a right of access to documents held by FRV. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by FRV. This comprises documents both created by FRV or supplied to the department by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by FRV is available on our website.

The Act allows FRV to refuse access, either fully or partially, to certain documents or information. 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 about other people; and information provided to a department in-confidence and information that is confidential under another Act.

Under the Act, the FOI processing time for requests received is 30 days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, the processing time is 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

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

Making a request

FOI requests can be lodged online at ovic.vic.gov.au. An application fee of \$30.60 applies. Access charges may also be payable if the document pool is large and the search for material time consuming.

Access to documents can also be obtained through a written request to FRV's Freedom of Information Officer. When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought.

Requests for documents in the possession of FRV should be addressed to:

Freedom of Information Officer
FRV
456 Albert Street
East Melbourne VIC 3002

Enquiries can be made to the department's FOI Unit via email at jan.smith@frvvic.gov.au

Freedom of information statistics/ timeliness

During 2022–23, FRV received 373 applications. Of these requests, four requests were from the media and the remaining 369 requests were received from the general public.

We made 373 FOI decisions during the 12 months ended 30 June 2023.

There were 367 decisions made within the statutory time periods. Of the decisions made outside time, four were made within a further 45 days and two decisions were made in greater than 45 days. A total of 373 FOI access decisions were made where access to documents was granted in full, granted in part or denied in full.

During 2022–23, one request was subject to an internal review by OVIC. No requests progressed to the Victorian Civil and Administrative Tribunal (VCAT).

Applicants	Number	Outcome
Media organisations	4	4 matters – access to documents provided in part, denied personal details refused pursuant to exemptions under the <i>Freedom of Information Act 1982</i>
Members of Parliament	0	Not applicable
Members of the public	369	Partial access to documents provided

Time period	Number
Within the statutory 30-day period	367
With the extended statutory 30–45 day period	4
46–90 days	2

Further information

Further information regarding the operation and scope of FOI can be obtained from the Act, regulations made under the Act and ovic.vic.gov.au.

Compliance with the *Building Act 1993*

FRD 22

Reporting standard	Status
Mechanisms to ensure that buildings conform with the building standards	FRV ensures it is compliant with provisions of the <i>Building Act 1993</i> , the National Construction Code and all other legislative requirements
Major works projects (greater than \$50 000)	<p>List of major work sites:</p> <ul style="list-style-type: none"> • Broadmeadows • Ringwood • Armstrong Creek • Western District 3 office • Box Hill • Lara • Boronia • Community Safety office • Southern District 2 office • Eastern Hill redevelopment • La Trobe West (Moe) • Operational Communications office • Breathing Apparatus facility • Eastern Hill additional office space • South Melbourne debris protection • Clyde North • Eastern Hill concrete slab • Diesel emission exhaust source capture system • Deer Park and Sunshine traffic lights • Mornington • Baker Street Richmond • Cladding removal program • Eastern District office • State Logistics centre • Craigieburn • Transitional Fire Stations (Condition & Functionality) • FRV Security System • Building Management System • Minor Capital (Bedroom Privacy)
The number of building permits, occupancy permits or certificate of final inspection issued in relation to buildings owned by the department or entity	During the year, FRV had 6 building permits, 3 occupancy permits, and 1 certificate of final inspection issued.
Mechanisms for inspection, reporting, scheduling and carrying out of maintenance works on existing buildings	FRV engages compliance program managers to carry out inspections, reporting, scheduling, and rectification works to ensure that buildings comply with current building regulations. Compliance programs cover areas such as asbestos identification and removal, fire service upgrades and environmental works (such as PFAS remediation).
The number of emergency orders and building orders issued in relation to buildings	No emergency orders were issued.
The number of buildings that have been brought into conformity with building standards during the reporting period	No buildings were required to be brought into conformity with building standards.

Competitive neutrality policy

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

Compliance with the *Public Interest Disclosures Act 2012*

FRD 22

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 our administrative and management practices and supports the making of disclosures that reveal improper conduct or detrimental action. We do not tolerate improper conduct by employees or any reprisals against any person making a public interest disclosure.

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

Further information about FRV's Public Interest Disclosure policy or procedures can be sought by contacting the Public Interest Disclosure Coordinator. Any enquiries should be directed to:

FRV Public Interest Disclosures Coordinator
456 Albert Street
East Melbourne VIC 3002
(03) 9935 1982
PublicInterestDisclosureCoordinator@frv.vic.gov.au

Reporting procedures

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.

Under the *Public Interest Disclosures Act 2012* not all government agencies may receive disclosures and FRV is not a body that may receive disclosures. If you wish to make a disclosure about us, or one of our employees, you should make that disclosure to IBAC in accordance with its procedures and Guidelines. IBAC's contact details are:

Level 1, North Tower 459 Collins Street
Melbourne VIC 3000
300 735 135
ibac.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 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.

Disclosure of Critical Incident Procurement

FRD 22.5.19

FRV declared a critical incident on 15 December 2022 as a result of the cyber-attack. This was subsequently activated on 16 December 2022 by the then Acting Fire Rescue Commissioner.

A critical incident in the context of FRV Procurement Policy M-30004 Market Approach is defined as either:

- a Business Continuity Incident: being an incident that might affect the business continuity of FRV; or
- an Alarm of Fire Incident: being an incident defined in Section 32A of the *Fire Rescue Victoria Act 1958*.

During a critical incident the standard procurement process does not apply, and Critical Incident Procurement framework is put in place. FRV records contract information and expenses incurred in the response.

Five (5) new contracts, each valued at or more than \$100 000 (GST inclusive), were awarded in connection with the critical incident. Details of FRV's critical incident procurements are shown below.



Nature of incident	Date of activation	Summary of goods and services procured under new contracts	Total spend on goods and services in response to the emergency	Number of new contracts awarded valued at \$100,000 (including GST) or more
Cyber-attack (see page 21 for details)	16 Dec 2022	IT Professional Services Professional Advisory Services End User Computing Software licensing	\$2,647,671 ^(a)	5

(a) This is the total of all expenditure, including contracts under and over \$100 000

Attestation for financial management compliance with Standing Direction 5.1.4

REVISED: INSTRUCTION 5.1, CLAUSE 2

I Gavin Freeman, Fire Rescue Commissioner, on behalf of FRV, certify that FRV has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Gavin Freeman AFSM
Commissioner

Fire Rescue Victoria
29 September 2023

Compliance with DataVic Access Policy

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, FRV made six data sets available on the DataVic website in 2022–23. Information included in this Annual Report will also be available at data.vic.gov.au in electronic readable format.



Honours and awards



FRV recognised over 1,500 eligible recipients for awards among both corporate and operational staff members in 2022–23. This includes recognition of Long and Good Service awards, the National Emergency Medal (which relates to specific emergencies, eg 2019-20 bushfires), and the National Medal and Humanitarian Overseas Service Medal.

FRV hosted a number of events including our largest event of the year in June 2023 which was attended by The Hon. Jaclyn Symes Minister for Emergency Services, Andrew Crisp Emergency Management Commissioner and senior members of the CFA and Forest Fire Management Victoria.

Australian Fire Service Medal

The Australian Fire Service Medal (AFSM) recognises distinguished service by members of Australian fire services. It is awarded to paid and volunteer members. Fire Rescue Victoria is proud to celebrate our employees who have been recognised during the reporting period.

Mr Anthony Gerard O'DAY

Mr Guy Thomas McCORIE

34th Banksia National Sustainability Award

FRV: Health and Wellbeing Award for world leading work in PFAS mitigation.

Premier's Sustainability Awards 2022

FRV: Industry Leader award winner in the Healthy and Fair Society Category for work on a clinical trial to find a solution to reduce PFAS levels in human blood.



Financial report



How this report is structured

The Fire Rescue Commissioner of Fire Rescue Victoria (FRV) presents its audited general purpose financial statements for the financial year ended 30 June 2023 in the following structure to provide users with the information about FRV's stewardship of resources entrusted to it.

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Declaration in 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 (FMA)*, applicable Financial Reporting Directions, Australian Accounting Standards (AASs) 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, cash flow statement, statement of changes in equity, and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2023 and financial position of FRV at 30 June 2023.

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 15 December 2023.



Gavin Freeman AFSM
Commissioner
Fire Rescue Victoria
Melbourne
15 December 2023



Marina Perri FCPA
Chief Financial Officer
Fire Rescue Victoria
Melbourne
15 December 2023



Independent Auditor's Report

To the Commissioner of Fire Rescue Victoria

Opinion

I have audited the financial report of Fire Rescue Victoria which comprises the:

- balance sheet as at 30 June 2023
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including significant accounting policies
- declaration in the financial statements.

In my opinion the financial report presents fairly, in all material respects, the financial position of Fire Rescue Victoria as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

Basis for opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. 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 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

The Commissioner's responsibilities for the financial report

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 *Financial Management Act 1994*, 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.

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.

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 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.



Comprehensive operating statement

For the financial year ended 30 June 2023

	Notes	2023	(\$ thousand) 2022
Continuing operations			
Revenue and income from transactions			
Grants	2.2	877,889	848,944
Sale of goods and services and statutory income	2.3.1	35,759	48,163
Interest	2.3.2	7,704	980
Investment distributions	2.3.3	-	5,422
Realised Gain on financial instruments ⁽ⁱⁱⁱ⁾	7.1.2	4,228	-
Other income	2.3.5	35,374	16,216
Total revenue and income from transactions		960,954	919,725
Expenses from transactions			
Employee expenses	3.2	887,869	842,355
Depreciation	4.1.2	57,187	54,798
Contract services with State Government entities	3.3	26,263	27,136
Other operating expenses	3.4	159,422	137,758
Total expenses from transactions		1,130,741	1,062,047
Net result from transactions (net operating balance)		(169,787)	(142,322)
Other economic flows included in net result			
Net gain/(loss) on non financial assets ⁽ⁱ⁾		(1,123)	3,903
Net gain/(loss) on financial instruments ⁽ⁱⁱⁱ⁾		55	(13,151)
Other gains/(losses) from other economic flows		540	19,080
Total other economic flows included in net result	8.2	(528)	9,832
Net result		(170,315)	(132,490)
Other economic flows – other comprehensive income:			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	4.1.3	50,727	-
Total other economic flows – other comprehensive income		50,727	-
Comprehensive result		(119,588)	(132,490)

The accompanying notes form part of these financial statements.

Notes:

- (i) 'Net gain/(loss) on non financial assets' includes gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.
- (ii) '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.
- (iii) The Victorian Funds Management Corporation (VFMC) portfolios were fully redeemed on 14 August 2022, and this resulted in a realised gain recognised in these accounts.

Balance sheet

As at 30 June 2023

	Notes	2023	(\$ thousand) 2022
Assets			
Financial assets			
Cash and deposits	6.3	131,591	148,349
Receivables	5.1	34,426	23,234
Investments and other financial assets	4.4	-	87,836
Total financial assets		166,017	259,419
Non-financial assets			
Inventories	5.3	2,496	2,567
Property, plant and equipment	4.1	1,151,134	1,085,137
Investment properties	4.2	26,188	46,382
Intangible assets	4.3	12,534	10,105
Prepayments		4,130	12,854
Total non-financial assets		1,196,482	1,157,045
Total assets		1,362,499	1,416,464
Liabilities			
Payables	5.2	66,357	44,025
Borrowings	6.1	21,013	16,721
Employee related provisions	3.2.2	340,778	308,247
Other liabilities		19	541
Total liabilities		428,167	369,534
Net assets		934,332	1,046,930
Equity			
Accumulated surplus/(deficit)		(142,796)	27,519
Physical asset revaluation surplus	8.8	635,574	584,847
Contributed capital		441,554	434,565
Net worth		934,332	1,046,930

The accompanying notes form part of these financial statements.

Cash flow statement

For the financial year ended 30 June 2023

	Notes	2023	(\$ thousand) 2022
Cash flows from operating activities			
Receipts			
Receipts from government		877,889	848,593
Receipts from other entities		60,928	69,999
Interest received		7,693	978
Investment distributions received		-	5,422
Goods and Services Tax recovered from the ATO ⁽ⁱ⁾		18,157	15,616
Total receipts		964,667	940,608
Payments			
Payments to suppliers and employees		(1,025,613)	(1,004,492)
Total payments		(1,025,613)	(1,004,492)
Net cash flows from/(used in) operating activities	6.3.1	(60,946)	(63,884)
Cash flows from investing activities			
Payments for investments ⁽ⁱⁱ⁾		-	(5,422)
Proceeds from sale of investments ⁽ⁱⁱ⁾		92,064	-
Purchases of non financial assets		(55,574)	(49,544)
Proceeds from sale of non financial assets		946	454
Net cash flows from/(used in) investing activities		37,436	(54,512)
Cash flows from financing activities			
Owner contributions by State Government – appropriation for capital expenditure purposes		6,990	3,160
Cash received from CFA for activities transferred in ⁽ⁱⁱⁱ⁾		-	724
Repayment of borrowings and principal portion of lease liabilities	6.1	(238)	(3,970)
Net cash flows from/(used in) financing activities		6,752	(86)
Net increase / (decrease) in cash and cash equivalents		(16,758)	(118,482)
Cash and cash equivalents at beginning of financial year		148,349	266,831
Cash and cash equivalents at end of financial year	6.3	131,591	148,349

The accompanying notes form part of these financial statements.

Notes:

- (i) Goods and Services Tax paid to and recovered from the ATO is presented on a net basis.
- (ii) Proceeds from sales of investments and payments for investments relate to the managed investment portfolio.
- (iii) Cash transfers from CFA in 2021/22 are transfers of unspent capital funding.

Statement of changes in equity

For the financial year ended 30 June 2023

	Notes	Physical asset revaluation surplus	Accumulated surplus	Contributed capital	(\$ thousand) Total
Balance at 1 July 2021		584,847	160,009	418,325	1,163,181
Net result for the year		-	(132,490)	-	(132,490)
Transfer to contributed capital ⁽ⁱ⁾		-	-	3,160	3,160
Machinery of Government administrative change – net assets received from CFA		-	-	13,079	13,079
Balance at 30 June 2022		584,847	27,519	434,564	1,046,930
Balance at 1 July 2022		584,847	27,519	434,564	1,046,930
Net result for the year		-	(170,315)	-	(170,315)
Transfer to contributed capital ⁽ⁱ⁾		-	-	6,990	6,990
Other comprehensive income for the year	8.8	50,727	-	-	50,727
Balance at 30 June 2023		635,574	(142,796)	441,554	934,332

The accompanying notes form part of these financial statements.

Notes:

(i) State Government funding towards non-financial asset acquisitions.

1. About this report

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. FRV is a statutory authority established by the *Fire Rescue Victoria Act 1958 (FRV Act)*. 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 2023. 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 in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured. The exceptions to the historical cost convention are:

- Revaluation (refer Note 7.3)
 - Land and buildings
 - Vehicles
 - Investment Property
 - Investments
- Liabilities (refer Note 3.2.2)
 - 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.

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:

- Grants (refer Note 2.2 Grants)
 - Grants income has been recognised under AASB 1058 *Not-for-Profit Entities* rather than AASB 15 *Revenue from Contracts with Customers* as grants are earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations with the exception of capital grants received from the State entities.

- Revaluation (refer Note 7.3 Fair Value Determinations)
 - Land and buildings are measured initially at 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 5 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 5 year cycle.
 - Investment properties are adjusted annually by applying land and building indices published by Valuer-General Victoria.
 - Victorian Funds Management Corporation (VFMC) managed investments are valued at fair value as at reporting date; the investments were fully redeemed on 14 August 2022, subsequently no revaluation applies to the current reporting period,
- Liabilities (refer Note 3.2.2)
 - 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).
- Contingent Liability (refer Note 7.2)
 - The contingent liability relating to Per-fluoroalkyl and poly-fluoroalkyl substances (PFAS) contamination is by its nature and the extent of remediation is unquantifiable as at reporting date.

These financial statement covers 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, rights and obligations have transferred from Country Fire Authority (CFA) and all assets, liabilities, 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 these financial statements. Further property, plant and equipment transfers are in planning, to eventuate in the future financial years.

Compliance information

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

Where appropriate, those 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.

Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, except where GST incurred is not recoverable from the Australian Tax Office (ATO). In this case, the GST payable is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of the GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Balance Sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO are presented as cash flows from operating activities.

Commitments and contingent liabilities are also stated inclusive of GST.

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 also receives income from supplementary funding, other grants, regulatory fees, rendering services and interest income from bank deposits and investments. As a result of the Fire Services Reform, FRV also receives services free of charge from CFA.

Significant judgement

FRV has assessed that most of the grants income should be recognised under *AASB 1058 Income of Not-for-Profit Entities* rather than *AASB 15 Revenue from Contracts with Customers* as grants are earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

Structure

2.1	Summary of revenue and income that funds the delivery of our services	110
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2.1 Summary of revenue and income that funds the delivery of our services

	Notes	2023	(\$ thousand) 2022
Grants	2.2	877,889	848,944
Sale of goods and services and statutory income	2.3.1	35,759	48,163
Interest	2.3.2	7,704	980
Investment distributions - managed investment	2.3.3	-	5,422
Net gain/(loss) on disposal of financial investments		4,228	-
Other income	2.3.5	35,393	16,216
Total revenue and income from transactions		960,973	919,725

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

	2023	(\$ thousand) 2022
Income recognised as income of not-for-profit entities		
General purpose	866,916	847,125
Supplementary grants	8,669	1,453
Treasurer's advance ⁽ⁱ⁾	2,304	366
Total grants	877,889	848,944

(i) The Treasurer's advance received via the DJCS is the State Government's re-imbusement of one-off unexpected expenses that arise during the financial year and are substantial in nature to warrant additional appropriation.

Grants recognised under AASB 1058

FRV has determined that the grant income included in the table above are to be recognised under AASB 1058 as they have 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 *Contributions*;
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15 *Revenue from Contracts with Customers*;
- a lease liability in accordance with AASB 16 *Leases*;
- a financial instrument, in accordance with AASB 9 *Financial Instruments*;
- 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 Sale of goods and services and statutory income**

	2023	(\$ thousand) 2022
Contractual revenue:		
Fire suppression equipment sales and servicing	20,924	22,539
Road accident rescue	5,846	5,604
Charges building control audits	2,035	1,920
Other charges for services	1,993	1,712
Total contractual revenue	30,798	31,776
Statutory income:		
False alarm charges	4,921	15,400
Hazardous materials	40	987
Total statutory income	4,961	16,387
Total sale of goods and services and statutory income	35,759	48,163

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 supply of goods or 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.

The total income disclosed for false alarm charges is significantly less for this reporting period due to the impacts of lawful protected industrial action and disruptions to FRV's systems from the cyber event in December 2022 (for further details refer the Report of Operations).

2.3.2 Interest Income

	2023	(\$ thousand) 2022
Interest from financial assets not at fair value through profit and loss		
Interest on bank deposits	7,704	980
Total interest from financial assets not at fair value through profit and loss	7,704	980

2. Funding delivery of our services (continued)

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 2023, FRV had investment distributions of \$0.0 million (2022: \$5.4 million). VFMC portfolios were fully redeemed on 14 August 2022 and there were no further investment distributions.

2.3.4 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 \$1.1 million (2022: \$1.6 million) free of charge services for vehicle maintenance 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. FRV proudly works with the CFA, which is a community-based volunteer fire service.

	2023	(\$ thousand) 2022
Services		
Services received from CFA ⁽ⁱ⁾	1,074	1,576
Total fair value of services received free of charge or for nominal consideration	1,074	1,576

(i) Services received from CFA relates to services rendered by CFA as a result of the Fire Services Reform (refer Note 8.3). FRV has assessed that the fair value of these services can be reliably determined and the services would have been sourced and paid for if not provided free of charge.

2.3.5 Other income

	2023	(\$ thousand) 2022
Workers compensation recovered from workcover	13,173	11,618
Insurance claim ⁽ⁱⁱ⁾	15,858	115
Rental income – investment properties ⁽ⁱ⁾	266	233
Other miscellaneous income	6,077	4,250
Total other income	35,374	16,216

(i) Investment properties are reported in Note 4.2

(ii) FRV continue to work through the proof of loss with Victorian Managed Insurance Authority (VMIA) related to the cyber event in December 2022. Accrual of reimbursement of costs have been included.

3. The cost of delivering services

Introduction

This section provides an account of the expenses incurred by FRV in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

Significant judgment

In respect of employee provisions determinations FRV have applied wage inflation rates and discount rates advised by DTF to calculate the present value of the provisions.

Structure

3.1	Expenses incurred in delivery of services	115
3.2	Employee benefit expenses	115
3.3	Contract services with State Government entities	118
3.4	Other operating expenses	119

3.1 Expenses incurred in delivery of services

	Notes	2023	(\$ thousand) 2022
Employee benefit expenses	3.2.1	887,869	842,355
Depreciation and amortisation	4.1.2	57,187	54,798
Contract services with State Government entities	3.3	26,263	27,136
Other operating expenses	3.4	159,422	137,758
Total expenses incurred in delivery of services		1,130,741	1,062,047

3.2 Employee benefit expenses

3.2.1 Employee benefits in the comprehensive operating statement

	2023	(\$ thousand) 2022
Salaries and wages, annual leave and long service leave	581,654	564,092
Overtime	104,405	96,095
Defined benefit superannuation expense	45,957	45,128
Defined contribution superannuation expense	12,961	12,858
Movement in employee leave benefit provisions	37,702	30,538
Payroll tax	42,650	37,786
WorkCover	36,180	34,228
Travelling/meal allowance	20,566	16,604
Relocation expenses	188	2,436
Fringe benefits tax	5,606	2,590
Total employee expenses	887,869	842,355

3. The cost of delivering services

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums. Overtime expenses include all costs related to station strength, call out cost, backfilling of staff who support training and special projects this to ensure service delivery standard are met at all metropolitan and regional areas to ensure community safety.

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 does 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).

As part of implementing Fire Services Reform, the following agreements were entered into between FRV and CFA with effect from 1 July 2020:

- A Secondment Agreement (on-going) for the purpose of FRV providing officers and employees of FRV to CFA. These staff are engaged under this agreement for the provision of operational and management support including administrative, training, community safety and fire safety support to CFA. This gives rise to a recognition of services provided free of charge by FRV
- Overarching Operational Services Agreement and two Service Level Deeds of Agreement setting out the services and functions FRV provides to CFA and the services and functions CFA provides to FRV upon the request of the other agency (Refer Note 2.3.4)

Included in total employee expenses is \$64.7 million (2022: \$60.3 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.

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, accrued 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.

	2023	(\$ thousand) 2022
Current provisions:		
<i>Annual leave</i>		
Unconditional and expected to settle within 12 months	59,464	61,930
Unconditional and expected to settle after 12 months	63,436	45,460
<i>Accrued leave</i>		
Unconditional and expected to settle within 12 months	2,108	1,583
Unconditional and expected to settle after 12 months	14,097	11,327
<i>Long service leave</i>		
Unconditional and expected to settle within 12 months	10,656	9,937
Unconditional and expected to settle after 12 months	115,211	110,449
<i>Provisions for on costs</i>		
Unconditional and expected to settle within 12 months	16,508	14,321
Unconditional and expected to settle after 12 months	40,337	35,426
Total current provisions for employee benefits	321,817	290,433
Non current provisions:		
Long service leave	14,821	14,536
On costs	4,140	3,278
Total non-current provisions for employee benefits	18,961	17,814
Total provisions for employee benefits	340,778	308,247

Reconciliation of movement in on-cost provision

	2023	(\$ thousand) 2022
Opening balance	53,025	46,181
Additional provisions recognised	32,809	34,930
Reductions arising from payments/other sacrifices of future economic benefits	(24,089)	(24,483)
Unwind of discount and effect of changes in the discount rate	(760)	(3,603)
Closing balance	60,985	53,025
Current	56,845	49,747
Non current	4,140	3,278

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 benefits provision as current liabilities, because FRV does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages is 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 the 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 services

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.

The FRV Emergency Services and State Super (ESSS) superannuation employer contribution rate for FY2022/23 is 12.80% or 12.00% as appropriate (2022: 13.2% or 12.1% as appropriate).

	Paid contribution for the year		Contribution outstanding at year end	
	2023	2022	2023	2022
Defined benefit plans⁽ⁱ⁾				
Emergency Services Superannuation Fund	45,770	43,014	-	2,172
Defined contribution plans				
Emergency Services Superannuation Fund	7,390	7,620	-	-
Other	5,571	5,238	-	-
Total	58,731	55,872	-	2,172

(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)	
	2023	2022
Department of Justice and Community Safety	13,741	13,665
Emergency Services Telecommunications Authority (ESTA)	12,072	13,283
Other	450	188
Total contract services with State Government entities	26,263	27,136

Contract services with State Government entities covers interagency provisions. ESTA relates to call-taking, station dispatch and communication services and related activities. The payments to DJCS related to State Control Centre support and related emergency management support and activity. These are recognised throughout the reporting period in accordance with the contract amounts and agreed variations.

3.4 Other operating expenses

	2023	(\$ thousand) 2022
<i>Supplies and services:</i>		
Fire systems contractor services expense	14,049	13,828
Property utilities, rates and maintenance	19,410	18,092
Information technology	15,928	15,791
Plant and equipment maintenance	9,650	13,302
Uniforms	27,702	23,423
Motor vehicles fuel and maintenance	12,562	11,135
Supplies and consumables	10,980	9,058
Training and development	7,927	8,002
Communications	6,608	6,733
Legals	2,807	1,693
Consultants ⁽ⁱ⁾	14,251	4,369
Insurance	1,930	1,640
Property leases and outgoings	2,592	2,429
Travel	2,471	1,815
Cost of goods sold	1,049	732
Internal audit and compliance audit	471	343
Other	9,035	5,373
Total other operating expenses	159,422	137,758

(i). The increase to consultants relates to the cyber event in December 2022. Refer to "Consultancy expenditure" section as part of the Report of Operations for further details.

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. The increase to consultants relates to the cyber event in December 2022 with VMIA still assessing FRV's loss.

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 of 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 have 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 the delivery of those outputs.

Structure

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4.1 Total property, plant and equipment

All the 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".

	(\$ thousand)					
	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2023	2022	2023	2022	2023	2022
Land at fair value ⁽ⁱ⁾	495,804	463,154	-	-	495,804	463,154
Buildings at fair value ⁽ⁱ⁾	527,305	508,464	(61,670)	(31,064)	465,635	477,400
Plant, equipment and vehicles at fair value	224,738	193,320	(65,202)	(72,798)	159,536	120,522
Assets under construction at cost	30,159	24,061	-	-	30,159	24,061
Net carrying amount	1,278,006	1,188,999	(126,872)	(103,862)	1,151,134	1,085,137

(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

	(\$ thousand)					
	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2023	2022	2023	2022	2023	2022
Buildings at fair value	25,610	17,430	(8,773)	(4,856)	16,837	12,574
Plant, equipment and vehicles at fair value	4,406	4,173	(1,993)	(1,299)	2,413	2,874
Net carrying amount	30,016	21,603	(10,766)	(6,155)	19,250	15,448

	Buildings	(\$ thousand) Plant, equipment and vehicles at fair value
Opening balance – 1 July 2022	12,574	2,874
Additions	8,221	305
Disposals	-	(70)
Depreciation	(3,958)	(697)
Closing balance – 30 June 2023	16,837	2,413
Opening balance – 1 July 2021	8,585	3,329
Additions	7,292	224
Disposals	(25)	-
Depreciation	(3,278)	(679)
Closing balance – 30 June 2022	12,574	2,874

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 below by asset category.

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.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

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.

4. Key assets available to support output delivery

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 the 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⁽ⁱ⁾

	2023	(\$ thousand) 2022
Buildings	31,025	29,294
Plant, equipment and vehicles	23,982	22,978
Intangible produced assets (amortisation)	2,180	2,526
Total depreciation and amortisation	57,187	54,798

(i) The table incorporates depreciation of right-of-use assets

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) Useful life:
Buildings	3-45
Heritage buildings	10-50
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 depreciates the right-of-use asset over their useful life.

Leasehold improvements have been depreciated over the shorter of the leasehold's 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 Reconciliation of movements in carrying amount of property, plant and equipment

(\$ thousand)

2023 ⁽ⁱ⁾	Land at fair value	Buildings at fair value ⁽ⁱⁱ⁾	Plant, equipment and vehicles at fair value	Assets under construction at cost ⁽ⁱⁱ⁾	Total
Opening balance	463,154	477,400	120,522	24,061	1,085,137
Additions	14,050	8,221	10,826	25,772	58,869
Transfers from/(to) CFA	-	-	59	-	59
Disposals	-	-	(763)	(6,895)	(7,658)
Transfer in/out of assets under construction ⁽ⁱⁱⁱ⁾	-	10,632	2,147	(12,779)	-
Revaluation of PPE	-	-	50,727	-	50,727
Transfer from/(to) investment property	18,600	407	-	-	19,007
Transfer from/(to) intangible assets	-	-	-	-	-
Depreciation	-	(31,025)	(23,982)	-	(55,007)
Closing balance	495,804	465,635	159,536	30,159	1,151,134

(\$ thousand)

2022 ⁽ⁱ⁾	Land at fair value	Buildings at fair value ⁽ⁱⁱ⁾	Plant, equipment and vehicles at fair value ⁽ⁱⁱ⁾	Assets under construction at cost ⁽ⁱⁱ⁾	Total
Opening balance	445,804	475,365	120,249	27,829	1,069,247
Additions	17,350	7,292	11,898	20,904	57,444
Transfers from CFA	-	8,005	5,310	-	13,315
Disposals	-	(25)	(941)	(3,429)	(4,395)
Transfer in/out of assets under construction ⁽ⁱⁱⁱ⁾	-	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)
Closing balance	463,154	477,400	120,522	24,061	1,085,137

(i) Management undertook a fair value assessment of land, buildings, plant, equipment and vehicles 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.

(iii) Transfers assets constructed by FRV over time and capitalised to the asset class upon completion.

4. Key assets available to support output delivery

4.2 Investment properties

	2023	(\$ thousand) 2022
Balance at beginning of financial year	46,382	43,458
Net (loss)/gain from fair value adjustments	(1,187)	4,519
Transfers from/(to) CFA ⁽ⁱ⁾	-	(1,595)
Transfers (from)/ to investment property	(19,007)	-
Balance at end of financial year	26,188	46,382

(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 on 30 April 2022.

	2023	(\$ thousand) 2022
Freehold land ⁽ⁱ⁾	25,768	45,578
Freehold buildings ⁽ⁱ⁾	420	804
Total	26,188	46,382

(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 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 the 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 the service delivery objectives of FRV. Investment properties were initially recognised at cost. Costs incurred after the 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

(\$ thousand)

	Computer Software		Licences		Assets under construction at cost		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
<i>Gross carrying amount</i>								
Opening balance	33,446	32,349	13,388	13,388	2,618	5,594	49,452	51,331
Additions	230	408	-	-	4,545	1,304	4,775	1,712
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	-	-	-	(53)	-	-
Closing balance	33,676	33,446	13,388	13,388	7,163	2,618	54,227	49,452
<i>Accumulated depreciation, amortisation and impairment</i>								
Opening balance	(27,030)	(24,504)	(12,317)	(12,190)	-	-	(39,347)	(36,694)
Amortisation of intangible produced assets ⁽ⁱ⁾	(2,180)	(2,526)	-	-	-	-	(2,180)	(2,526)
Amortisation of intangible non produced assets ⁽ⁱ⁾	-	-	(127)	(127)	-	-	(127)	(127)
Disposals	(39)	-	-	-	-	-	(39)	-
Closing balance	(29,249)	(27,030)	(12,444)	(12,317)	-	-	(41,693)	(39,347)
Net book value at end of financial year	4,427	6,416	944	1,071	7,163	2,618	12,534	10,105

(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 nonfinancial assets' line item on the comprehensive operating statement.

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:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- an intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

4. Key assets available to support output delivery

Subsequent measurement

Intangible produced assets with finite useful lives are amortised on a straight-line basis over their useful lives. Produced intangible assets have useful lives of between 3 and 15 years.

Intangible non-produced assets with finite lives are amortised as an 'other economic flow' on a straight-line basis over their useful lives. The amortisation period is 15 to 25 years.

Impairment of intangible assets

Intangible assets with finite useful lives (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.

4.4 Investments and other financial assets

	2023	(\$ thousand) 2022
Non current investments and other financial assets⁽ⁱ⁾		
Managed investment schemes ⁽ⁱⁱ⁾		
Balanced fund	-	52,043
Growth fund	-	35,793
Total non current investments and other financial assets	-	87,836
Total investments and other financial assets	-	87,836

(i) Refer Note 7.3 for additional information on the managed investment schemes fair value measurement approach. FRV's managed funds are invested with Victorian Funds Management Corporation (VFMC).

(ii) VFMC managed investment funds were fully redeemed on the 14 August 2022 to support FRV financial obligations

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	127
5.2	Payables	128
5.3	Inventories	129

5.1 Receivables

	2023	(\$ thousand) 2022
Contractual		
Sale of goods and services	11,100	7,846
Other receivables ⁽ⁱ⁾	20,046	7,005
Allowance for impairment losses of contractual receivables	(501)	(331)
Statutory		
Regulatory fees charges ⁽ⁱⁱ⁾	935	4,973
GST input tax credit recoverable	2,849	3,379
Amounts owing from State Revenue Office	-	453
Amounts owing from Department of Justice and Community Safety	-	366
Allowance for impairment losses of statutory receivables	(3)	(457)
Total receivables	34,426	23,234
<i>Represented by:</i>		
Current receivables	32,420	21,222
Non-current receivables	2,006	2,012

(i) FRV continue to work through the proof of loss with VMIA related to the cyber-event in December 2022. Accrual of reimbursement of costs have been included in Other receivables.

(ii) Significant reduction in total regulatory charges for the financial year 2022/23 due to impacts of lawful protected industrial action and disruptions to FRV's systems from the cyber event in December 2022.

5. Other assets and liabilities

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 holds 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 have been recognised and measured similarly to contractual receivables (except for impairment) but have not been classified as financial instruments for disclosure purposes. FRV applies AASB 9 for initial measurement of the statutory receivables and, as a result, statutory receivables have been 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.

The total income disclosed for false alarm charges is significantly less for the financial year 2022/23 than the total of the regulatory charges for false alarms that were billable for the financial year 2021/22. This was due to the impacts of lawful protected industrial action and disruptions to FRV's systems from the cyber event in December 2022.

5.2 Payables

	2023	(\$ thousand) 2022
Contractual		
Supplies and services	19,245	24,810
Amounts payable to government and agencies	2,100	3,028
Accrued employee costs	6,803	6,712
Accrued expenses	29,821	2,694
Statutory		
FBT payable	1,264	719
PAYG tax payable	3,101	2,370
Payroll tax payable	4,023	3,692
Total payables	66,357	44,025
Represented by:		
Current payables	66,357	44,025
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 are not classified as financial instruments and not 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 particular agreements and as they are not legislative payables, they have not been classified as financial instruments.

5.2.1 Maturity analysis of contractual payables⁽ⁱ⁾

	Carrying amount	Nominal amount	(\$ thousand)		
			Maturity dates		
2023			Less than 1 month	1-3 months	3 months -1 year
Supplies and services	19,245	19,245	16,825	735	1,686
Amounts payable to government and agencies	2,100	2,100	1,408	301	391
Accrued employee costs	6,803	6,803	6,803	-	-
Accrued expenses	29,821	29,821	19,896	8,371	1,553
Total	57,969	57,969	44,932	9,407	3,630
2022					
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	-	-
Accrued expenses	2,694	2,694	2,694	-	-
Total	37,244	37,244	33,200	1,205	2,839

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

5.3 Inventories

	2023	(\$ thousand) 2022
Current inventories		
Supplies and consumables: at cost	2,536	2,576
Total current inventories	2,536	2,576
Loss of service potential	(40)	(9)
Total inventories	2,496	2,567

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

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6.4	Commitments for expenditure	134

6.1 Borrowings

	2023	2022
	(\$ thousand)	
Current borrowings		
Advances from government ⁽ⁱ⁾	-	238
Lease liabilities ⁽ⁱⁱ⁾	5,867	4,144
Total current borrowings	5,867	4,382
Non current borrowings		
Lease liabilities ⁽ⁱⁱ⁾	15,146	12,339
Total non current borrowings	15,146	12,339
Total borrowings	21,013	16,721

(i) The interest-free loan from State Government is recognised at the fair value of the consideration.

(ii) Secured by the assets leased. Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Maturity analysis of borrowings

	Carrying amount	Nominal amount	(\$ thousand)			
			Maturity dates			
2023			Less than 1 month	1-3 months	3 months - 1 year	1 - 5 years
Advances from government	-	-	-	-	-	-
Lease liabilities	21,013	20,238	425	896	3,911	15,006
Total	21,013	20,238	425	896	3,911	15,006
2022						
Advances from government	238	238	238	-	-	-
Lease liabilities	16,483	14,326	196	611	2,888	10,631
Total	16,721	14,564	434	611	2,888	10,631

6.2 Leases

Information about leases for which FRV was a lessee is presented below.

FRV's leasing activities

FRV leases 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 to 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 2023, FRV commitments for short-term leases were immaterial.

Lease at significantly below-market terms and conditions

FRV leases five fire station sites that range from an annual lease to ending in the year 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:

	2023	(\$ thousand) 2022
Interest expense on lease liabilities ⁽ⁱ⁾	406	255
Expenses relating to short-term leases	989	1,053
Total amount recognised in the comprehensive operating statement	1,395	1,308

(i) Interest expense on lease 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:

	2023	(\$ thousand) 2022
Total cash outflows for leases	5,712	3,732

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 assesses whether the contract meets three key evaluations:

- whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to FRV and for which the supplier did not have substantive substitution rights
- whether FRV has 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.

6. How we financed our operations

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, FRV is 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 is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low-value assets

FRV 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 presents 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.

	2023	(\$ thousand) 2022
Total cash and deposits disclosed in the balance sheet	131,591	148,349
Balance as per cash flow statement	131,591	148,349

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

	2023	(\$ thousand) 2022
Net result for the period	(170,315)	(132,490)
Non cash movements:		
(Gain)/Loss on sale or disposal of non financial assets	(191)	489
Loss/(Gain) on revaluation of investment property	1,187	(4,519)
Depreciation and amortisation of non current assets	57,313	54,925
Unrealised loss on held for trading investments	-	12,758
Net (gain) on financial instruments	(4,228)	-
(Decrease)/increase in provision for expected credit loss(i)	(284)	310
Increase/(decrease) in provision for inventory obsolescence(i)	31	(35)
Movements in assets and liabilities:		
(Increase) in operating receivables(i)	(10,908)	(500)
Decrease/(increase) in inventories(i)	40	(415)
Decrease/(increase) in prepayments	8,725	(1,378)
Increase/(decrease) in payables	21,144	(5,001)
Increase in RoU liability buildings and vehicles	4,529	4,943
Net gain arising from revaluation of employee provisions	540	19,080
Increase/(decrease) in employee provisions	31,991	(12,058)
(Decrease)/increase in other liabilities	(520)	7
Net cash flows from/ (used in) operating activities	(60,946)	(63,884)

(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

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

	(\$ thousand)			
Nominal Amounts 2023	Less than 1 year	1 - 5 years	5+ years	Total
Capital expenditure commitments payable	18,866	-	-	18,866
Other commitments payable	14,590	123	-	14,713
Total commitments (inclusive of GST)	33,456	123	-	33,579
Less GST recoverable from the Australian Tax Office	3,041	11	-	3,052
Total commitments (exclusive of GST)	30,415	112	-	30,527

	(\$ thousand)			
Nominal Amounts 2022	Less than 1 year	1 - 5 years	5+ years	Total
Capital expenditure commitments payable	9,440	-	-	9,440
Other commitments payable	26,261	1,037	-	27,298
Total commitments (inclusive of GST)	35,701	1,037	-	36,738
Less GST recoverable from the Australian Tax Office	3,246	94	-	3,340
Total commitments (exclusive of GST)	32,455	943	-	33,398

6.4.2 Details of commitments

	(\$ thousand)	
	2023 Nominal value (incl GST)	2022 Nominal value (incl GST)
Capital expenditure commitments: plant, equipment and vehicles	21,354	6,005
Intangible asset commitments	4,733	3,435
Other operational supplies and services commitments	28,612	27,298
Total commitments	54,699	36,738

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 held by FRV were the Balanced Fund and Growth Fund investments managed by VFMC and these investments were fully redeemed on 14 August 2022.

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

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 are held by FRV to collect the contractual cash flows, and
- the assets' contractual terms give 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)

7 Risks, contingencies and valuation judgements

Financial assets at fair value through net result

FRV's financial assets that are designated at fair value through net result are the VFMC managed funds, these funds were fully redeemed on 14 August 2022.

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.

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) are derecognised when:

- the rights to receive cash flows from the asset expired
- FRV retains 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 has transferred its rights to receive cash flows from the asset and either:
 - has transferred substantially all the risks and rewards of the asset, or
 - has neither transferred nor retained substantially all the risks and rewards of the asset but had transferred control of the asset.

Where FRV has 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.

Categories of financial liabilities

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value minus 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 or 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 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 is 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 FMA.

If under rare circumstances a financial asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in net result.

7.1.1 Financial instruments: Categorisation

(\$ thousand)

2023	Cash and deposits	Financial assets at fair value through Net Result (FVTPL)	Financial assets at amortised cost (AC)	Financial liabilities at amortised cost (AC)	Total
Contractual financial assets					
Cash and deposits	131,591	-	-	-	131,591
Receivables⁽ⁱ⁾					
Sale of goods and services	-	-	11,100	-	11,100
Other receivables	-	-	20,046	-	20,046
Investments and other contractual financial assets					
VFMC managed investments	-	-	-	-	-
Total contractual financial assets	131,591	-	31,146	-	162,737
Contractual financial liabilities					
Payables⁽ⁱ⁾					
Supplies and services	-	-	-	19,245	19,245
Amounts payable to government and agencies	-	-	-	2,100	2,100
Accrued employee costs	-	-	-	6,803	6,803
Accrued expenses	-	-	-	29,821	29,821
Borrowings					
State Government loan	-	-	-	-	-
Lease liabilities	-	-	-	21,013	21,013
Total contractual financial liabilities	-	-	-	78,982	78,982

(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

(\$ thousand)

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)	Total
Contractual financial assets					
Cash and deposits	148,349	-	-	-	148,349
Receivables⁽ⁱ⁾					
Sale of goods and services	-	-	7,846	-	7,846
Other receivables	-	-	7,005	-	7,005
Investments and other contractual financial assets					
VFMC managed investments	-	87,836	-	-	87,836
Total contractual financial assets	148,349	87,836	14,851	-	251,036
Contractual financial liabilities					
Payables⁽ⁱ⁾					
Supplies and services	-	-	-	24,810	24,810
Amounts payable to government and agencies	-	-	-	3,028	3,028
Accrued employee costs	-	-	-	6,712	6,712
Accrued expenses	-	-	-	2,694	2,694
Borrowings					
State Government loan	-	-	-	238	238
Lease liabilities	-	-	-	16,483	16,483
Total contractual financial liabilities	-	-	-	53,965	53,965

(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).

7.1.2 Financial instruments - Net holding gain/(loss) on financial instruments by category

(\$ thousand)

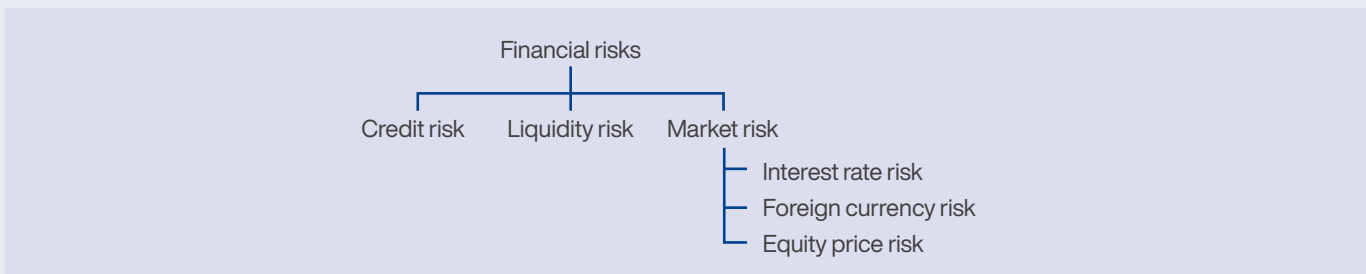
2023	Net holding gain/(loss)	Total interest income/(expense)	Total
Contractual financial assets			
Investments	4,228	-	4,228
Financial assets at amortised cost – other than on derecognition	-	7,704	7,704
Total contractual financial assets	4,228	7,704	11,932
Total contractual financial liabilities	-	-	-
2022			
Contractual financial assets			
Investments	(7,336)	-	(7,336)
Financial assets at amortised cost – other than on derecognition	-	980	980
Total contractual financial assets	(7,336)	980	(6,356)
Total contractual financial 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 is 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

7.1.3 Financial risk management objectives and policies

FRV’s financial risk management program seeks 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.

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.

Subsequent to the redemption of the VFMC managed investments on 14 August 2022 the level of credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk has significantly diminished.

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.

7.1.4 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 is minimal because the main debtor is the Victorian Government. 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 does 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 are 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

Credit quality of financial assets

(\$ thousand)

	Financial institutions (AA credit rating)	Government agencies (AA credit rating)	Other (no credit rating)	Total
2023				
Financial assets				
Financial assets with loss allowance measured at 12-month expected credit loss				
Cash and deposits	131,591	-	-	131,591
Statutory receivables (no impairment loss recognised)	-	33	3,748	3,781
Contractual receivables applying the simplified impairment approach ⁽ⁱ⁾	-	1,017	29,628	30,645
Investments and other financial assets ⁽ⁱⁱ⁾	-	-	-	-
Total financial assets	131,591	1,050	33,376	166,017
2022				
Financial assets				
Financial assets with loss allowance measured at 12-month expected credit loss				
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 ⁽ⁱ⁾	-	2,670	11,850	14,520
Investments and other financial assets ⁽ⁱⁱ⁾	-	-	87,836	87,836
Total financial assets	148,349	2,871	108,199	259,419

(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 applies 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:

30 June 2022	(\$ thousand)					Total
	Current	Less than 1 month	1-3 months	3 months -1 year	1-5 years	
Expected loss rate	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
Loss allowance	8	2	1	2	318	331

30 June 2023	(\$ thousand)					Total
	Current	Less than 1 month	1-3 months	3 months -1 year	1-5 years	
Expected loss rate	0.0%	0.5%	0.2%	5.0%	16.3%	
Gross carrying amount of contractual receivables	26,177	932	239	1,088	2,710	31,146
Loss allowance	-	4	1	54	442	501

Reconciliation of the movement in the loss allowance for contractual receivables is disclosed as follows:

	(\$ thousand)	
	2023	2022
Balance at beginning of the year	331	118
Opening loss allowance	331	118
Increase in provision recognised in the net result	384	230
Reversal of provision of receivables written off during the year as uncollectible	(214)	(17)
Balance at end of the year	501	331

Movements in the credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off 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 are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

Both the statutory receivables and investments in debt instruments are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term.

7 Risks, contingencies and valuation judgements

Reconciliation of the movement in the loss allowance for statutory receivables is shown as follows:

	(\$ thousand)	
	2023	2022
Balance at beginning of the year	457	359
Opening loss allowance	457	359
(Decrease)/Increase in provision recognised in the net result	(420)	164
Reversal of provision of receivables written off during the year as uncollectible	(34)	(66)
Balance at end of the year	3	457

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 were 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 were not significant.

7.1.5 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:

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- careful maturity planning of its financial obligations based on forecasts of future cash flows

7.1.6 Financial instruments: Market risk

FRV's exposures to market risk were primarily through interest rate risk, foreign currency risk and equity price risk. This exposure diminished upon redemption of the VFMC investments. 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 reporting periods, with all variables other than the primary risk variable held constant. 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 (2022: 100 basis points up and down) in market interest rates (AUD)
- a movement of 15 per cent up and down (2022: 15 per cent) for the top ASX 200 index. FRV has no exposure to ASX index movements due to the full redemption of the managed funds.

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.

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.

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.

7.1.7 Financial instruments: Market risk

Interest rate exposure of financial instruments

(\$ thousand)

2023	Weighted average interest rate (%)	Carrying amount	Fixed interest rate	Variable interest rate	Non interest bearing
Financial assets					
Cash and deposits	3.16	131,591	-	131,591	-
Receivables ⁽ⁱ⁾					
Sale of goods and services		11,100	-	-	11,100
Other receivables		20,046	-	-	20,046
Investments and other contractual financial assets					
Managed investments		-	-	-	-
Total financial assets		162,737	-	131,591	31,146
Financial liabilities					
Payables ⁽ⁱ⁾					
Supplies and services		19,245	-	-	19,245
Amounts payable to government and agencies		2,100	-	-	2,100
Accrued employee costs		6,803	-	-	6,803
Accrued expenses		29,821	-	-	29,821
Borrowings					
Loan from State Government ⁽ⁱⁱ⁾	0	-	-	-	-
Lease liabilities	2.53	21,013	21,013	-	-
Total financial liabilities		78,982	21,013	-	57,969

(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

7.1.7 Financial instruments: Market risk (continued)

(\$ thousand)					
2022	Weighted average interest rate (%)	Carrying amount	Fixed interest rate	Variable interest rate	Non interest bearing
Financial assets					
Cash and deposits	0.30	148,349	-	148,349	-
Receivables ⁽ⁱ⁾					
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
Total financial assets		251,036	22,837	162,403	65,796
Financial liabilities					
Payables ⁽ⁱ⁾					
Supplies and services		24,810	-	-	24,810
Amounts payable to government and agencies		3,028	-	-	3,028
Accrued employee costs		6,712	-	-	6,712
Accrued expenses		2,694	-	-	2,694
Borrowings					
Loan from State Government ⁽ⁱⁱ⁾	0	238	-	-	238
Lease liabilities	1.63	16,483	16,483	-	-
Total financial liabilities		53,965	16,483	-	37,482

(i) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable).

(ii) The Loan from State Government is non-interest bearing.

Interest rate risk sensitivity

(\$ thousand)

2023	Carrying amount	-100 basis points Net result	+100 basis points Net result
Contractual financial assets			
Cash and deposits	131,591	(1,316)	1,316
Investments and other contractual financial assets	-	-	-
Total impact		(1,316)	1,316

2022

Contractual financial assets			
Cash and deposits	148,349	(1,483)	1,483
Investments and other contractual financial assets	36,891	(369)	369
Total impact		(1,852)	1,852

Foreign currency risk

FRV had minimal transactions denominated in foreign currencies and there is a relatively short timeframe between commitment and settlement, therefore foreign currency risk is immaterial.

Equity price risk

FRV was exposed to equity price risk relating to the managed investment schemes. Such investments were 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 exposure to equity price risk is negligible following the full redemption of the VFMC managed funds on 14 August 2022.

7 Risks, contingencies and valuation judgements

FRV's sensitivity to equity price risk is set out in the table below.

Other price risk sensitivity

	(\$ thousand)		
	Carrying amount	-15% Net result	+15% Net result
2023			
Contractual financial assets			
Investments and other contractual financial assets ⁽ⁱ⁾	-	-	-
Total impact	-	-	-
2022			
Contractual financial assets			
Investments and other contractual financial assets ⁽ⁱ⁾	50,945	(7,642)	7,642
Total impact		(7,642)	7,642

(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.

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 2023 are:

- Per-fluoroalkyl and poly-fluoroalkyl substances (PFAS)

FRV has emerged as a leader in addressing the harm of PFAS through ground-breaking research, advocacy, and mitigation strategies. FRV has been working on a remediation program to ensure the safety and wellbeing of our community. FRV has determined that there is PFAS contamination at specific FRV properties and adjoining surroundings. Remediation works include removal of fluorinated foams, decontamination of FRV appliances, PFAS blood reduction study, trial of self-contained garden beds works to make safe FRV sites and surrounding properties. FRV is required to test exposure sites across all properties and adjoining surroundings prior to the commencement of remediation works. Due to the ongoing complexities and range of works 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.

- Other non-quantifiable contingent liabilities

Other legal claims were made during the 2022/23 year against FRV on various matters, which due to confidentiality and legal process are unable to be disclosed. As at 30 June 2023, 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. A change in management judgement or assumptions would likely lead to a material impact on the results or financial position (based upon the fair values reported) are

- Land, buildings and vehicles
- Employee related provisions

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 net 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.

7 Risks, contingencies and valuation judgements

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.

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.

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.

The VFMC portfolios were fully redeemed on 14 August 2022 and this resulted in a realised gain recognised in these accounts. (Refer Note 7.1).

FRV holds 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 2022/23 reporting period.

These financial instruments include:

Financial assets	Financial liabilities
Cash and deposits	Payables
Receivables:	
<ul style="list-style-type: none"> • Sale of goods and services • Accrued investment income • Other receivables 	<ul style="list-style-type: none"> • For supplies and services • Amounts payable to government and agencies • Other payables
Investments and other contractual financial assets:	Borrowings:
<ul style="list-style-type: none"> • Managed Investments 	<ul style="list-style-type: none"> • Loan from State Government

The following information provides the fair value and carrying amounts of financial instruments.

(\$ thousand)				
Fair value of financial liability measured at amortised cost				
	Carrying amount 2023	Fair value 2023	Carrying amount 2022	Fair value 2022
Financial liability				
Loan from State Government ⁽ⁱ⁾	-	-	238	238

(i) Loan from State Government was an interest free 7-year term loan commencing July 2015. The final instalment was paid during 2022/23

Financial assets measured at fair value

(\$ thousand)				
2023	Carrying amount as at 30 June	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱⁱ⁾	Level 3 ⁽ⁱ⁾
Financial assets at fair value through profit or loss				
Managed investments ⁽ⁱⁱ⁾	-	-	-	-
Total	-	-	-	-
2022				
Financial assets at fair value through profit or loss				
Managed investments	87,836	-	87,836	-
Total	87,836	-	87,836	-

(i) There is no significant transfer between Level 1 and Level 2 or Level 3.

(ii) VFMC managed investments schemes were fully redeemed on the 14 August 2022 to support FRV financial obligations.

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 considers 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 Risks, contingencies and valuation judgements

7.3.2 Fair value determination: Non-financial physical assets

Financial assets measured at fair value

2023	Carrying amount as at 30 June 2023	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱ⁾	Level 3 ⁽ⁱ⁾
Land at fair value				
Specialised land	422,535	-	-	422,535
Non-specialised land	73,269	-	73,269	-
Total of land at fair value	495,804	-	73,269	422,535
Buildings at fair value				
Specialised buildings	440,966	-	-	440,966
Heritage assets ⁽ⁱⁱ⁾	7,831	-	-	7,831
Right-of-use	16,838	-	-	16,838
Total of buildings at fair value	465,635	-	-	465,635
Plant, equipment and vehicles at fair value				
Vehicles ⁽ⁱⁱⁱ⁾	132,840	-	-	132,840
Plant and equipment	26,696	-	-	26,696
Total of plant, equipment and vehicles at fair value	159,536	-	-	159,536

(i) Classified in accordance with the fair value hierarchy, see Note 7.3.1.

(ii) FRV holds \$7.8 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.

2022	Carrying amount as at 30 June 2022	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱ⁾	Level 3 ⁽ⁱ⁾
Land at fair value ⁽ⁱ⁾				
Specialised land	402,485	-	-	402,485
Non-specialised land	60,669	-	60,669	-
Total of land at fair value	463,154	-	60,669	402,485
Buildings at fair value				
Specialised buildings	456,640	-	-	456,640
Heritage assets ⁽ⁱⁱ⁾	8,186	-	-	8,186
Right-of-use	12,574	-	-	12,574
Total of buildings at fair value	477,400	-	-	477,400
Plant, equipment and vehicles at fair value				
Vehicles ⁽ⁱⁱⁱ⁾	94,163	-	-	94,163
Plant and equipment	26,359	-	-	26,359
Total of plant, equipment and vehicles at fair value	120,522	-	-	120,522

(i) Classified in accordance with the fair value hierarchy, see Note 7.3.1.

(ii) FRV holds \$8.1 million worth of property listed as heritage assets. These heritage assets 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.

Land, buildings and the vehicle classes of assets underwent management reviews of valuations as at 30 June 2023, 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 except for the vehicle class which was revalued using management determined current replacement cost. Accordingly, land and buildings were not revalued and vehicles were revalued as at 30 June 2023. In performing the land and buildings asset classes valuation review, management applied the 30 June 2023 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 2023 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 2023.

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.

Reconciliation of Level 3 fair value movements (continued)

(\$ thousand)

2022	Specialised land	Specialised buildings ⁽ⁱ⁾	Heritage assets ⁽ⁱ⁾	RoU buildings	Vehicles	Plant and equipment
Opening balance	402,485	458,239	8,541	8,585	100,214	20,035
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 from/(to) investment property	-	-	-	-	-	-
Gains or losses recognised in net result	-	-	-	-	-	-
Depreciation	-	(25,661)	(355)	(3,278)	(19,192)	(3,786)
Subtotal	402,485	456,640	8,186	12,574	94,163	26,359
Gains or losses recognised in other economic flows – other comprehensive income	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Closing balance	402,485	456,640	8,186	12,574	94,163	26,359
Unrealised gains/(losses) on non financial assets	-	-	-	-	-	-

(i) Restated to transfer a building incorrectly classified as Heritage assets instead of Specialised buildings

7 Risks, contingencies and valuation judgements

Description of significant unobservable inputs to Level 3 valuations

(\$ thousand)

2022 and 2023	Valuation technique ⁽ⁱ⁾	Significant unobservable inputs ⁽ⁱ⁾	Range (weight average) ⁽ⁱⁱ⁾	Sensitivity of fair value measurement to changes in significant unobservable inputs ⁽ⁱ⁾
Specialised land	Market approach	Community service obligation (CSO) adjustment	20-80 per cent (28 per cent) ⁽ⁱⁱ⁾	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value
Specialised buildings	Current replacement cost	Direct cost per square metre by components:		A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
		<ul style="list-style-type: none"> • Building Structure \$2,815 - \$3,294m² • Site engineering \$938 - \$1,389m² • Fit Out \$1,179 - \$1,235m² • Trunk Reticulated building systems 3-45 years \$1,911 - \$2,410m² 		
	Useful life of specialised buildings			A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation
Heritage assets	Current replacement cost ⁽ⁱⁱ⁾	Direct cost per square metre	\$1,196 - \$1,720 m ² (\$1,206) ⁽ⁱⁱ⁾	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%	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value.
Vehicles	Current replacement cost	Costs per unit	Appliances primarily range in replacement value between \$1,589,490 per pumper, \$1,589,490 per heavy pumper, \$1,740,900 per pumper tankers to \$2,347,800 per ladder platform per unit the majority of appliances are pumpers / pumper tankers. 3-18 years	A significant increase or decrease in replacement cost per unit would result in a significantly higher or lower fair value.
	Useful life of vehicles	Light vehicles Emergency appliances	3 years 18 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation

Description of significant unobservable inputs to Level 3 valuations (continued)

(\$ thousand)

2022 and 2023	Valuation technique ⁽ⁱ⁾	Significant unobservable inputs ⁽ⁱ⁾	Range (weight average) ⁽ⁱⁱ⁾	Sensitivity of fair value measurement to changes in significant unobservable inputs ⁽ⁱ⁾
Plant and equipment	Current replacement cost	Cost per unit is considered for key items of plant and equipment. Other general plant and equipment is considered reflective of DRC value as asset remaining lives primarily are in the range 3-7 years.		
	Useful life of plant and equipment	Useful life of the majority of plant and equipment is 3-40 years.	3-40 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Right of use assets	Discounted cash flow (payments)	Discount Rate	Discount rate range 1-5% (2.53%) ⁽ⁱⁱⁱ⁾	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

(\$ thousand)

2023	Carrying amount as at 30 June	Fair value measurement at end of reporting period using:		
		Level 1 ⁽ⁱ⁾	Level 2 ⁽ⁱ⁾	Level 3 ⁽ⁱ⁾
Investment properties	26,188	-	26,188	-
2022				
Investment properties	46,382	-	46,382	-

(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 2023.

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 2023 have been determined based on a management valuation by applying the published Victorian Valuer General's market indices which represent the movement in land and building valuations since 30 June 2022 to reflect fair value as at 30 June 2023

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

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write-off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

	(\$ thousand)	
	2023	2022
Forgiveness or waiver of debt ⁽ⁱ⁾	-	37
Compensation for economic loss ⁽ⁱⁱ⁾	497	648
Total ex gratia expenses	497	685

(i) The amount reflects excusing of a receivable subsequent to hardship applications and waiver of salary adjustments.

(ii) Compensation for economic loss are payments to individuals to resolve possible claims or for 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.

	(\$ thousand)	
	2023	2022
Net gain/(loss) on non financial assets		
Amortisation of non produced intangible assets ⁽ⁱ⁾	(127)	(127)
Revaluation of investment property	(1,187)	4,519
Net gain/(loss) on disposal of property plant and equipment (including intangible assets)	191	(489)
Total net gain/(loss) on non financial assets	(1,123)	3,903
Net gain/(loss) on financial instruments		
Impairment of:		
Loans and receivables ⁽ⁱⁱ⁾	55	(393)
Net (loss) arising from revaluation of financial assets at fair value – market risk ⁽ⁱⁱⁱ⁾	-	(12,758)
Total net gain/(loss) on financial instruments	55	(13,151)
Other gain/(loss) from other economic flows		
Net gain arising from revaluation of leave liabilities	540	19,080
Total other gain from other economic flows	540	19,080

(i) This is amortisation of non produced intangible assets with finite useful lives.

(ii) Including increase/(decrease) in expected credit loss allowance and bad debts from other economic flows.

(iii) VFMC portfolios were fully redeemed and the realised gain reported under the Revenue and income from transactions in Comprehensive Operating Statement. (Refer Note 7.1).

8 Other disclosures

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 FRV 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 years. This restructure resulted in a range of transfers between CFA and FRV, which included associated property, rights, liabilities and obligations (both identified and contingent).

The assets transferred in the current year are shown in the below transfer statements. The values reflect the carrying amounts of the assets at the date of transfer.

Transfer statements

Transfers from CFA to FRV:

The transfer statement signed by the Minister for Emergency Services on 22 September 2022 with an effective date of 22 September 2022.

		(\$ thousand)	
INCREASE	Property Plant and Equipment – Plant and Equipment	59	-
INCREASE	Contributed Capital	-	59

There were no transfers from FRV to CFA for the reporting period.

Planned Future Transfer Statements between CFA and FRV

Subsequent to the transfer statement referred above, future transfer statements are in planning for 2023-24 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 FMA, the following disclosures are made regarding responsible persons for the reporting period.

8.4.1 Names of Responsible Persons

The persons who held the positions of Minister and Accountable Officers in FRV, are detailed in the table below.

Minister for Emergency Services	The Hon. Jaclyn Symes MP	1 July 2022 to 30 June 2023
		23 September 2022 to 2 October 2022
Acting Minister for Emergency Services	The Hon. Anthony Richard Carbines MP	28 December 2022 to 14 January 2023
		29 April 2023 to 30 April 2023
Fire Rescue Commissioner	Ken G Block	1 July 2022 to 29 March 2023
Fire Rescue Commissioner	Gavin Freeman AFSM	24 May 2023 to 30 June 2023
Acting Fire Rescue Commissioner	Martin Braid AFSM	2 August 2022 to 28 August 2022
		29 August 2022 to 20 September 2022
Acting Fire Rescue Commissioner	Gavin Freeman AFSM	31 October 2022 to 3 January 2023
		6 March 2023 to 23 May 2023

8.4.2 Remuneration – Responsible Persons

Remuneration received or receivable by the Accountable Officers in connection with the management of FRV during the reporting period was in the ranges \$1,040,000-\$1,049,999 and \$150,000-\$159,999 : (2022: \$570,000-\$579,999). The range for financial year 2021/22 has been restated to include fringe benefits and applicable fringe benefits tax.

The compensation detailed below excludes the salaries and benefits the portfolio minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and are reported within the State's annual Financial Report.

Remuneration band:	No. of responsible persons:	
	2023	2022
\$150,000-\$159,999	1	-
\$570,000-\$579,999 ⁽ⁱ⁾	-	1
\$1,050,000-\$1,059,999	1	-
Total	2	1
Total Remuneration of Responsible Persons (\$ thousands)⁽ⁱⁱ⁾	1,213	579

(i) Financial year 2021/22 amounts were restated to include fringe benefits and applicable fringe benefits tax to align to AASB119 Employee Benefits

(ii) Remuneration includes any termination benefits upon resignation or retirement.

8 Other disclosures

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.

	(\$ thousand)	
	Total remuneration	
	2023	2022
Remuneration of executive officers		
Short-term employee benefits(i)	27,566	24,846
Post-employment benefits	2,264	2,866
Other long-term benefits (including long service leave)	516	550
Termination benefits	-	72
Total remuneration	30,346	28,334
Total number of executives	102	94
Total annualised employee equivalents(ii)	94.02	91.70

(i) Financial year 2021/22 amounts were restated to include fringe benefits and applicable fringe benefits tax to align to AASB 119 Employee Benefits

(ii) Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.

8.6 Related parties

FRV is a statutory authority and is recognised for the purposes of financial reporting, as a 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.

8.6.1 Significant transactions with government-related entities

The main source of funding was from State Government grants that are allocated to DJCS for distribution to FRV on a quarterly basis. Grant funding received in the reporting period was \$877.9 million (2022 \$848.9 million) (refer Note 2.2).

FRV regularly transacted with other emergency services. Significant interactions with other State Government entities include the following:

Entity	Nature	(\$ thousand)			
		Receipts		Payments	
		2023	2022	2023	2022
Ambulance Victoria	IT hosting services	67	66	-	-
	Rent and outgoings for co-occupancy at FRV Fire Stations	-	106	-	-
	Transfer employee costs	18	-	-	-
	Costs for proposed plan of subdivision at Armstrong	5	-	-	-
Country Fire Authority ⁽ⁱ⁾	Monthly recharging of invoices processed on behalf of FRV including vehicles servicing and maintenance costs.	-	-	1,858	6,388
	Initial bond paid as surety over reimbursement of the monthly recharge invoices repaid	5,000	-	-	-
	Reimbursement of capital project spend incurred on behalf of FRV	-	-	-	1,905
	ICT support and operational support activity.	733	802	-	-
	Costs for FRV employees seconded to CFA for special projects	2,046	1,327	-	-
	Free of charges services provided from FRV to CFA Refer Note 3.2.1	-	-	64,719	60,359
	Free of charge services provided by CFA to FRV Refer Note 2.3.4	1,074	1,576	-	-
	Milestone receipts – Clyde North	7,507	-	-	-
Department of Energy, Environment and Climate Action (previously known as Department of Environment, Land, Water and Planning)	Transfer employee entitlements	117	-	-	-
	Milestone receipt - Waste and Recycling Unit project	111	-	-	-
	Land valuations and aviation services	-	-	199	196

(i) In addition to the above the transactions between CFA and FRV detailed in Note 8.3 Machinery of Government – Transfer Statements are related party transactions.

(ii) Workcover payments are paid through an agency.

8 Other disclosures

(\$ thousand)

Entity	Nature	Receipts		Payments	
		2023	2022	2023	2022
Department of Justice and Community Safety	Emergency Management Victoria (EMV) and the departments governance and support services provided to FRV	-	-	13,741	13,665
	Emergency Management Victoria (EMV) for support to other agencies for operational support	2,505	1,077	-	-
	Cladding Rectification Program funding	-	264	-	-
Department of Transport	Operational support for major projects and employee costs	78	70	-	-
Department of Treasury and Finance	Fleet leases	-	-	683	667
Emergency Services Telecommunications Authority	Call taking and dispatch and related activity	-	-	13,335	13,283
	Employee costs and operational support activity	236	-	-	-
Mallee Catchment Management Authority	Transfer employee costs	-	26	-	-
State Revenue Office	Payroll Tax	-	-	-	37,786
	Land Tax	-	-	106	487
TAC	Road Accident Recovery	11,450	1,415	-	-
Victoria Building Authority	Support for Statewide Cladding	-	-	-	-
	Audit	-	94	114	-
Victoria Police	Transfer employee costs and operational support activity	-	102	55	-
Victorian Government Solicitor's Office	Legal services	-	-	252	272
Victoria State Emergency Service	ICT support services	155	155	-	-
Victorian Managed Insurance Authority	Insurance	-	-	-	1,770
WorkCover ⁽ⁱⁱ⁾		-	-	-	34,228

(i) In addition to the above the transactions between CFA and FRV detailed in Note 8.3 Machinery of Government – Transfer Statements are related party 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* and is reported within the State's Annual Financial Report.

	(\$ thousand)	
	2023	2022
Compensation of KMPs ⁽ⁱ⁾		
Short-term employee benefits ⁽ⁱⁱ⁾	4,933	4,051
Post-employment benefits	429	265
Other long-term benefits	98	89
Termination benefits	282	-
Total	5,742	4,405

(i) Personnel that are acting-up into key management positions greater than 3 months, to cover periods of leave or similar, are included above

(ii) Financial year 2021/22 amounts were restated to include fringe benefits and applicable fringe benefits tax to align to AASB 119 Employee Benefits.

Transactions with key management personnel and other related parties

Given the breadth and depth of State Government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with FRV, and based upon management review, there were no related party transactions that involved key management personnel and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. Other transactions regularly occur with State Government entities under normal business conditions, but they are not significant in comparative value, these transactions include fire suppression services and maintenance service charges and charges by FRV for false alarm call outs that meet certain criteria.

8.7 Remuneration of auditors

	(\$ thousand)	
	2023	2022
Victorian Auditor General's Office		
Audit or review of the financial statements	216	212
Total remuneration of auditors	216	212

8.8 Reserves

	(\$ thousand)	
	2023	2022
Physical asset revaluation surplus:⁽ⁱ⁾		
Balance at beginning of financial year	584,847	584,847
Revaluation increments	50,727	-
Balance at end of financial year	635,574	584,847

(i) The physical assets revaluation surplus arises on the revaluation of land, buildings and vehicles.

8 Other disclosures

8.9 Subsequent events

There are no subsequent events.

8.10 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2022/23 reporting period. These accounting standards have not been applied to FRV's Financial Statements.

AASB2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-financial Assets of Not-for-Profit Public Sector Entities

AASB2022-10 amends AASB13 *Fair Value Measurement* by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit sector entities not held primarily for their ability to generate net cash inflows.

Among other things, the Standard:

- specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners under AASB 5 *Non-current Assets held for Sale and Discontinued Operations* or if it is highly probable that it will be used for an alternative purpose;
- clarifies that an asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services;
- specifies that if both market selling price and some market participant data required to fair value the asset are not observable an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data; and
- provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a referent asset and identification of economic obsolescence.

This Standard applies prospectively to annual periods beginning on or after 1 January 2024, with earlier application permitted.

AASB 2022-9 amends AASB 17 to make public sector-related modifications (for example, it specifies the pre-requisites, indicators and other considerations in identifying arrangements that fall within the scope of AASB 17 in a public sector context). This Standard applies for annual reporting periods beginning on or after 1 July 2026.

AASB 2022-8 makes consequential amendments to other Australian Accounting Standards so that public sector entities are permitted to continue to apply AASB 4 and AASB 1023 to annual periods before 1 July 2026. This Standard applies for annual reporting periods beginning on or after 1 January 2023.

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

AASB 2020-1 amended AASB 101 *Presentation of Financial Statements* to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current and was applicable to annual reporting periods beginning on or after 1 January 2022.

AASB 2020-6 subsequently amended AASB 2020-1, deferring the mandatory effective date of AASB 2020-1 from 1 January 2022 to 1 January 2023. AASB 2022-6 was applicable for annual reporting periods beginning on or after 1 January 2022.

AASB 2022-6 amends and clarifies the requirements contained in AASB 2020-1. Among other things, it:

- clarifies that only those covenants that an entity must comply with at or before the reporting date affect a liability's classification as current or non-current; and
- requires additional disclosures for non-current liabilities that are subject to an entity complying with covenants within twelve months after the reporting date.

AASB 2022-6 applies to annual reporting periods beginning on or after 1 January 2023.

FRV is currently in the process of assessing the potential impact of these standards and amendments.

- A number of other standards and amendments have also been issued that apply to future reporting periods, however they are not expected to have any significant impact on the financial statements in the period of initial application.

8.11 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.

8 Other disclosures

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.

Net operating balance or net result from transactions is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

Net worth is calculated as assets less liabilities, which is an economic measure of wealth.

Non-financial assets are all assets that are not financial assets. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, cultural and heritage assets, intangibles and biological assets such as commercial forests.

Non-produced assets are assets needed for production that have not themselves been produced. They include land, subsoil assets, and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

Operating result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also 'net result'.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market re-measurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal.

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

Payables include short and long-term trade debt and accounts payable, grants, taxes and interest payable.

Produced assets include buildings, plant and equipment, inventories, and certain intangible assets. Intangible produced assets may include computer software, motion picture films and research and development costs (which does not include the start-up costs associated with capital projects).

Receivables include amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

Service concession arrangement is a contract effective during the reporting period between a grantor and an operator in which:

- the operator has the right of access to the service concession asset (or assets) to provide public services on behalf of the grantor for a specified period
- 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.

8 Other disclosures

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.

8.12 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

202x year period

202x 2x year period

The financial statements and notes are presented based on the illustration for a government department in the *2022/23 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.

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