



Annual Report

2021-22

OUR COMMUNITY • OUR CFA



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Foreword

Chair



This past year has been marked by a number of important achievements, as well as a strong focus on how we position CFA's culture for the future.

The opening of our new, modern Victorian Emergency Management Training Centre at Ballan, the rollout of the much-anticipated volunteer workwear and the delivery of new equipment and infrastructure are among the many highlights of 2021-22.

They demonstrate our commitment to ensuring that CFA's investments make a positive difference for our volunteers who are the lifeblood of this organisation.

As a Board, we took the significant step of commissioning the External Review of Culture and Issues Management to assess our current environment and identify what's needed to create a positive and inclusive culture at CFA. We particularly thank the members who courageously shared their experiences to inform the review.

As custodians of our proud organisation, we cannot shy away from addressing issues when they arise and doing our best to ensure all our members understand CFA's values. The Review made 10 recommendations and CFA has accepted all of these in full. The Board will continue to monitor the implementation of the review recommendations.

We continued to monitor CFA's operational capability in the wake of the fire services reform and to work through

remaining issues. We are pleased that a number of collaborative committees and working groups have been established between Fire Rescue Victoria and CFA to ensure the arrangements between the two agencies are clear and well documented.

We have ensured a productive relationship is in place with Fire Services Implementation Monitor, the Honourable Niall Blair. Niall visited many of our members at brigades and district offices throughout the state, gathering feedback as well as being a guest at some of our staff briefings, volunteer forums and at the annual State Championships.

Our engagement with the communities we serve is critically important and we have delivered some important new resources targeting the farm sector, workers in bushfire areas and people at higher risk of dying in a house fire or bushfire. We also launched an online disaster resilience resource for teachers as part of the Victorian secondary school curriculum.

On behalf of the Board I extend our warm thanks to all our volunteers and staff for their passionate commitment to CFA. Their efforts are what make our organisation a much-respected pillar of the community.

Greg Wilson

Chief Executive Officer

Making CFA a great place to volunteer and work is, and always will be, an evolving journey. We have a proud history and building on that history to create a contemporary and productive environment for our members remains a high priority for the CFA Executive.

To support our volunteers and brigades to undertake their essential roles, we have continued to invest in a number of important areas. We have seen progress in providing more efficient and effective systems including a new online incident reporting tool, while the online Volunteer Recruitment Hub streamlines the end-to-end onboarding process for CFA volunteers, reducing waiting times and giving potential new members greater transparency of the progress of their application.

We have been progressively rolling out the secure internet service for brigades, supporting online training and improving communications, and we have now reached almost 1000 sites. Pleasingly, we are also in the early stages of planning and procurement for the radio replacement program which will improve CFA's communications network, replacing it with modern digital technology.

In the past year we have completed the construction of five new stations and began work at four more, with planning or procurement underway at 14 other locations.

Supply chain issues impacted the delivery of 50 new tankers funded under the \$126 million CFA Capability Package but we expect to have these vehicles delivered by mid 2023.

Our new Victorian Emergency Management Training Centre Central Highlands in Ballan was officially opened this year, building on the existing capability at our six other campuses. CFA volunteers and other emergency services personnel can now develop their emergency management skills using state-of-the-art training facilities.

Preparations continued for a return of the Spirit of CFA Awards following a four-year break. Scheduled for May, unforeseen circumstances forced a delay to July 2022. Reading and hearing about the inspiring stories behind the nominations of our members through the judging process, we were excited to again recognise and celebrate the amazing work of our volunteers and staff.

There is no better example of the CFA spirit than our connection with the Royal Children's Hospital Good Friday Appeal, with thousands of our members turning out each year to fundraise, continuing a connection which now stretches over seven decades.

Every CFA member is proud to call themselves part of this great organisation. Regardless of the role we perform, all our actions contribute to the overall mission of preparing and protecting communities from fire. And that is why we commissioned the External Review of

Culture and Issues Management to provide us with advice and guidance on what more we can do to ensure CFA is a place where our members feel welcome and able to contribute to their full capacity.

While it made for confronting reading, it reinforced the importance of a number of initiatives we already had underway including starting the rollout of behavioural standards workshops and developing a program to support leadership development at all levels. We are now working on the implementation plan to ensure all recommendations of the review are enacted.

We have worked hard over the year to gather feedback from groups such as our Diversity and Inclusion Councils, our Women's and our Young Adults Advisory Committees to bring fresh perspectives. This resulted in a number of positive initiatives and changes including a successful budget bid for gender-appropriate facilities in a number of CFA locations, including our training facilities.

We also launched the Cadets Pilot Program providing young members with a supportive environment to hone their firefighting skills, develop leadership capabilities and undertake team building activities.

As the state's largest volunteer workforce, our reach and local knowledge is extraordinary and I thank all our members for what they do and look forward to continuing our work to build a brighter, stronger future together.

Natalie MacDonald



Chief Officer

Another La Niña summer delivered a relatively quiet fire season, although our volunteers battled some larger fires, mostly across the west and south-west parts of the state.

A grassfire on the Victorian-South Australian border on New Year's Eve saw a significant multi-agency, cross-border response and CFA also deployed incident management teams to assist with the devastating floods in New South Wales and Queensland.

I am always proud of the professionalism of our members and how adaptable they are in taking on new challenges to help impacted communities here and interstate, for a range of hazards and emergency situations.

As has been outlined by the Chair and CEO, the External Review of Culture and Issues Management has been an important milestone to acknowledge historical issues around CFA's culture and defining how we will address them to create a modern, diverse and inclusive organisation.

While the majority of our members have lived up to our values, there have been behaviours and actions within CFA that have not met community standards.

We accept the need for CFA to build on the improvements to date to strengthen our organisation. Our priority is to ensure we have an environment where everyone is welcomed and treated with dignity and respect.

Over the past year we have initiated a new method of regular engagement for all members across the state. Our monthly live-streamed volunteer forum enables us to share information and answer questions from our members on a wide range of topics, with more than 10,000 unique views of these forums since September 2021.

Our move to an online incident reporting system has proved to be a great success, providing better data quality and on-scene response, leading to improved analysis to support risk assessments, program design and effective service delivery. Almost 20,000 reports were completed in the first 12 months and more than 650 brigades have used the new system.

Construction was completed on a number of new stations across the state, with many others in progress and due to be delivered in the next financial year, followed by others which are in the planning, design or procurement stage.

Our brigades will benefit from 50 new tankers, which were under construction this year and will come online next financial year. We also launched three new specialist tankers to operate in our alpine environment.

More than 40 of our brigades received breathing apparatus equipment capability for the first time,



providing them with greater protection at incidents, and we purchased valuable equipment including positive pressure ventilation fans for pumpers as well as battery-powered tools and lighting to improve response capability.

We also deployed more than 5000 structural firefighting helmets across hundreds of brigades and installed a defibrillator on every CFA brigade vehicle, courtesy of the generous community donations from the 2019-20 fire season.

We have started the distribution of more than 30,000 sets of CFA's long-awaited workwear and we have progressed the procurement and production of the next generation of wildfire personal protective clothing which will be rolled out to volunteers next financial year.

Victoria is one of the most bushfire-prone areas in the world and CFA continues to lead the way in research to better understand fire behaviour, which helps improve incident management and guides suppression outcomes.

We continued to work with our agency partner, the Department of Environment, Land, Water and Planning, through the Safer Together program to undertake fuel reduction activities such as planned burns and mechanical treatments to prepare for the coming fire season.

There was a great turnout by our members to the CFA/VFBV State Firefighter Championships, including the return of the torchlight procession, which was an outstanding community event in Mooroopna.

However, the most pleasing aspect of my role as Chief Officer remains the everyday interaction I have with the tens of thousands of passionate volunteers who are the lifeblood of CFA.

From the smallest brigade in a remote part of the state to the busiest metropolitan brigades, these volunteers are always there for their communities, day or night, whenever they are needed. Our professional volunteers, alongside our sister service Fire Rescue Victoria, continue to deliver complementary fire services. For that, we thank you.

Jason Heffernan

CFA Victoria

Who we are

We respond to a range of hazards, support our communities to be fire ready and work as one with our emergency services partners. Our people's skills, experience and expertise in fire prevention, preparedness and response makes us unique in the emergency services sector. Building on our proud history in one of the world's most bushfire-prone environments, we know how to adapt to meet the challenges of a changing climate.

We are a dedicated and skilled team, performing roles beyond fire suppression – we also educate and engage the community to help them become more resilient. We're focused on increasing our diversity, our flexibility and our inclusiveness and providing a range of opportunities and skill development. CFA will continue to evolve, improve and innovate to provide a world-class fire and emergency service.

CFA Vision



Victorian communities are prepared for and safe from fire

This is our ultimate end state, and our mission and strategy are how we will deliver on this vision. It reflects our broad reach across the state and our focus on empowering communities to understand and address their fire risk.

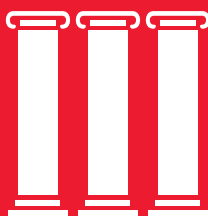
CFA Mission



To protect lives and property

Our mission has been constant for decades. It drives how our members operate and it underpins all their work in fire prevention and preparedness activities and responding to fire and other emergencies.

Our core strengths



We are a trusted authority because of our three core strengths:

Fire safety – Our people's experience and expertise across a range of landscapes makes us unique within the emergency sector. We are a centre of excellence for bushfire response, while responding to residential fires across Victoria where CFA is the lead agency. We also skilfully perform a wide range of roles from community engagement and education to hazard reduction and broader emergency response.

Community connectedness – Our members come from and serve Victoria's unique communities. Our brigades strengthen the social fabric of their communities and make a positive contribution beyond emergency response. Through strong local partnerships we empower communities to prepare for fire.

Volunteering – We are one of the world's largest volunteer fire services, ready and willing to mobilise quickly and in great numbers.

Where CFA operates

We protect large parts of Victoria, including in the state's fast-growing urban areas such as Werribee, Wyndham Vale and Mernda. CFA volunteers are also responsible for protecting residents in large regional towns such as Bairnsdale, Horsham, Echuca and Sale, tourist destinations such as Mount Hotham, the Great Ocean Road and Yarra Valley, as well as many of our more isolated communities across the state such as West Wimmera and East Gippsland.

CFA's 1212 brigades are grouped into 21 districts and five regions, and cover country Victoria as well as parts of the Melbourne metropolitan area.

South West Region

Led by Deputy Chief Officer Rohan Luke, the South West Region covers districts 4, 5, 6 and 7 and stretches from the west side of Port Phillip Bay to the western edge of Victoria. It includes Geelong, Colac, Hamilton, Warrnambool, Portland and Casterton plus the Otways and the Great Ocean Road. The region's high summer bushfire risk is complicated by its large influx of tourists and limited road access.

West Region

Led by Deputy Chief Officer Peter O'Keefe, the West Region covers districts 15, 16, 17 and stretches from the western edge of metropolitan Melbourne to the western border with South Australia. It includes key regional centres like Ballarat, Ararat and Horsham as well as the Grampians and the Little Desert, where hot and dry conditions fan its bushfire risk. It's the least populated CFA region and faces unique challenges related to rural decline.

North West Region

Led by Deputy Chief Officer Gavin Thompson, the North West Region covers districts 2, 14, 18, 20 and stretches from the edge of Port Phillip Bay in Melbourne's western suburbs to the NSW and South Australian borders. It includes metropolitan Melbourne's northern and western suburbs, the key regional centres of Bendigo, Kerang, Swan Hill and Mildura, as well as the high-bushfire-risk areas of Big Desert and the Macedon Ranges. Across the region, risks range from campaign bushfires to Melbourne house fires.

North East Region

Led by Deputy Chief Officer Ross Sullivan, the North East Region includes districts 12, 13, 22, 23, 24 and stretches from the north-eastern Melbourne suburb of Lilydale to the northern border. It includes the key regional centres of Seymour, Shepparton, Wangaratta and Wodonga, and the house fire risks associated with the north-eastern suburbs of Melbourne. It also covers the unique challenges of the Alpine Region, which include a low permanent population, high tourism, old and high-capacity commercial buildings, and challenging weather and natural events including avalanches.

South East Region

Led by Deputy Chief Officer Trevor Owen, the South East Region covers districts 8, 9, 10, 11, 27 and stretches from the Mornington Peninsula to the eastern corner of Victoria including the south-eastern suburbs of Melbourne, and the key regional centres of Warragul, Morwell, Moe, Sale and Bairnsdale. It also covers the high-bushfire-risk area of Gippsland plus four open-cut brown coal mines in the Latrobe Valley, which pose unique fire and hazardous materials (HAZMAT) risks.

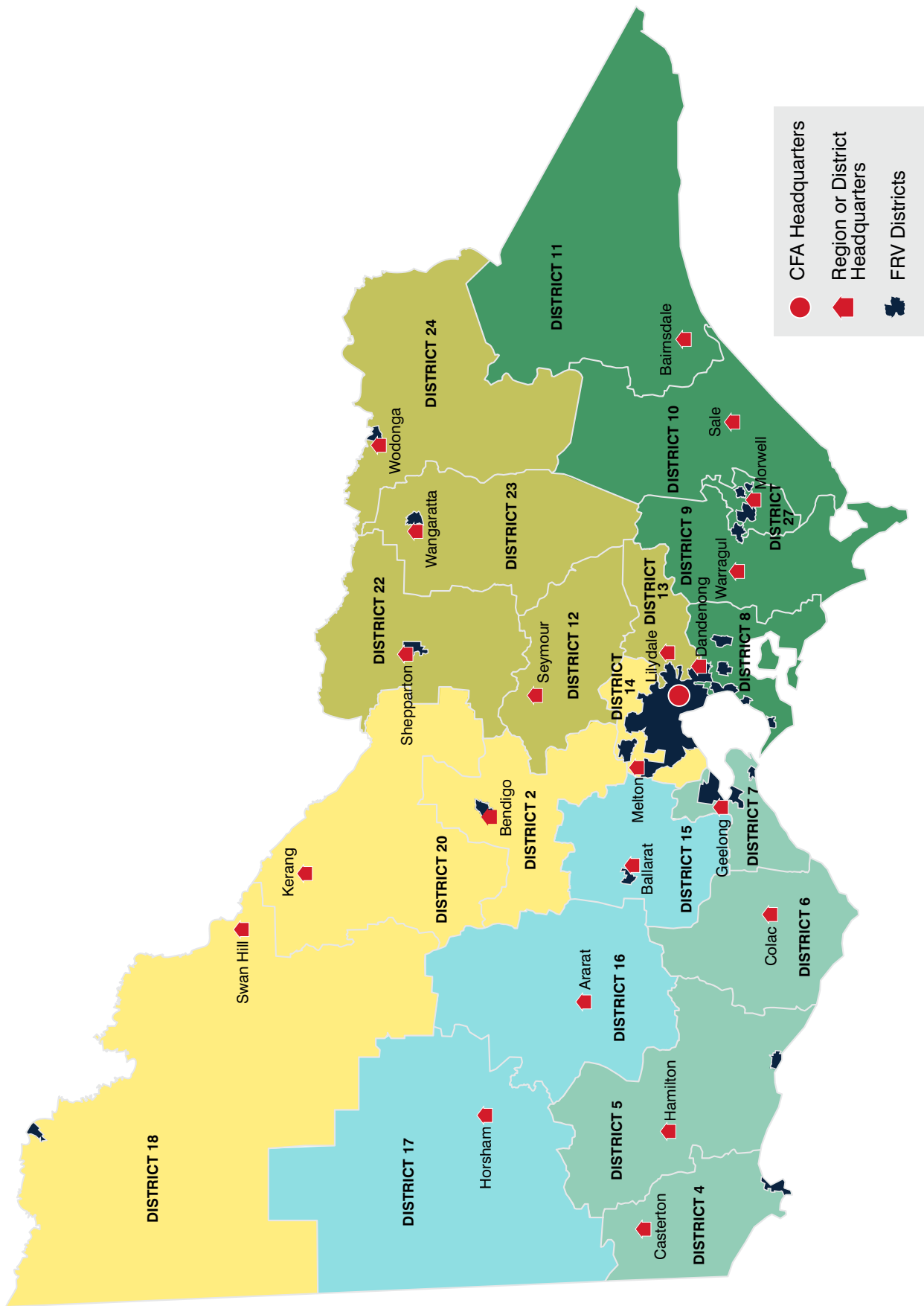


Figure 1: The districts and regions CFA covers in Victoria



Our Strategic Goals

We put the community at the centre of everything we do



CFA is not just the Country Fire Authority; we are the community's fire authority. We are made up of more than 52,000 Victorians dedicated to protecting the life and property of over four million people. We must put the community at the centre of our planning, of our decision-making and of our service delivery to serve the community effectively. The reach of our network of brigades across Victoria is our strength. CFA is recognised and present from outer suburbs to remote townships. Our people know and care for their communities like no other service. Our members are key to the success of CFA because they are deeply connected to their local area and have a unique understanding of their community risk. We aid others in times of great need and create a sense of belonging, connecting people within the community.

We deliver programs and services that make a positive difference



Whether delivering community education programs to prevent fires or responding effectively to fires that have occurred, the services we deliver seek to achieve a common vision – Victorian communities that are prepared for and safe from fire. We need to make sure that the programs and services we deliver make a positive difference towards achieving our vision. We have an obligation to the community and our people to invest in meaningful service delivery that maximises benefits and minimises risks.

We provide a great place to volunteer and work



CFA relies on volunteers to deliver its programs and services. These dedicated volunteers are supported by hundreds of staff who work at the local and state level to build capability and support service delivery. Our people, whether volunteer or staff, are committed to CFA and its vision. To have a sustainable workforce we need to be an organisation of choice, making CFA a great place to volunteer and work. We need to provide every one of our volunteers and staff with a safe and supportive environment to ensure they continue to be part of CFA into the future.

We are a progressive emergency service



Much has changed since our establishment more than 70 years ago, including the community we serve, their expectations, the environment and the government's regulation of our activity. Our operating environment has changed and we must change with it. Being a progressive emergency service means we embrace change and innovate to continuously improve our service delivery and corporate performance. Being progressive means making the best decisions we can to maximise the benefits of the services delivered to the community. Every day our people make decisions that affect the lives of Victorians and have the potential to save lives and property.

Our year in review

Progress to meet objectives and outcomes

We put the community at the centre of everything we do

Effectively engage and empower communities and stakeholders to understand and manage their fire risk



For the first time CFA has provided an online version of High Bushfire Risk Areas and Low Bushfire Risk Areas mapping for landowners who are responsible for the management of vegetation under powerlines. This enables electrical distribution companies, local government, VicRoads and other landholders to identify areas where a bushfire can be carried if vegetation is ignited by a powerline.

After collaborating with Victoria State Emergency Service and secondary school teachers and students, CFA launched an online disaster resilience resource for teachers. This multi-hazard website, which supports teachers to deliver disaster resilience education, has been designed specifically for Victorian secondary school teachers and students. The interactive web-based lessons are for students in Years 7 to 9 and align with current curriculum.

In late 2021, CFA undertook a study of the farming sector and engaged with 23 farm sector stakeholders to identify their information needs and the best ways to engage with farmers. Results from this survey led to a full refresh of CFA's farm fire safety resources. A new publication *Your Guide to Farm Fire Safety* has been produced, along with three detailed fact sheets. CFA has also released a new edition of our popular *Landscaping for Bushfire* book which provides advice about designing gardens in different lifestyle scenarios to better withstand fire and reduce the impact of fire on buildings.

CFA conducted full evaluations of three of its capstone community engagement programs in 2021-22: Bushfire Safety for Workers, Reduce the Risk and Fire Planning Workshops. These evaluations will drive improvements to community engagement program design, supporting resources and delivery methods to better target and address community needs and to ensure CFA continually improves the way we engage our communities to be fire ready.

This financial year CFA released three new videos to support better community understanding of fire risk and what can be done to prepare before the fire season. A high-quality 3D animation depicting a grassfire travelling through a rural landscape and impacting on urban interface will support our community engagement programs.

We also produced two live action videos for use with our community engagement programs and for direct viewing via the CFA website and YouTube. These cinematic quality films provide clear advice to people about the activities they can do to prepare their properties for the bushfire season.

CFA has published design guidelines and requirements for renewable energy facilities to help companies design, construct and operate renewable energy facilities that are fire safe. The guidelines are a world-first in their depth and breadth to support the renewable energy industry to consider fire safety. They include research, evidence and experience in best practice, with current lessons such as those from Victoria's Big Battery fire in Moorabool on 30 July 2021.

CFA's investment in the Preparing Vulnerable People (PVP) project continued throughout the year. It resulted in a new partnership agreement with Carers Victoria including the co-development of a bushfire planning e-learning module for carers launched in October 2021. In June 2022, CFA and Fire Rescue Victoria launched a new e-learning module targeting people at higher risk from dying in a house fire. In conjunction with Red Cross, the PVP project also trialled the Emergency Planning Advice Service, a face-to-face, in-home service designed to support people who have a disability, are older, or have a chronic or acute medical condition, in developing a bushfire preparedness plan. This program uses a capability approach and framework from the University of Sydney called Person-Centred Emergency Preparedness (P-CEP). P-CEP focuses on a person, assessing their support needs and capabilities before delving into what this means in a fire emergency.





Deliver best practice community engagement approaches

As a part of adopting the Victorian Government’s Public Engagement Framework, CFA developed its Community Engagement Approach. This is a public-facing document that outlines CFA’s capability and commitment to meaningfully connect with local communities and empower them to prepare for fire. This approach draws on the concept of sharing responsibility, where we articulate our role and our expectations of communities as part of the engagement process. Extensive internal and external consultation took place to develop the document.

Following the 2019-20 Black Summer fires, CFA connected with fire-affected people in communities across Victoria to listen to their experiences and identify lessons to improve our operations. This led to CFA’s Lived Experience Project. We videoed personal testimonies from a range of people whose lives and livelihoods were affected by the devastating 2019-20 fires. These videos are a raw, personal perspective into many topics covered in our community education programs. They include how people understand fire risk, how they prepare, decisions they make on high fire danger days, what it’s like to experience a fire, the impacts of fire, and fire planning and decision-making on a personal and community level. Their experiences have helped CFA build its own understanding of communities living with fire and have improved the quality, relevance and knowledge translation of our research.

Support for community-based events

Over the past two years COVID-19 has presented many challenges to CFA’s brigades in their community engagement work. Online events and information sessions became the ‘new normal’ to connect with communities. As restrictions eased CFA members

renewed their commitment to meaningfully connect face-to-face with local communities in a range of places, such as local markets, community and cultural festivals, school fetes and local shopping centres.

At a state level CFA has had a presence at major events including the 2022 AFL Emergency Services Round and Good Friday Kids Day Out, promoting CFA as a great place to volunteer and work and talking to community members about home and summer fire safety.

CFA members also support the Royal Children’s Hospital Good Friday Appeal (pictured). CFA has a long and passionate 71-year history with the Appeal. Thousands of CFA volunteers look forward to rattling tins for the Appeal every year, bringing people together from all parts of the community.

CFA members are also proud supporters of other causes and events that focus on community health and wellbeing such as Movember, Shave for a Cure, Push up Challenge, Emergency Services Stair Climb and Red Cross Emergency Services Blood Challenge.

Maintain COVID-safe operations through the pandemic

This year COVID-19 risk management continued to be a high priority to keep our people and the community safe. We faced several challenges to maintain operational capability, provide training and skills maintenance, as well as continue to provide education and community events. This was achieved through a strong commitment to member wellbeing, teamwork and an active incident management team comprising senior leaders with relevant expertise. This team regularly reviewed operational capability, introduced controls to comply with the government pandemic orders and made adjustments to operational, brigade and other work activities as circumstances changed.

We deliver programs and services that make a positive difference



The Safer Together program

The Victorian Government's Safer Together program promotes innovative community engagement practices, integration of fuel management practices across public and private land and investing in research and modelling to improve the evidence used to make decisions.

Following the pilot program's success, from 1 July 2021 the Government is now providing ongoing funding for the work to be part of CFA's and the Department of Environment, Land, Water and Planning's continued fire management programs. This is a significant long-term boost in support for brigades and prevention and preparedness activities. The program provides \$1.25 million a year to prepare and deliver planned burns and mechanical treatments such as mulching and slashing.

The program also provides ongoing funding for the Planned Burn Task Force which has allowed volunteers from different parts of the state to be deployed to more than 45 burns in the past two seasons.

The Safer Together program also includes a joint agency program called Community First which reduces bushfire risk by engaging and collaborating with communities and the fire management sector to understand what risk means to them, what they value and the actions we can take collectively. Coordinated through CFA, this includes the flagship Community Based Bushfire Management (CBBM) program that uses community development principles, evidence-based methods, research and partnerships to improve engagement and understanding of risk.

Safer Together also provides significant resources to improve CFA's research capability. Through ongoing funding for staff and research operating funds, CFA is leading key research to improve our fire management practices and safety for volunteers and the community.

Develop a child-safe organisation

CFA members interact with children and young people in their brigades and in the community to deliver programs and services that make a positive difference. As a trusted community service organisation, CFA is committed to providing a safe and supportive environment for all children and young people. CFA has a zero tolerance approach to all forms of child abuse. Children and young people have the right to always be, and feel, safe.

This year CFA launched new online training for all staff and volunteers. It provides important information for members about their responsibilities to provide a safe environment for children and young people and how to identify and report suspected child abuse. Also included in the module is the recently finalised Child Safety Behaviours Statement that clearly outlines how adults should and should not behave around children and young people. CFA will continue to implement initiatives outlined in the Child Safety Action Plan in 2022-23 with a focus on exceeding the minimum requirements of the Victorian Child Safe Standards.

2022 Residential Fire Safety Campaign

CFA and Fire Rescue Victoria (FRV) launched the new smoke alarm campaign titled 'A Bedroom Essential' in June 2022. This three-year campaign encourages Victorians to install smoke alarms in all bedrooms and living rooms by raising awareness of a bleak fact – fires that start in bedrooms are the most likely to cause fatalities.

CFA and FRV data showed that 72 per cent of fatal fires start in bedrooms and living rooms, and when fires started in bedrooms with closed doors the adjacent hallway smoke alarms did not activate.

The new smoke alarm advertising campaign centres on home improvement and lifestyle trends and urges people to consider smoke alarms as an essential item that no bedroom is complete without. By drawing a comparison between the relatively low cost of a smoke alarm and other expensive items people might buy for a bedroom, the images demonstrate that smoke alarms are a low-cost essential item that can keep you safe.



We provide a great place to volunteer and work

Develop and deliver volunteer leadership capability programs



The CFA Volunteer Leadership Development Program is an interconnected program of leadership development that includes formal (training), semi-formal (mentoring) and informal (development tools/leadership library) leadership development interventions at CFA. We have commenced work on this project and further resourcing will be applied to it in the coming year.

The Junior Volunteer Development Program runs in more than 160 brigades and aims to introduce young people, aged 11 to 15 years old, to CFA. It develops good fire-safe citizens by engaging them in learning activities that build new skills and self-confidence. Young members are provided with opportunities to explore leadership principles using games and interactive activities as an effective way to introduce responsibility.

To support the engagement and retention of 16 and 17-year-old volunteers, CFA developed the Cadet Pilot Project which consists of a structured learning and development program including day excursions and cadet camp weekends held at VEMTC Central Highlands (pictured) and VEMTC Sale. A review of the pilot is now being undertaken to evaluate the benefits and determine ongoing programming.

We have continued to support the development of our volunteers by sponsoring 20 members to participate in one of the nine Regional Leadership Development programs across the state in 2021-22. These programs provide opportunities for volunteers to create collaborative networks, contribute to community-centred development and build transferable leadership skills.

North East Region received a \$50,000 donation from Coles following the 2019-20 bushfires which has been allocated to leadership development in the region. In addition to a number of members participating in the Regional Leadership Development Program, four young members were sponsored to take part in the Young Endeavour Leadership Program.

South East Region Women's Network activities were funded through the Valuing Volunteers Program to support leadership and skills development for women, enhancing collaboration and networking, and improving the retention of women.

The Building Confident Leaders Program addresses a leadership development gap identified by women in brigades in South West Region. The program began in March 2021 and will run for two years with 17 participants from 11 brigades. The program develops the leadership skills, operational experience and confidence of women volunteers through formal training, networking and volunteer leadership opportunities.





Conduct an independent review of culture

While CFA has been working on a number of important initiatives to address issues raised by members, we wanted to ensure we are doing all we can to address and improve cultural issues within CFA. For this reason, we engaged Allen and Clarke Consulting in late 2021 to undertake the Independent Review of CFA's Culture and Issues Management. This forward-looking review, led by Dr Helen Szoke, addressed historical issues associated with the culture of CFA and will help CFA ensure that it truly is a great place to volunteer and work. The release of this report is an important milestone for CFA. More detail is on page 22.

Develop improved complaints management processes

One of the key elements of our efforts to improve culture has been the development of improved complaints management processes. The Complaint Resolution Guidelines, launched in September 2021, set out CFA's revised approach to managing and resolving concerns and complaints as efficiently and effectively as possible. The guidelines provide clarity as to how different types of issues are to be managed and supported. This approach has led to a significant reduction in the time taken to resolve a complaint, which addresses important feedback from our members.

CFA is working to ensure that issues are addressed and managed locally, where appropriate and possible, by leaders at the brigade, district or regional level, or centrally with support from specialists if required.

Complaints of serious breaches of behavioural standards are escalated through a formal process. All complaints continue to be recorded centrally to ensure proper coordination and follow-up, as well as the analysis of trends and use of this information to improve CFA practices.

Revitalise the CFA/VFBV Firefighter Championships

The annual District and CFA/VFBV State Firefighter Championships were again held in Mooroopna in 2022. This year more than 110 teams and 744 competitors participated. After a disrupted two years as a result of COVID-19, it was a great achievement to once again open the event to the public.

The torchlight procession is a traditional part of CFA history and culture dating back to 1873 when the first demonstration was given by Victoria's fire services through the streets of Melbourne. The brigade torchlight procession was a highlight of the Championships this year, with a huge public turnout as the brigades marched along the main street of Shepparton.

As part of the program to revitalise the Championships, this year there was an expanded corporate tent with a greater range of information booths for our volunteers to learn about the operational and strategic direction of CFA.



We are a progressive emergency service



Revise the approach to brigade financial returns

CFA brigades are obliged to complete the annual brigade finance returns in accordance with Regulation 61 of the Country Fire Authority Regulations 2014. In mid-2021 CFA commissioned an independent review of brigades' financial statements and management to identify options to ensure brigades completed the annual finance returns in a way that minimised the administrative impact on brigades.

A key recommendation from the review was to change the nature of assurance that brigades and groups provide on the information supplied. It also suggested improved reporting and communication regarding the progress of the collection of returns to enable improved support by district-based service delivery members directly to brigades/groups most in need of assistance. CFA has been working to implement all the recommendations.

New instructions and templates for brigades were issued in October 2021 to brigades/groups, including the relaxation of the requirement for brigades to complete a statutory declaration to support their returns. A series of regional tracker tools were developed to provide an almost real-time overview of submissions and a consistent mechanism for documenting commentary of interactions with brigades.

As a result, 88.9 per cent of financial year 2020-21 returns were submitted by the due date of 31 December 2021. This was an increase of 140 returns (11 per cent of the total returns due) compared with the previous year. This was a particularly notable achievement given there was three months' less time to complete returns compared to the previous year.

Launch online incident reporting capability

CFA has transformed the way incident reports are prepared and entered into the Fire Incident Reporting System by launching a new online reporting tool. It provides significantly improved data quality and timeliness, leading to improved analysis to support risk assessments, program design and effective service delivery. In May 2021, for the first time, brigades could report support turnouts online. Almost 20,000 reports were completed in the first 12 months and more than 650 brigades have used the online system. From July 2022 the reporting of primary turnouts will also be possible online.

Launch the Gender Equality Action Plan

CFA is committed to maintaining a safe, respectful and inclusive environment that enables all people to reach their full potential and to thrive. We have finalised our Gender Equality Action Plan (GEAP) which fulfills part of CFA's obligations as a defined entity under the Gender Equality Act 2020. Although the GEAP applies specifically to employees of government agencies, CFA will be applying the principles contained in it to achieve gender equality more broadly among our volunteers.

We will continue to build awareness and understanding of why diversity, equity and inclusion are so important for the future of CFA. This will be delivered through tailored communication and education, embedding diversity and inclusion principles into our recruitment and promotion processes, improving access to flexible ways of working where appropriate, increasing support for parental and carers leave and reinforcing our expectations for respectful and inclusive behaviour.

Launch the Volunteer Recruitment Hub

CFA's Volunteer Recruitment Hub is a purpose-built online platform designed to create an end-to-end onboarding process for new and transferring CFA volunteers. The first stages of the project, including the online expression of interest portal and brigade dashboard, were released in December 2020. Phase 3, launched on 30 March 2022, gives a single consistent approach to engage prospective members. It eliminates excessive manual processing from the expression of interest and registration process. The Hub improves the volunteer experience for new members' first interaction with CFA. It also strengthens data storage and security and gives CFA enhanced reporting and analytic capabilities. Applicants progress through each stage of CFA's registration process via the Hub. As of 30 June, over 600 applicants have transitioned to CFA membership.

Implementation of Fire Services Reform

CFA continues to work with FRV, Emergency Management Victoria (EMV) and the Department of Justice and Community Safety to implement the Fire Services Reform (FSR) and support the provision of complementary fire services to the Victorian community. CFA continues to have a productive working relationship with the Fire Services Implementation Monitor. Over the past year, CFA has provided the Monitor, the Honourable Niall Blair, with documentary evidence of CFA's progress in delivering on the Fire Services Implementation Plan. CFA provided practical and logistic support to the Monitor's program of visits and meetings with volunteers and staff in selected locations across the state. This has included creating opportunities for the Monitor to attend the State Championships, a range of forums and workshops and to visit some fire stations.

Key achievements this year include:

- establishment and ongoing operation of the Heads of Agency (CFA/FRV) Committee as a forum to progress key issues and decisions
- ongoing operation of the CFA/FRV Fire Services Operations Committee focused on working collaboratively to ensure best service delivery to communities across Victoria and recognising the service of volunteers
- working with FRV to finalise a suite of supporting policies, procedures, and supplementary instruments to operationalise the Secondment Agreement
- transitioning many corporate and operational functions, including compliance with Ministerial Directions, Allocation Statements and Transfer Statements
- completion of an audit of corporate functions that may require a formal agreement between CFA and FRV for the provision of services
- finalising and executing the tenancy agreement for co-located stations.

In addition, a range of work was funded by the package CFA received as a result of FSR. This included:

- release of the Year 2 CFA Strategy and Outcomes Framework and ongoing maturity in data capture and reporting
- active engagement in the EMV-led Financial Sustainability Program
- implementation of initiatives to improve volunteer safety including training programs on topical issues (such as low voltage fuse removal, safe work at heights and alternative energies), crew leader and minimum skills training and equipment
- support for research into new respiratory protection systems

- completion of scoping for the creation of a CFA Pocketbook App giving volunteers access to policy and procedures and tools in a convenient manner
- completion of scoping for the Digital Stores Project to expand the current digitisation of the State Logistics Centre to enhance electronic ordering for brigade members
- the start of the rollout of more than 30,000 sets of CFA workwear. As at 30 June 2022 more than 1900 sets had been delivered.

Commence operating model review, brigade classification review and resource allocation

Following Fire Services Reform, CFA has commenced a comprehensive review of our operating model to ensure the services offered meet the realities for brigades on the ground, while remaining flexible enough to adjust to meet future needs. The operating model will inform other significant service delivery arrangements such as the capability framework, planning and performance framework, brigade classification model, and strategic asset and resource planning to address Victoria's diverse environment and associated hazard profiles. The review will be phased to allow for effective consultation, evaluation, sequencing and resourcing. In addition to undertaking internal and external analyses of leading practice, sector-wide drivers and reform initiatives, the review will consider both the business model and operating model to ensure CFA is contemporary, fit for purpose and a volunteer organisation of choice.

Continue scientific research and innovation in fire safety

In 2021 CFA finalised the Research Strategic Plan and 2022 has seen the development of a Research Prioritisation Matrix to ensure we produce strategically-aligned and relevant research. Some of the key projects we are leading include:

Suppression effectiveness: Effective fire suppression has the potential to minimise the cost of fires and our risk and exposure to hazards when fighting them. This project has been collecting, curating and analysing data to provide a quantitative understanding of how effective we are at suppressing bush and grassfires.

Climate change: As part of the Safer Together program we are leading a project about climate change and fire. The science around how climate change will alter fire weather is becoming established, but there are greater uncertainties about how climate change will alter vegetation and therefore fuel characteristics. It is essential for fire agencies to understand how fuel will change in the future because this will have implications for fire risk.



Landscape flammability: A series of projects has been undertaken to better understand when the landscape transitions to a state when fires will occur and are likely to escape control. This includes experimental work to study the differences between forest types.

Fire behaviour: There are fundamental uncertainties around the conditions that lead to bushfire-generated thunderstorms. CFA is collecting direct observations on firegrounds to better understand the conditions that lead to these fire-generated thunderstorms. Primarily taking place at planned burns, the data collected feeds back to firefighter safety during large, destructive events. A similar opportunity for CFA to learn from fires is by leveraging fire reconstructions. These allow us to better understand fire behaviour and incident management and findings can be used to improve predictions of fire and optimise our fire suppression approach.

Weather stations: Ten new weather stations were purchased, including three Remote Automated Weather Stations (RAWS) and seven quick-deploy Portable Automated Weather Stations (PAWS). The RAWS are being permanently positioned in high bushfire risk areas which are notable gaps in the existing weather station network. The PAWS have already been deployed extensively across Victoria to support autumn planned burning and are expected to be frequently deployed for bushfire season readiness and response.

Social science: Understanding the needs and expectations of community members is critical in the successful use of a decision-making support tool. CFA is currently leading a national project, funded by Natural Hazards Research Australia (NHRA), which focuses on identifying the role of predictive services in public information and warnings. It will test a range of predictive products with communities to inform a national approach to designing, communicating and disseminating predictive products to the public.

Sector leadership: Several external research activities have implications for CFA including the establishment of NHRA, the completion of a Victorian Safer Together Joint Research Strategy, the implementation of the Australian Fire Danger Rating System and the development of the Spark fire spread and behaviour simulator. CFA has ensured our needs are being considered in this work and that the outputs and findings from these programs are fit for purpose.

Honours for our members during 2021-22

Seven CFA members were recognised for their commitment to fire services with the awarding of the Australian Fire Service Medal. This year's recipients were: Graeme Higgs (pictured), Gillian Metz, John Clarke, John Cowan, Richard Cromb, Debra Luke and Alistair Drayton.

More than 5,500 CFA members are being honoured with the National Emergency Medal (NEM) for their efforts in the 2019-20 Australian bushfire crisis. The NEM is part of Australia's honours and awards system and recognises significant or sustained service to others in a nationally significant Australian emergency.



Update on CFA Capability Measures Program

In June 2020, the Victorian Government provided a \$126 million funding package over five years for CFA to undertake critical training and procure vital assets and equipment to support ongoing capability management.

Crew and strike team leader development

The Crew and Strike Team Leader Development Project members consulted with Volunteer Fire Brigades Victoria and held a focus group comprising 32 experienced crew and strike team leaders. A work/behavioural profiling tool pilot was conducted in July and August 2021. The focus group also conducted demonstrations and technical testing on exercise management software, which was well received. Facilitator descriptors, based on the emergency management soft skills, have been developed for consultation. These descriptors will help facilitators determine where a member is on their developmental journey.

Safety Compliance Project

The Safety Compliance Project consists of Low Voltage Fuse Removal (LVFR), Safe Work at Heights (SWH) and Alternative Power Systems. These are all hazards that CFA volunteer firefighters are exposed to as part of their day-to-day emergency response to structural fires and other incidents. The project continues to roll out training, issue new equipment, introduce new training props and complete vehicle modifications at identified brigades across the state. Since the project commenced in 2019, more than 1690 members from 390 brigades have been trained. In addition to our existing LVFR mobile training props, five purpose-built SWH training props will be installed at training campuses throughout Victoria.

Tanker Replacement Program

The program includes manufacture of 48 new heavy tankers and two light tankers. Delivery of completed trucks has started despite a number of ongoing COVID-19-related supply chain and labour resourcing issues. The majority of vehicles are expected to be delivered by mid 2023.

Enable Connected Brigades Project

This project, which is providing a CFA-funded internet service to 1051 brigades, continues to progress. The internet service has been installed at more than 870 CFA brigades, with 130 sites completed in 2021-22. There have been some delays in installations due to COVID-19.

CFA brigades that are now using the Connected Brigades internet service are reporting improved internet performance and this has resulted in an increased use of this service, particularly for online training. This project is expected to be completed next financial year.





Enhanced training capability for new volunteers

More than 1800 new members have completed the General Firefighter program since its introduction in October 2020. They have been provided with the personal protective clothing and essential knowledge and skills required to effectively participate in their first turnout. The General Firefighter program encompasses flexible delivery methods to accommodate different learning styles, including facilitator-led, face-to-face and virtual courses, and self-paced elearning modules. Trainer and assessor capability to deliver training has increased and continues to build across the state.

Station Replacement Program

During 2021-22 replacement stations were completed for Buninyong, Coldstream, Junortoun, Plenty and Port Fairy brigades. Station construction commenced at Phillip Island, Dimboola, Warracknabeal and Modewarre while new stations at Truganina, Golden Square, Mt Macedon, St Leonards, Wyndham Vale, Pyalong, Molka and Moe progressed to design or procurement stages.

Land was acquired at Serpentine and work progressed for new sites for Baxter, The Basin, Charlton, Clyde and Nar Nar Goon.

CFA also received funding in 2021-22 for new stations at Irymple, Serpentine and Metcalfe brigades and for improvements to Doreen Fire Station. We are continuing to find new sites for Dartmoor, Morrisons and Natte Yallock brigades.

Improved system for donor support

Improved support for donors to CFA has been achieved through the introduction of customer relationship management software launched in June 2021. More than \$500,000 in public donations has been collected during 2021-22. Donations from the 2019-20 fire season allowed CFA to purchase defibrillators for all CFA vehicles – see page 45 for more details.

Improved communication options for members

CFA's internet and intranet sites were refreshed and launched between June and August 2021. The new sites allow for more user-friendly presentation of information to members.

Wildfire respiratory protection trial

In collaboration with the Department of Environment, Land, Water and Planning, CFA has completed a literature review and member survey regarding the use and types of respirators currently utilised in wildfire environments. The key findings will help inform the next phase which will include a series of trials and evaluation of a range of respiratory devices that are certified to the appropriate Australian Standard.

Wildfire personal protective clothing

Following evaluation of tender responses, a supply contract for new wildfire personal protective clothing valued at \$10.8 million has been awarded to supply 24,000 sets to volunteers. Garments will be made from next generation fabric, with inherent fire-resistant properties resulting in improved wearer comfort.

Culture and Issues Management Review



Over the past few years CFA has been working hard to improve our culture and strengthen the timeliness and processes for addressing issues when they do arise. We want to make sure we are doing everything we can to support our people.

In September 2021 CFA commissioned the External Review of Culture and Issues Management to ensure we had independent expertise supporting us to identify what more we need to do to create a positive, diverse and inclusive culture where our people feel safe and supported.

The review was undertaken by Allen and Clarke Consulting, led by Dr Helen Szoke who has extensive experience in identifying, examining and addressing issues relating to equal opportunity, sexual harassment and discrimination and human rights in a number of organisations, and is experienced in volunteer-based organisations.

CFA members participated in multiple forums and individual sessions to share their perspectives with the review team. Members also submitted direct feedback to the reviewers.

Subsequent rounds of engagement included focus groups with key cohorts within CFA and stakeholders including Volunteer Fire Brigades Victoria, the Women's Advisory Group, the Young Adults Advisory Group, Allies of Inclusion Network, brigade captains, group officers and industrial bodies.

The full final report was released to members and the public in June 2022.

Report findings

We know that today, and historically, there are behaviours and actions in CFA that have been unacceptable. Actions are already underway to address some of the issues including the rollout of the CFA Behavioural Standards, new processes for issues management and more resources for regions, and external support to accelerate the resolution of outstanding complaints. These are important measures but we know there is still a long way to go.

The report provides a clear roadmap for the next steps we need to take. All 10 recommendations have been fully accepted by CFA. These will form the basis of a five-year implementation plan which is now in development. More details about the review are available on the CFA website.

Since the release of the review, our senior leaders have been talking with volunteers and staff about the contents and the findings, discussing the recommendations and giving members opportunities to contribute ideas about how they are addressed and what they mean for us. We are heartened by the number of members who have welcomed this report and are ready to play their part in making CFA an enriching experience for all.

Youth driving the way for Moe Fire Brigade

A young brigade management team (BMT) is paving the way for the next generation of members at Moe Fire Brigade. With three BMT members aged 33 and under, Moe's leadership team is injecting new ideas and encouraging young people in the community to get involved with their local brigade.

Captain Liam Bantock said young people are the future of CFA and we need to invest in them whenever we can.

"For a brigade it's important to have young people because they bring a different generational understanding in how to connect to their peers, whether that's through community safety or engaging their peers in volunteering," Liam said.

"They also bring new ways of doing things and different skills such as social media. From a leadership perspective it's a good opportunity for young people to be mentored, which is also great for the older members who get to be mentors and share knowledge."

Second Lieutenant Tara Paulsen, aged 33, said young people can bring a fresh outlook to a BMT and tackle tasks in a slightly different way.

"It's really good to see young people come through because their ideas are different, and they have a different mindset of the way things could be," Tara said.

"It's so important to encourage and develop leadership skills from a young age and give them the opportunity to speak up now so they carry that into the future. If younger members aren't encouraged in the early stages of their CFA career, there's the potential for a gap in knowledge when the older members start to step down."

Third Lieutenant Rowan Day, aged 22, echoed Tara's thoughts, believing that the outlook young people bring can be vital to ensure the brigade develops.

"We've been able to implement certain technologies into the brigade which has been really beneficial, such as the Supplementary Alerting Service app," Rowan said. "And joining the BMT is a really great way to have your say and to help steer the brigade in a positive direction."

For Fourth Lieutenant Montana Earle, aged 24, it's not only BMTs she thinks young people should get involved with.

"I've spent 13 years volunteering and it's definitely made me a lot more confident. It's helped me take on new opportunities and challenges," Montana said.

"Volunteering really provides you with a different environment where you become more community-focused and it teaches you resilience and adaptability."



Further initiatives to support our volunteers



Volunteers are the lifeblood of CFA and enable us to deliver on our vision, mission, role and strategic goals to prepare and protect the community from fire. Following Fire Services Reform on 1 July 2020, we have renewed our focus as a volunteer-based emergency service organisation to create a successful future. Outlined, below, are some further initiatives to support volunteers.

First-aid training

During 2021-22 we continued to increase the number of members doing first-aid training. A total of 568 first-aid courses ran this financial year, with 358 of these using a blended learning method where members undertake all their course theory in their own time online, followed by a face-to-face practical assessment. Overall, more than 4500 members completed the training, of whom about 4300 were volunteers. Following a tender process, we awarded a new contract for first-aid training to commence next financial year.

New alpine snow pumpers

CFA launched three new specialist firefighting vehicles for its alpine brigades in time for the 2022 snow season. The tracked pumpers (pictured opposite) are specifically designed to operate in snow and other challenging conditions unique to alpine environments. The three new vehicles have replaced a model of tracked pumper at Mt Hotham-Dinner Plain, Falls Creek and Mt Buller

brigades that was more than 30 years old. The pumpers, which cost \$2.03 million, were funded by the Victorian Government after the Fire Services Statement listed new specialist vehicles among its priorities. The vehicle has an improved cab chassis for the safety of CFA members and an improved pumping capacity to effectively fight structure fires.

Additional equipment

Through operational efficiencies we were able to invest in vital additional equipment for brigades. A range of initiatives will be funded including developing contemporary induction videos for our most common pumpers and tankers and the removal of generators, power leads, fuels and oils from our fleet of pumpers to enhance safety.

We upgraded battery-powered positive pressure ventilation (PPV) fans, which will be allocated to 106 of our most operationally-busy pumpers. Our intent is that these items will allow us to remove the equivalent number of petrol-powered PPVs from service, enhancing health and safety.

In addition, we provided battery-powered tools and lighting to CFA's fleet of 215 pumpers. Each pumper received a light mast, two hand-held scene lights, drill, impact driver, small angle grinder, reciprocating saw, five batteries and two battery chargers.

Breathing apparatus sets

Thanks to community donations during and after the 2019-20 bushfires, the CFA and Brigades Donations Trust allocated \$2.25 million to buy 234 breathing apparatus (BA) sets, 468 BA cylinders and ancillary equipment for 116 CFA brigades across the state. Forty-three brigades received BA capability for the first time. This important equipment improves our capability and protects the health and safety of firefighters at incidents.

New fire investigator equipment

To help CFA's fire investigators carry out examinations at structural fires, grass and scrub fires, and vehicle and marine craft fire scenes, CFA has invested in digital cameras, metal detectors and storage cases. These were distributed in December 2021.

Digital cameras have been allocated to all CFA volunteers who are endorsed to perform the role of a fire investigator. A digital camera is an important tool when investigating the origin and cause of fires, because it allows investigators to document the scene.

Each CFA district office has also been given a metal detector which is part of the district's fire investigation kit. Metal detectors are used at vegetation and bushfire investigation scenes when examining the area of origin.

In addition, fire investigation electrical safety kits have been given to each CFA district for fire investigators to use at fire scenes to detect potential electrical risks and hazards.

Immersive learning (virtual reality)

Virtual reality is proving to be an exciting and hugely popular tool to support training and skills practice. In the virtual environment, CFA volunteers can experience a range of challenging scenarios safely. During 2022 CFA delivered virtual reality sessions to diverse brigades across Victoria. Using these training systems, brigade members can be placed into immersive scenarios allowing them to assess risk and reflect on their actions as they virtually fight fire.

CFA's immersive learning coordinator delivered more than 50 immersive learning awareness sessions to approximately 500 members and trained 135 volunteer facilitators. Once trained, facilitators can book the equipment and deliver sessions at their local brigades. Since early March 2022, volunteer facilitators have delivered 55 sessions to 470 members.

Another benefit of the system is the ability to engage with the community and build fire safety awareness. CFA participated in several community events this financial year such as the CFA/VFBV State Championships, Junior and Cadets training sessions and the Good Friday Appeal Kids Day Out, engaging more than 1200 members of CFA and the broader community.

New online training modules

CFA continued to introduce new online training modules over the past year to improve remote learning options. Thirty new online courses were launched.



CFA volunteer forums



Engaging volunteers across the regions was the main driver behind the launch of the new monthly live volunteer forums in 2021. The forums began as a way to share information across the state and have become a place for participants to ask questions of the various monthly guests, learn about new topics and share ideas.

Launched in August 2021, the forums have covered various topics including the State Logistics Centre, CFA/VFBV State Championships, community preparedness, how district mechanical officers' facilities work, new equipment and vehicles, after-action reviews, the role of brigades, regional training teams and mandatory training packages.

The forums allow CFA leaders and subject matter experts to connect with volunteers across the state in a new way.

"They are a fantastic way for us to link in with volunteers from across Victoria," Chief Officer Jason Heffernan said.

"Being able to have that live interaction means we can answer people's questions in real time, introduce participants to new topics and show people what's going on in other regions. It gives us the opportunity to showcase some of the amazing work being done across the state.

"The online format means that anyone can tune in and get involved no matter where they are."

Jason said that hearing from our members was very important to him and CFA leadership, and this format allowed them to do so in a quick and convenient way.

"I find the forums so valuable because I love hearing from our people on the ground. There are so many fantastic

ideas floating around in the regions and being able to hear them in this interactive environment is just great.

"It's important to me to answer the questions that our members on the ground have, and this provides an excellent format in which to do that."

The forums have been broadcast live from a range of locations including the State Logistics Centre in Scoresby, VEMTC Central Highlands in Ballan, the DMO facility in Geelong, Ararat Fire Station, Mooroopna State Championships, Wonthaggi Fire Station, Diamond Creek Fire Station and CFA's administrative headquarters in Burwood East. After each forum, a recording is placed on our intranet and these recordings have been viewed more than 10,000 times.

Geelong West Fire Brigade volunteer Steve Robertson has been part of these forums, in person (at the Ballan event) and online. He said they are a fantastic way to learn more about the plans for the organisation.

"For us ground troops, being able to hear straight from the bosses about what their priority areas are and what their plans for the organisation are has been fantastic," Steve said.

He said one of the biggest benefits was recognising that other brigades may be dealing with the same issues that Geelong West was facing.

"It was great to network with other members from other brigades, especially at the face-to-face event in Ballan, and see that we're not alone with many of the experiences we face as a brigade. It was also fantastic to speak to the deputy chief officers and expand on certain topics in more depth."

CFA performance reporting

CFA is formally monitored by the Department of Justice and Community Safety and held to account by quarterly reports on government-set key performance indicators.

Table 1 shows CFA's actual performance together with measures reported in Budget Paper No. 3. CFA adheres to the national requirements for counting rules.

Table 1: Emergency management capability (BP3)

Major outputs/deliverables	Unit of measure	2021–22 Target	2021–22 Actual
Performance measures			
Quantity			
1. Permanent operational staff	number	10	10
2. Permanent support staff	number	840	868
3. Volunteers – operational	number	36,400-37,400	29,084
4. Volunteers – support	number	22,000-23,000	23,721
Quality			
5. Road crash rescue accredited brigades/units	number	17	21
6. Level 3 Incident Controller trained staff and volunteers	number	20	15
7. Structural fire confined to room of origin	per cent	70	71
Timelines			
8. Emergency response times meeting benchmarks – structural fires	per cent	90	81.4
9. Emergency response times meeting benchmarks – road accident rescue	per cent	90	89.1



Right: CFA volunteers taking part in a simulated rescue

Our profile

Table 2: CFA workforce

Type	Number
Volunteers	
Operational	29,084
Support	23,721 ¹
Total volunteers	52,805
Staff	1033 ²
Fire Rescue Victoria secondees	240
Total staff/secondees	1282

1. Including 1085 Junior members 2. Headcount

Table 3: Volunteer profile breakdown by role and gender

	JUNE 2022		
	Operational	Support	Total
Gender			
Male	24731	15,104 ¹	39,835
Female	4353	7532 ²	11,885
Total	29,084	22,636	51,720

1. Not including 670 Juniors 2. Not including 415 Juniors

Table 4: Employee profile breakdown by age and gender

	JUNE 2022		
	Number (headcount)	Ongoing FTE	Fixed term and casual FTE
Gender			
Male	407	314.7	67.8
Female	626	466.3	95.9
Age			
Under 25	31	19.3	7.8
25 to 34	148	107.7	32.5
35 to 44	245	184.7	44.2
45 to 54	289	226.9	41.9
55 to 64	252	202.8	26.7
65 and over	68	39.6	10.6

Table 5: Employee profile breakdown

JUNE 2022			
	Number (headcount)	Ongoing FTE	Fixed term and casual FTE
PTA 1	19	3.5	3.5
PTA 2	127	66.9	30.8
PTA 3	210	148.9	32.0
PTA 4	234	191.3	34.2
PTA 5	157	118.9	34.9
PTA 6	126	103.4	17.4
PTA 7	52	45.0	5.8
Tower overseers	5	5.0	0.0
District mechanical officers	72	67.0	5.0
Executives	31	31.0	0.0
Total	1033	780.9	163.6

Table 6: Executive Officer breakdown by gender and classification

JUNE 2022			
	Male	Female	Total
Executive Officer 3	1	1	2
Executive Officer 2	12	4	16
Executive Officer 1	5	8	13
Total	18	13	31

Table 7: Services in 2021–22

Type of service	Number
Total incidents	31,765
Total brigade turnouts	58,858
Bushfire-focused programs, including Fire Safety Essentials	392
Property Advice Visit Service visits	2518
E-modules completed, including Bushfire Safety for Workers	2291
Residential/structure fire-focused programs, including home visits	598
Programs for children and young people, including Fire Safe Kids	118
Events and informal engagement, including CFA Open Days	903
Indirect engagement, including letterbox drops and local media	710

Table 8: Brigades

Type of brigade	Number
CFA – Brigade Class 1	537
CFA – Brigade Class 2	301
CFA – Brigade Class 3	131
CFA – Brigade Class 4	122
CFA – Brigade Class 5	62
CFA – Other	1
Forestry Industry brigades	21
Coast Guard brigades	18
Headquarters brigades	19
Total	1212

Table 9: Buildings

Buildings	Number
Fire stations ¹	1189
Regional, district and HQ offices	39
Mechanical workshops	13
Training grounds	8
Support facilities	18
1. Includes satellite sites	

Table 10: Vehicles

Vehicles	Number
Tankers	1946
Pumpers	221
Pumper tankers	38
Specialist response	509
Specialist support	51
General transport	3

New CFA workwear



Victorian communities can expect to see a smart new look on CFA members while they participate in brigade activities, fundraising, training, community events and working within incident management teams.

A total of \$9 million was invested this financial year to produce more than 30,000 CFA workwear sets, which began being distributed from March 2022. The new CFA workwear doesn't replace CFA's iconic yellow firefighting gear which remains the primary personal protective clothing for our firefighters.

This is the first time CFA volunteers have been provided with workwear.

More than 3000 volunteers contributed to the extensive design stage to ensure the final product met their needs. A unique colour, Patriot Blue, was chosen.

The workwear includes both men and women versions of long and short sleeve shirts, blouse, trousers and shorts. We are also providing a unisex softshell jacket, cap, sun hat and belt. To complement the workwear, a range of epaulettes denoting specific roles and a new CFA epaulette for all other members will be available.

Members of Baddaginnie Fire Brigade were the first to receive the workwear.

"Our members were keen to get on board from the get-go and 'look the part' with the new workwear," Captain Ben Cook said.

"We do a lot of public-facing activities such as education sessions at the local primary school, Good Friday Appeal fundraising and community events at the station, so the workwear will help us look unified and professional. When you're dressed the same, you feel part of a team.

"CFA has a great reputation in the community and this workwear will help us to represent and elevate the organisation."

The rollout of workwear to hundreds of CFA brigades will continue until the end of 2022. Following this initial rollout, we intend to make the workwear available for purchase at cost from the CFA State Logistics Centre for those brigades or groups who may wish to top up the initial CFA-issued allocation.

Opening of VEMTC Central Highlands

CFA's newest state-of-the-art training facility was opened by the Minister for Emergency Services Jaclyn Symes on 24 November 2021. The site selection and construction of the facility was four years in the making.

The Victorian Emergency Management Training Centre Central Highlands in Ballan is a \$31 million facility on a site of almost 40 hectares. It allows CFA volunteers and other emergency services personnel to prepare for real-world emergencies in a safe environment.

CFA worked closely with Moorabool Shire Council to choose a location which would minimise the economic impact on the surrounding community from the closure of Fiskville and would be easily accessible to members from a large area of the state.

"VEMTC Central Highlands is designed to offer training that simulates the types of scenarios our members could face on any given day and it will play a vital role in skills training and education for CFA brigades across the state," Chief Officer Jason Heffernan said.

"We're incredibly proud of what we've built and we look forward to welcoming our members and other emergency services for training at Ballan."

There are three practical areas for drills – or PADs – and 19 individual props that allow members to train in everything from basic firefighting through to advanced structural firefighting with some complex scenarios. This includes a petrol station, a tanker with running fuel fire, a gantry, gas tankers, and other small and movable props to test skills in dealing with a range of hazards.

The structure PADs give trainers the ability to turn up flames and smoke and adjust the fire threat to test the more experienced firefighters. There's also an off-road driver complex with a range of challenging slopes, a sand bed and water trap.

Ballan Fire Brigade Captain Ben Hatfield and his crew trained at Central Highlands in late 2021.

"It's a modern take on traditional training of the past," Ben said. "The use of synthetic smoke and LPG gives us a more controlled environment to work with different fire behaviour and scenarios. We've got more scope to do flashovers and combat it with water, and the gas PADs are particularly good at night."

The brigade is keen to do more training at the site.

"We haven't been able to do structural training since Fiskville closed, and the nearest centre for us was Peshurst which is three hours away."

The latest in modern, cutting-edge features includes a layout designed to reduce contamination from training

materials and dirt and grime brought in from outdoors, gender-neutral shower and changing facilities with individual, enclosed and secure cubicles and disability access for all areas.

As part of CFA's commitment to environmental sustainability, the water management system meets all compliance and quality requirements. Stormwater and runoff from the training facilities, buildings, roads and paved areas is collected and diverted into a flush system for treatment. It's then stored and reused across the campus so there's no waste water released into the environment.

Two million litres of untreated water can be collected on site and one million litres of treated water can be stored for use by our brigades for training.

Regular water quality monitoring and reporting is carried out to ensure CFA has constant oversight of any potential impacts to our environments.

In a CFA first, the road network and off-road driving track at Central Highlands have been named in honour of current and deceased members who have made a significant contribution to CFA. The people honoured are Allan Roberts, Dale and Joy Pitts, David Gerrard, Graeme Broom AFSM, Greg Allisey, Jan Cleary, Max McLean AFSM, Samantha Collins, Sue Sheldrick and Winsome Morris AFSM.

Below: Left to right, MLA for Buninyong Michaela Settle, Minister for Emergency Services Jaclyn Symes, CFA Chief Officer Jason Heffernan
Photos by Keith Pakenham AFSM





Safer Together planned burn success

Local brigades were joined by a South East Region strike team to burn eight hectares of VicTrack land at Woolsthorpe in January 2022. More than 70 volunteers, seven trucks, six slip-ons and a quick-fill pump conducted the fuel reduction ecological burn.

The section of VicTrack land burned is part of The Green Line – a 37-kilometre stretch of former railway line between Koroit and Minhamite in south-west Victoria – managed by Landcare Victoria through the Basalt to Bay Landcare Network. It is a biodiversity corridor to preserve the remnant vegetation and biodiversity for future generations and contains a large volume of biodiversity that's locally extinct.

The old railway line protects and preserves at least three state and federally-listed endangered ecological vegetation classes (EVCs) – Victorian Volcanic Plains native grassland and ephemeral wetland and plains grassy woodland.

To stimulate healthier EVCs, the Basalt to Bay Landcare Network received funding to organise the burn under the Safer Together Victorian Government program. Attending the burn were Kirkstall and Woolsthorpe brigades from District 5 and a District 8 strike team with brigade members from Carrum Downs, Upper Beaconsfield, Cribb Point, Dandenong, Springvale, Rosebud and Hallam.

Deputy Group Officer Cardinia Group Steve Hicks said his volunteers wanted to increase their knowledge and skills.

“We came across from South East Region to learn about different fuels. We have a lot of new members who want to learn new styles of burn management,” Steve said.

Lisette Mill, the Basalt to Bay Landcare Network facilitator and manager of The Green Line Project, was pleased with the outcome.

“It was a terrific burn,” Lisette said. “The burn has produced a mosaic effect where some parts of the burn site have been skipped over by the fire. This leaves little pockets where biodiversity can survive the fire and stay safe from predators, while still stimulating the grassland and woodland trees to drop seeds into the newly-burnt areas.

“By spring 2022, we expect to see a full range of unique Victorian plants growing here that may not have emerged for decades. The burn has opened up the site so we can spread the seeds of the locally-rare Silver Banksia trees. The original 1830s survey maps show these were the dominant understorey tree in this area and there are fewer than 40 left here in the wild. They are a precious local provenance banksia.”



Cadet Pilot Project in full swing

The Cadet Pilot Project is off to a great start, with 250 enrolments of 16 and 17-year-old CFA members in late 2021. This optional training aims to provide additional structured learning and practical training and development opportunities to further engage with CFA's youngest operational members.

The project pairs three terms of online delivery with two optional residential weekends to encourage cadets to consolidate their learning and meet other cadets from across the state.

Online delivery is designed to focus on skills that enhance young people's awareness of opportunities available to them in CFA, as well as building personal resilience. This foundation then allows them to undertake firefighting skills and increase their knowledge of operational doctrine to ensure they can enhance the capabilities of their brigade as a firefighter.

Cadets have been able to undertake online modules in mental health foundations, community connectedness and wellbeing for firefighters. In the coming months, they will be able to access new modules about fire management and risk mitigation, community engagement, fire equipment maintenance and cultural burns.

Early feedback from participants in the pilot has been encouraging.

"The modules so far have been useful and have provided information and training which can be implemented within local brigade activities," Maison Ring from North West Region said.

The program also includes embedded child-safe practices and sets clear expectations of appropriate behaviour for everyone involved in the program.

The Cadet Pilot Projects' residential elements were run at VEMTC Central Highlands in May and in Sale in June. During both weekends our 16 and 17-year-olds attended a training day and worked with live fire at the training ground. The program also included team building and adventure activities, fire drills and virtual reality training.

Deputy Chief Officer Operational Performance and Capability Kaylene Jones believes this pilot offers exciting opportunities to further engage our young people.

"Our young members are not just the future of CFA, they are an integral part of CFA right now. It's vital we keep our engagement with them strong, relevant and purposeful," Kaylene said.

"The Cadet Program recognises these young members as leaders of today, as well as tomorrow, helping to develop citizens who can make an impact on their brigade, community and beyond."



Major incidents 2021-22

Overview

A significant fire in the state's west burnt more than 7300 hectares, killed 5000 sheep and caused large plantation losses

La Niña had a significant influence on the Victorian fire season, where lower temperatures and rain were responsible for a quiet bushfire season.

The most significant fire of the season started in South Australia on 31 December 2021 and spread quickly into Victoria. It impacted the Meereek State Forest and more than 7300 hectares of grassland, timber plantations and scrub was burnt. Emergency warnings were issued, with residents of Langkoop, Poolajelo and Powers Creek advised to leave.

Although no homes were lost, 5000 sheep were killed. Local timber plantations also had significant losses of about 800 hectares, valued at more than \$10 million.

Nineteen strike teams from CFA, Forest Fire Management Victoria (FFMVic) and South Australia Country Fire Service battled the fire until it was

contained on 2 January 2022. They were supported by waterbombing aircraft and FFMVic used heavy machinery to build containment lines.

The eastern side of New South Wales suffered from disastrous flooding in February and March 2022 and CFA was requested to provide specialist support. CFA's deployment, which included more than 50 volunteers and staff from 10 CFA districts and CFA headquarters, included specialists in incident management functions such as deputy incident controller, jurisdictional liaison, public information and warnings, community liaison, safety, social media management, peer support, command and management support.

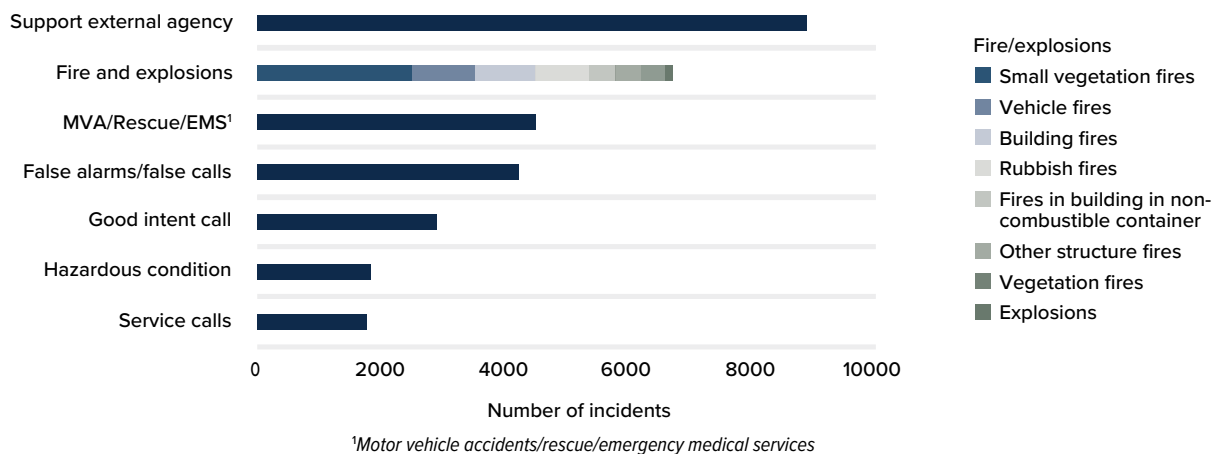
CFA members served at Coolangatta, Goonellabah, Port Macquarie, Taree, Rhodes and Goulburn.

Table 11: Summary of major incidents 2021-22

Date	Incident location	Description
26/12/2021	Hattah-Robinvale Road, Bannerton	A fire in 5000 tonnes of almond hull spread into 6000 empty wooden bins. Onsite fire systems worked effectively to save the infrastructure.
31/12/2021	Mooralla, Cavendish, Glendenning	Header fire. 180 hectares. Crews committed for three days.
31/12/2021	Langkoop, Poolajelo	Grassfire originated in SA. 19 strike teams from CFA, FFMVic and SA CFS. 5000 sheep and 70 cattle destroyed. 7332 hectares. Plantation loss estimated at more than \$10 million.
1/1/2022	Calder Highway, Hattah	Suspected cigarette caused grassfire. 734 hectares.
13/1/2022	Penshurst-Waller Road	119 hectares.
14/1/2022	Harrow-Jennawarra Road	Crews committed for nine days and nights. 150 hectares.
23/1/2022	Moyston-Great Western Road	Grassfire in parking area of Great Western Racecourse destroyed 18 cars.
20/2/2022 – 5/3/2022	WA	Bushfire. Two mechanical technicians deployed.
2/3/2022 – 15/3/2022	NSW	Floods. Three volunteers and 23 staff deployed. Rolling deployments between four and six days in length.
1/4/2022 – 12/4/2022	NSW	Floods. Three staff and 22 volunteers deployed. Rolling deployments.

2021-22 total incidents

Figure 2: 2021-22 incident response by type



Total Fire Ban days

CFA's Chief Officer has the critical role of declaring Total Fire Bans in districts across the state. Total Fire Bans are declared on days that are considered to be extreme fire risk to the community, and therefore CFA enforces restrictions on what people can and can't do on these days to keep our communities safe.

Table 12: Days of Total Fire Ban 2021–22

Date	Total Fire Ban district(s)
18/11/2021	Mallee
2/12/2021	Mallee
13/12/2021	Mallee, Wimmera
19/12/2021	Mallee, Wimmera

Table 13: Number of Total Fire Ban days declared 2017-2022

Declaration	2017-18	2018-19	2019-20	2020-21	2021-22
Whole of state	1	5	3	0	0
Partial	15	12	15	9	4
Total	16	17	18	9	4

Mentoring program reaches milestone



The Captains Peer Mentor Program (CPMP), which has been running for 10 years, is now available in 18 out of 21 CFA districts. The program supports captains in their broader leadership role of brigade management, rather than focusing on incident command and control.

The CPMP complements any existing informal support relationships a captain has by introducing them to experienced peers who they might not normally encounter or have access to. The content is tailored to meet the specific needs of the participants and this content is largely chosen by them. Partnering with a peer gives those being mentored the opportunity to work through issues or bounce around ideas about any aspect of their role that they find challenging or want to further develop.

Participants can also choose to work at a strategic level with their mentor, planning their legacy to their brigade. However, it's important to note that the mentor role focuses on support and knowledge sharing, rather than telling participants what to do.

The program involves a series of role and professional development workshops for both mentors and mentees, facilitated partnership meetings where mentors and mentees are brought together, independent partnership meetings,

and ongoing support and check-ins managed collaboratively by program staff.

Although the program doesn't claim to address everything a captain would find useful, captains have said that the mentoring process had helped them to become more comfortable with their broader leadership role. Some captains have reported that their management of brigade issues had improved thanks to enhanced knowledge and confidence gained from the program – and these benefits have a flow-on effect to brigade members.

Participants often comment on the program's influence and impact, and speak positively about its tailored and flexible approach. One of these is Ross Wisewould (pictured), captain of Tyers Fire Brigade in District 27.

"I'm grateful for the opportunity to participate in the program as it was such a valuable experience," Ross said. "Through the CPMP I've developed strong working relationships with other captains. I also have a supportive and approachable mentor – Mark King, the captain of Yallourn North – who I now consider a friend.

"I've gained a multitude of new ideas, new ways of thinking and leadership skills. I cannot express how much the experience has had a positive impact in my role as captain."

Intense start as an air attack supervisor

CFA's Kelly Krajnc could not have dreamt of a more intense start to her new role as an air attack supervisor when she was accredited at the end of 2021. In her first deployment, she was sent to the Langkoop/Poolajelo fire which started in South Australia on New Year's Eve and quickly spread to Victoria.

Kelly's role as a volunteer with the CFA District 13 Headquarters brigade allowed her to pursue roles in aviation. She had carried out the role of air observer for some time before she put her hand up for air attack supervisor training.

"An air observer operates at a higher altitude feeding back information to the incident control centre or the fireground – how big the fire is, how fast it's moving, assets under attack, that sort of thing – whereas an air attack supervisor looks after the tactical firefighting in the air," Kelly said.

The Langkoop/Poolajelo fire certainly put her tactical skills to the test, with the fire burning in grasslands, pine, red gum and bush vegetation. Several waterbombing aircraft, a Helitak and Large Air Tanker worked side-by-side with South Australian aircraft to support fire crews on the ground.

"It's like a strike team in the air and I'm their strike team leader," she said.

In the air during such a large and fast-moving event, decisions have to be made very quickly.

"We knew a south-westerly wind change was coming through and it was going to change the direction of the fire, so the plan was to build a retardant line ahead of the change," Kelly said.

Kelly said daily debriefs following each shift were an opportunity to identify what had gone well and where improvements could be made for the following day.

"All my instructors – from multiple agencies, CFA, FRV, DELWP and Parks Victoria – have also been really supportive and I couldn't have done it without their support. They called me every day to debrief with me, check on my welfare and praise the work I had done."

Following the fire, Kelly undertook a formal after-action review with her mentor, CFA air attack supervisor Commander John Katakouzinis, who said this review was an opportunity for continuous learning and improvement and allowed us to fill in any identified training gaps.



Volunteer develops her leadership skills



Ying Gan is an operational member at Keysborough Fire Brigade. A first generation Australian born of Chinese migrant parents, Ying said volunteering always seemed natural to her.

She was already volunteering with the RSPCA and looking to do something different when she approached CFA.

“I drove past the fire station on Chapel Road all the time and thought why not give it a go,” Ying said.

Ying joined Keysborough brigade in 2018 during her gap year after finishing university. “In my first year or two I had plenty of spare time and I’d turn out a lot, mostly to car accidents.”

It is the perception of danger and injury that Ying believes stops people from multicultural backgrounds from joining CFA.

“I think the perception of danger and injury can be influenced by parents,” she said. “In Asian culture, parents still have a big influence on their children even when they turn into adults. Having your parent tell you constantly about how dangerous something is can really influence you and make you question things.

“When I first joined I assumed you could only fight fires, but I now know there are many different roles available and volunteers don’t just fight fires.”

For many migrants and culturally and linguistically diverse communities, their reference points and experiences of volunteering are very different to those in Australia.

“For my parents, especially when they were still in China, emergency services workers were generally seen as paid staff. They didn’t know of any volunteer roles in emergency services. I think maybe that’s why not many people know that in Australia there are volunteer roles in this area. They might think if people get paid overseas because of the risk involved, why would you risk your safety doing that kind of volunteer work here?”

When reflecting on the benefits of volunteering with CFA, Ying said it has helped her out of her comfort zone.

“I’m not really a leader but I feel like CFA, and especially my brigade management team, has helped me develop my leadership skills by allowing me to see things from a different perspective.

“It’s helped me from a work perspective too where I’m more likely to take control of a situation.”

For Ying CFA brigades should fully reflect the communities that surround them, and Keysborough brigade is a great example of its diverse community.

Governance

CFA Board

The Country Fire Authority is a statutory authority with a Board constituted under the Country Fire Authority Act 1958. The CFA Board consists of up to nine Board Members, appointed by the Governor-in-Council, who are accountable to the Minister for Emergency Services. Five members of the CFA Board, including the Chairperson and Deputy Chairperson, are appointed on the recommendation of the Minister for Emergency Services. Four members are appointed by the Governor in Council from a panel provided to the Minister by Volunteer Fire Brigades Victoria.

The CFA Board is responsible for setting strategic direction and ensuring appropriate governance arrangements are effectively and efficiently implemented, including:

- approving CFA's Strategy and Outcomes Framework, which sets out CFA's goals for the medium to long-term, and monitoring its implementation
- overseeing the definition, embodiment and reporting on culture and behaviours within CFA, including how it is aligned to CFA purpose and strategy and contributes to the emergency management sector's focus on community, interoperability and public value

- overseeing the effective and sustainable recruitment, development, recognition and retention of volunteers, including those located in the Fire Rescue Victoria fire district, to deliver capability in the provision of the Authority's services.

Board members for 2021-22 were:

- Mr Greg Wilson (Chair)
- Ms Michelle McLean (Deputy Chair)
- Ms Gillian Sparkes AM (term expired 17 June 2022)
- Ms Pam White PSM
- Mr Simon Weir (resigned 31 December 2021)
- Mr Kent Griffin
- Mr Peter Shaw AFSM
- Ms Beth Davidson OAM
- Ms Dawn Hartog

Two new Board Members were appointed with their term commencing on 17 June 2022:

- Mr Tony Peake
- Ms Rachel Thomson

Table 14 shows attendance of Board members at meetings held in 2021-22.

Table 14: Board members' attendance at meetings 2021–22

Meeting*	BM	FRAC	HSE	PC	HAR	CEC	PC&R ¹	SD ¹	AFC ¹	RC ¹
No. meetings to 30 June 2022	13	5	4	2	4	2	2	2	2	2
Greg Wilson	13							2		2
Michelle McLean	13	5	2	2					2	2
Beth Davidson	13		4	2		2	2	2		
Kent Griffin	12	5	2			1			2	
Dawn Hartog	13				4	2	2	2		
Peter Shaw	13	5		2	4			2	2	2
Gillian Sparkes	12	3	4						1	
Simon Weir	4	1	2							
Pam White	12			2		2		2		2
Rachel Thomson ²	1									
Tony Peake ²	1									

* BM, Board meetings; FRAC, Finance, Risk and Audit Committee; HSE, Health, Safety and Environment Committee; PC, People and Culture Committee; HAR, Honours, Awards and Remembrance Committee; CEC, Community Engagement Committee; PCR, People, Culture and Remuneration Committee; SD, Service Delivery Committee; AFC, Audit and Finance Committee; RC, Risk Committee

1 New committee from February 2022 2 Commenced 17 June 2022

CFA Board committees

The Board implemented new committee arrangements in February 2022. Table 15 below sets out details of the committee arrangements in place from July 2021 to February 2022 while Table 16 sets out committee arrangements in place since February 2022.

Table 15: Board committees

July 2021 to February 2022		
Committee	Role	Board members
Finance, Risk and Audit	Responsibilities included oversight, review and assurance regarding financial sustainability and reporting, risk management, internal and external audit, and regulatory compliance. CFA's internal audit provider reported directly to the committee at each committee meeting. The committee included an independent member.	Michelle McLean (Chair) Kent Griffin Peter Shaw Gillian Sparkes Simon Weir
Health, Safety and Environment	Responsibilities included oversight, review and assurance regarding health, safety and environment strategy and policy, compliance and risk, performance and external reporting requirements. The committee included an independent member.	Gillian Sparkes (Chair) Beth Davidson Simon Weir
People and Culture	Responsibilities included oversight, review and assurance for people and culture plans, and programs of work and policy, including change management, workplace relations and staff development, and performance and succession. The committee included an independent member.	Michelle McLean (Chair) Peter Shaw Beth Davidson Pam White
Honours, Awards and Remembrance	Responsibilities included receiving, reviewing and approving nominations for honours and awards. The Committee included two independent members.	Dawn Hartog (Chair) Peter Shaw
Remuneration	Responsibilities included providing oversight and assurance in the areas of executive remuneration, workplace relations and staff development and succession.	Greg Wilson (Chair) Michelle McLean Pam White
Community Engagement	Responsibilities included providing oversight, review and assurance for community engagement initiatives, building community resilience, and the quality of community engagement. The committee included an independent member.	Beth Davidson (Chair) Dawn Hartog

Table 16: Board committees

From February 2022		
Committee	Role	Board members
Audit and Finance	Responsibilities include governance oversight and assurance in the areas of financial strategy, sustainability, and resourcing, internal audit and external financial audit, and compliance with legislative, regulatory, and other relevant obligations. The committee comprises four Board members and up to two independent members.	Michelle McLean (Chair) Kent Griffin Peter Shaw Gillian Sparkes
People, Culture and Remuneration	Responsibilities include oversight and assurance in the areas of people, culture and remuneration strategy and policy including change management, executive remuneration, workplace relations, and staff development, performance and succession. The committee comprises five Board members and an independent member.	Pam White (Chair) Beth Davidson Kent Griffin Dawn Hartog Gillian Sparkes
Service Delivery	Responsibilities include assurance in the areas of service delivery performance, service delivery innovation and continuous improvement, community engagement and resilience, operational doctrine and training, and infrastructure planning and investment. The committee comprises five Board members.	Greg Wilson (Chair) Pam White Peter Shaw Beth Davidson Dawn Hartog
Risk	Responsibilities include oversight and assurance in the areas of risk identification, mitigation and treatment, risk appetite and tolerance, and risk transfer and insurance. The committee comprises four Board members and two independent members.	Greg Wilson (Chair) Michelle McLean Pam White Peter Shaw
Health, Safety and Environment	Responsibilities include oversight and assurance in the areas of safety strategy and policy, safety and environment compliance and risk, safety performance, and external reporting on HSE matters. The committee comprises five Board members and up to two independent members.	Gillian Sparkes (Chair) Michelle McLean Beth Davidson Kent Griffin
Honours, Awards & Remembrance	Responsibilities include making decisions in relation to receiving, reviewing and approving nominations for honours and awards, and the carriage of tribute and preservation of history and remembrance. The Committee comprises two Board members and two independent members.	Dawn Hartog (Chair) Peter Shaw

Journey of a new firefighter



The storms that thrashed the state in June 2021 caused widespread damage to the town of Kalorama and some residents were without power for a month. Madeline Dundon was inspired to sign up with her local brigade after experiencing the storms.

"I decided to join CFA because of the weather event we had here in June," Madeline said. "I'd just moved into my property six weeks prior to the event and it was living out a childhood dream of being a firefighter.

"I'm most excited for the fire trucks," she said. "Pushing and pulling buttons and levers, seeing what they do. All the different hoses – the lengths, widths and materials, the attachments to the hoses, how to connect water."

Madeline recently completed her General Firefighter training. Although she admitted she was apprehensive about jumping on a truck for the first time, she was confident that thanks to General Firefighter she will be ready when the time comes.

"It's a high-pressure situation. Everyone turning out, getting geared up, jumping on a truck with sirens blaring. When you're just starting your training, that does seem overwhelming," Madeline said.

"But I know that that's what General Firefighter training is for – to give me the skills, knowledge and above all

the confidence to get out there and support my fellow members and my community."

Part of a group of nine new recruits for Kalorama-Mount Dandenong Fire Brigade, Madeline said the support of her crewmates had been vital as she worked her way through the training.

"The support of the other members has been fantastic. We had a Facebook group and we spent some time working on our theory together to test each other and really make sure we had it locked in.

"I definitely think working in a team has been my favourite part of the journey so far, particularly because we were all equally as nervous and excited to go through the training.

"We started with our nine key foundation skills – our skills drills – which are practical drills and cover everything we have to master to be competent," Madeline said.

"We also completed theory modules and married those two, our theory and practical together, before moving onto our learning consolidation days."

"My brigade has been so supportive throughout my training. I think that's a showcase and a celebration of the strong sense of community there is at CFA and here in the hills."

Defibrillator for every CFA fire truck

Victoria's volunteer firefighters and the communities we serve will be even better protected thanks to generous community donations that enabled a defibrillator to be installed on every CFA brigade vehicle.

Donations to the CFA & Brigades Donations Fund and the CFA Public Fund of \$2.543 million was allocated to purchase more than 1130 defibrillators to ensure that by mid-2022 every CFA brigade and group vehicle had a dedicated defibrillator on-board.

St Arnaud volunteer firefighter and Deputy Group Officer Craig Cheesman knows only too well the difference the important life-saving equipment can make. Three years ago, his heart stopped during a group training exercise in Gre Gre between Horsham and Bendigo.

Thankfully, every brigade in CFA's District 16 had been equipped with a defibrillator through a Victorian Government Enhancing Volunteerism Grant, which allowed his fellow members to jump into action and restart his heart.

"I wouldn't be here today if there hadn't been a defibrillator there, so to think that every CFA brigade and group vehicle will soon have one is just amazing," Craig said.

The quick action allowed Craig (pictured in the middle with fellow St Arnaud brigade members) to make a full recovery and he remains an operational firefighter and Deputy Group Officer.

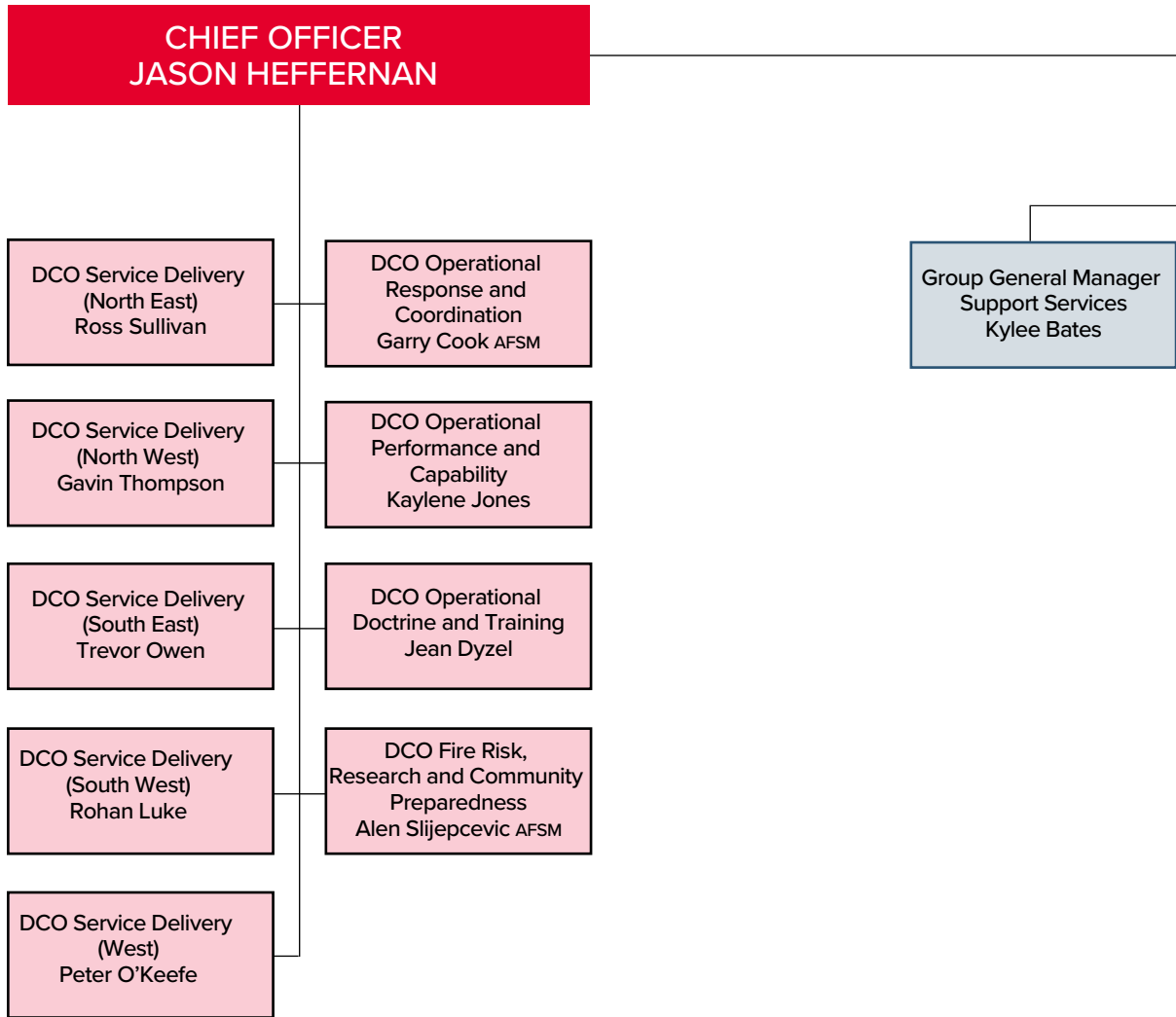
It's not the only life saved by CFA defibrillators and the actions of CFA members. In November 2019, a CFA crew on deployment to the NSW fires saved the life of a NSW Rural Fire Service firefighter, and in February 2021 fellow firefighters saved Spring Hill Captain Scott Selle's life after he went into cardiac arrest while responding to a fire.

CFA & Brigades Donations Fund Chair Graeme Jilbert said all funds donated are allocated to benefit volunteers and the community, and in line with suggestions and requests from members.

"People donating to CFA want the money to be spent where it will make a difference to our hard-working volunteers and our communities," he said. "We are so grateful and humbled by the community's support which means our members are now further protected as a result of these additional defibrillators."



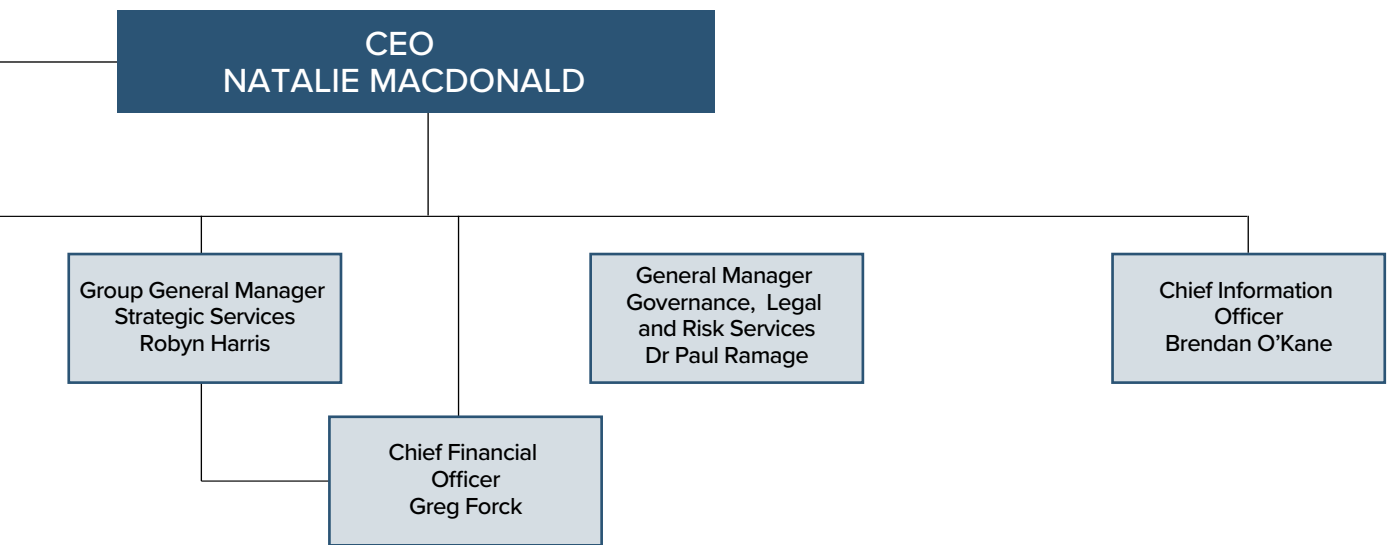
Organisational structure at 30 June 2022



1212 brigades in 21 dist

Figure 3: Structure and Executive as at 30 June 2022

BOARD



...acts across five regions

Attestation for Standing Directions



Attestation for the Standing Directions

2021-22 Attestation Statement

2021-22 Financial Year

Compliance with Standing Direction 5.1.4

CFA Financial Management Compliance Attestation Statement

I, Greg Wilson, on behalf of the Country Fire Authority (CFA) Board, certify that the CFA has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

Greg Wilson
Chair

Date: 30 August 2022

Financial Statements

Financial Summary

Financial Summary

Five year financial summary	2021-22	2020-21	2019-20	2018-19	2017-18
			Restated		
Grant income	347.0	351.6	807.4	622.2	600.2
Total income	430.6	456.3	865.1	656.7	640.1
Total expenses*	(430.5)	(468.6)	(748.1)	(644.4)	(591.0)
Net result	0.052	(12.3)	117.0	12.3	49.1
Comprehensive result	0.052	111.2	117.0	84.7	67.9
Net cash flows from operating activities	52.0	76.4	196.7	56.0	93.1
Total Assets	1,695.2	1,672.7	1,905.5	1,722.1	1,614.6
Total Liabilities	(198.6)	(203.1)	(300.0)	(221.0)	(231.1)
Total Equity	1,496.6	1,469.6	1,605.4	1,501.1	1,383.5

* includes other economic flows included in net result

Executive Summary

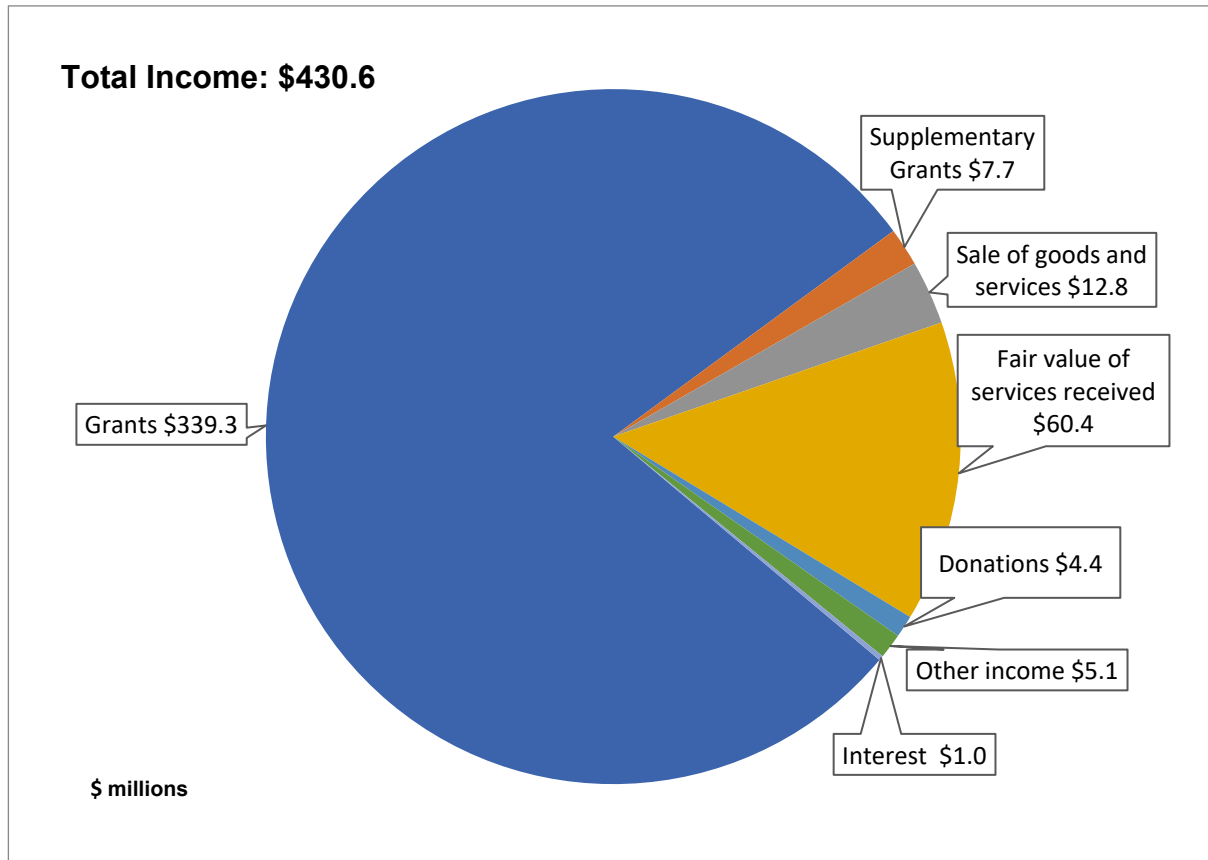
CFA's comprehensive operating result for 2021-22 was a surplus of \$0.052m, representing a decline over last year's surplus of \$111.2m. Grant income largely remained consistent to the previous year with no further impacts resulting from the Fire Services Reform (FSR), which was effective 1 July 2020. After considering the prior year physical asset revaluation surplus of \$123.5m recognised from the scheduled revaluation of land and buildings, the comprehensive operating result for 2021-22 shows an improvement of \$12.37m compared to the prior year.

Expenditure in 2021-22 was \$38.1m lower than prior year, mainly resulting from a reduction in the expensed fair value of services received free of charge or for nominal consideration, an actuarial reduction in the volunteer compensation provision and utilisation of the prior year Fiskville off-site remediation provisions.

CFA continues to maintain a strong balance sheet with net assets of \$1.49 billion, representing a \$26.9m increase from prior year.

Comprehensive Operating Statement

INCOME

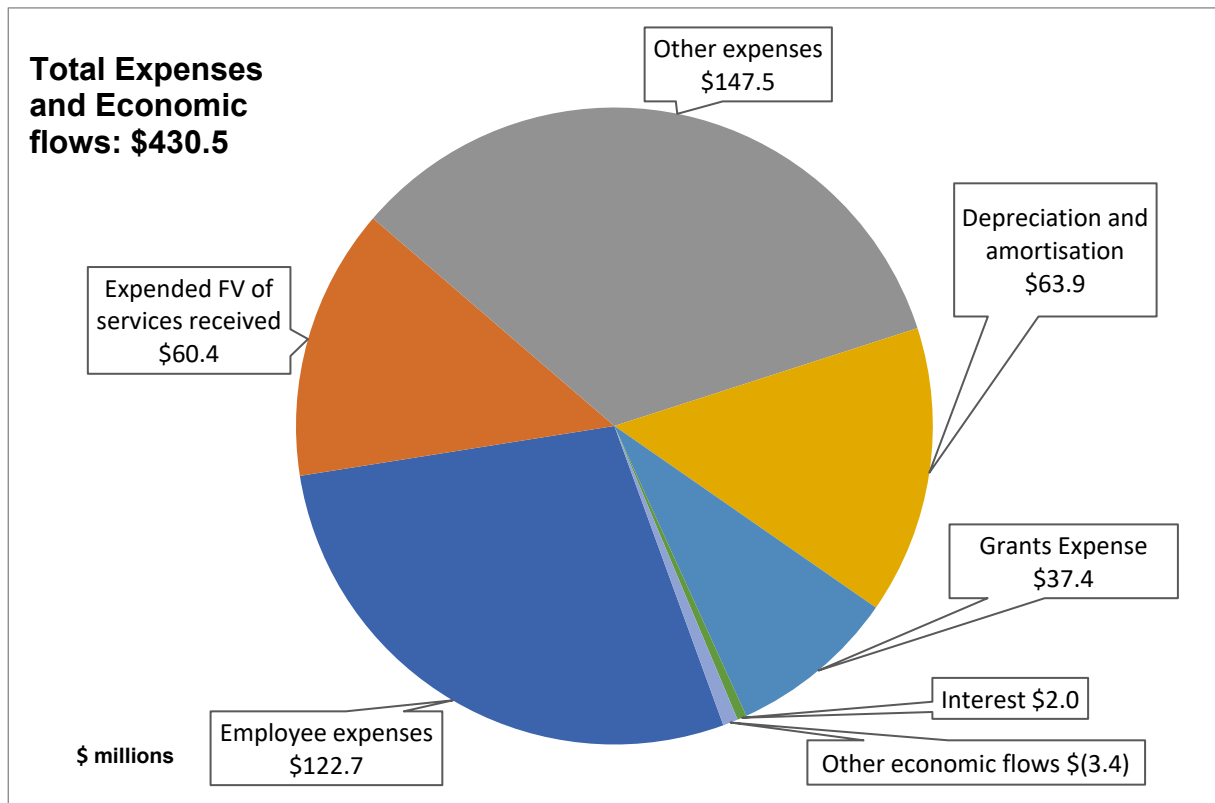


Income

In 2021-22, CFA received most of its income (79%) through Grants provided by the Department of Justice and Community Safety (DJCS) and Department of Environment, Land, Water and Planning (DELWP). In addition, CFA recognised income of \$60.4m (14%) of services received free of charge from FRV, resulting from the Secondment Agreement in place, which commenced on October 2020, governing the provision of operational and management support to CFA through seconding FRV operational employees.

The total income for the 2021-22 year was \$430.6m, a decrease of \$25.7m from the prior year's total of \$456.3m. This was primarily attributable to a reduction in the fair value of services received free of charge from FRV, which reduced by \$20.9m from prior year. The reduction is due to a change in the measurement approach using actual shift hours rather than modelled costings.

Expenses



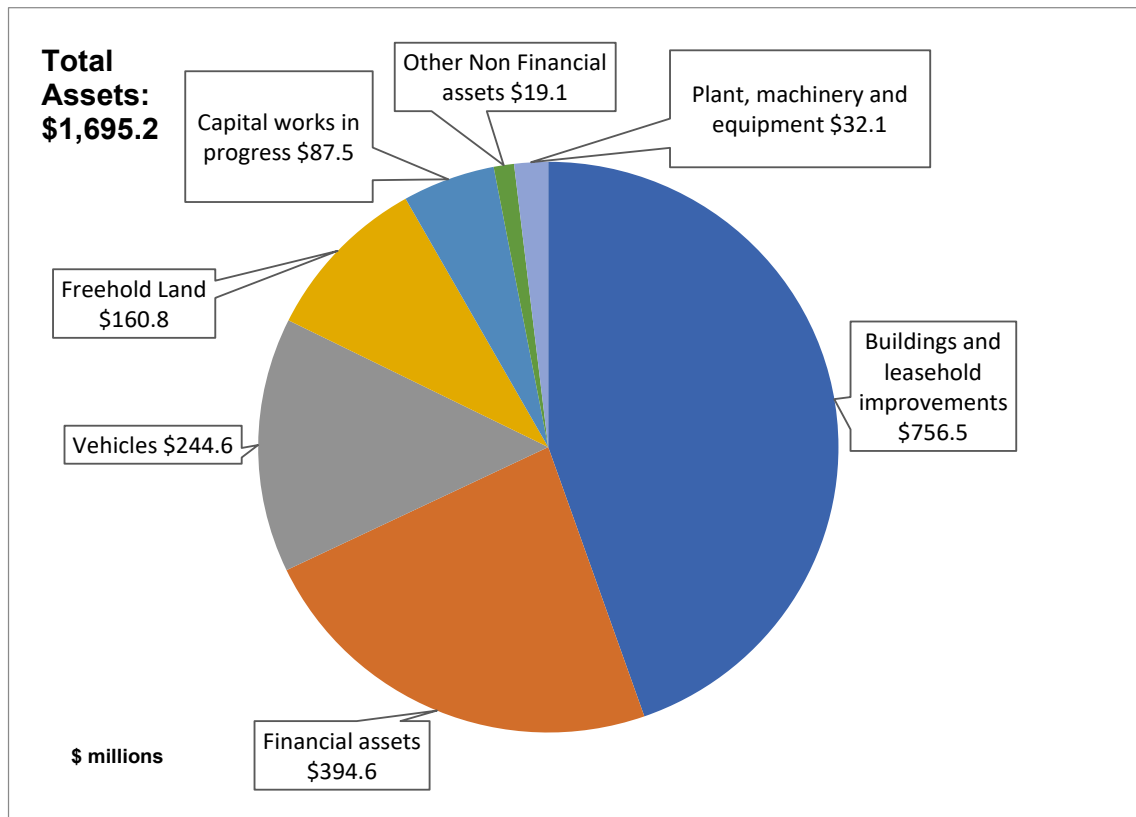
Expenses

Total expenses excluding other economic flows for the 2021-22 year was \$433.9m compared to \$474.6m for 2020-21. The decrease of \$40.7m year-on-year in expenditure was primarily attributable to a reduction in the fair value of expended services received free of charge from FRV, which reduced by \$20.9m from prior year. The remaining reduction was due to large provisions raised in prior year, which have not required further increases in the current year for volunteer compensation (\$22m) and essential remediation and decommissioning (\$14m). This was offset by increased employee expenses (\$6.0m), contractor and consultant fees (\$6.1m), volunteer uniform and protective clothing (\$2.6m), aviation costs (\$2.4m) and other smaller increases in general expenses.

Net gains from other economic flows were \$3.4m for 2021-22 compared to \$5.9m for 2020-21. The net reduction is due to a one-off recognition in prior year of a \$4.5m net gain on non-financial assets transferred to FRV arising from a 2019-20 depreciation adjustment. This is offset by an increase of \$1.8m for a net gain arising from revaluation of long service liability.

Balance Sheet

ASSETS



Total Assets

Total assets were \$1,695.2m as of 30 June 2022 compared to \$1,675.5m as of 30 June 2021. The major elements in the upwards movement of \$19.7m assets during the year were \$14.7m increase in cash and investments, and \$4.9m increase in prepayments.

Financial assets

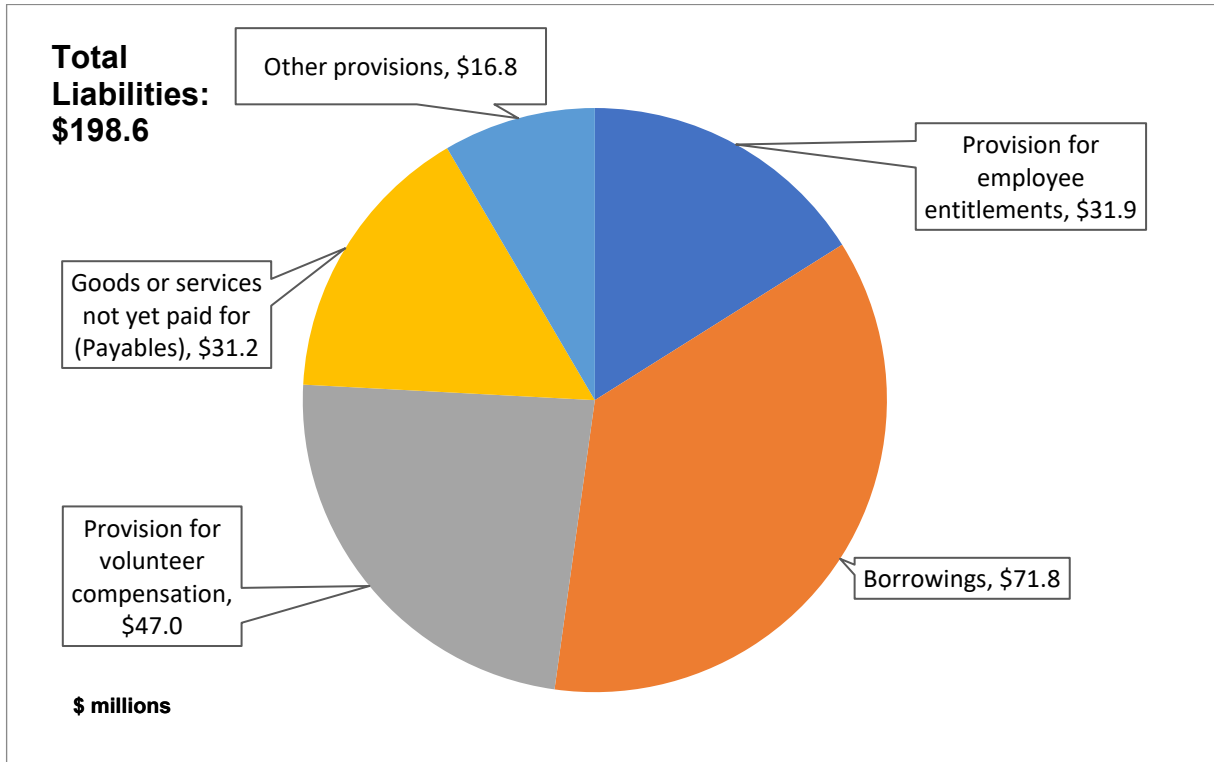
Financial assets totalled \$394.6m as of 30 June 2022 (30 June 2021 \$378.7m) and comprise \$303.9m cash at bank and deposits, \$56.5m investments and \$34.3m receivables.

Cash, deposits, and investments include Trust and brigades' cash and investment balances together with cash holdings held for local initiatives and funded programs.

Non-Financial assets

Non-Financial assets totalled \$1,300.6 as of 30 June 2022 (30 June 2021 1,296.8m) comprising \$1,281.5m property, plant and equipment, and other non-financial assets, \$11.0m inventories of goods held in store, \$7.0m prepayments and \$1.1m intangible assets. At the end of the year, the value of expenditure on capital works such as land & buildings, fire stations, emergency response vehicles, and plant and equipment which were in progress, totalled \$87.5m (2020-21: \$77.2m).

LIABILITIES



Total Liabilities

Total liabilities amounted to \$198.6m as of 30 June 2022 compared to \$205.9m as of 30 June 2021. The \$7.3m decrease in the total liabilities in the current year was primarily attributable to a \$8.9m decrease in the volunteer compensation provision, partially offset by increases of \$1.3m in other provisions. Other increases in payables of \$3.4m are offset against reductions in employee related provisions (\$1.3m) and lease liabilities (\$2.0m).

CFA AND BRIGADES DONATIONS FUND

In 2004, CFA established the CFA and Brigades Donations Fund (the Trust). The Trust is a public fund set up in line with the requirement of the *Income Tax Assessment Act 1997*, to allow people to make tax-deductible donations to support CFA brigades. Donations made meet the costs of purchasing and maintaining firefighting equipment and facilities, providing training and resources and to otherwise meet those administrative expenses of brigades which are associated with their firefighting functions.

The Trust is governed by its Deed, which sets out the purpose of the Trust and the purpose for which moneys relating to the Trust can be raised and be used. All donations for brigades, whether received by brigades or CFA on behalf of a brigade, must be paid into the Trust. In line with the objects of the Trust the donated money received is subsequently released back to the brigade (known as distributions) for spending. The Trustees are responsible for the preparation of separate financial statements that are subject to independent audit.

The Trust is an entity controlled by CFA for accounting purposes as per the Australian Accounting Standards Board Standard on Consolidated Financial Statements (AASB 10). The financials of the Trust, therefore, were consolidated within the CFA's Annual Financial Statements as at 30 June 2022. As a result of this consolidation, cash and term-deposits amounting to \$5.2m has been recognised as financial assets in the books of CFA.

A total of 1,301 brigades and brigade groups were registered with the Trust as of 30 June 2022. The Trust received revenue from donations of \$3.6m during the 2021-22 financial year compared to \$4.0m during 2020-21. The donations received were consistent year on year and considered to be at an average level.

Trust bank and term-deposits balances were \$1.0m and \$4.1m as of 30 June 2022 (30 June 2021 \$7.6m and \$4.1m) respectively.

Subsequent Events

Fire Services Reform (FSR), COVID-19 and Victorian Flood Emergency

A note in respect of potential future transfers resulting from the Fire Services Reform and a brief note on COVID-19 and the Victorian Flood Emergency are provided in Note 8.9 of these Annual Financial Statements.

Financial Report

How this report is structured

Country Fire Authority (CFA) has presented its audited general purpose financial statements for the year ended 30 June 2022 in the following structure to provide users with the information about the CFA's stewardship of resources entrusted to it.

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Declaration in the Financial Statements

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2022 and financial position of the Country Fire Authority at 30 June 2022.

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

In accordance with a resolution of the Board of the Country Fire Authority, we authorise the attached financial statements for issue on 28 October 2022.



G Wilson

Chair
Country Fire Authority

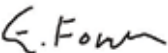
Melbourne
28 October 2022



N MacDonald

Chief Executive Officer
Country Fire Authority

Melbourne
28 October 2022



G Forck

Chief Financial Officer
Country Fire Authority

Melbourne
28 October 2022

Audit Report



Independent Auditor's Report

To the Board of the Country Fire Authority

Opinion	<p>I have audited the financial report of the Country Fire Authority (the Authority) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2022• comprehensive operating statement for the year then ended• statement of changes in equity for the year then ended• cash flow statement for the year then ended• notes to the financial statements, including significant accounting policies• declaration in the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Other information	<p>The Board of the Authority is responsible for the other information, which comprises the information in the Authority's annual report for the year ended 30 June 2022, but does not include the financial report and my auditor's report thereon.</p> <p>My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion on the other information. However, in connection with my audit of the financial report, my responsibility is to read the other information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. I conclude that there are no material misstatements nor inconsistencies in the annual report.</p>
The Board's responsibilities for the financial report	<p>The Board of the Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board'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 the Authority'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 the Authority 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 Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
31 October 2022



Janaka Kumara
as delegate for the Auditor-General of Victoria

Comprehensive operating statement ^(a)

For the financial year ended 30 June 2022

		(\$ thousand)	
	Notes	2022	2021
Continuing operations			
Revenue and income from transactions			
Grants	2.2.1	347,028	351,564
Sale of goods and services	2.2.2	12,768	11,160
Fair value of services received free of charge or for nominal consideration	2.2.3	60,359	81,230
Other income	2.2.4	9,444	10,810
Interest income	2.2.5	970	1,546
Total revenue and income from transactions		430,569	456,310
Expenses from transactions			
Employee expenses	3.1.1	122,651	116,577
Expended fair value of services received free of charge or for nominal consideration	2.2.3	60,359	81,230
Other operating expenses	3.3	147,460	181,693
Depreciation and amortisation	4.1.2	63,985	63,234
Grant and other transfers	3.2	37,362	29,948
Interest expense	6.4.2	2,050	1,874
Total expenses from transactions		433,867	474,556
Net result from transactions/ (net operating balance)		(3,298)	(18,246)
Other economic flows included in net result			
Net gain/ (loss) on non-financial assets ^(b)	8.2	217	4,402
Net gain/ (loss) on financial instruments ^(c)	8.2	464	753
Other gain/ (loss) from other economic flows	8.2	2,669	771
Total other economic flows included in net result		3,350	5,926
Net result		52	(12,320)
Other economic flows – other comprehensive income:			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	8.4	-	123,500
Total other economic flows – other comprehensive income		-	123,500
Comprehensive result		52	111,180

The accompanying notes form part of these financial statements.

Notes

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

(b) Net gain/ (loss) on non-financial assets includes unrealised and realised gains/ (losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.

(c) Net gain/ (loss) on financial instruments includes bad and doubtful debts from other economic flows, unrealised and realised gains/ (losses) from revaluations, impairments and reversals of impairment and gains/(losses) from disposals of financial instruments, except when these are taken through the financial assets at fair value through other comprehensive income revaluation surplus.

Balance sheet ^(a)

As at 30 June 2022

		(\$ thousand)	
	Notes	2022	2021
Assets			
Financial assets			
Cash and deposits	6.1	303,873	290,490
Receivables	5.1	34,289	33,110
Investments	6.3	56,454	55,122
Total financial assets		394,616	378,722
Non-financial assets			
Inventories	5.2	11,019	10,655
Property, plant and equipment ^(b)	4.1	1,281,475	1,282,232
Intangible assets	4.2	1,057	1,825
Prepayments		7,031	2,088
Total non-financial assets		1,300,582	1,296,800
Total assets		1,695,198	1,675,522
Liabilities			
Payables	5.3	31,213	27,783
Borrowings ^(c)	6.4	71,752	73,719
Employee related provisions	3.1.2	31,919	33,184
Other provisions	5.4	63,711	71,228
Total liabilities		198,595	205,914
Net assets		1,496,602	1,469,608
Equity			
Accumulated surplus		518,789	518,737
Physical asset revaluation surplus	8.4	676,452	676,452
Contributed capital ^(d)		301,361	274,419
Net worth		1,496,602	1,469,608

The accompanying notes form part of these financial statements.

Notes

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

(b) Property, plant and equipment includes right-of-use lease assets as per Australian Accounting Standards Board: *AASB 16 Leases*.

(c) Borrowings are right-of-use lease liabilities as per *AASB 16 Leases*.

(d) Movement in contributed capital includes impact of the restructure of administrative arrangements arising from the Fire Services Reform. Refer Note 8.3 for further information.

Cash flow statement ^(a)

For the financial year ended 30 June 2022

	Note	2022	2021
(\$ thousand)			
Cash flows from operating activities			
Receipts			
Receipts from government		312,292	341,826
Receipts from other entities		11,047	13,046
Goods & services tax recovered from the ATO ^(b)		21,238	25,208
Interest received		940	1,551
Other receipts		9,444	10,810
Total receipts		354,961	392,441
Payments			
Payments of grant expenses		(3,092)	(2,301)
Payments to suppliers and employees		(297,841)	(311,882)
Interest paid		(2,050)	(1,874)
Total payments		(302,983)	(316,057)
Net cash flows from operating activities	6.1.1	51,979	76,384
Cash flows from investing activities			
Payments for investments		(5,432)	(7,985)
Proceeds from sale of investments		4,100	5,700
Purchases of non-financial assets		(70,759)	(82,597)
Proceeds from sale of non-financial assets		4,308	7,518
Net cash flows used in investing activities		(67,783)	(77,364)
Cash flows from financing activities			
Owner contributions by State Government - appropriation for capital expenditure purposes		38,422	32,908
Cash transferred out on restructure of administrative arrangements ^(d)		(723)	(186,842)
Repayment of borrowings ^(c)		(8,512)	(9,247)
Net cash flows from/ (used in) financing activities		29,187	(163,181)
Net increase in cash and cash equivalents		13,383	(164,161)
Cash and cash equivalents at the beginning of financial year		290,490	454,651
Cash and cash equivalents at the end of financial year	6.1	303,873	290,490

The accompanying notes form part of these financial statements.

Notes

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

(b) GST paid to or received from the Australian Taxation Office (ATO) is presented on a net basis.

(c) CFA has recognised cash payments for the principal portion of lease payments as financing activities; cash payments for the interest portion as operating activities consistent with the presentation of interest payments and short-term lease payments for leases and low-value assets as operating activities.

(d) Cash transferred out on restructure of administrative arrangements through the Fire Services Reform. Refer Note 8.3.

Statement of changes in equity ^(a)

For the financial year ended 30 June 2022

					(\$ thousand)
	Note	Accumulated surplus	Physical asset revaluation surplus	Contributions by owner - Contributed capital	Total
Balance as at 1 July 2020		531,057	552,952	521,433	1,605,442
Net result for the year		(12,320)	-	-	(12,320)
Other comprehensive income for the year	8.4	-	123,500	-	123,500
Capital appropriations		-	-	32,908	32,908
Restructure of administrative arrangements - net assets transferred out ^(b)		-	-	(279,922)	(279,922)
Balance as at 30 June 2021		518,737	676,452	274,419	1,469,608
Net result for the year		52	-	-	52
Other comprehensive income for the year	8.4	-	-	-	-
Capital appropriations		-	-	40,021	40,021
Restructure of administrative arrangements - net assets transferred out ^(b)	8.3	-	-	(13,079)	(13,079)
Balance as at 30 June 2022		518,789	676,452	301,361	1,496,602

The accompanying notes form part of these financial statements.

Notes

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

(b) Net assets transferred out on restructure of administrative arrangement arises from the Fire Services Reform. *FRD119A - Transfers Through Contributed Capital* requires that transfers out of net assets arising from administrative restructurings are treated as distributions to owners.

1. ABOUT THIS REPORT

The Country Fire Authority is a statutory authority of the State of Victoria, appointed by the Governor in Council pursuant to s.6 of the *Country Fire Authority Act 1958*.

Its principal address is:

Country Fire Authority
8 Lakeside Drive,
Burwood East VIC 3151

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.

Basis of preparation

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

- non-financial physical assets which, after acquisition, are measured at a re-valued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value; and
- certain liabilities that are calculated based on actuarial assessments or present value.

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 CFA.

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 (including transfer of assets from Fire Rescue Victoria (FRV)).

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

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

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying Australian Accounting Standards (AASs) that have significant effects on the financial statements and estimates relate to:

- the fair value of land and buildings based on scheduled five-yearly Valuer-General Victoria's valuation and managerial valuations in interim years (Note 7.3 and Note 4);
- the assumptions of likely further lease terms, assumed borrowing rate and future discount rates used to recognise right-of-use assets and comparable market data used to reassess fair value subsequent to initial measurement. (Note 7.3 and Note 4);
- assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (Note 3.1.2);
- actuarial assumptions for volunteer compensation provisions based on assessment of outstanding claims (Note 5.4);
- provision for decommissioning and remediation of sites and other provisions based on expert advice regarding the nature and timing of work involved (Note 5.4);
- the assumptions applied in assessing and, where possible, quantifying value of contingent assets and liabilities (Note 7.2);
- the assumptions applied in quantifying fair value of services received and provided free of charge or for nominal consideration (Note 2.2.3 and Note 3.3);
- certain attributes of property, plant and equipment such as useful lives of assets, asset condition, fair value and whether assets are specialised assets (Note 4); and
- collectability of receivables given period of outstanding debt, risk of default and expected loss. This is explained further in Note 7.1.2 under Financial instruments: Credit risk.

These financial statements cover CFA as an individual reporting entity and include all the controlled activities of CFA and the Trust for CFA & Brigades Donations Fund.

The Trust for CFA & Brigades Donations Fund (the Trust) is a public fund set up to allow people to make tax-deductible donations, under *Income Tax Assessment Act 1997*, to support CFA brigades' operational firefighting capacity. A total of 1,301 brigades and brigade groups were registered with the Trust as at 30 June 2022.

CFA has determined that it has control over the Trust for CFA & Brigades Donations Fund under *AASB 10 Consolidated Financial Statements* and therefore the Trust is consolidated within CFA's financial statements.

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated. Refer to Note 8.12 for a style convention guide and explanation of minor discrepancies resulting from rounding.

Compliance information

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

Where appropriate, those 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.

To gain a better understanding of the terminology used in this report, a glossary of technical terms can be found at Note 8.11.

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

CFA's mission is to protect lives and property. Our vision is to ensure Victorian communities are prepared for and safe from fire. We are Victoria's volunteer fire service, operating across the state to reduce the occurrence and impacts of fire and other emergencies.

CFA receives income in the form of grants from the Department of Justice and Community Safety (DJCS) and the Department of Environment, Land, Water and Planning (DELWP) to fulfil its objectives. CFA also receives income from supplementary funding, other grants, regulatory fees, rendering of services and interest income from bank deposits and investments. As a result of Fire Services Reform, CFA receives services free of charge from FRV.

Significant judgement:

CFA 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 the grants were 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	67
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2.1 Summary of revenue and income that funds the delivery of our services

	Notes	2022	2021
		(\$ thousand)	
Grants	2.2.1	347,028	351,564
Sale of goods and services	2.2.2	12,768	11,160
Fair value of assets and services received free of charge or for nominal consideration	2.2.3	60,359	81,230
Other income	2.2.4	9,444	10,810
Interest income	2.2.5	970	1,546
Total revenue and income from transactions		430,569	456,310

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

2.2 Income from transactions

2.2.1 Grants

	(\$ thousand)	
	2022	2021
Income recognised (under AASB 1058):		
General purpose	339,319	342,828
Supplementary funding	7,709	8,736
Total grants	347,028	351,564

Grants recognised under AASB 1058

CFA has determined that the grant income included in the table above under *AASB 1058 Income of Not-for-Profit Entities* has been earned under arrangements that are either not enforceable and/ or linked to sufficiently specific performance obligations.

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

- contributions by owners, in accordance with *AASB 1004 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* ; or
- a provision, in accordance with *AASB 137 Provisions, Contingent Liabilities and Contingent Assets* .

Grants recognised under AASB 15

Income from grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers under AASB 15. Revenue is recognised when CFA satisfies the performance obligation. This is recognised based on the consideration specified in the funding agreement and to the extent that it is highly probable a significant reversal of the revenue will not occur. The funding payments are normally received in advance or shortly after the relevant obligation is satisfied.

2.2.2 Sale of goods and services

	(\$ thousand)	
	2022	2021
Sale of goods	2,016	2,570
Regulatory fees	4,545	3,125
Rendering of services	6,207	5,465
Total sale of goods and services	12,768	11,160

The sale of goods and services included in the table above are transactions that CFA has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer. CFA recognises revenue when it transfers control of a good or service to the customer, i.e. when, or as, the performance obligations for the sale of goods, or services to the customer are satisfied.

- Customers obtain control of the supplies and consumables at a point in time when the goods are delivered to and have been accepted at their premises.
- Revenue from the sale of goods are recognised when the goods are delivered and have been accepted by the customer at their premises
- Income from regulatory fees and from rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.3). Where the performance obligations is satisfied but not yet billed, a contract asset is recorded (Note 5.1).

2.2.3 Fair value of services received free of charge or for nominal consideration recognised as income

	Note	2022	2021
(\$ thousand)			
Services			
- Services received from FRV	3.1	60,359	81,230
Total fair value of services received free of charge or for nominal consideration		60,359	81,230

The decrease in the value of services from prior year is due to the measurement approach being based on actual data. In 2020-21, the transition post Fire Services Reform meant that some of this information wasn't available for the full year and hence could not be used to perform this calculation.

Contributions of resources received free of charge or for nominal consideration are recognised at their fair value when the CFA obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

Services received from FRV relates to services rendered by Fire Rescue Victoria (FRV) as a result of the Fire Services Reform (Refer Note 8.3). CFA 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.

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

- A Secondment Agreement (on-going) for the purpose of FRV providing officers or 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 received free of charge by CFA (Refer Note 2.2.3).
- 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 2.2.3 and Note 3.3).

In addition to the above agreements, CFA also provided general and other administrative support services to FRV during the financial year including procurement and ICT support.

These arrangements also give rise to a recognition of services provided free of charge by CFA (Refer Note 3.3).

2.2.4 Other income

	(\$ thousand)	
	2022	2021
Public Fund donations	524	613
Brigade Trust Fund donations	3,857	5,934
Other	5,063	4,263
Total other income	9,444	10,810

Public Fund donations represent donations received from the public into the CFA's Public Fund

Brigade Trust Fund donations represent donations made to The Trustee for Country Fire Authority & Brigades Donations Fund. Donations received enable Brigades to meet the costs of purchasing and maintaining fire-fighting equipment and facilities, provide training and resources to volunteers, and to otherwise meet those administrative expenses of the Brigades which are associated with their fire-fighting functions.

Volunteer Services are only recognised when a fair value can be reliably measured. CFA has assessed that the fair value of volunteer services via volunteer contribution and effort cannot be reliably measured or estimated through comparative pricing methodology.

Other income includes insurance recoveries, external capital contributions and other items.

2.2.5 Interest income

	(\$ thousand)	
	2022	2021
Interest from financial assets not at fair value through profit and loss		
Interest income	970	1,546
Total interest from financial assets not at fair value through profit and loss	970	1,546

Interest income includes interest received from operational and call accounts. Interest income is recognised using the effective interest method, which allocates the interest over the relevant period.

3. THE COST OF DELIVERING SERVICES

Introduction

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

Structure

3.1	Expenses incurred in delivery of services	71
3.2	Grant expenses	76
3.3	Services received and provided free of charge or for nominal consideration	77

3.1 Expenses incurred in delivery of services

		(\$ thousand)	
	Notes	2022	2021
Employee benefit expenses	3.1.1	122,651	116,577
Grants expenses	3.2	37,362	29,948
Expended fair value of services received free of charge or for nominal consideration	2.2.3	60,359	81,230
Other operating expenses	3.3	147,460	181,693
Total expenses incurred in delivery of services		367,832	409,448

3.1.1 Employee benefits in the comprehensive operating statement

	(\$ thousand)	
	2022	2021
Defined contribution superannuation expense	9,249	7,103
Defined benefit superannuation expense	1,081	1,931
Other on-costs (payroll tax, fringe benefits tax, workcover)	6,888	6,585
Employee allowance and support costs	473	511
Salaries and wages, annual leave and long service leave	104,960	100,447
Total employee benefit expenses	122,651	116,577

Employee benefit expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. CFA does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. Instead, the Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when CFA is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of annual leave, long service leave and other entitlements for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	(\$ thousand)	
	2022	2021
Current provisions:		
Annual leave		
Unconditional and expected to settle within 12 months	7,366	7,733
Unconditional and expected to settle after 12 months	3,045	2,733
Long service leave		
Unconditional and expected to settle within 12 months	1,671	1,739
Unconditional and expected to settle after 12 months	13,040	13,613
Provisions for on-costs		
Unconditional and expected to settle within 12 months	1,463	1,497
Unconditional and expected to settle after 12 months	2,591	2,576
Total current provisions for employee benefits	29,176	29,891
Non current provisions:		
Employee benefits	2,366	2,852
On-costs	377	441
Total non current provisions for employee benefits	2,743	3,293
Total provisions for employee benefits	31,919	33,184

3.1.2.1 Reconciliation of movement in on-cost provision

	(\$ thousand)	
	2022	2021
Opening balance	4,514	20,771
Additional provisions recognised	1,390	2,346
Reductions arising from payments	(1,502)	(2,171)
Restructure of administrative arrangements - transfer out (Note 8.3)	-	(16,462)
Unwind of discount and effect of changes in the discount rate	29	30
Closing balance	4,431	4,514
Current	4,054	4,073
Non current	377	441

Annual leave liability is recognised as part of the provision for employee benefits as a current liability, because CFA does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries and annual leave are measured at:

- undiscounted value - if CFA expects to wholly settle within 12 months; or
- present value - if CFA does not expect to wholly settle within 12 months.

Long service leave liability is recognised in the provision for employee benefits.

Unconditional Long Service Leave (LSL) is disclosed as a current liability; even where CFA 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 CFA expects to wholly settle within 12 months; or
- present value – if CFA does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional 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.

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.

Liabilities for salaries and wages payable as at balance sheet date are disclosed at Note 5.3 Payables as current liability.

3.1.3 Superannuation contributions

Employees of CFA are entitled to receive superannuation benefits and CFA contributes to both defined benefit and defined contribution plans managed by the Emergency Services Superannuation Scheme (ESSS). The defined benefit plan provides benefits based on years of service and final average salary.

As stated in Note 3.1.1, CFA does not recognise any defined benefit liability in respect of the plans because CFA has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The defined benefit liability is recognised in DTF as an administered liability. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of CFA.

	(\$ thousand)			
	Paid contribution for the year		Contribution outstanding at year end	
	2022	2021	2022	2021
Defined benefit plans ^(a)				
Emergency Services Superannuation Scheme (ESSS)	1,066	1,914	40	40
Other (Government Superannuation Office)	15	17	1	1
Defined contribution plans				
Emergency Services Super Plan	5,019	4,875	189	131
Other	3,755	2,228	142	82
Total	9,855	9,034	372	254

Note

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

3.2 Grant and other transfers

	(\$ thousand)	
	2022	2021
General purpose grants		
Grants Withheld by the Department of Justice and Community Safety (DJCS)	34,920	27,646
Other general purpose grants*	2,442	2,302
Total grant expenses	37,362	29,948

* Prior year figures have been regrouped to align with the current year presentation.

Grant expenses are contributions of CFA's resources to another party for a specific or general purpose where there is no expectation that the amount will be repaid in equal value (either by money, goods or services).

Grants withheld by DJCS represent amounts approved by the Minister of Police and Emergency Services to be withheld from CFA's total output funding to support Emergency Management programs and initiatives.

Grants can either be operating or capital in nature. Grants can be paid as general purpose grants, which refer to grants that are not subject to conditions regarding their use.

Grant expenses are recognised in the reporting period in which they are paid or payable.

3.3 Other operating expenses

		(\$ thousand)	
	Note	2022	2021
Supplies and services			
Purchase of uniform & equipment		9,519	6,925
Contractor payments to external services - ESTA and others ^(a)		31,315	38,835
Contractors and consultants fees ^(b)		20,248	14,076
Other purchase of services (including remuneration of auditors) *	8.8	6,502	3,383
Building operating and maintenance		11,929	12,529
Motor vehicle operating and maintenance		10,665	9,045
Computer equipment and systems		5,068	5,389
Communications, alarms and radio replacement		7,907	8,511
Other operating and maintenance		11,455	15,175
Hire fees -aircraft, plant, equipment and vehicles *		8,813	6,459
Volunteer compensation and insurance ^(c)	5.4.2	(1,592)	21,153
Volunteer and brigade running costs		3,397	2,229
Fair value of services provided free of charge or for nominal consideration			
-- Services provided to FRV ^(d)		1,576	2,734
Contribution to other organisations		767	3,635
Lease rental expense			
-- Short-term and low value lease expenses		235	345
Cost of goods sold/ distributed		4,621	5,121
Essential remediation and decommissioning expenses ^(e)		171	14,983
General expenses *		14,864	11,166
Assets written off		-	-
Total other operating expenses		147,460	181,693

* Prior year figures have been regrouped to align with the current year presentation.

Note

^(a) The decrease in contractor payments to external services - ESTA and others is due to a change in payment methodology for the Regional Mobile Radio contribution to ESTA. In the prior year, this was paid directly to ESTA; in the current year this was contributed via grants withheld.

^(b) The increase in contractors and consultant fees is due to CFA's EPA mandated environmental compliance programs.

^(c) The decrease in volunteer compensation and insurance represents the reduction in the net outstanding claims provision which is due to a number of factors outlined in note 5.4.

^(d) The decrease in services provided to FRV is due to the decline in shared support services between CFA and FRV during the year.

^(e) The decrease in essential remediation and decommissioning expenses is due to the prior year expense representing the recognition of a provision for future remediation costs for the Fiskville off-site properties. The provision continued to unwind in the current year. Refer to note 5.4.4.

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. It also includes bad debts expense from transactions that are mutually agreed.

Supplies and services are recognised as an expense in the reporting period in which they are incurred.

The following **lease payments** are recognised on a straight-line basis:

- Short-term leases – leases with a term less than 12 months; and
- Low value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10k.

Cost of goods sold or distributed: The carrying amounts of any inventories held for sale or distribution are recognised as an expense in the period in which the related income is recognised or the inventories are distributed. The amount of any write down of inventories to net realisable value and all losses of inventories shall be recognised as an expense in the period the write down or loss occurs.

The amount of any reversal of any write down of inventories, arising from an increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the recipient obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions.

Services provided to FRV relates to services rendered by CFA to Fire Rescue Victoria (FRV) as a result of the Fire Services Reform. CFA has assessed that the fair value of these services can be reliably determined. (Refer Note 2.2.3)

Expenditure during the year has been affected by **COVID-19** with some of the impacts being:

- delays in programs, capital work projects, community safety sessions and training schedules due to covid related supply chain issues, resulting in lower costs within other operating expenses;
- reduced call outs during lock downs for various periods during 2021-22;
- costs incurred for supporting working from home arrangements has reduced, however, continued to be above pre-Covid expenditure
- significant underspends for other operating expenses i.e. vehicle maintenance, HQ printing and catering costs, etc. due to the slow return to the office for most staff; and

Other impact of COVID-19 on CFA financials include:

- delays in planned capital spends including delays in build of fire appliances and refurbishment of stations have resulted in underspends.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

CFA controls property, plant, equipment and other assets that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to CFA to be utilised for delivery of those outputs.

Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined, including the impact of COVID-19, if any, on valuations.

Structure

4.1	Property, plant and equipment	79
4.2	Intangible assets	84

4.1 Property, plant and equipment

	(\$ thousand)					
	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2022	2021	2022	2021	2022	2021
Land at fair value	160,773	158,517	-	-	160,773	158,517
Buildings at fair value	793,444	775,526	(46,741)	(14,203)	746,703	761,323
Leasehold improvements at fair value	28,924	28,885	(19,104)	(18,054)	9,820	10,831
Plant and equipment at fair value	111,585	106,859	(79,521)	(78,991)	32,064	27,868
Vehicles at fair value	580,210	560,428	(335,641)	(313,885)	244,569	246,543
Assets under construction at cost	87,546	77,150	-	-	87,546	77,150
Net carrying amount	1,762,482	1,707,365	(481,007)	(425,133)	1,281,475	1,282,232

The following tables are subsets of buildings, plant, equipment and vehicles 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	
	2022	2021	2022	2021	2022	2021
Buildings	82,182	80,685	(23,538)	(14,203)	58,644	66,482
Plant and equipment	683	612	(597)	(570)	86	42
Vehicles	10,789	5,397	(2,481)	(1,273)	8,308	4,124
Net carrying amount	93,654	86,694	(26,616)	(16,046)	67,038	70,648

	(\$ thousand)		
	Buildings	Plant and equipment	Vehicles
Opening balance - 1 July 2021	66,482	42	4,124
Additions	1,497	71	5,483
Disposals	-	-	(90)
Restructure of administrative arrangements	-	-	-
Depreciation	(9,335)	(27)	(1,209)
Closing balance- 30 June 2022	58,644	86	8,308
Opening balance - 1 July 2020	51,404	59	933
Additions	25,090	-	4,101
Restructure of administrative arrangements - Transfer out	(41)	-	(12)
Depreciation	(9,971)	(17)	(898)
Closing balance- 30 June 2021	66,482	42	4,124

Property, plant and equipment (including right-of-use asset acquired by lessees)

Initial recognition

Property, plant and equipment are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or its estimated useful life.

CFA recognises 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; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

Subsequent measurement

Property, plant and equipment 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 by asset category.

Right-of-use assets: CFA depreciates the right-of-use assets on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of the right-of-use assets is the remaining lease period. The right-of-use assets are also subject to revaluation.

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

Specialised land and specialised buildings: The market approach is used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that the CSO adjustment is also equally applicable to market participants.

For specialised buildings, the current replacement cost method is used, adjusting for the associated depreciation.

Vehicles are valued using the current replacement cost method. CFA 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 CFA 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 7.3.2 for additional information on fair value determination of property, plant and equipment.

Volunteer brigade contribution to land and buildings

CFA acknowledges the significant contributions made by volunteer brigades to the capital value of fire stations. Many brigades have made substantial improvements to fire stations and property over many decades. The value of these improvements is considered when the five-yearly Valuer-General's valuation occurs and the aggregate amount is then included in future financial statements.

Where practical, the value of major community funded projects is taken up at fair value when the improvement is carried out.

Volunteer brigade vehicles and plant and equipment

CFA fully recognises the major community contribution by bringing to account, at cost less accumulated depreciation, fire fighting vehicles, plant and equipment acquired by volunteer brigades valued above the capitalisation threshold.

Impairment of property, plant and equipment

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically 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 Impairment of Assets* does not apply to such assets that are regularly revalued.

4.1.2 Depreciation and amortisation

Charge for the period

	(\$ thousand)	
	2022	2021
Buildings	32,714	30,511
Leasehold improvements	1,050	1,515
Plant and equipment	4,617	3,607
Vehicles	25,529	27,072
Total depreciation	63,910	62,705
Intangible produced assets (amortisation) (Note 4.2)	75	529
Total depreciation and amortisation	63,985	63,234

Note: Includes amortisation of Right-of-Use assets

Depreciation

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exception to this rule is land.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for the current and prior years are included in the table below:

Asset	(years)
	Useful life
Buildings (excluding leased assets)	50
Leasehold improvements	4 - 50
Plant and equipment (including leased assets)	2 - 5
Vehicles (including leased assets)	3 - 25

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 CFA obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that CFA will exercise a purchase option, then CFA depreciates the right-of-use asset over its useful life.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Indefinite life assets: Land, which is considered to have an indefinite life, is not depreciated. Depreciation is not recognised in respect of this asset because its service potential has 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

	Land at fair value		Buildings at fair value		Leasehold improvements at fair value		Plant and equipment at fair value		Vehicles at fair value		Assets under construction at cost		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(\$ thousand)	(\$ thousand)	(\$ thousand)	(\$ thousand)	(\$ thousand)	(\$ thousand)	(\$ thousand)	(\$ thousand)	(\$ thousand)	(\$ thousand)	(\$ thousand)	(\$ thousand)	(\$ thousand)	(\$ thousand)
Opening balance,	158,517	181,230	761,323	737,769	10,831	13,846	27,868	27,781	246,543	301,093	77,150	80,272	1,282,232	1,341,991
Additions	-	-	1,497	25,090	-	-	71	-	5,483	4,101	71,687	82,596	78,738	111,787
Disposals	(706)	(2,205)	(367)	(1,757)	-	-	(28)	-	(1,519)	(2,089)	-	-	(2,620)	(6,051)
Restructure of administrative arrangements - Transfer out (Note 8.3)	1,595	(63,049)	(7,786)	(121,178)	-	(1,724)	(144)	-	-	(40,962)	(6,021)	(2,426)	(12,356)	(229,339)
Impact of correction of a prior period error on transfer out ^(b)	-	-	-	4,553	-	-	-	-	-	-	-	-	-	4,553
Transfer in/ out of assets under construction	2,683	5,215	24,750	62,324	39	224	8,914	3,677	19,591	11,097	(55,977)	(82,537)	-	-
Revaluation of freehold land and buildings ^(a)	-	37,464	-	86,036	-	-	-	-	-	-	-	-	-	123,500
Impairment (Note 8.2)	(1,316)	(1,300)	-	-	-	-	-	-	-	-	-	-	(1,316)	(1,300)
Brigade assets recognised	-	-	-	159	-	-	-	17	-	375	675	(551)	675	-
Transfer from/ (to) software under development (Note 4.2)	-	-	-	-	-	-	-	-	-	-	636	(204)	636	(204)
Transfer between categories	-	1,162	-	(1,162)	-	-	-	-	-	-	(604)	-	(604)	-
Depreciation	-	-	(32,714)	(30,511)	(1,050)	(1,515)	(4,617)	(3,607)	(25,529)	(27,072)	-	-	(63,910)	(62,705)
Closing balance	160,773	158,517	746,703	761,323	9,820	10,831	32,064	27,868	244,569	246,543	87,546	77,150	1,281,475	1,282,232

Notes:

(a) A scheduled full revaluation, was conducted by Valuer-General Victoria (VGV) in FY21 as per FRD 1031 Non-financial Physical Assets. Refer to Note 7.3.2 for details.

(b) Movement in the fair value of assets transferred to FRV as a result of the prior period adjustment.

4.2 Intangible assets

	(\$ thousand)	
	2022	2021
Capitalised software, trademarks and copyrights		
Gross carrying amount		
Opening balance	13,789	13,789
Disposals	(3,238)	-
Closing balance	10,551	13,789
Accumulated depreciation and amortisation		
Opening balance	12,843	12,310
Accum. Depreciation of disposed intangible assets	(3,238)	-
Amortisation of intangible produced assets ^(a)	71	529
Amortisation of intangible non-produced assets ^(a)	4	4
Closing balance	9,680	12,843
Net book value - Capitalised software, trademarks & copyrights	871	946
Software under development		
Gross carrying amount		
Opening balance	879	675
Additions	23	-
Transfer to capitalised software	(81)	-
Transfer (to)/ from property, plant and equipment (Note 4.1)	(636)	204
Net book value - Software under development	186	879
Net book value at end of financial year	1,057	1,825

Note

(a) The consumption of intangible produced assets is included in 'depreciation and amortisation' line item, whereas consumption of the intangible non-produced assets is included in 'net gain/ (loss) on non-financial 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* is 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. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An **internally generated intangible asset** arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

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

Subsequent measurement

Intangible produced assets with finite useful lives are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. **Intangible non-produced assets** with finite useful lives are amortised as an 'other economic flow' on a straight-line basis over their useful lives.

Useful lives of intangible assets are stated in the below table:

Intangible Asset	(years)
	Useful life
Software	7 - 15
Trademarks and copyrights	10

Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified. The policy in connection with testing for impairment is outlined in Note 4.1.1.

Significant intangible assets

CFA has capitalised development expenditure associated with software. CFA has also capitalised trademarks and copyrights held for protection of its brand and marketing materials. These are amortised over their useful life.

5. OTHER ASSETS AND LIABILITIES

Introduction

This section sets out those assets and liabilities that arose from the CFA's controlled operations.

Structure

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5.1 Receivables

		(\$ thousand)	
		2022	2021
Contractual			
	Sale of goods and services	3,339	3,341
	Allowance for impairment losses of contractual receivables	7.1.2.2 (299)	(373)
	Other receivables	15,076	14,495
Statutory			
	GST net input tax credit recoverable	2,916	2,525
	Regulatory fees	18,990	19,245
	Allowance for impairment losses of statutory receivables	7.1.2.2 (5,733)	(6,123)
Total receivables		34,289	33,110
Represented by:			
	Current receivables	15,929	14,923
	Non-current receivables	18,360	18,187

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. CFA holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables arising from GST recoverable are recognised and measured similar to contractual receivables, but are not classified as financial instruments for disclosure purposes. CFA applies AASB 9 for initial measurement of the statutory receivables arising from GST recoverable and, as a result, GST recoverable are initially recognised at fair value plus any directly attributable transaction cost.

Details about CFA's impairment policies, CFA's exposure to credit risk, and the calculation of the loss allowance are set out at Note 7.1.2.2.

5.2 Inventories

	(\$ thousand)	
	2022	2021
Current inventories		
Supplies and consumables:		
At cost	11,019	10,835
Loss of service potential	-	(180)
Total current inventories	11,019	10,655

Inventories include property held either for sale, or for distribution at zero or nominal cost, or for consumption in the ordinary course of business operations.

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value.

Cost for all inventories is measured based on weighted average cost.

The bases used in assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

5.3 Payables

	(\$ thousand)	
	2022	2021
Contractual		
Supplies and services	3,600	1,052
Other payables	26,890	25,955
Statutory		
FBT payable	228	333
Other taxes payable	495	443
Total payables	31,213	27,783
Represented by:		
Current payables	31,213	27,783

Payables consist of:

- **contractual payables** are classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to CFA prior to the end of the financial year that are unpaid; and
- **statutory payables**, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Trade payables for supplies and services have an average credit period of 30 days. No interest is charged on outstanding balances.

Other payables include accrual for benefits accruing to employees in respect of wages and salaries for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

5.3.1 Maturity analysis of contractual payables ^(a)

	(\$ thousand)						
			Maturity dates				
	Carrying amount	Nominal amount	Less	3			5+ years
			than 1 month	1 to 3 months	months to 1 year	1 to 5 years	
2022							
Supplies and services	3,600	3,600	3,600	-	-	-	-
Other payables	26,890	26,890	26,890	-	-	-	-
Total	30,490	30,490	30,490	-	-	-	-
2021							
Supplies and services	1,052	1,052	1,052	-	-	-	-
Other payables	24,267	24,267	24,267	-	-	-	-
Total	25,319	25,319	25,319	-	-	-	-

Note

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

5.4 Other provisions

	(\$ thousand)	
	2022	2021
Current provisions		
Volunteer compensation	6,853	7,068
Other Provisions	16,144	8,510
Total current provisions	22,997	15,578
Non-current provisions		
Volunteer compensation	40,101	48,740
Other Provisions	613	6,910
Total non-current provisions	40,714	55,650
Total other provisions	63,711	71,228

Other provisions are recognised when CFA has a present obligation, the future sacrifice of economic benefits is probable and the amount of the provision can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using a discount rate that reflects the time, value of money and risks specific to the provision.

Volunteer compensation

CFA administers a compensation scheme, provided for under the *Country Fire Authority Act 1958* that is designed to recompense its volunteers for personal loss and injury incurred as a result of their activities in connection with the CFA. An actuarial assessment of this scheme was performed by Deloitte, to determine the present value of CFA's future payment obligations for injuries sustained up to 30 June 2022. An allowance for anticipated recoveries was made, with these predominately related to lump sum recoveries from the Victorian Managed Insurance Authority (VMIA).

Large Claims: An individual projection model was used, based on current case estimate assumptions, with allowance for future case estimate development and mortality.

Non-Large Claims: Payments and recoveries were modelled using two actuarial techniques: payments per claim incurred, (PPCI) for injuries in 2012 to 2021, and chain-ladder (for injuries prior to 2012).

Allowance was made for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER), based on experience in recent injury years. Inflation adjusted future payments and recoveries were discounted to 30 June 2022 using risk free discount rates.

CFA's net outstanding claims provision decreased from \$55.8m at 30 June 2021 to \$47m at 30 June 2022.

The decrease is predominantly attributable to:

- changes in economic assumptions which are outside the control of CFA's management team;
- markedly lower number of claims reported than expected, reflecting low bushfire season, low volume of incidents impacted by COVID-19 and change in jurisdictional boundaries from the Fire Services Reform Bill 1 July 2020.
- revision to the large claims' threshold, leading to reduced impact of a small cohort of large claims

These decreases partially offset by impacts of applying a higher claims handling expense assumption.

The Risk Margin assumption of 25% is unchanged from the previous assessment and for both assessments includes an additional allowance of 4% for increased uncertainty in liability estimates due to the recovery trajectory of COVID-19.

5.4.1 The volunteer compensation provision is based on the following key assumptions

Assumptions	2022	2021
Claim inflation	3.1%	2.5%
Discount rate	3.6%	1.9%
Risk margin ^(a)	29.0%	29.0%
Claims handling expenses ^(b)	20.0%	15.0%
Weighted average term of settlement ^(c)	6.9 years	7.5 years

Notes

(a) At both assessments, includes an additional allowance of 4% for increased uncertainty due to COVID-19.

(b) The claims handling expense (CHE) assumption of the gross outstanding claims liability has increased by 5%. mainly due to the inclusion of wage oncosts (e.g. payroll tax, SGC, staff support costs, etc), not previously included.

(c) The weighted average term of settlement has decreased, mainly due to decreases in the forecasted remaining years for medical benefits in the large claims estimates.

5.4.2 Reconciliation of movements in provision for volunteer compensation

	(\$ thousand)	
	2022	2021
Opening balance	55,808	41,244
Payments made during the year	(7,262)	(6,589)
Addition/(Reversal) of provision for the year	(1,592)	21,153
Closing balance	46,954	55,808

Remediation and closure of Fiskville Training College

The Environment Protection Authority (EPA) issued clean up notices for the former Fiskville Training College (Fiskville). In response to this, CFA engaged external consultants to provide strategic environmental advice for the management of legacy contamination, resulting from fire training activities. As part of that advice, the external consultant designed and valued rehabilitation activities required at Fiskville. The design was subsequently endorsed by the EPA's independent environmental auditor.

Based on the environmental auditor's endorsement of the rehabilitation strategy, the cost components determined during the year 2015–16 were included in the provision for environmental remediation and decommissioning works for that year. Construction works are now complete and the site has been remediated and no further provision is held for these works.

5.4.3 Reconciliation of movements in provision for environmental decommissioning and remediation works

	(\$ thousand)	
	2022	2021
Opening balance	-	8,850
Reductions arising from payments	-	(8,850)
Additional provision	-	-
Closing balance	-	-

Off-site remediation work

During the year 2020-21, the CFA received a clean up notice to remediate the immediate neighbouring properties located downstream of the former Fiskville Training College and raised a remediation provision of \$14,217k. This was funded by additional funding from 2020 State Budget. In the current year, the remediation provision has been revised to \$12,572k.

5.4.4 Reconciliation of movements in provision for off-site remediation works

	(\$ thousand)	
	2022	2021
Opening balance	14,217	-
Reductions arising from payments	(2,944)	-
Additional provision	1,299	14,217
Closing balance	12,572	14,217

6. FINANCING OUR OPERATIONS

Introduction

This section provides information on the sources of finance utilised by CFA during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of CFA.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

Structure

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6.1 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 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.

	Note	2022	2021
(\$ thousand)			
Total cash and deposits disclosed in the balance sheet			
- Cash at bank and on hand held by CFA Corporate		250,467	232,660
- Cash at bank - Public Fund	6.2.1	12,110	11,942
- Cash at bank - CFA & Brigades Donations Trust Fund	6.2.2	1,034	7,606
- Cash at bank held by Brigades		38,377	36,567
- Short-term deposits held by Brigades		1,885	1,715
Balance as per cash flow statement		303,873	290,490

Cash and deposits represent liquid funds primarily held for the following purposes:

- future expenditure on projects and activities where funding has been received;
- cash held by brigades, which in general will be deployed for the benefit of the relevant brigade or group of brigades;
- provisions on employee benefits, volunteer compensation, off-site Fiskville remediation works and others;
- cash held by Public Fund is to be expended as per the Public Fund Governing Rules; and
- cash held in the Trust for CFA & Brigades Donations Fund will be expended as per the terms of the Trust Deed.

Short-term deposits held by brigades are invested in Authorised Deposit -Taking Institutions (ADIs) approved by Australian Prudential Regulation Authority (APRA) as per CFA's Treasury and Investment Management Policy.

6.1.1 Reconciliation of net result for the period to cash flow from operating activities

	(\$ thousand)	
	2022	2021
Net result for the period	52	(12,320)
Non-cash movements		
(Gain)/ Loss on sale or disposal of non-current assets	(1,537)	(6,018)
Depreciation and amortisation of non-current assets (including non-produced intangible assets)	63,985	63,238
Impairment of property plant and equipment (including intangible assets)	1,316	1,300
Inventory written off	-	312
Impairment of financial assets at amortised cost	(464)	(753)
Bad debts written off	286	13
(Gain)/ Loss arising from revaluation of long service leave liability	(2,669)	(771)
Movements in assets and liabilities		
(Increase)/ Decrease in prepayments	(4,943)	470
(Increase)/ Decrease in receivables	(1,001)	12,440
(Increase)/ Decrease in inventories	(364)	(1,684)
Increase/ (Decrease) in payables	3,430	(845)
Increase/ (Decrease) in employee related provisions	1,404	1,071
Increase/ (Decrease) in other provisions	(7,517)	19,931
Net cash inflow from operating activities	51,979	76,384

6.2 Trust and Fund account balances

6.2.1 Public Fund

The Public Fund is a public fund for the *Income Tax Assessment Act 1997 (as amended)*. This Fund is controlled by CFA.

The purpose of the Public Fund is to solicit donations and receive funds solely to support CFA in terms of the CFA Public Fund governing rules.

6.2.1.1 Public Fund controlled by CFA

2022					(\$ thousand)
	Opening balance as at 1 July 2021	Total receipts	Total payments	Closing balance as at 30 June 2022	
Cash and cash equivalents and investments					
Public Fund	11,942	547	379	12,110	

2021					(\$ thousand)
	Opening balance as at 1 July 2020	Total receipts	Total payments	Closing balance as at 30 June 2021	
Cash, cash equivalents & investments					
Public Fund	11,304	661	23	11,942	

6.2.2 Trust for CFA & Brigades Donations Fund

The Trust for CFA & Brigades Donations Fund is a public fund for the *Income Tax Assessment Act 1997 (as amended)*. The general objectives of the Trust are to raise and receive money and donations of goods and services from the public for distribution to the brigades to enable them to meet the costs of purchasing and maintaining fire-fighting equipment and facilities, providing training and resources and to otherwise meet those administrative expenses of the brigades which are associated with their firefighting equipment functions.

Any earnings on the funds held pending distribution are also applied to the trust funds under management as appropriate. The transactions and balances of the Trust are consolidated in this financial statement based on an assessment that CFA has control of the Trust, as defined in AASB 10 *Consolidated Financial Statements*.

6.2.2.1 Trust for CFA & Brigades Donations Fund controlled by CFA

2022					(\$ thousand)
	Opening balance as at 1 July 2021	Total receipts	Total payments	Closing balance as at 30 June 2022	
Cash and cash equivalents and investments					
Trust for CFA & Brigades Donations Fund	11,706	3,597	10,169	5,134	

2021					(\$ thousand)
	Opening balance as at 1 July 2020	Total receipts	Total payments	Closing balance as at 30 June 2021	
Cash and cash equivalents and investments					
Trust for CFA & Brigades Donations Fund	11,073	4,068	3,435	11,706	

6.3 Investments

		(\$ thousand)	
		2022	2021
Term deposits			
Australian dollar term deposits held by the Trust > three months	6.2.2	4,100	4,100
Australian dollar term deposits held by Brigades > three months		52,354	51,022
Total current investments		56,454	55,122

6.4 Borrowings

		(\$ thousand)	
		2022	2021
Current Borrowings			
Right-of-use lease liabilities		8,664	8,332
Total current borrowings		8,664	8,332
Non-current borrowings			
Right-of-use lease liabilities		63,088	65,387
Total non-current borrowings		63,088	65,387
Total borrowings		71,752	73,719

Borrowings refer to lease liabilities associated with right of use assets.

Borrowings are classified as financial instruments which are measured at amortised cost.

Defaults and breaches: During the current and prior year, there were no defaults and breaches of any of the borrowings.

6.4.1 Maturity analysis of borrowings

		(\$ thousand)						
		Maturity dates						
	Carrying amount	Nominal amount	Less than 1 month	1 - 3 months	3 months - 1 year	1 - 5 years	5+ years	
2022								
Right-of-use lease liabilities	71,752	82,955	917	1,799	7,896	36,652	35,691	
Total	71,752	82,955	917	1,799	7,896	36,652	35,691	
2021								
Right-of-use lease liabilities	73,719	86,549	913	1,791	7,637	33,958	42,250	
Total	73,719	86,549	913	1,791	7,637	33,958	42,250	

Note: Lease liabilities arise from the adoption of the AASB 16 Leases.

6.4.2 Interest expenses

		(\$ thousand)	
		2022	2021
Right-of-use lease interest expenses		2,050	1,874
Total interest expenses		2,050	1,874

Interest expense represents interest component of lease repayments and is recognised in the period in which it is incurred. The CFA recognises borrowing cost immediately as an expense.

6.5 Leases

Information about leases for which CFA is a lessee is presented below.

CFA leasing activities

The CFA leases various properties, IT equipment and motor vehicles. The lease contracts are typically made for fixed periods of a number of years with an option to renew the lease after that expiry date. Lease payments are renegotiated prior to expiry date to reflect market rentals.

The CFA leases some equipment with contract terms of less than one year. These leases are short-term and/ or leases of low value items. The CFA has elected not to recognise right-of-use assets and lease liabilities for these leases.

Leases at significantly below-market terms and conditions

CFA entered into a number of leases for the use of facilities to provide community services. The lease contracts specify lease payments of under \$200 per annum. The leased premises are used by the CFA to provide fire-fighting and rescue services to the community. These leases account for a small portion of similar premises used by CFA for the purpose of providing services to the community and therefore they do not have a significant impact on CFA's operations.

6.5.1 Right-of-use Assets

Right-of-use assets are presented in Note 4.1.1.

6.5.2 Amounts recognised in the Comprehensive Operating Statement

The following amounts are recognised in the Comprehensive Operating Statement relating to leases:

	(\$ thousand)	
	2022	2021
Interest expense on lease liabilities	2,050	1,874
Expenses relating to short term and low value leases	235	345
Total amount recognised in the comprehensive operating statement	2,285	2,219

6.5.3 Amounts recognised in the Statement of Cashflows

The following amounts are recognised in the Statement of Cashflows for the year ending 30 June 2022 relating to leases:

	(\$ thousand)	
	2022	2021
Interest expense on lease liabilities	2,050	1,874
Repayment of lease liabilities	8,512	9,247
Total cash outflow for leases	10,562	11,121

For any new contracts entered into, CFA considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition CFA 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 CFA and for which the supplier does not have substantive substitution rights;
- whether the CFA 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 CFA has the right to direct the use of the identified asset throughout the period of use; and
- whether CFA has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee 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 (under AASB 16)

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 the CFA's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable;

Lease Liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

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

Short-term leases and leases of low value assets

CFA has elected to account for short-term leases and leases of low value assets using the practical expedients. Instead of recognising a right of use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight line basis over the lease term.

Below market/ Peppercorn lease

Right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable CFA to further its objectives, are initially and subsequently measured at cost.

These right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Presentation of right-of-use assets and lease liabilities

CFA presents right-of-use assets as 'Property, plant and equipment' in the Balance Sheet. Lease liabilities are presented as 'borrowings' in the Balance Sheet.

6.6 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.

6.6.1 Total commitments payable

	(\$ thousand)			
Nominal amounts	Less than	1 to 5	5+	
2022	1 year	years	years	Total
Capital expenditure commitments payable	35,828	3,534	-	39,362
Operational commitments payable	34,755	8,374	800	43,929
Total commitments (inclusive of GST)	70,583	11,908	800	83,291
Less GST recoverable from the Australian Tax Office	(6,417)	(1,083)	(73)	(7,572)
Total commitments (exclusive of GST)	64,166	10,825	728	75,719

	(\$ thousand)			
Nominal amounts	Less than	1 to 5	5+	
2021	1 year	years	years	Total
Capital expenditure commitments payable	51,023	11,893	-	62,916
Other commitments payable	55,063	40,719	-	95,782
Total commitments (inclusive of GST)	106,086	52,612	-	158,698
Less GST recoverable from the Australian Tax Office	(9,644)	(4,783)	-	(14,427)
Total commitments (exclusive of GST)	96,442	47,829	-	144,271

The decrease in commitments payable from the prior year is largely due to a change in payment methodology for the Regional Mobile Radio contribution to ESTA. In the prior year, this was paid directly to ESTA; in prospective years this contribution will be withheld from CFA's general purpose grant.

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

CFA 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 CFA relates 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 CFA's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and regulatory fees). Such financial assets and liabilities do not meet the definition of financial instruments in *AASB 132 Financial Instruments: Presentation*.

An exception to the above is financial assets from regulatory fees. While this financial asset does not meet the definition of financial instruments in *AASB 132 Financial Instruments: Presentation*, the nature of regulatory fees arising from statutory requirements is, in substance, similar to a contractual receivable, as the regulatory fees also provides CFA with a right to receive cash or another financial asset from another entity. The difference between contractual receivables and regulatory fees is that the rates for regulatory fees are as determined by Ministerial Direction. Accordingly, CFA recognises, measures and presents a statutory receivable arising from regulatory fees as if it were a financial instrument when the statutory requirements establish a right for the entity to receive cash or another financial asset.

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by CFA to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

CFA recognises the following assets in this category:

- cash and deposits;
- Contractual receivables;
- Statutory receivables - regulatory fees; and
- investments in term deposits.

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 plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method. CFA recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including lease liabilities).

7.1.1 Financial instruments: Categorisation

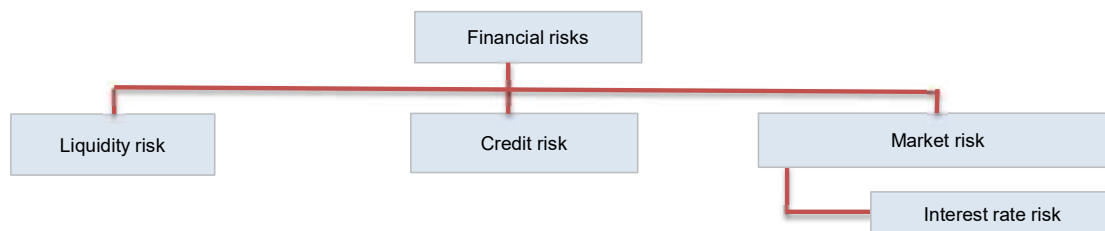
	(\$ thousand)			
2022	Cash and deposits	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Financial assets				
Cash and deposits	303,873	-	-	303,873
Receivables^(a)				
Sale of goods and services	-	3,040	-	3,040
Other receivables	-	15,076	-	15,076
Statutory receivables - regulatory fees	-	13,257	-	13,257
Investments				
Term deposits	-	56,454	-	56,454
Total financial assets	303,873	87,827	-	391,700
Financial liabilities				
Payables^(a)				
Supplies and services	-	-	3,600	3,600
Other payables	-	-	26,890	26,890
Borrowings				
Lease liabilities	-	-	71,752	71,752
Total financial liabilities	-	-	102,242	102,242

	(\$ thousand)			
2021	Cash and deposits	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Financial assets				
Cash and deposits	290,490	-	-	290,490
Receivables^(a)				
Sale of goods and services	-	2,968	-	2,968
Other receivables	-	11,604	-	11,604
Statutory receivables - regulatory fees	-	13,122	-	13,122
Investments				
Term deposits	-	55,122	-	55,122
Total financial assets	290,490	82,816	-	373,306
Financial liabilities				
Payables^(a)				
Supplies and services	-	-	1,052	1,052
Other payables	-	-	24,267	24,267
Borrowings				
Lease liabilities	-	-	73,719	73,719
Total financial liabilities	-	-	99,038	99,038

Notes

(a) The total amounts disclosed exclude GST, FBT and other taxes

7.1.2 Financial risk management objectives and policies



As a whole, CFA's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability above are disclosed in Note 7.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage CFA's financial risks within the government policy parameters.

CFA's main financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. CFA manages these financial risks in accordance with its Treasury and Investment Management Policy.

CFA 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 Board of CFA.

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. CFA's exposure to credit risk arises from the potential default of counterparties on their contractual and statutory obligations resulting in financial loss to CFA. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with CFA's financial assets is minimal. CFA minimises the concentration of credit risk by undertaking transactions with a large number of customers. Other than trade debtors, the major amounts owing at any point in time are from government (considered to be no credit risk). Other than trade debtors, at times there may be amounts owing from other entities. The assessment of credit risk for these are assessed on a case by case basis.

Credit risk in trade receivables is managed in the following ways:

- review debtor aged trial balance report for credit worthiness of customers and collectability of debtor balances
- follow-up on amounts that are 90 to 120 days overdue, via:
 - verbal follow up with debtor
 - written correspondence to customers requesting payment; and
 - refer debts internally for debt collection

The consideration of any impairment of a contractual and statutory receivable is measured at an amount equal to lifetime expected credit losses in accordance with the requirements of *AASB 9 Financial Instruments* and Para 4.3 of FRD 114C. CFA measure expected credit losses of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts, and future economic conditions.

Contract and statutory financial assets are written off against the carrying amount when identified, and there is no reasonable expectation of recovery.

Bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts written off following a unilateral decision is recognised as other economic flows in the net result.

CFA has in place a Board-approved Treasury and Investment Management Policy, which complies with the *Borrowing and Investment Powers Act 1987*.

Investments of cash, surplus to the day-to-day transactional requirements, are invested in an account with the Central Banking System under the Standing Directions 2018. Investments held by brigades are made with Authorised Deposit-Taking Institutions (ADIs) approved by the Australian Prudential Regulation Authority (APRA) as per CFA's Treasury and Investment Management Policy.

Currently CFA does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

Except as otherwise detailed in the following table, the carrying amount of contractual and statutory financial assets recorded in the financial statements, net of any allowances for losses, represents CFA's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to CFA's credit risk profile in 2021-2022.

7.1.2.1 Credit quality of financial assets

	(\$ thousand)		
2022	Financial institution	Other	Total
Financial assets			
Cash and deposits	303,873	-	303,873
Investments held by CFA & Brigades Trust Fund > 3 months	4,100	-	4,100
Investments held by brigades > 3 months	52,354	-	52,354
Financial assets with loss allowance measured at lifetime expected credit loss:^(a)			
Contractual receivables applying the simplified approach for impairment	-	18,116	18,116
Statutory receivables - regulatory fees applying the simplified approach for impairment	-	13,257	13,257
Total financial assets	360,327	31,373	391,700

			(\$ thousand)
2021	Financial institution	Other	Total
Financial assets			
Cash and deposits	290,490	-	290,490
Investments held by CFA Corporate > 3 months	4,100	-	4,100
Investments held by brigades > 3 months	51,022	-	51,022
Financial assets with loss allowance measured at lifetime expected credit loss:^(a)			
Contractual receivables applying the simplified approach for impairment	-	14,572	14,572
Statutory receivables - regulatory fees applying the simplified approach for impairment	-	13,122	13,122
Total financial assets	345,612	27,694	373,306

Notes

(a) The total amounts disclosed exclude GST, FBT and other taxes

Impairment of financial assets under AASB 9 Financial Instruments

CFA records the allowance for expected credit loss for the relevant financial instruments applying the AASB 9 Expected Credit Loss approach. Subject to AASB 9 impairment assessment include CFA's contractual receivables and statutory receivables.

While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was \$Nil.

Contractual receivables and statutory receivables at amortised cost

CFA applies 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. CFA has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on CFA's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

CFA's statutory receivables regulatory fees are considered as financial instruments as per para 4.3 of *FRD 114C Financial Instrument* and *AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities*. These statutory receivables are recognised and measured in accordance with AASB 9 requirements as financial instruments under FRD 114C. CFA applies AASB 9 simplified approach for statutory receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. CFA has similarly grouped statutory receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on CFA's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

7.1.2.2 On this basis, CFA determines the closing loss allowance at end of the financial year as follows:

						(\$ thousand)
30 June 2022	Current	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Total
Contractual Receivables						
Expected loss rate (%)	0.57%	1.24%	5.16%	77.34%	-	
Gross carrying amount	2,379	510	159	292	-	3,339
Loss allowance*	14	6	8	225	-	254
Statutory Receivables						
Expected loss rate (%)	0.55%	1.18%	4.89%	70.52%	30.56%	
Gross carrying amount	245	149	70	166	18,360	18,990
Loss allowance	1	2	3	117	5,609	5,733

*The loss allowance does not include specific provisions for doubtful debts

						(\$ thousand)
As at 30 June 2021	Current	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Total
Contractual Receivables						
Expected loss rate (%)	0.00%	0.98%	2.94%	26.36%	-	
Gross carrying amount	823	319	895	1,304	-	3,341
Loss allowance	-	3	26	344	-	373
Statutory Receivables						
Expected loss rate (%)	1.43%	2.70%	40.22%	64.40%	30.85%	
Gross carrying amount	163	62	115	718	18,187	19,245
Loss allowance	2	2	46	462	5,611	6,123

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

			(\$ thousand)	
			2022	2021
Balance at beginning of the year			(373)	(254)
Reversal of unused/ (Increase in) provision recognised in the net result			119	(119)
Balance at end of the year*			(254)	(373)

*The loss allowance does not include specific provisions for doubtful debts

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

			(\$ thousand)	
			2022	2021
Balance at beginning of the year			(6,123)	(6,995)
Reversal of unused/ (Increase in) provision recognised in the net result			390	872
Balance at end of the year			(5,733)	(6,123)

Credit loss allowance is classified as other economic flows in the net result. Contractual and statutory receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

Under the simplified approach, the loss allowance is measured in the same period as an asset is recognised and is measured based on lifetime Expected Credit Losses. For example, the Expected Credit Losses for contractual receivables and statutory receivables from large number of small customers is determined based on a provision matrix, which is in turn, based on historical observed default rates, adjusted for forward-looking estimates.

Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. CFA is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet. CFA manages its liquidity risk by:

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets; and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

CFA's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from funds invested in call accounts through the Central Banking System.

The carrying amount of contractual financial liabilities detailed in Note 5.3 represents CFA's maximum exposure to liquidity risk.

Financial instruments: Market risk

CFA's exposure to market risk is primarily through interest rate risk. Due to general economic conditions interest rates are at historically low rates. Surplus cash and deposits that are invested-in a call account at daily variable rates impacts income and cash.

CFA's exposure to foreign currency risk is insignificant.

Objectives, policies and processes used to manage each of these risks are disclosed below.

Sensitivity disclosure analysis and assumptions

CFA's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period, with all variables other than the primary risk variable held constant. CFA's fund managers cannot be expected to predict movements in market rates and prices. Sensitivity analysis shown is for illustrative purposes only. The following movements are 'reasonably possible' over the next 12 months:

- a movement of 100-basis points up and down (2021: 10 basis points up and down) in market interest rates in the Australian Dollar (AUD).

The tables that follow show the impact on CFA's net result for each category of financial instrument held by CFA 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. CFA does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. CFA has exposure to cash flow interest rate risks through deposits at call at floating interest rates with the Central Banking System and a moderate exposure via fixed rate term deposits by brigades with Authorised Deposit Taking Institutions (ADI) approved by Australian Prudential Regulation Authority (APRA).

The carrying amounts of financial assets that are exposed to interest rates and CFA's sensitivity to interest rate risk are set out in the table that follows.

7.1.2.3 Interest rate exposure of financial instruments

	%	Interest rate exposure				Non-interest bearing
		Weighted average interest rate	Carrying amount	Fixed interest rate	Variable interest rate	
2022						
Financial assets						
Cash and deposits	0.29%	303,873	-	303,873	-	
Receivables ^(a)						
Sale of goods and services		3,040	-	-	3,040	
Other receivables		15,076	-	-	15,076	
Statutory receivables		13,257	-	-	13,257	
Investments > 3 months	1.05%	56,454	56,454	-	-	
Total financial assets		391,700	56,454	303,873		31,373
Financial liabilities						
Payables ^(a)						
Supplies and services		3,600	-	-	3,600	
Other payables		26,890	-	-	26,890	
Borrowings						
ROU Lease liabilities	2.82%	71,752	71,752	-	-	
Total financial liabilities		102,242	71,752	-		30,490

	%	Interest rate exposure				(\$ thousand)
		Weighted average interest rate	Carrying amount	Fixed interest rate	Variable interest rate	Non-interest bearing
2021						
Financial assets						
Cash and deposits	0.30%	290,490	-	290,490	-	
Receivables ^(a)						
Sale of goods and services		2,968	-	-	2,968	
Other receivables		11,604	-	-	11,604	
Statutory receivables		13,122	-	-	13,122	
Investments > 3 months	0.50%	55,122	55,122	-	-	
Total financial assets		373,306	55,122	290,490		27,694
Financial liabilities						
Payables ^(a)						
Supplies and services		1,052	-	-	1,052	
Other payables		24,267	-	-	24,267	
Borrowings						
ROU Lease liabilities	2.94%	73,719	73,719	-	-	
Total financial liabilities		99,038	73,719	-		25,319

Notes

(a) The total amounts disclosed exclude GST, FBT and other taxes

7.1.2.4 Interest rate risk sensitivity

	Carrying amount	(\$ thousand)	
		-100 basis points	+100 basis points
2022		Net Result	Net result
Contractual financial assets			
Cash and deposits ^(a)	303,873	(3,039)	3,039
Total impact		(3,039)	3,039

	Carrying amount	(\$ thousand)	
		-10 basis points	+10 basis points
2021		Net Result	Net result
Contractual financial assets			
Cash and deposits ^(a)	290,490	(290)	290
Total impact		(290)	290

Note

a) Cash and deposits include deposits of \$303.9m (2021: \$290.5m) that are exposed to floating rate movements. Sensitivities to these movements are calculated as follows:

- 2022: \$305,034 × ± 0.0010 = ± \$305k; and

- 2021: \$290,490 × ± 0.0010 = ± \$290k.

7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet but are disclosed, and if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

CFA has not identified any contingent assets for the 2022 financial year (2021: \$nil)

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
 - the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

Non-quantifiable contingent liabilities

A number of potential obligations are non-quantifiable at this time arising from:

- i) At 30 June 2022, CFA is included as a party in many legal proceedings. Due to the diversity of issues associated with these legal matters and their discretionary nature, quantification of the financial effect cannot be reliably estimated and it is therefore impractical to do so.
- ii) Firefighters' Presumptive Rights Compensation and Fire Services Legislation Amendment (Reform) Act 2019 (the Act)
- ii) Remediation and closure of Fiskville Training College and remediation of VEMTC training grounds.

Firefighters' Presumptive Rights Compensation and Fire Services Legislation Amendment (Reform) Act 2019

The *Firefighters' Presumptive Rights Compensation and Fire Services Legislation Amendment (Reform) Act 2019* (the Act) was assented to on 2 July 2019. Part 2 of the Act, which came into operation on 3 July 2019, provides for the establishment and operation of the Firefighters' Presumptive Rights Compensation scheme for both career and volunteer firefighters. At the time of the preparation of this report, it is impractical to quantify any possible contingent liabilities for CFA arising from the scheme.

Remediation and closure of Fiskville Training College and remediation of VEMTC training grounds

On 26 March 2015, the government announced the permanent closure of Fiskville Training College (Fiskville). Fiskville and the VEMTC training grounds owned by CFA at Peshurst, Bangholme, West Sale, Wangaratta, Huntly, and Longerenong have been the subject of notices issued by the EPA.

Refer Note 5.4 for details of provisions associated with the off-site Fiskville remediation works, where the works are quantifiable.

CFA has contingent liabilities arising from the closure of Fiskville and notices issued by EPA. These relate to further notices that may be issued by EPA, regulatory infringements that may be imposed by EPA, compensation that may be sought and, any legal claims that may be made. At this stage it is impractical to quantify the financial impacts of these contingent liabilities.

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 CFA.

This section sets out information on how CFA 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.

Land, buildings, plant and equipment and vehicles, including right-of-use assets are carried at fair value.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

CFA determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

CFA determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is CFA's independent valuation agency. CFA, in conjunction with VGV, monitors changes in the fair value of each asset through relevant data sources to determine whether revaluation is required.

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- which level of the fair value hierarchy was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures relating to fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 7.3.2).

7.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

CFA currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value due to their short-term nature or with the expectation that they will be paid in full by the end of the 2021-22 reporting period. All financial instruments are determined at Level 3 above. Refer to Note 7.1.1 for the list of financial instruments.

There have been no transfers between levels during the period.

7.3.2 Fair value determination: Non-financial physical assets

7.3.2.1 Fair value measurement hierarchy

2022	Carrying amount as at 30 June 2022	Fair value measurement at end of reporting period using:		
		Level 1 ^(a)	Level 2 ^(a)	Level 3 ^(a)
Land at fair value				
Specialised land	160,773	-	-	160,773
Total of land at fair value	160,773	-	-	160,773
Buildings at fair value				
Specialised buildings	745,275	-	-	745,275
Heritage assets ^(b)	1,428	-	-	1,428
Total of buildings at fair value	746,703	-	-	746,703
Leasehold improvements at fair value				
Leasehold improvements	9,820	-	-	9,820
Total of Leasehold improvements at fair value	9,820	-	-	9,820
Plant, equipment and vehicles at fair value				
Plant and equipment	32,064	-	-	32,064
Vehicles	244,569	-	-	244,569
Total of plant, equipment and vehicles at fair value	276,633	-	-	276,633

2021	Carrying amount as at 30 June 2021	Fair value measurement at end of reporting period using:		
		(\$ thousand)		
		Level 1 ^(a)	Level 2 ^(a)	Level 3 ^(a)
Land at fair value				
Specialised land	158,517	-	-	158,517
Total of land at fair value	158,517	-	-	158,517
Buildings at fair value				
Specialised buildings	759,854	-	-	759,854
Heritage assets ^(b)	1,469	-	-	1,469
Total of buildings at fair value	761,323	-	-	761,323
Leasehold improvements at fair value				
Leasehold improvements	10,831	-	-	10,831
Total of Leasehold improvements at fair value	10,831	-	-	10,831
Plant, equipment and vehicles at fair value				
Plant and equipment	27,868	-	-	27,868
Vehicles	246,543	-	-	246,543
Total of plant, equipment and vehicles at fair value	274,411	-	-	274,411

Notes

(a) Classified in accordance with the fair value hierarchy.

(b) CFA holds \$1,165k (2021: \$1,469k) worth of properties listed as heritage assets. These heritage assets cannot be modified nor disposed of without formal ministerial approval.

There have been no transfers between levels during the period.

Specialised land and buildings: The market approach to valuation is used for specialised land, although it is adjusted for the Community Service Obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For CFA's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciation. 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 CFA's specialised land and buildings was performed by the Valuer-General Victoria, using the market approach adjusted for CSO. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. Fair value is determined by direct reference to recent market transactions on arm's length terms for land of comparable size and location to the CFA. The valuation was based on independent assessments, with management recognising that it is difficult to reliably estimate with any degree of certainty the potential impact of COVID 19 on the valuation. The effective date of the valuation is 30 June 2021.

CFA conducted a desktop fair value assessment of right-of-use buildings as at 30 June 2022 and concluded that there was no material movement in fair value. The assessment considered available market data for similar buildings to assess the value of right-of-use buildings. As the resulting movement in fair value did not meet the requirements for revaluation under FRD 103I Non-financial Physical Assets, no managerial revaluation was performed.

Heritage assets are valued using the current replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

Where it has not been possible to examine hidden works such as structural frames and floors, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the building. The estimated cost of reconstruction including structure services and finishes, also factors in any heritage classifications as applicable.

An independent valuation of CFA's heritage assets was performed by the Valuer-General Victoria, using the current replacement cost of the assets. The effective date of the valuation is 30 June 2021.

Vehicles are valued using the current replacement cost method. CFA 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 at CFA who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method. There were no changes in valuation techniques throughout the period to 30 June 2022. For all assets measured at fair value, the current use is considered the highest and best use.

A more detailed analysis of the sensitivity of significant unobservable inputs used in the valuation is disclosed in the table below titled 'Description of significant unobservable inputs to Level 3 valuations'.

7.3.2.2 Reconciliation of Level 3 fair value movements

	(\$ thousand)					
2022	Specialised land	Specialised buildings	Heritage assets	Leasehold improvements	Plant and equipment	Vehicles
Opening balance	158,517	759,854	1,469	10,831	27,868	246,543
Purchases	2,683	26,247	-	39	8,985	25,074
Disposals	(706)	(367)	-	-	(28)	(1,519)
Asset transfer to other government agencies	1,595	(7,786)	-	-	(144)	-
Impairment	(1,316)	-	-	-	-	-
Depreciation	-	(32,673)	(41)	(1,050)	(4,617)	(25,529)
Closing balance	160,773	745,275	1,428	9,820	32,064	244,569

	(\$ thousand)					
2021	Specialised land	Specialised buildings	Heritage assets	Leasehold improvements	Plant and equipment	Vehicles
Opening balance	181,230	735,996	1,773	13,846	27,781	301,093
Purchases	5,215	87,573	-	224	3,694	15,573
Disposals	(2,205)	(1,757)	-	-	-	(2,089)
Asset transfer to other government agencies	(63,049)	(116,625)	-	(1,724)	-	(40,962)
Revaluation of land and buildings	37,464	86,299	(263)	-	-	-
Impairment	(1,300)	-	-	-	-	-
Transfer between categories	1,162	(1,162)	-	-	-	-
Depreciation	-	(30,470)	(41)	(1,515)	(3,607)	(27,072)
Closing balance	158,517	759,854	1,469	10,831	27,868	246,543

7.3.2.3 Description of significant unobservable inputs to Level 3 valuations

2021 and 2022	Valuation technique	Significant unobservable inputs	Range (Weighted Average)	Sensitivity Of Fair Value Measurement to Changes in Significant Unobservable Inputs
Specialised land	Market approach	CSO adjustment 10% - 80%	10% - 80%	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	Range: \$10 – \$11,564 per square meter	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
		Useful life of specialised buildings	10 - 50 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Heritage assets	Current replacement cost ^(a)	Direct cost per square metre	\$2,269 per square meter	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
		Useful life of heritage assets	100 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Vehicles	Current replacement cost	Cost per unit	Range: \$1000 - \$1 million per unit	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of vehicles	3 to 25 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Plant and equipment	Current replacement cost	Cost per unit	Range: \$10 – \$11,564 per square meter	A significant increase or decrease in cost per unit would result in a significantly higher or lower fair value.
		Useful life of plant and equipment	5 to 20 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

Note

(a) For some heritage and iconic 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 30 June 2021.

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 to acquire goods, services or other benefits for the entity, to meet a legal liability, to settle or resolve a possible legal liability or claim against the entity.

No ex-gratia payments were made during the financial year.

	(\$ thousand)	
	2022	2021
Payments made on termination	-	-
Total ex-gratia expenses	-	-

Notes:

(a) Includes ex-gratia expenses for both individual items or in aggregate that are greater than or equal to \$5,000.

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.

	(\$ thousand)	
	2022	2021
Net gain/ (loss) on non-financial assets		
Amortisation of non-produced intangible assets ^(a)	(4)	(4)
Impairment of property plant and equipment (including intangible assets)	(1,316)	(1,300)
Inventory written off	-	(312)
Net gain/ (loss) on disposal of property plant and equipment	1,537	6,018
Total net gain on non-financial assets	217	4,402
Net gain / (loss) on financial instruments		
Impairment reversal of financial assets at amortised cost ^(b)	464	753
Total net gain on financial instruments	464	753
Other gain/ (loss) from other economic flows		
Net gain/ (loss) arising from revaluation of long service liability ^(c)	2,669	771
Total other gain/ (loss) from other economic flows	2,669	771

Notes

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

(b) Includes (increase)/ decrease in provision for doubtful debts and bad debts from other economic flows.

(c) Revaluation gain/(loss) due to changes in bond rates

8.3 Restructure of administrative arrangements through contributed capital

From 1 July 2020, Parts 3 to 11 of the *Firefighter's Presumptive Rights Compensation and Fire Services Legislation Amendment (Reform) Act 2019* came into operation and amended the *Country Fire Authority Act 1958* and the *Fire Rescue Victoria Act 1958 (FRV Act)*, together referred to as Fire Services Reform. This machinery of government change saw the commencement of Fire Rescue Victoria (FRV), bringing together career firefighters from the Metropolitan Fire Brigade and CFA, and restored CFA to a volunteer firefighting service.

Fire Services Reform gave rise to a restructuring of administrative arrangements for CFA during the current year. This restructure resulted in a range of transfers from CFA to FRV, which included associated property, rights, liabilities and obligations (both identified and contingent). Key elements that transferred between CFA to FRV due to this restructure during 2021-22 are cash, funding and physical assets associated with completed projects.

The net assets and liabilities transferred between CFA and FRV as a result of the administrative restructure are shown below. The values reflect the carrying amounts of those assets and liabilities immediately before the respective transfers.

	(\$ thousand)
	2022
Assets	
Cash and deposits	724
Property, plant and equipment	12,355
Total assets	13,079
Net assets transferred through contributed capital	13,079

The income and expenses for the year for operations transferred to FRV are for the accounting of FRV.

8.4 Physical asset revaluation surplus

		(\$ thousand)	
	Note	2022	2021
Physical asset revaluation surplus			
Balance at beginning of financial year		676,452	552,952
Revaluation increments/ (decrements)			
- Freehold land	4.1.3	-	37,464
- Buildings	4.1.3	-	86,036
Balance at end of financial year		676,452	676,452
Net changes in physical asset revaluation surplus		-	123,500

8.5 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994 (FMA)*, the following disclosures are made regarding responsible persons for the reporting period.

Names

The names of the people who were 'Responsible Persons' at any time during the financial year for CFA are:

Responsible Minister

Minister for Emergency Services

The Hon Jaclyn Symes, MP 1 July 2021 to 30 June 2022

Acting Ministers for Emergency Services

The Hon Lisa Neville, MP 16 June 2022 to 18 June 2022
 The Hon. Natalie Hutchins, MP 19 April 2022 to 27 April 2022
 The Hon Lisa Neville, MP 18 April 2022 to 18 April 2022
 The Hon. Natalie Hutchins, MP 20 September 2021 to 1 October 2021

Authority Members (CFA Board Members)

Greg Wilson (Chair) 1 July 2021 to 30 June 2022
 Michelle McLean (Deputy Chair) 1 July 2021 to 30 June 2022
 Peter Shaw AFSM 1 July 2021 to 30 June 2022
 Pamela White PSM 1 July 2021 to 30 June 2022
 Kent Griffin 1 July 2021 to 30 June 2022
 Dawn Hartog 1 July 2021 to 30 June 2022
 Beth Davidson OAM 1 July 2021 to 30 June 2022
 Dr. Gillian Sparkes AM 1 July 2021 to 17 June 2022
 Simon Weir 1 July 2021 to 31 December 2021
 Anthony Peake 17 June 2022 to 30 June 2022
 Rachel Thomson 17 June 2022 to 30 June 2022

Accountable Officer

Natalie MacDonald (Chief Executive Officer) 1 July 2021 to 30 June 2022

Remuneration (other than the Responsible Minister)

8.5.1 The numbers of Responsible Persons are shown below in their relevant income bands:

Income Band	Number	
	2022	2021
\$0 - \$9,999 ^(a)	3	2
\$20,000 - \$29,999	1	-
\$30,000 - \$39,999	-	1
\$50,000 - \$59,999	5	6
\$60,000 - \$69,999	1	1
\$100,000 - \$109,999	-	1
\$110,000 - \$119,999	1	-
\$160,000 - \$169,999	-	1
\$270,000 - \$279,999	-	1
\$470,000 - \$479,999	1	-
Total numbers	12	13
Total amount (\$ thousand)	959	982

Note

(a) Dr. Gillian Sparkes AM is the Commissioner for Environmental Sustainability Victoria and received nil remuneration during 2022 (2021: nil).

8.6 Remuneration of executives

The number of executive officers, other than Ministers and the Accountable Officer, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

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

Short-term employee benefits include amounts such as salaries, wages, 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 employer's contribution to superannuation and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

Remuneration of executive officers (including Key Management Personnel disclosed in Note 8.7)	(\$ thousand)	
	Total remuneration	
	2022	2021
Short-term employee benefits	7,544	7,266
Post-employment benefits	663	712
Other long-term benefits	171	145
Termination benefits	267	346
Total remuneration	8,645	8,468
Total number of executives ^(a) (number)	32	33
Total annualised employee equivalents ^(b) (number)	29.4	32.6

Notes

(a) The total number of executive officers include persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure. Refer to note 8.7.

(b) Annualised employee equivalent is based on the time fraction worked over the reporting period.

8.7 Related parties

CFA is a wholly owned and controlled entity of the State of Victoria.

Related parties of CFA include:

- all Key Management Personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over); and
- all Cabinet Ministers and their close family members.
- all departments and 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.

Key Management Personnel of CFA includes the Portfolio Minister, Board of Directors, Chief Executive Officer, Chief Officer, Chief Information Officer, Chief Financial Officer and Group General Managers.

KMP	KMP Category	Position title	Period
The Hon. Jaclyn Symes, MP	Portfolio Minister	Minister for Emergency Services	1 July 2021 to 30 June 2022
The Hon Lisa Neville, MP	Portfolio Minister	Acting Minister for Emergency Services	16 June 2022 to 18 June 2022
The Hon. Natalie Hutchins, MP	Portfolio Minister	Acting Minister for Emergency Services	19 April 2022 to 27 April 2022
The Hon Lisa Neville, MP	Portfolio Minister	Acting Minister for Emergency Services	18 April 2022 to 18 April 2022
The Hon. Natalie Hutchins, MP	Portfolio Minister	Acting Minister for Emergency Services	20 September 2021 to 1 October 2021
Greg Wilson	Board of Directors	Chair	1 July 2021 to 30 June 2022
Michelle McLean	Board of Directors	Deputy Chair	1 July 2021 to 30 June 2022
Peter Shaw AFSM	Board of Directors	Board Member	1 July 2021 to 30 June 2022
Pamela White PSM	Board of Directors	Board Member	1 July 2021 to 30 June 2022
Dr. Gillian Sparkes AM	Board of Directors	Board Member	1 July 2021 to 17 June 2022
Simon Weir	Board of Directors	Board Member	1 July 2021 to 31 December 2021
Kent Griffin	Board of Directors	Board Member	1 July 2021 to 30 June 2022
Dawn Hartog	Board of Directors	Board Member	1 July 2021 to 30 June 2022
Beth Davidson OAM	Board of Directors	Board Member	1 July 2021 to 30 June 2022
Anthony Peake	Board of Directors	Board Member	17 June 2022 to 30 June 2022
Rachel Thomson	Board of Directors	Board Member	17 June 2022 to 30 June 2022
Natalie MacDonald	CFA Executive	Chief Executive Officer	1 July 2021 to 30 June 2022
Jason Heffernan	CFA Executive	Chief Officer	1 July 2021 to 30 June 2022
Nigel McCormick	CFA Executive	Chief Financial Officer	1 July 2021 to 10 December 2021
Mohini Sashindranath	CFA Executive	Acting Chief Financial Officer	1 December to 3 April 2022
Greg Forck	CFA Executive	Chief Financial Officer	4 April 2022 to 30 June 2022
Paul Ramage	CFA Executive	General Manager Governance, Legal and Risk	25 October 2021 to 30 June 2022
Kylee Bates	CFA Executive	Group General Manager – Support Services	4 January 2022 to 30 June 2022
Robyn Harris	CFA Executive	Group General Manager Strategic Services	8 November 2021 to 30 June 2022
Brendan O'Kane	CFA Executive	Chief Information Officer	4 January 2022 to 30 June 2022

Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services financial report.

Compensation of Key Management Personnel	(\$ thousand)	
	2022	2021
Short-term employee benefits	2,336	1,570
Post-employment benefits	131	59
Other long-term benefits	57	18
Termination benefits	-	-
Total^{(a)(b)}	2,524	1,647

Note

(a) KMPs that are members of CFA Executive Team are also reported in the disclosure of remuneration of executive officers at Note 8.6.

(b) The Increase in compensation of KMPs is attributable to the addition of General Managers as KMP's following revision of CFA's key management personnel disclosure policy.

Significant transactions with government-related entities

CFA's main source of funding was from State Government grants that are allocated to the Department of Justice and Community Safety for distribution to CFA on a quarterly basis. CFA regularly transacted with other emergency services.

All payments made or received between CFA and other government entities are on arm's length basis and at normal commercial terms.

During the year, CFA had the following government-related entity transactions:

- \$339.89 million received from Department of Justice and Community Safety (DJCS) (2021: \$343.48m).
- \$14.91 million received from Fire Rescue Victoria (FRV) (2021: \$8.69m).
- \$10.33 million received from the other state government-related entities (2021: 9.74m).
- \$37.48 million payment to Department of Justice and Community Safety (DJCS) (2021: \$29.45m).
- \$35.12 million payment to Emergency Services Telecommunication Authority (ESTA) (2021: \$45.79m).
- \$10.88 million payment to Department of Environment, Land, Water and Planning (DELWP) (2021: \$3.79m).
- \$8.82 million payment to other state government entities (2021: \$7.41m).

During 2021, there was a restructure of administrative arrangements with FRV. Transactions that occurred as a part of this restructure are detailed in Note 8.3. Refer Note 2.2.3 for services received from or provided to FRV free of charge or for nominal consideration.

Transactions and balances 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. payment of stamp duty and other government fees and charges. Further, employment 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.

No transactions that have occurred with KMP and their related parties have been considered material for disclosure. In this context, transactions are only disclosed when they are considered necessary to draw attention to the possibility that CFA's financial position and profit or loss may have been affected by the existence of related parties, and by transactions and outstanding balances, including commitments, with such parties.

No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

8.8 Remuneration of auditors

	(\$ thousand)	
	2022	2021
Victorian Auditor-General's Office		
Audit of the financial statements		
- Audit fee	219	220
- Audit fee for 30 June 2021	12	-
- Audit fee for 30 June 2020	-	22
Internal and other audit services ^(a) Audit Fees	352	335
Total remuneration of auditors	583	577

Notes:

(a) The Victorian Auditor-General's Office is prohibited from providing non-audit services.

8.9 Subsequent events

The policy in connection with recognising subsequent events, which are events occurring between the end of the reporting period and the date when the financial statements are authorised for issue, is as follows:

- adjustments are made to amounts recognised in the financial statements where those events provide information about conditions that existed at the reporting date; and/ or
- disclosure is made where the events relate to conditions that arose after the end of the reporting period that are considered to be of material interest.

Fire Services Reform and restructure of administrative arrangement

Certain elements of the restructure of administrative arrangements resulting from the Fire Services Reform are scheduled for the 2023 financial year.

COVID-19

The impact of COVID-19 pandemic is ongoing. It is noted that COVID-19 induced volatility in financial markets and changing work practices may have an impact on volunteer compensation values, level of donations received and property values which creates uncertainty as to the fair valuation of property, plant and equipment in the financial statements.

Victorian Flood Emergency

CFA's response to the Victorian Flood Emergency commencing October 2022 is expected to have a yet unquantifiable impact on operating costs in the 2022-2023 financial year. Property, plant and equipment values may also be impacted by flood related damage and loss.

There are no other subsequent events requiring adjustment or disclosure.

8.10 Australian Accounting Standards issued that are not yet effective

Topic	Key Requirement	Effective date for CFA	Impact on CFA's financial statements
<i>AASB 2020-1 Amendments to Australian Accounting Standards Classification of Liabilities as Current or Non-Current</i>	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.	1 July 2023	The standard only becomes effective for CFA in the 2023-24 financial year. CFA will assess and adopt this amendment, if required at the appropriate time. AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date was issued in August 2020 and defers the effective date to annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022, with earlier application permitted.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on CFA's reporting.

- *AASB 17 Insurance Contracts.*
- *AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments.*
- *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates.*
- *AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction.*
- *AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards.*
- *AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections.*

8.11 Glossary of technical terms

The following is a summary of the major technical terms used in this report.

Actuarial gains or losses on superannuation defined benefit plans are changes in the present value of the superannuation defined benefit liability resulting from:

- a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and
- b) the effects of changes in actuarial assumptions.

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'.

Comprehensive result is the amount included in the comprehensive operating statement representing total change in net worth other than transactions with owners as owners.

Control means the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Controlled item generally refers to the capacity of CFA 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

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 instrument or, where appropriate, a shorter period.

Expected Credit Loss (ECL) is a calculation of the present value of the amount expected to be lost on a financial asset, for financial reporting purposes. This is measured in a way that reflects:

- a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- b) the time value of money; and
- c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial asset is any asset that is:

- a) cash;
- b) an equity instrument of another entity;
- c) a contractual **or** statutory 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
- d) 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 liability is any liability that is:

- a) 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
- b) 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 Reporting Directions (FRDs) are financial and non-financial reporting requirements prescribed by Department of Treasury and Finance (DTF).

Financial statements comprise:

- a) a comprehensive operating statement for the period;
- b) a balance sheet as at the end of the period;
- c) a cash flow statement for the period;
- d) a statement of changes in equity for the period;
- e) notes, comprising a summary of significant accounting policies and other explanatory information;
- f) comparative information in respect of the preceding period as specified in paragraph 38 of *AASB 101 Presentation of Financial Statements*; and
- g) 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 that 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.

Key Management Personnel (KMP) – people with the authority and responsibility for directly or indirectly planning, directing and controlling the activities of the entity.

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net acquisition of non-financial assets (from transactions) are purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write-downs and revaluations.

Net financial liabilities are calculated as liabilities less financial assets. This measure is broader than net debt as it includes significant liabilities, other than borrowings (e.g. accrued employee liabilities such as superannuation and long service leave entitlements).

Net financial worth is equal to financial assets minus liabilities. It is a broader measure than net debt as it incorporates provisions made (such as superannuation, but excluding depreciation and bad debts) as well as holdings of equity. Net financial worth includes all classes of financial assets and liabilities, only some of which are included in net debt.

Net operating balance or net result from transactions is a key fiscal aggregate and is income 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 and intangibles.

Non-produced assets are assets used 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-financial physical and intangible assets; fair value changes of financial instruments.

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, changes in accumulated surplus 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.

Prepayments represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Produced assets include buildings, plant and equipment, inventories, cultivated assets 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.

Related party is a person who has significant influence over a KMP or vice versa and/ or a close family member of a KMP.

Related party transaction is a transaction between CFA and one of its KMPs, a related party or any entity they control.

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 from 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.

Standing Directions refers to the Standing Directions 2018 of the Assistant Treasurer under the *Financial Management Act 1994* and its Instructions.

Transactions are those economic flows that are considered to arise because 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.x) negative numbers
- 20xx year/ period
- 20xx–xx year/ period

The financial statements and notes are presented based on the illustration for a government department in the 2021-2022 Model Report for *Victorian Government Departments*. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of CFA's annual report.

Appendix

Financial Disclosures

Consultancy expenditure

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

As at 30 June 2022, there were four consultancies where the total fees payable to the consultants were \$10,000 or greater.

Consultant	Purpose of consultancy	Start date	End Date	Total approved project fee (excl. GST) (\$'000)	Expenditure 2021-22 (excl. GST) (\$'000)	Future expenditure (excl. GST) (\$'000)
Ernst & Young	Planning & Implementation of Zero Based Budgeting	Feb-22	Jul-22	299.55	268.41	31.13
Cube	CFA Operating Model Review	Apr-22	Nov-22	410.00	203.28	206.72
Deloitte	ICT Services Maturity and Direction	Oct-21	Nov-21	138.23	138.23	-
Allen and Clark	CFA Culture Review	Oct-21	Apr-22	851.14	851.14	-
Total				1,698.91	1,461.06	237.85

Details of consultancies valued at less than \$10,000

As at 30 June 2022, there were three (3) consultants engaged during the year, where the total fees payable to each of the consultants was less than \$10,000.

Information and communication technology expenditure

Details of information and communication technology (ICT) expenditure*.

As at 30 June 2022, total ICT expenditure of \$42.1m with details shown below:

(\$ million)			
Business As Usual (BAU) ICT expenditure Total	Non-Business As Usual (non-BAU) ICT expenditure A + B	Non-BAU Operational expenditure A	Non-BAU Capital expenditure B
28.8	13.3	11.8	1.5

ICT expenditure refers to costs in providing business-enabling ICT services. 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 current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

*Includes amounts incurred for operational communication.

Relevant Legislation and Policies

Legislation and delegated legislation provide a clear framework for our operations. Relevant legislation includes but is not limited to:

Victorian Acts

Accident Compensation Act 1985
Audit Act 1994
Borrowing and Investment Powers Act 1987
Building Act 1993
Carers Recognition Act 2012
Charter of Human Rights and Responsibilities Act 2006
Child Wellbeing and Safety Act 2005
Conservation, Forests and Lands Act 1987
Country Fire Authority Act 1958
Dangerous Goods Act 1985
Disability Act 2006
Electricity Safety Act 1998
Emergency Management Act 1986
Emergency Management Act 2013
Environment Protection Act 1970
Equal Opportunity Act 2010
Evidence Act 2008
Financial Management Act 1994
Forests Act 1958
Freedom of Information Act 1982
Fundraising Act 1998
Gambling Regulation Act 2003
Gender Equality Act 2020
Health Records Act 2001
Heavy Vehicle National Law Application Act 2013
Independent Broad-based Anti-Corruption Commission Act 2011
Liquor Control Act 1987
Local Jobs First Act 2003
Occupational Health and Safety Act 2004
Ombudsman Act 1973
Planning and Environment Act 1987
Privacy and Data Protection Act 2014
Public Interest Disclosures Act 2012
Public Administration Act 2004
Public Construction Management Act 1994
Public Records Act 1973
Rail Safety (Local Operations) Act 2006
Road Safety Act 1986
Residential Tenancies Act 1997
Subdivision Act 1988
Surveillance Devices Act 1999
Traditional Owner Settlement Act 2010
Victorian Civil and Administration Tribunal Act 1998

Working with Children Act 2005
Workplace Injury Rehabilitation and Compensation Act 2013
Wrongs Act 1958

Commonwealth Acts

A New Tax System (Goods and Services Tax) Act 1999
Climate Change Act 2017
Competition and Consumer Act 2010
Disability Discrimination Act 1992
Fair Work Act 2009
Fringe Benefits Tax Assessment Act 1986
National Vocational Education and Training Regulator Act 2011
Public Interest Disclosure Act 2013
Racial Discrimination Act 1975
Sex Discrimination Act 1984
Telecommunications Act 1997

Financial Management Act 1994 (Vic)

All the financial information contained in the report for the financial year has been prepared and presented in accordance with the Financial Management Act 1994 and the Standing Directions of the Minister for Finance 2016 issued under that Act. Relevant information is available to the Minister for Emergency Services, the Parliament of Victoria, and the public on application to CFA's Accountable Officer (the Chief Executive Officer).

Public Interest Disclosures Act 2012 (Vic) formerly known as Protected Disclosure Act 2012 (Vic)

In relation to the matters specified in section 70 of the Public Interest Disclosures Act 2012 during the reporting year, there were nil disclosures notified to the Independent Broad-based Anti-corruption Commission by CFA under section 21(2) during 2020-21.

Privacy and Data Protection Act 2014 (Vic)

The Privacy and Data Protection Act 2014 regulates how CFA protects the privacy of individuals, including but not limited to CFA members.

CFA has a dedicated Privacy Officer appointed to investigate privacy-related issues and provide advice, guidance, education and training on CFA privacy-related matters.

CFA has a privacy policy and registers and responds to all enquiries and complaints.

Freedom of Information Act 1982

The following information is provided in accordance with section 7 of the Freedom of Information Act 1982 (the FOI Act). Requests for access to documents in the possession of CFA are dealt with by CFA's Freedom of Information (FOI) Officer. CFA is legally obliged to facilitate and promote prompt disclosure of information in its possession at the time the request is received.

Making a request

Access to documents in the possession of CFA can be obtained through a written request to CFA's FOI team, as detailed in s17 of the FOI Act. As such, requests can be lodged directly with CFA via email to foi@cfa.vic.gov.au or posted to:

CFA Freedom of Information Officer
PO Box 701
Mount Waverley Vic 3149
Telephone: (03) 9262 8512
Account Name: CFA
BSB: 063 225
Account number: 1007 1353

Please include confirmation of the payment in your email so that our accounts receivable department can be notified accordingly.

FOI statistics/timelines

During 2021-22, CFA received 102 applications. Of these requests, four were from Members of Parliament, zero from the media, 50 from law firms and the remainder from CFA members and the general public. CFA made 72 FOI decisions during the 12 months ended 30 June 2022. All decisions apart from seven were made within the statutory time frame. The delayed decisions were a direct result of COVID-19 working arrangements. From the requests received during 2021-22 three were subject to a complaint/review by the Office of the Victorian Information Commissioner.

Further information

Further information regarding the operation and scope of FOI can be obtained from the FOI Act, the Professional Standards and Regulations made under the Act and OVIC.vic.gov.au.

Building Act 1993 (Vic)

CFA complies with the Building Act 1993, with respect to alterations and maintenance to the buildings owned by CFA.

National Competition Policy

CFA complies, to the extent applicable, with the National Competition Policy.

Environment and sustainability

During the 2021–22 financial year, CFA continued to monitor its environmental and sustainable practices relating to energy use, waste production, water consumption, transportation and greenhouse gas emissions.

Compliance with DataVic Access Policy

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, all data tables included in this annual report will be available at www.data.vic.gov.au in electronic format.

Sponsorships

CFA has a Managing Strategic Partnerships and Sponsorships business rule which outlines the processes, procedures and obligations for entering into a sponsorship agreement (including a corporate sponsorship), strategic partnership or fundraising appeals in order to meet financial, strategic and legal requirements. In the 2021-22 financial year, there was an expenditure of \$550 for the Geography Teachers Association of Victoria Conference.

Government advertising expenditure

As at 30 June 2022, the annual expenditure on advertising campaigns was \$1,052,991, of which CFA spent \$152,352 (exclusive of GST) on the Winter Fire Safety Campaign:

Name of campaign: A Bedroom Essential.

Campaign dates: 9 June to 30 June (and to the end of August 2022).

(Note: the previous Silence is Deadly campaign ran from 12 July 2021 to 31 August 2021).

Campaign description: For several years, CFA and FRV have run a joint communications and marketing campaign encouraging Victorians to install and maintain smoke alarms in their homes. For the past three years, the campaign has focused on the number and location of smoke alarms (in bedrooms and living areas) and recommending that interconnected smoke alarms should be installed in all bedrooms and living areas. The new campaign for 2022 encourages Victorians to install smoke alarms in all bedrooms and living rooms by raising awareness of a bleak fact – fires that start in bedrooms are the most likely to end in fatalities. The campaign centres on home improvement and lifestyle trends and urges people to consider smoke alarms as an essential item that no bedroom is complete without.

Employment and conduct principles

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

Disability Act 2006 (Vic) and Disability Discrimination Act 1992 (Cth)

Disability and accessibility have been identified as a focus area of the CFA Diversity and Inclusion Strategy which is expected to be completed by the end of 2022. CFA is engaging with specialist disability sector organisations, seeking feedback from CFA members with disability experience and providing assistance related to disability queries on an ad hoc basis.

CFA has also commenced discussions with disability support agencies including Job Access and the Victorian Government Neurodiversity Program with the intent to revise the staff recruitment process to ensure its accessibility, and with the expectation it will help recruit people with disabilities.

CFA has four disability-related online courses available to members:

- Disability inclusion
- Disability confident managers
- Bushfire planning: you and the person you care for
- Prevent, detect, escape - home fire safety for people at higher risk.

Carers Recognition Act 2012 (Vic)

CFA has taken all practical measures to comply with its obligations under the Carers Recognition Act 2012.

Inclusion and fairness

A new Diversity and Inclusion Manager commenced in March 2022 supported by two Diversity and Inclusion consultants. This team will develop a refreshed Diversity and Inclusion Strategy informed by lessons learned through the development of CFA's Gender Equality Action Plan which was submitted to the Commissioner for Gender Equality in the Public Sector on 28 March. The Diversity and Inclusion Strategy will be strongly aligned to CFA organisational strategic objectives. It will also be key to delivering on the recommendations arising from the External Review of Culture and Issues Management. Consultation with key stakeholders is crucial to develop the strategy, which will be completed next financial year.

CFA continues to provide training and education sessions, including LGBTQIA+ inclusion training. Staff are also continuing to raise awareness and support a range of activities including NAIDOC Week, National Reconciliation Week, IDAHOBIT Day, Harmony Day, International Women's Day and Wear it Purple Day, as well as ongoing participation in cross-sector initiatives including Emergency Management Victoria Inclusion and Diversity Group and AFAC Champions of Change.

Local Jobs First Act 2003 (Vic)

In accordance with the requirement of the Victorian Industry Participation Program Act 2003, government agencies are required to include a statement summarising the implementation of the VIPP in annual reports. Financial Reporting Direction 25 specifies that VIPP is to be reported for contracts valued at more than \$3 million in metropolitan areas and \$1 million in regional areas. Four contracts were commenced during 2021-22 in regional Victoria that exceeded \$1 million in value. They were fire stations at Modewarre, Dimboola, Warracknabeal and Bendigo. There were no contracts within the metropolitan area that the VIPP requirements applied. The local content (including all labour & materials) for these contracts was in the order of 96 per cent.

Occupational health and safety

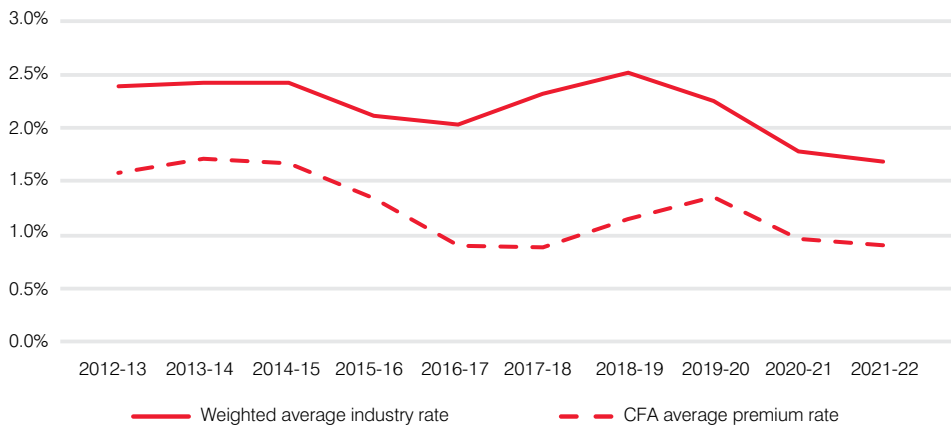
Employee incidents and claims

CFA's employee incidents and claims continue to be significantly better than the industry average. There was a reduction in the premium and rate largely because of the transfer of operational firefighters to Fire Rescue Victoria, but Fire Rescue Victoria claims will continue to impact CFA's performance and premium up to 2024-25. Performance has started to decline due to the increase in complex mental health claims, delay in submission and poor return-to-work outcomes.

Volunteer incidents and claims

Claim numbers declined because of a quiet 2021-22 fire season and a reduction in training and brigade callouts and activity due to COVID-19 restrictions. The number of time lost claims has reduced. Of these claims, 69 per cent were physical claims relating to slips, trips and falls. In the previous two years, the majority of time lost claims were caused by mental health issues. Volunteer presumptive rights cancer claim numbers have declined slightly compared to the previous financial year. Forty-one per cent were prostate cancer.

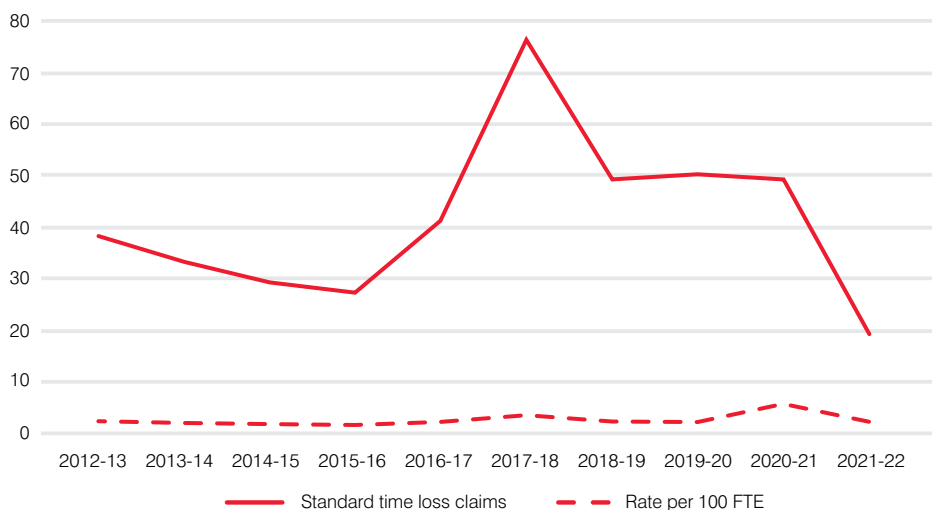
CFA WorkSafe premium vs industry rate



CFA's performance has started to decline. This is being largely driven by an increase in psychological injury claims and poor return to work outcomes.

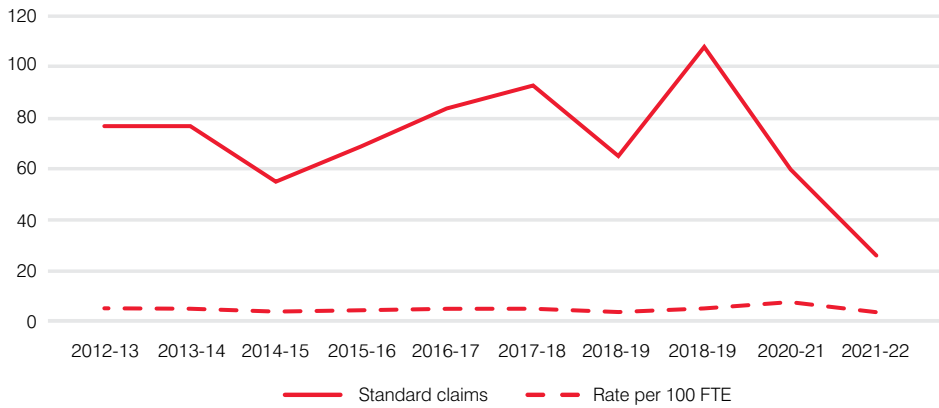
In addition, costs associated with claims that transferred to Fire Rescue Victoria will continue to impact on CFA's performance and premium until 2024-25.

Employee lost time claims and rate per 100 FTE



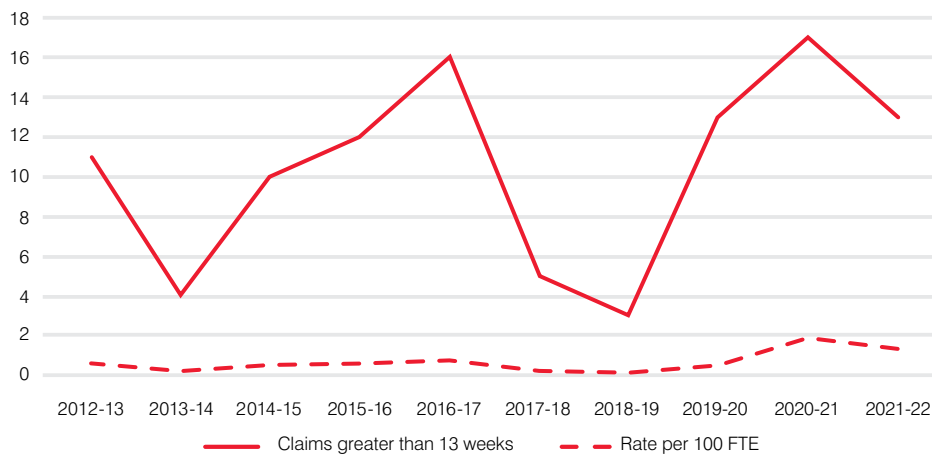
Psychological/mental health injury claims continue to make up the majority of time lost claims this financial year. The average delay between date of injury and claim submission for new mental health injury time lost claims is 34 weeks.

Number of standard employee claims and rate per 100 FTE



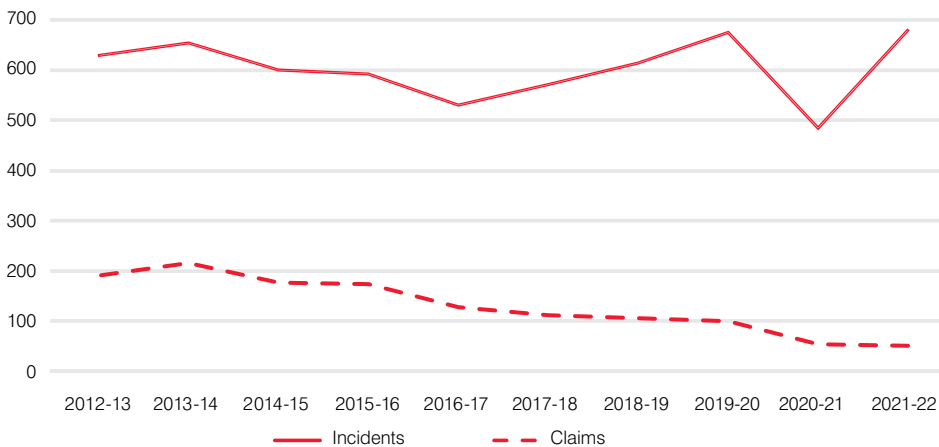
Overall employee claim numbers will still be affected by claims that transferred to Fire Rescue Victoria up to 2024-25.

Employee claims with time loss of 13 weeks or greater and rate per 100 FTE



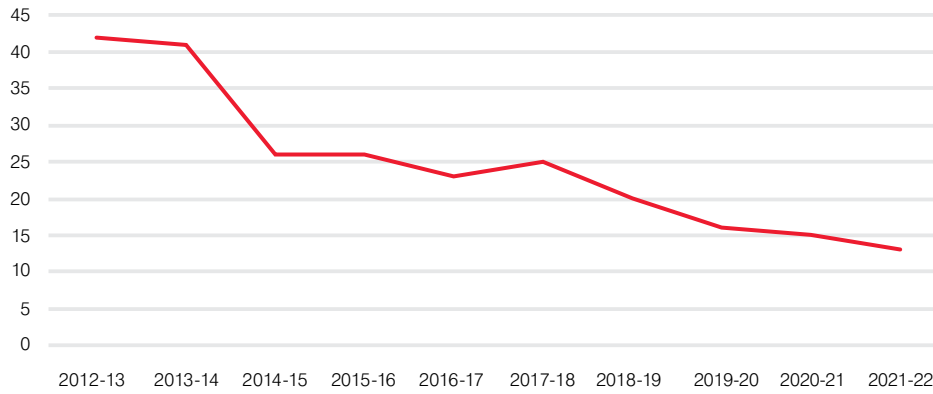
In 2019-20 time lost claims greater than 13 weeks increased significantly from low levels over the previous two years. In the past two years, claim numbers remained high which reflects delayed reporting and claim submissions.

Volunteer claims and incident trends (date of injury)



Claim numbers continue to decline on the back of a quiet 2021-22 fire season and due to the ongoing impact of COVID-19 on callouts, training and other events.

Volunteer lost time claims (date of injury)



Lost time injuries continue to reduce. In 2021-22 69% of lost time claims were physical claims relating to slips, trips and falls. In the previous two years, the majority of lost time claims were for mental health injuries.

Volunteer presumptive rights cancer claims



Presumptive rights claims are managed by WorkSafe under a separate policy. 41% of presumptive rights claims are for prostate cancer, with the next highest cancer types being multiple myeloma (3%) and kidney cancer (3%).

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