



CFA ANNUAL REPORT 2007

This Annual Report for the Country Fire Authority (CFA) has been prepared in accordance with the *Financial Management Act 1994* and the Directions of the Minister for Finance. It:

- provides a record of events, performance, volunteer and career staff activities;
- acknowledges the support of CFA people;
- reports against CFA's Annual Plan 2006/07;
- informs the government and public about CFA's services and organisational development during the financial year; and
- demonstrates how CFA's objectives and goals are being delivered to meet community outcomes.

Further copies of this Annual Report may be obtained from CFA, PO Box 701, Mt Waverley, Vic 3149.  
Telephone: 03-9262 8444. Facsimile: 03-9264 6200.  
A copy is also available on CFA's website:  
[www.cfa.vic.gov.au](http://www.cfa.vic.gov.au).

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# CFA TODAY

## MANNER OF ESTABLISHMENT AND THE RELEVANT MINISTER

During the past 60 years, CFA has evolved from informal beginnings to become one of the world's largest volunteer-based emergency service organisations, providing a diverse range of risk reduction and fire suppression services to minimise the impact of fires and other emergencies on the community. CFA is wholly committed to the prevention, preparedness, response and recovery phases of emergency situations.

CFA is a statutory authority that reports to the Minister for Police and Emergency Services.

CFA is funded through contributions by insurance companies (77.5 per cent) and by the Victorian State Government (22.5 per cent).

## OBJECTIVES, FUNCTIONS, POWERS AND DUTIES

Under the Country Fire Authority Act 1958 (the CFA Act), CFA is the responsible agency for "taking, superintending and enforcing all necessary steps for the prevention and suppression of fires and for the protection of life and property in case of fire". This includes wildfires and structure fires, as well as incidents involving hazardous materials, road rescue, and rescue in areas of diverse risk including high-risk industries such as petrochemical and gas.

## NATURE AND RANGE OF SERVICES PROVIDED

As a statutory authority, CFA is a community-based, community-focussed emergency management organisation, providing a diverse range of services to contribute to the safety and well-being of Victorians.

CFA's operations rely on the skills of an integrated force of volunteer and career members who are dispersed throughout Victoria and united through a commitment to creating safer communities and protecting life, property and the environment. They have forged very strong strategic relationships with their local communities and provide not only fire suppression expertise but also assistance with fire prevention and mitigation, through educational programs and close working partnerships with local municipalities and industries. Volunteers in many areas contribute to the social cohesion of their local communities.

CFA provides state wide fire and related emergency co-ordination including:

- community awareness, education and safety programs;
- wildfire suppression;
- structural fire suppression;
- transport-related fire suppression;
- road rescue;
- technical rescue, such as high angle, trench and mine operations;
- hazardous materials transportation and storage incidents;
- forestry industry brigades;
- industrial accident response;
- other emergency activities including flood assistance;
- technical services including building code-related inspections and post incident investigations;
- fire safety input planning for major community risks;
- fire prevention; and
- land use planning at municipal level.

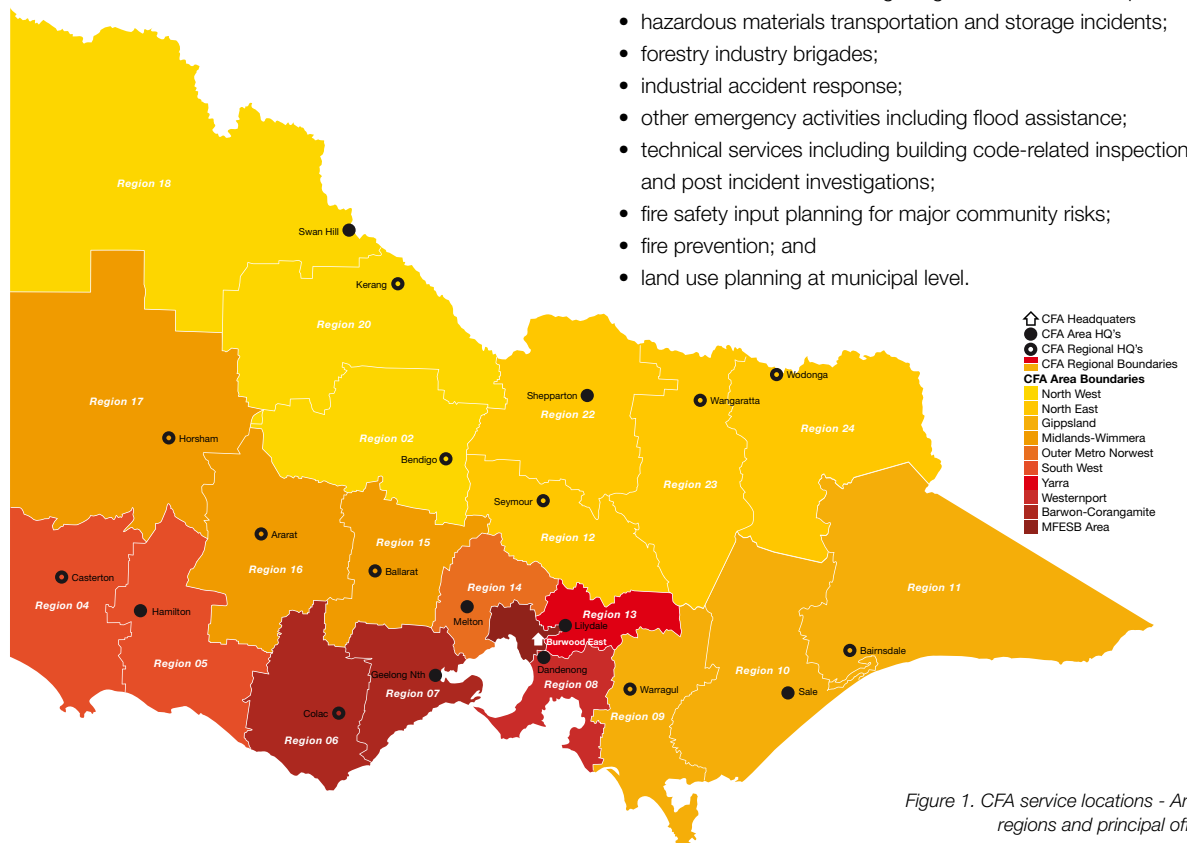


Figure 1. CFA service locations - Areas, regions and principal offices

## CFA DIMENSIONS

Victoria's natural environment is among the most bushfire prone in the world and CFA is responsible for an area that is home to more than half the State's population.

A large part of outer metropolitan Melbourne, as well as provincial towns and small rural communities, comes under the protective umbrella of CFA. This protection encompasses some of Victoria's critical infrastructure, including the power industry of the Latrobe Valley, gas production facilities at Longford in Gippsland, oil refinery facilities in Geelong, as well as major tourism areas, alpine resorts, extensive plantations, marine environs and growing mining industries.

As our communities extend further into rural interface areas, more Victorians will rely upon the services that CFA provides:

- CFA serves a population of approximately 2.8 million people and protects more than one million dwellings.
- CFA volunteers contribute annually \$500 million (2001 figure) to the Victorian economy.
- With around 60,000 people, CFA manages a workforce of a size comparable to Australia's largest organisations.
- CFA is one of the largest providers of tertiary-level training in rural Australia.
- CFA is recognised for delivering one of Australia's largest and most successful community awareness education and safety programs.
- CFA operates one of Australia's largest transport fleets, with almost 2,300 trucks.
- CFA operates one of the largest public safety communications networks in Australia.
- CFA's diverse area of responsibility includes some of the State's most significant commercial centres, industries, critical infrastructure, and recreational and tourist attractions.
- CFA services Victoria's growth corridors, which are among the fastest developing regions in Australia.
- CFA operates one of the State's major emergency co-ordination centres.

## CFA AT A GLANCE

<b>BRIGADES</b>	
Brigades	1,209
Road Rescue brigades	23
Forestry Industry brigades	21
Regional Headquarters rural fire brigades	8
<b>CFA PEOPLE</b>	
Volunteers	59,509
Career firefighters	494
Support and administration staff	837
Total CFA people	60,840
<b>INCIDENT MANAGEMENT</b>	
Total number of incidents in 2006/07	41,252
Total number of brigade turnouts in 2006/07	79,737
<b>BUILDINGS AND LAND</b>	
Fire Stations Urban	201
Fire Stations Rural	950
Headquarters and Offices	24
Training Grounds	7
Mechanical Workshops	13
Communications Workshop/Store	3
Protective Equipment Workshop	1
Residences	24
<b>VEHICLE FLEET</b>	
Tanker	1,266
Pumper	243
Pumper Tanker	37
Aerial Appliance	7
All Terrain	3
Quick Attack	23
Command and Control	12
Mobile Communications Vehicle	7
Hazardous Materials (Hazmat) Unit	10
Marine	1
Protective Equipment Support	4
Rescue	26
Specialist (Gas, Lighting, Breathing Apparatus)	9
Car/Transport	406
Other (Trailers)	453
Brigade/Forestry Industry Brigade owned	1,064
<b>COMMUNICATIONS INFRASTRUCTURE</b>	
Base Radios	1,189
Mobile Radios (vehicle-mounted)	5,816
Portable Radios (hand-held)	3,071
Pagers (on the EAS network)	29,000
Satellite Terminals	58
Pre-Conference Interceptors	10,776

# SNAPSHOTS

## INTEGRATED FIRE MANAGEMENT PLANNING

After three years of extensive consultation, the Premier endorsed the IFMP framework in March 2007. CFA continues to lead this key initiative to develop an enhanced and integrated fire management planning framework for Victoria.

The next three years will see 11 strategies and more than 50 sub-projects guiding the project. Full time Consultation and Communication Managers have been appointed in CFA, the Department of Sustainability and Environment and the Municipal Association of Victoria.

Implementation will begin in October 2007 when the State Fire Management Planning Committee is formed.

## DIVERSITY

From the Women's Leadership and Development Program to the Cultural Diversity in Fire Fighting Recruitment Initiative, CFA continues to celebrate and foster the rich diversity of its people.

The last financial year saw a 5% increase in female membership and three women were selected for the April 2007 recruit course.

Since its inception, 2,358 CFA members have attended 157 Relationship and Diversity workshops. The program's principles are now taught at all levels of the organisation.

Targeting our leaders of the future, a Generation Y forum brought Gen Y CFA members together to discuss ways of reaching out to their colleagues.

At CFA, we understand that our diversity is our strength. We will continue to build and capitalise on that diversity to develop our people and maintain our excellence.



## PARTNERSHIPS

Partnerships are the lifeblood of CFA. They again formed the cornerstone of our success in the 2006/07 financial year.

Existing bonds were strengthened and new alliances struck. The Department for Victorian Communities agreed to provide \$1.4 million to CFA over the next four years.

The funding will contribute to the redevelopment of up to 20 CFA stations. Reflecting the organisation's focus on community partnerships, the redevelopments will add facilities for shared brigade and community use.

## FIRE CAMPAIGN/OPERATIONS

Victoria was ravaged by fire during 2006/07. With conditions worse than any time in living memory, the fires were intense and devastating.

Between 1.2 and 1.3 million hectares were burnt. The Great Divide Fires were the longest in Victoria's history, lasting 69 days. Thousands of firefighters worked tirelessly to ensure losses were comparatively low.

There were nine state wide Total Fire Ban days; over four times more than the two declared in 2005/06.

There was a 12% increase in the number of incidents from the previous year and brigades turned out 79,297 times; 10,559 more than in 2005/06.

## INFORMATION AND COMMUNICATIONS TECHNOLOGY

The Information and Communications Technology (ICT) Strategy for the last financial year focussed on existing projects.

Geographic Information Services extended three projects including the Interactive Mapping Tool, Wildfire Management Overlay (WMO) digital boundaries and Global Positioning System.

The FireNet connection to headquarters was improved and FireNet+ now connects CFA Fiskville to the FireNet network at Ballarat.

The Emergency Services Telecommunications Authority (ESTA) began operating from its new site at Mt Helen. The Emergency Alerting System (EAS) is now managed by ESTA and the system is being progressively implemented into CFA Barwon-Corongamite, Westernport, Yarra and Outer Metro Norwest Areas. The original batch of EAS pagers is being replaced because of a sensitivity issue.



CFA is leasing 219 portable radios on the Metropolitan Mobile Radio (MMR) network, which will be used for joint operations in the Mutual Aid Area with Metropolitan Fire and Emergency Services Board (MFB). The radios have been delivered to all volunteer based brigades likely to support MFB.

### **SAFETY AND WELLBEING**

CFA's safety and wellbeing initiatives were very successful throughout 2006/07. December saw the launch of CFA's leading edge Children/Young Persons Protection Policy. Over 600 staff and volunteers have attended regional briefings and 40 Junior Brigade Support Officers were trained.

CFA's Youth Education Partnership Package, conjointly entered with the Office for Youth, won two of the 2006 Australian Safer Communities Awards. CFA brigades have established 38 partnerships with local secondary schools.

CFA's training partner Kangan Batman TAFE received a national award for innovation in training. The award recognised the TAFE's partnership with CFA to train Critical Incident Stress peers in the Certificate III in Community Service.

A pilot Volunteer Support program in CFA's North West Area for members in drought affected areas was delivered.

An Emergency Service Volunteer Health and Wellbeing Program was established while health and safety training was incorporated into key functional incident management roles.

The overall injury and claims management trend remains positive, although claims increased in 2006/07 because of the significant contribution CFA members made over the fire season.





# CHAIRMAN'S REPORT

Dear Minister

On behalf of the Board, I would like to report on the activities of CFA and the administration of the Country Fire Authority Act 1958 for the year ended 30 June 2007.

I became a CFA Board member in June 2006 and Chairman in February 2007, taking over from Mr Len Foster who had chaired the Board for 16 years. In introducing this report I would like to recognise those 16 years of tireless service by Mr Foster. He and the successive Boards he chaired led the way in introducing change in fire prevention and community awareness as well as support for volunteers – a legacy from which we all benefit.

## VOLUNTEERS CRITICAL TO OUR FUTURE

CFA is an internationally recognised organisation, proud of its achievements and status in the global emergency services community. It is an amazing body – where else would you find such a diverse body of 59,000 motivated and talented people coming together voluntarily to do the most difficult jobs in the most trying circumstances.

There is nothing more important in CFA than its people. Therefore, a priority of this Board is that all of CFA's people, whether volunteer or paid, are valued and feel a sense of purpose and direction as part of the one CFA family. CFA recognises and acknowledges that it has a sense of history in relation to volunteerism and will have a heavy reliance on volunteerism in the future.

## STRENGTH IN FLEXIBILITY

One of the key organisational challenges for CFA in the immediate future is at a "micro" level. We need to be an organisation that has all of its different pieces working in unison and co-operatively. CFA's work is largely operational and this core component of CFA's business needs the capable support of a range of other disciplines. To ensure that CFA is providing the community and the government with the services and outcomes they require, these internal disciplines need to be integrated and, where possible, provide opportunities to cross-fertilise our people's skills.

CFA's strength lies in its diversity and its flexibility, where all our people, regardless of age, gender, race or religion, are given the opportunity to develop to their full potential. CFA's business model needs to be flexible to accommodate change; flexibility is crucial to our capability to provide quality services to the communities we serve, including CFA's critical responses to a wide range of unforeseen circumstances.

We need to create a culture where we can draw on the diversity of our people to position CFA at the forefront of change, and become innovative in identifying different ways of creating safer communities. It is imperative that CFA can adapt readily to change and opportunity.

We need to continue to increase CFA's capability through building on our strong training ethos, both in life-skills and operationally, where training strongly underpins our discipline and reliability.

## NO RISK, BUT PLANNING

Climate change is an example of a broader external factor that will affect CFA's future. There is no doubt that our environment is changing and will continue to do so. We need to be cognisant of the nature of that change and we need to be ready.

CFA is a risk management organisation. When it comes to the issue of climate change, we must plan for the worst. And we are, through a range of partnerships and an integrated approach to emergency planning.

CFA is often perceived as a response organisation, however increasingly our preparatory and educational work is just as important. CFA's skill in public education and information provision has improved immensely. The positive results of our work with communities were clearly demonstrated during the recent fire season – the longest in history. Our ability to integrate with and support our colleagues in the other emergency services was also demonstrated during the fire season, the devastating East Gippsland floods and the tragic Kerang train crash.

CFA has a proud record of serving and supporting the community. We will continue to position CFA as the emergency service that is engaged with communities in delivering services that meet community needs and expectations.

## PARTNERSHIPS A PRIORITY

CFA is all about partnerships and relationships. It is an organisation that exists and grows through the continuing quality of its community partnerships, particularly within Victorian communities from whom it draws its dedicated volunteers. We will continue to build on our relationships with other emergency service providers, while extending and strengthening CFA relationships in the broader government and business sectors.

For example, recently we have consulted with the Minerals Council of Australia to improve mine rescue co-ordination, and we are working closely with the energy and mining sector to ensure we understand each other's capabilities and are well prepared to deliver effective emergency response to this rapidly expanding essential service industry.

We are also working with businesses in the fast growing outer metropolitan and regional areas to achieve alternative solutions to fire and emergency safety. Our contribution to the Bushfire Cooperative Research Centre provides support to an important research centre that allows us to participate in bushfire knowledge, research and development aimed at improving the safety of the community.

Other valuable and appreciated partnerships come from those employers who readily allow their employees to respond as CFA volunteers to emergencies, sometimes at great cost and inconvenience to their businesses. We have many valued relationships. The foremost are with IGA Supermarkets and RACV, which provide a number of benefits that support our emergency management role.

The Victorian government continues to show strong support for CFA with funding for major initiatives including new stations and firefighter personal protective clothing. The highly successful Community Safety Emergency Support Program, which provides new equipment for volunteer brigades, has also been extended.

## INTEGRATED FIRE MANAGEMENT PLANNING (IFMP)

If CFA is to maintain its leadership in broad emergency services then we must be structured in the coming years to make the most of our service delivery to the community. This is about tweaking our organisational arrangements to improve our responsiveness. It's not about dramatic, wholesale changes, but more about subtle and gradual variation.

For example, implementation of the Integrated Fire Management Planning framework represents a new direction in emergency management planning. It is led by CFA as both host of the supporting team on behalf of the State Government and all participating agencies, and as a leading participant within the new arrangements.

Continuing to improve is a process in which our volunteers, paid staff and our regions will all have a significant say; I see it as very much a shared experience. We are about continuous improvement to ensure we position CFA in the best possible way into the future.



**Kerry Murphy PSM AFSM**  
Chairman



# FINANCIAL SUMMARY

## DISCUSSION AND ANALYSIS – OPERATING STATEMENT

### INCOME

#### TOTAL INCOME

Total income for the 2006/07 year was \$323.5m, which is an increase of \$85.0m over the previous year's total of \$238.5m. The major reasons for this variation are an increase of \$44.8m in government and insurance contributions and \$35.7m from recognition of Brigade cash and deposits for the first time. The government contribution included \$22.9m in funding to reimburse CFA for the significant costs incurred during the 2007 major fires. Other minor variances occurred in relation to brigade donations received, and brigade-owned vehicles recognised.

#### GOVERNMENT AND STATUTORY FUNDING

CFA received contributions from government and other sources amounting to \$260.3m (2005/06 \$215.5m). CFA receives funding of annual expenditure through the Victorian State Government (22.5%), insurance contributions (77.5%), and from other companies under Section 80A of the CFA Act. During 2006/07 statutory contributions totalled \$231.9m, comprising \$51.1m from the State Government (of which \$3.2m was treated as contributed capital), \$188.2m from insurance companies, and \$9.1m from other companies. In addition, \$28.3m was contributed by other government sources.

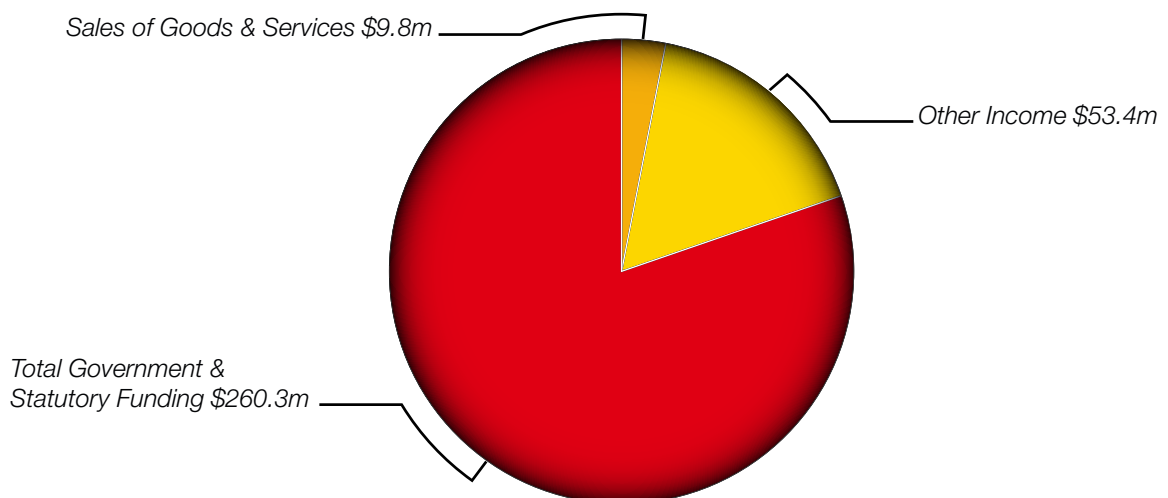
#### SALES OF GOODS AND SERVICES

CFA received \$9.8m during the year from the provision of goods and services to external bodies (2005/06 \$4.2m). These include the provision of external training services, fire protection fees, alarm monitoring, dangerous goods inspections, and hazardous materials incidents. The increase over 2005/06 is due to the inclusion of Fire Equipment Maintenance (FEM) business income.

#### OTHER INCOME

Other income during the year totalled \$53.4m from a number of sources including the Transport Accident Commission, interest, a Commonwealth Government Grant, public donations and the recognition of additional brigade-owned vehicles. Overall, other revenue increased by \$34.6m over 2005/06 due to the recognition of brigade cash and deposits for the first time, offset by decreases in other areas. Minor changes were caused by higher interest income, brigade donations and brigade-owned vehicles being recognised.

### Total Income \$323.5m



## EXPENSES

### TOTAL EXPENSES

Total expenses for the 2006/07 year were \$288.9m compared to \$232.4m for 2005/06. This increase of \$56.5m can be attributed mainly to increases in employee benefits (\$17.2m), and other expenses (\$38.1m). This latter category increase was caused by the costs associated with the Emergency Alerting System (EAS), higher volunteer compensation costs, increased contracting cost for various projects, and the costs associated with the 2006/07 major fires (which were reimbursed by government).

### EMPLOYEE BENEFITS

During 2006/07 \$133.0m (2005/06 \$115.8m) was spent on salaries and other employee expenses such as superannuation, payroll tax, WorkCover premiums and employee support activities.

### DEPRECIATION AND AMORTISATION

The written down value of CFA's assets at cost or valuation, including land, buildings, leasehold improvements, vehicles, plant and machinery totalled \$540.6m (2005/06 \$474.2m). Depreciation expenses totalled \$22.1m during 2006/07 which is consistent with the corresponding 2005/06 figure.

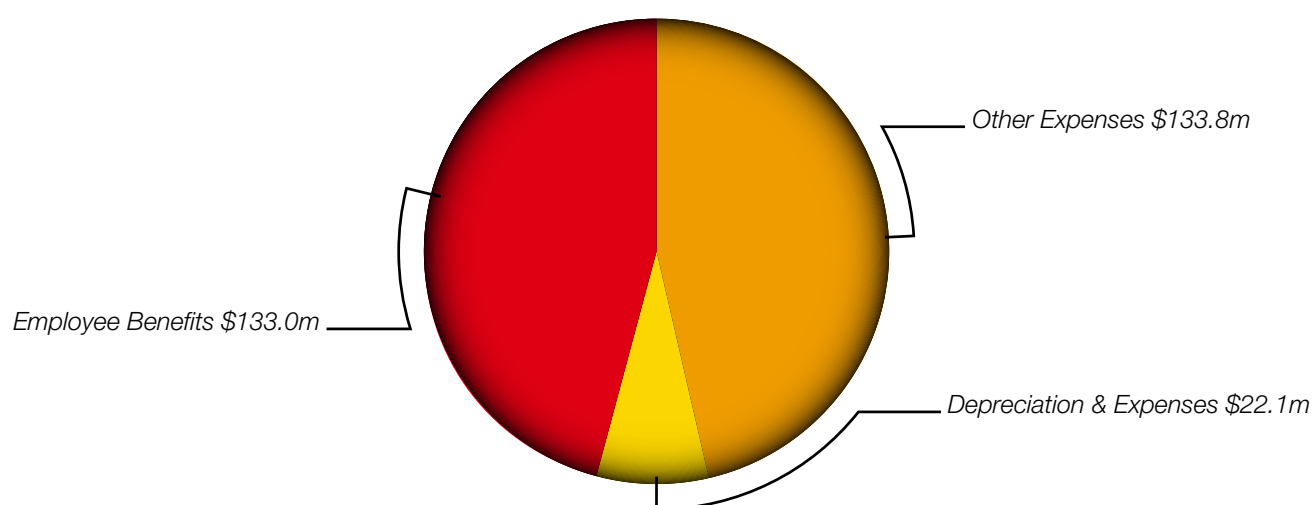
### BORROWING COSTS

Due to CFA's level of liquidity there were no borrowing costs during 2006/07.

### OTHER EXPENSES

CFA spent \$133.8m on general operating costs and other expenses during 2006/07. This was an increase of \$38.1m over the previous year as described above.

## Total Expenses \$288.9m



# FINANCIAL SUMMARY

## DISCUSSION AND ANALYSIS – BALANCE SHEET

### ASSETS

#### TOTAL ASSETS

Total assets at 30 June 2007 were \$609.1m compared to the 2005/06 total of \$520.6m. This variation of \$88.5m was caused by a movement in current assets (\$23.1m), a significant increase in the (independently assessed) value of CFA's land and building assets (\$54.3m), and the acquisition of new firefighting and transport vehicles (\$9.1m).

#### CURRENT ASSETS

Current assets totalled \$68.5m (2005/06 \$46.4m) and included inventories and goods held in store (\$7.6m), money owed to CFA (\$7.9m), properties for sale (\$0.7m) and cash at bank, deposits and prepayments made by CFA (\$52.3m). The major increase over 2005/06 is caused by the recognition of brigade cash and deposits, as described above.

#### VEHICLES

After depreciation, the value of CFA vehicles totalled \$148.3m. Of these, CFA-owned vehicles are valued at \$126.2m (2005/06 \$117.9m), and brigade-owned vehicles are valued at \$22.1m (2005/06 \$21.3m).

#### PLANT, MACHINERY AND EQUIPMENT

This includes computer hardware, general plant and communications equipment to a total value of \$17.4m (2005/06 \$18.7m).

#### BUILDINGS AND LEASEHOLD IMPROVEMENTS

The value of CFA-owned buildings and improvements made to leasehold buildings totalled \$279.3m (2005/06 \$243.4m).

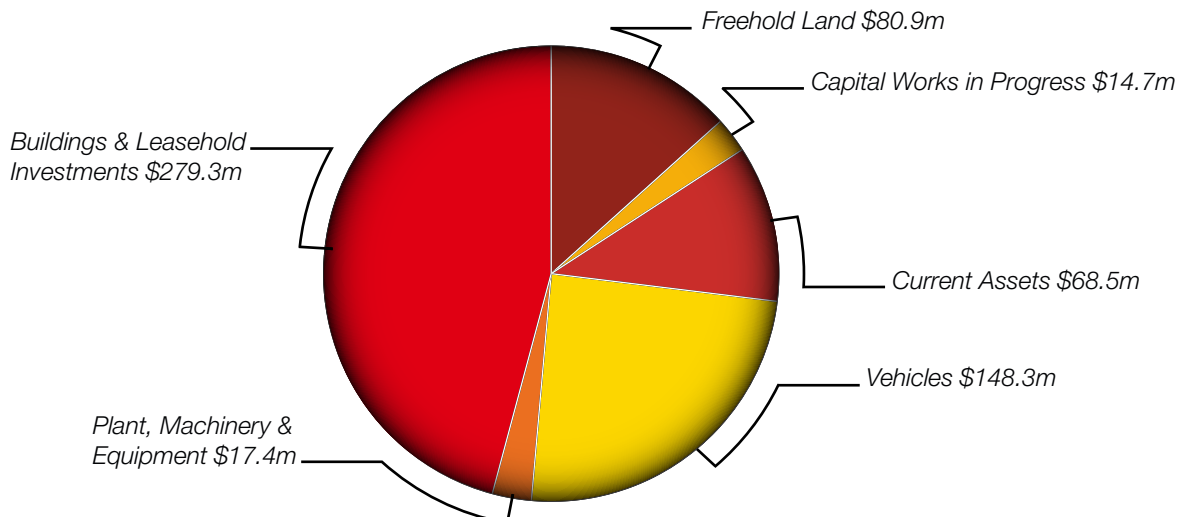
#### FREEHOLD LAND

The value of land owned by CFA totalled \$80.9m (2005/06 \$62.6m).

#### CAPITAL WORKS IN PROGRESS

At the end of the year, the value of expenditure on capital works such as buildings, firefighting vehicles and plant, machinery and equipment, but which were not yet completed, totalled \$14.7m (2005/06 \$10.3m).

### Total Assets \$609.1m



## LIABILITIES

### TOTAL LIABILITIES

Total liabilities at 30 June 2007 amounted to \$62.7m compared to the previous year's total of \$57.5m. The variation of \$5.2m was caused by amounts accrued in relation to increases in the provisions for employee benefits and volunteer compensation respectively.

### EMPLOYEE ENTITLEMENTS

A total of \$39.9m (2005/06 \$34.8m) is accrued for annual leave and long service leave payments to staff. Most of this will become payable at a future date.

### GOODS OR SERVICES NOT YET PAID FOR

At the end of the year a total of \$16.0m was owed for goods or services already provided but not yet paid for. This was a decrease of \$0.5m over the corresponding figure last year.

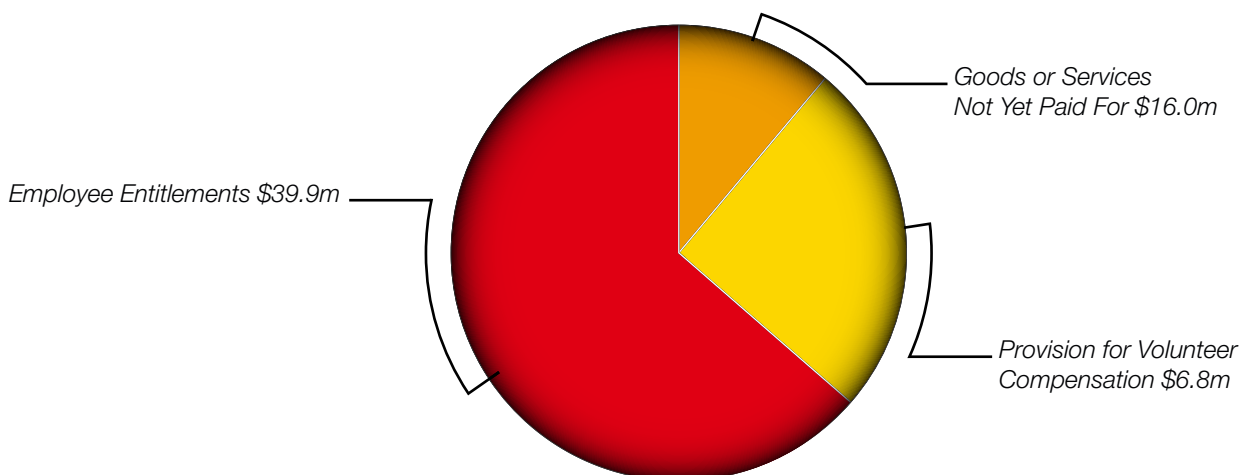
### PROVISION FOR VOLUNTEER COMPENSATION

Based on previous claims and actuarial calculations, a total of \$6.8m has been estimated to allow for compensation for injuries to volunteers up to 30 June 2007. This is an increase of \$0.6m compared to the figure at 30 June 2006.

### IMPORTANT NOTE:

Each year, the contributions received from the State Government and insurance companies provide funding for that year's recurrent expenditure and capital works. These contributions are classified as income. After deducting recurrent expenses for the year, CFA's net result is determined. Contributions not used for recurrent expenditure provide funding for CFA's capital expenditure program. CFA's accumulated surplus of \$128.8m as disclosed in the balance sheet is an accounting entry reflecting the total of prior year operating results, and does not indicate the level of CFA's cash reserves and/or liquidity.

## Total Liabilities \$62.7m







# CHIEF EXECUTIVE OFFICER'S REPORT

Victoria experienced a very difficult fire season during 2006/07. Significant fires burnt extensive areas as favourable burning conditions brought intense fire behaviour from August 2006 onwards. The never before experienced impact of climate change and deep drought throughout south-eastern Australia generated very difficult suppression conditions for firefighters.

Multiple fires, caused by lightning on 1 December 2006, merged to form the 'Great Divide Complex', which burned for 69 days, the longest on record. There were also other large and serious fires and the area burnt by close-of-season was estimated at about 1.3 million hectares.

Thankfully, no human lives were lost. A total of 51 dwellings, of which 21 were primary residences, were destroyed and stock, crops and natural assets were heavily impacted.

While painful for those people directly affected, losses were not as significant as they might have been, and this can be attributed to the magnificent efforts of many thousands of firefighters from CFA, Department of Sustainability and Environment (DSE) and forest industries, as well as from Metropolitan Fire and Emergency Services Board (MFB), interstate and overseas. Equally critical to the outcome was the Victorian community's better understanding of the likely extent and impact of fire in bushfire prone areas, and the preparations implemented by 'at risk' communities.

## COMMUNITY INFORMATION AND DEVELOPMENT

The Victorian Bushfire Information Line (VBIL) continues to provide valuable up-to-date information about current fires and a broad range of safety information to the public. VBIL received more than 64,000 calls during the 2006/07 summer period, a six-fold increase over a three-year period. The number of calls during major fires and on a day-to-day basis throughout summer demonstrates how valuable a community service the VBIL provides.

At the same time, the CFA website received a staggering 2,304,601 visits from December to February, which averaged out at almost 26,000 visits each day.

These figures indicate that Fire Ready Victoria, a joint strategy of CFA, DSE and MFB to increase community awareness and preparedness for bushfire, now in its third year, has achieved considerable success. This year our regional offices exceeded their expectations by delivering 1,208 interactive Fire Ready Victoria community meetings.

Another key component of Fire Ready Victoria is an extensive media and public relations campaign. We worked in partnership

with DSE to develop a new integrated media campaign, which began in October 2006 with a new press advertisement aimed at building on the community's knowledge of bushfire planning. It appeared in 90 publications. Two new television commercials aired 800 times on metropolitan and regional commercial television over a four-week period (December and January). CFA also produced four advertisements for commercial radio, providing 255 spots on metropolitan and 96 spots on regional commercial radio stations.

## FINANCIAL

Total income of \$323.5m as reported in the annual statements includes additional funding for major fires (\$22.9m), supplementary fire funding (\$2.2m) and recognition of brigades' cash and equivalents (\$35.7m).

The remaining income for 2006/07 increased by \$24.2m on the previous year, due to additional government funding of \$12.4m for communications, increased operational funding of \$7.3m and increased income from sales of goods and services of \$5.7m.

The Auditor-General has recommended that all brigade financial activities, including assets, are consolidated within CFA's overall financial reporting structure and accountability framework. Brigades' bank/cash equivalents have been brought to account for the first time in the 2006/07 accounts. The cash balances are funds that have been accumulated by brigades over many decades, predominantly for the replacement of existing capital equipment and the purchase of supplementary equipment in their respective brigades.

## SHARED INITIATIVES WITH MFB

We have continued joint initiatives and resource sharing activities with MFB. Most initiatives have an operational focus and address the expanding role of emergency services.

During the year, this operational co-operation resulted in development of a Chemical, Biological and Radiological (CBR) incident management course; CFA assisting MFB to build and maintain an urban search and rescue capacity; development of a joint marine pre-incident response plan; joint development of a Standard Operating Procedure for use of Class A recycled water for firefighting; and ongoing community safety initiatives such as the 'Change Your Clock' campaign.

## IMPROVING PREVENTION

A major achievement in 2006/07 was our development of the CFA Caravan Park Fire Safety Guideline, which has been very well

accepted. It provides a more comprehensive CFA position on fire safety at caravan parks, especially with the increase in moveable dwellings and low-cost housing.

In May 2007 CFA released fire management guidelines for agriculture, entitled *On the Land*, providing a framework for considering fire management on broad-acre agricultural and smaller lifestyle properties. A further two years of Victorian Bushfire Inquiry funding (until June 2009) has been approved to support the implementation of these guidelines across Victoria.

Supporting roadside fire management, training for traffic management and traffic control was delivered to 597 CFA personnel in regional Victoria, and guidelines and procedures for roadside works were distributed. There has also been significant progress in consultation on rail corridor fire management with rail companies.

### SCHOOLS PROGRAMS

Our new Mobile Education Unit has been running its redeveloped program for over a year now with 14,063 Victorian primary school students attending 543 sessions.

Four new Brigades in Schools lessons were developed jointly with DSE before the 2007 school year, with the focus on aspects of regeneration. This year has seen 2,233 Brigades in Schools sessions conducted in 715 Victorian schools, with 47,241 students participating.

### RESEARCH AND DEVELOPMENT

CFA is project leader on a multi-disciplinary national research project within the Bushfire Cooperative Research Centre (CRC). The CRC project on firefighter health, safety and wellbeing – conducted in association with Melbourne University and with interstate co-operation – is investigating what contributes to the health and safety of Australian firefighters during bushfire suppression.

We have also evaluated the limited availability of water in many parts of Victoria and have developed a strategy on the use of recycled water for firefighting, which includes a management plan, Standard Operating Procedure, awareness package, and recycled water facts sheet.

The practical use of robotic vehicles, including firefighting tankers and unmanned airborne vehicles, is being considered through a co-operative project with the Monash University Intelligent Robotics Research Centre.

### IMPROVING PREPARATION

CFA and DSE held a joint two-day workshop at Lakes Entrance in June 2007 to consider the impacts of climate change on fire and land management, attended by more than 50 delegates from CFA, DSE and partner organisations. The primary objective was to “work towards a common strategy, understood and embraced by both CFA and DSE, for the management of fire in a changing environment”.

CFA’s Gippsland Area is facilitating the development of a comprehensive Emergency Management Plan to address the risks within the critical infrastructure of the Latrobe Valley’s mining and energy sector. Closer partnerships with the power sector help CFA develop specialised knowledge in that unique and vital sector.

### IMPROVING RESPONSE

With the commercial phasing out of widely-varying foam stocks, CFA is replacing all existing Class B foam concentrate stocks with a new, safer and environmentally sound Class B foam concentrate.

A project also started in 2006/07 to plan, establish and maintain CFA capability to manage marine incidents, building on the partnership previously established with the Australian Volunteer Coast Guard (AVCG). Partnership work with AVCG progressed significantly at the local level to establish and register CFA Coast Guard Brigades.

The latest version of CFA’s Performance Improvement Monitoring System (PIMS) is a huge step, opening up PIMS for full view access and search to any reviews (authorised for release to the public) to all CFA staff. This supports continuous improvement at all levels and locations within CFA.

### CFA PEOPLE

CFA’s enhanced volunteer recruitment tools, in conjunction with local brigade activity, have seen a continued upward trend in membership. The total number of volunteers at 30 June 2007 was 59,509 and new member trends continued to increase by 1.12% in the last 12 months.

Our career firefighter recruitment campaigns resulted in 19 firefighter recruits graduating in December 2006, with an additional 20 commencing a recruit course in April 2007. Revised selection processes aim to improve the organisation’s capacity to respond to operational needs.

CFA has continued its focus on improving organisational awareness in the management of diversity and relationships. This is being achieved by building the awareness and competence within our workforce to recognise the diversity of backgrounds of our members and prevent discrimination, harassment and workplace bullying.

CFA's work in youth education was recognised nationally when our Youth Education Partnership Package, jointly entered by CFA and the Office for Youth, won two Awards in the 2006 Australian Safer Communities Awards. The program enables and recognises the ability of young people to make a contribution to safer communities now as well as in the future. A total of 38 Partnerships have been established between CFA brigades and local secondary schools.

A pilot Volunteer Support program was developed and delivered in our North West Area for members in drought-affected areas. Aiming to enhance members' awareness of CFA's welfare services and other services provided by government and community agencies in a time of extreme stress on the rural community, this program resulted in increased use of services and early referral for support.

CFA is the largest provider of post-secondary education and training in country Victoria. In addition to the training conducted at local brigades, over 100 types of courses are delivered at our training campuses, ranging from basic wildfire skills to high-level command and control, specialist rescue, technical and professional development courses.

## CFA ASSETS

During 2006/07, 61 firefighting appliances were produced or upgraded in accordance with the program of \$18.5 million, and 20 additional appliances were provided under the Community Safety Emergency Support Program (CSESP).

In line with the three-year rolling Land and Buildings Program, 28 major projects, totalling \$28.6 million, were completed in 2006/07, including delivery of 22 new and refurbished integrated, urban and rural fire stations. Another 22 building projects were started to be progressed in 2007/08.

Work is also underway on developing the next generation of radio or wireless equipment for CFA. With voice, data, video and other forms of information traffic now managed together in Internet Protocol based networks, CFA's information needs at fires and other incidents will be managed in an integrated way, also ensuring interoperability with other key agencies.

## ACKNOWLEDGEMENTS

I welcome new Chairman Kerry Murphy, a long-standing volunteer firefighter, and look forward to a most productive working relationship with him in the challenging years ahead.

Finally, I take this opportunity to sincerely thank all CFA members for their continuing magnificent efforts at all times. Their families, employers and friends also play an enormous part in indirectly supporting CFA. In particular, I want to express my heartfelt admiration and gratitude to our volunteers and career staff for their tireless and life-saving work during what has been one of the most difficult fire seasons in memory.



**Neil G Bibby AFSM**  
Chief Executive Officer

# REPORT OF OPERATIONS – 2006/07

## SHARED CFA/MFB INITIATIVES

CFA and the Metropolitan Fire and Emergency Services Board (MFB) have continued to undertake a number of joint initiatives and resource sharing activities under the auspices of the Joint Co-ordinating Committee.

While many initiatives are directed at administrative functions, such as the sharing of finance resources and a joint approach to auditing insurance contributions, most of the initiatives come from an operational focus and address the expanding role of emergency services. The primary operational arrangement between the two agencies is the Joint Operation Activities Memorandum of Understanding (MoU) entered into in July 2006.

Other arrangements with CFA are formalised in other MoUs or Service Level Agreements (SLAs) including:

- Eastern Freeway MoU;
- South Eastern Training Ground SLA;
- IP Telephony SLA; and
- Marine Response MoU.

During the year, operational co-operation between CFA and MFB resulted in:

- The development of a Chemical, Biological and Radiological (CBR) incident management course;
- CFA assisting MFB in building and maintaining an urban search and rescue capacity, including training;
- CFA and MFB building relationships as a result of functions associated with ports and building control, such as the development of a joint marine pre-incident response plan and regular meetings with the Building Commission;
- Joint development of an approach, including training and the development of a Standard Operating Procedure for the use of Class A recycled water for firefighting;
- Ongoing community safety initiatives such as the 'Change Your Clock' campaign; and
- Joint research and review of equipment such as personal protective equipment, training and response to incidents.



## PREVENTION SERVICES

CFA has continued to provide leadership in fire prevention and management in parallel with the Integrated Fire Management Planning (IFMP) Project.

CFA's Community Safety staff has provided support, advice and advocacy within the Authority and to external stakeholders on all matters relating to fire prevention and management in the country area of Victoria.

This work has taken a number of forms including:

- Communication: networking and advocacy, including CFA and local government fire prevention work coupled with extensive use of local government email groups;
- Involvement in the production of Vegetation Management Guidelines via the Victorian Rail Industry Environment Forum;
- Representation on the Department of Infrastructure Emergency Management Planning Committee driving co-operation and clarifying fire management accountabilities in accordance with applicable legislation;
- Technical advice: addressing a consistent demand for advice in relation to roles and responsibilities of fire prevention stakeholders; and
- Quality improvement: CFA continued to meet statutory requirements to audit Municipal Fire Prevention Plans, auditing a total of 20 during the year. Training provided to Municipal Fire Prevention Officers was reviewed and rewritten to align more closely with land use planning and CFA's environmental strategy.

## Natural Environment

Key activities in the natural environment are:

- Training and awareness sessions have been undertaken to educate practitioners on the principles and practice underlying the Wildfire Management Overlay (WMO) and the requirements for lodging such applications. Training is aimed at officers and consultants from councils and the Department of Sustainability and Environment (DSE). General awareness sessions on CFA's land use planning requirements have also been held to address and minimise risks from structural and wildfire.
- The Native Vegetation/Wildfire Preparedness Reconciliation Program aims to reconcile the protection of native vegetation with the preparedness of private property to minimise risks from wildfire. A State Advisory Group has been established comprising representatives from CFA, DSE and Municipal Association of Victoria (MAV) to guide the work in this area. Measures being developed and implemented include training programs, assessment tools and legislative review.
- A review is being undertaken of existing decision making processes within Community Infrastructure relating to its natural environment function, including land use planning, native vegetation reconciliation and municipal fire prevention. The aim is to develop a decision making framework based upon practise notes and information bulletins, and to articulate CFA objectives, treatments and evaluations in relation to the natural environment on a precinct program basis.

## Structural Fire Safety

The statutory workload and compliance rates for 2006/2007 are similar to the previous year, as shown in the following graph. The primary reason for the decrease in compliance levels in 2006/07 was the commitment of staff in support of CFA's operational response to the sustained campaign fires.

## Statutory Workload & Compliance

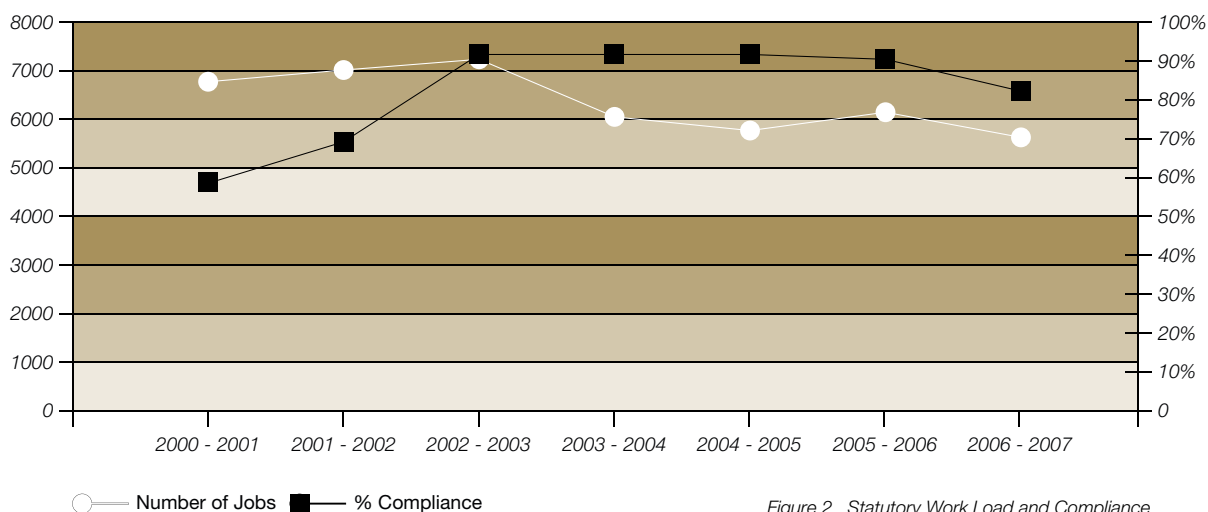


Figure 2. Statutory Work Load and Compliance

**Advocacy and influence on regulations**

A major achievement in 2006/07 was the development of the CFA Caravan Park Fire Safety Guideline. The guideline was developed to satisfy a demand for a more comprehensive CFA position in relation to fire safety at caravan parks, especially with the increased development of moveable dwellings and 'lifestyle' villages providing low-cost housing. The flexibility and clarity of the document has resulted in excellent acceptance by both internal and external stakeholders.

Training continued in Structural Fire Safety, which further enhanced CFA's capacity to undertake proactive and reactive inspections of buildings to meet our legislative responsibilities. The Building Regulatory Advisory Committee, a Committee set up to provide advice to the Building Commissioner, was presented with Post Incident Analysis findings from two significant fires occurring during the year. These findings resulted in the Advisory Committee reviewing concrete tilt-panel construction.

As shown on the following map, the process of mapping bushfire prone areas and introducing complementary Wildfire Management Overlays (WMOs) into planning schemes is progressing state wide. During 2006/07, eight additional WMOs were approved and five were exhibited by the responsible municipality, with approval anticipated in the short term.

**PROJECTS TO IMPROVE PREVENTION**

**Agriculture Fire Management**

In May 2007, CFA finalised and released fire management guidelines for agriculture, entitled *On the Land*. These guidelines provide a framework for considering fire management on broad-acre agricultural and smaller lifestyle properties. A further two years of Victorian Bushfire Inquiry (VBI) funding has been approved until June 2009 to support the distribution, communication and implementation of these guidelines across Victoria.

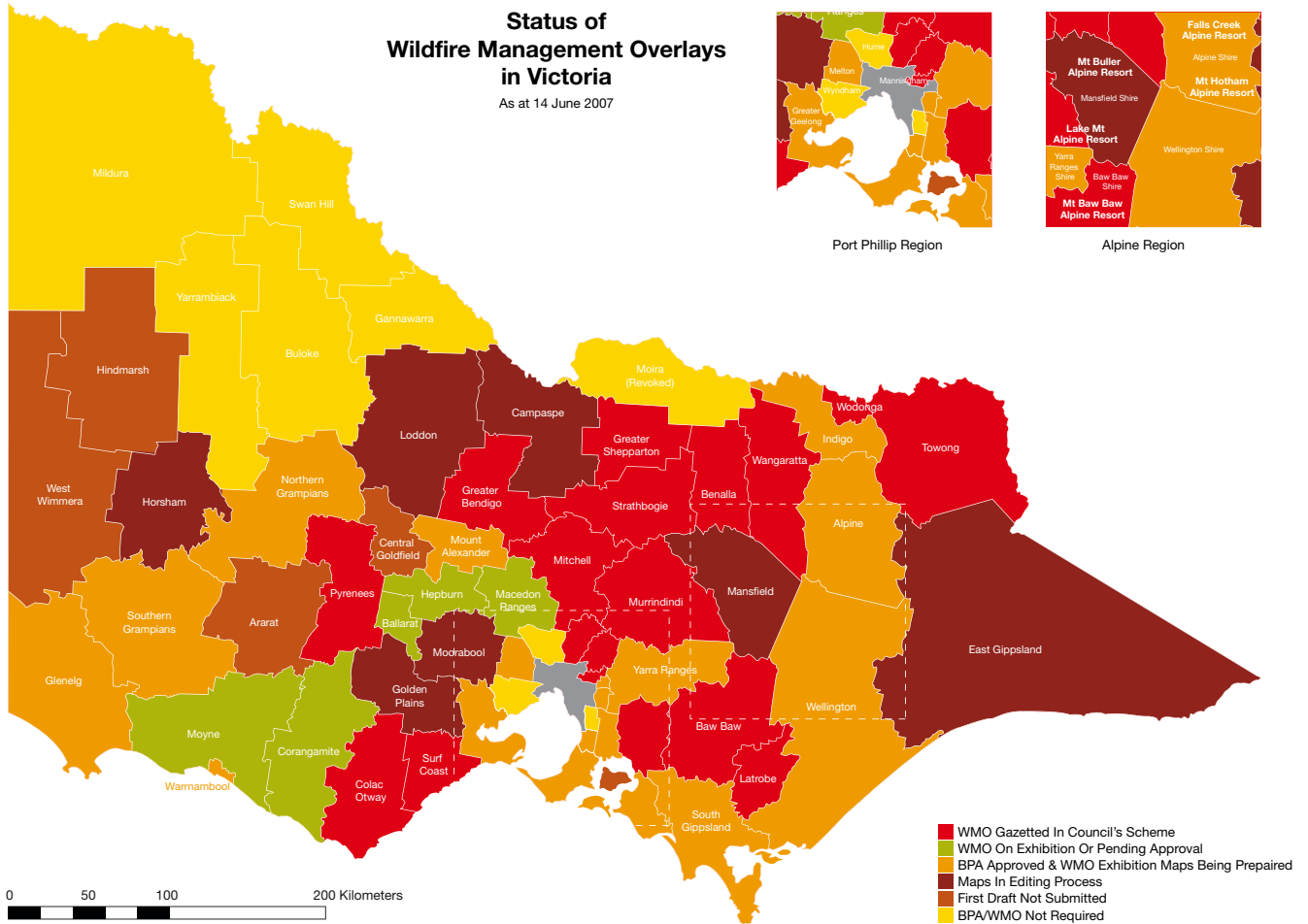


Figure 3. Status of Wildfire Management Overlays in Victoria

### Roadside Fire Management

Following the introduction of new legislation and codes of practice, a formal CFA position on road and rail fire management has been approved by the Board. Training for traffic management and traffic control has been delivered to 597 CFA personnel across regional Victoria, and guidelines and procedures for roadside fire management works have been distributed.

### Rail Corridor Fire Management

There has been significant progress in this project. Implications for CFA volunteers and staff, under the Rail Safety Act and Regulations 2006 were identified. A draft guide to CFA Fire Management and the Victorian Heavy Rail Network has been produced in conjunction with a legal advisor. Consultation continues with rail companies state wide in relation to issues with rail corridor fire management in the field.

### CFA boundaries

There is confusion about what is deemed country area of Victoria and what is Crown Land because of changes to Crown Land boundaries over recent years. CFA is working in conjunction with DSE to clarify this complicated jurisdictional issue.



## PREPAREDNESS SERVICES

### INTEGRATED FIRE MANAGEMENT PLANNING (IFMP)

CFA continued to lead this key initiative, identified by the VBI, to develop an enhanced and integrated fire management planning framework for Victoria. Following extensive consultation over three years, the IFMP Framework for Victoria has been established and was endorsed by the Premier in March 2007.

Through IFMP, planning and service delivery will be integrated at State, Region, Municipality and local planning levels, across the Prevention, Preparedness, Response and Recovery continuum, and between all fire management agencies and the community.

CFA is hosting IFMP on behalf of all participating fire management agencies. Hosting of IFMP entails the development, implementation and continual improvement of a participative and evidence-based service delivery planning system and requisite supporting structures and tools.

A comprehensive plan comprising 11 strategies and more than 50 sub-projects will guide development and implementation over the next three financial years. A number of these sub-projects are being managed by partner agencies and, wherever appropriate, IFMP will facilitate the sharing and common usage of existing agency products and capabilities, and encourage joint venture developments.

Full time Consultation and Communication Managers, funded by IFMP, have been appointed in CFA, DSE and MAV. MFB, Victorian State Emergency Service (VICSES) and the Office of the Emergency Services Commissioner (OESC) each nominated a liaison officer responsible for representing the views of their agency in the development and implementation of IFMP, and for facilitating the readiness of their agency to participate in IFMP.

Implementation of IFMP across the State will commence in October 2007 with the formation of the State Fire Management Planning Committee, followed by Regional and Municipal Community Committees.

**COMMUNITY INFORMATION AND DEVELOPMENT**

**Victorian Bushfire Information Line (VBIL)**

The VBIL has continued to provide up-to-date information about current fires and a broad range of safety information to the public. More than 64,000 calls were made to VBIL during the period November 2006 to March 2007 as shown in Figure 4.

The number of calls received in the 2006/07 summer period represents an increase of 645% over the three year period of the Fire Ready Victoria strategy. The number of calls both during major fires and on a day-to-day basis throughout summer demonstrates that the VBIL is providing a valuable service to the community and continues to be an important component of the Fire Ready Victoria strategy.

**Summer program**

Fire Ready Victoria (FRV) is a joint three-year strategy of CFA, DSE and MFB to increase community awareness and preparedness for bushfire. The strategy, in its third year, has achieved considerable success.

Figure 5 shows the number of meetings conducted by CFA since 1997/98 to increase community awareness and preparation as part of the Bushfire Blitz and Fire Ready Victoria programs. These figures do not include meetings held during major fires over recent years.

CFA regional offices aimed to deliver 949 interactive FRV meetings however this target was exceeded and a total of 1,208 community meetings were delivered to approximately 27,000 people. The number of meetings delivered in 2006/2007 represents a 79% increase in FRV meetings over 2005/2006 activity. In 2005/06, 11,000 people attended 675 meetings, which was an average of 16 people per meeting. This average increased to 22 people per meeting in 2006/07.

This year there was a strong focus on improving support for Community Fireguard facilitators because the program has been in place for more than a decade. A more comprehensive facilitator manual was developed and provided to all new and existing facilitators along with a one day professional development session. Community Fireguard meeting delivery increased from 649 in 2005/06 to 736 in 2006/07.

**Media Campaign**

An extensive media and public relations campaign is a key component of the FRV Strategy. DSE and CFA worked in partnership to make the key creative decisions required for the development of an integrated media campaign. The campaign commenced in early October with the creation of a new press advertisement aimed at building on the community's knowledge of bushfire planning. The press campaign appeared in 90 publications.

Two new television commercials were developed and aired 800 times on metropolitan and regional commercial television over a four week period (December and January). CFA also produced four advertisements for commercial radio providing 255 spots on metropolitan and 96 spots on regional commercial radio stations.

Through the various channels, the campaign targeted all residents living in high wildfire risk locations, tourists travelling into high wildfire risk areas and residents living in close proximity to public land.

A multi-phased approach to the summer media campaign was adopted with modified key messages for each phase that built on the themes from previous years.

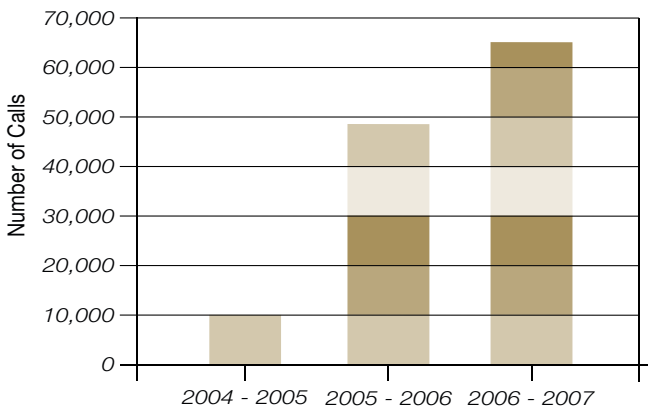


Figure 4. Number of calls to VBIL - Summer period 2004/05 to 2006/07

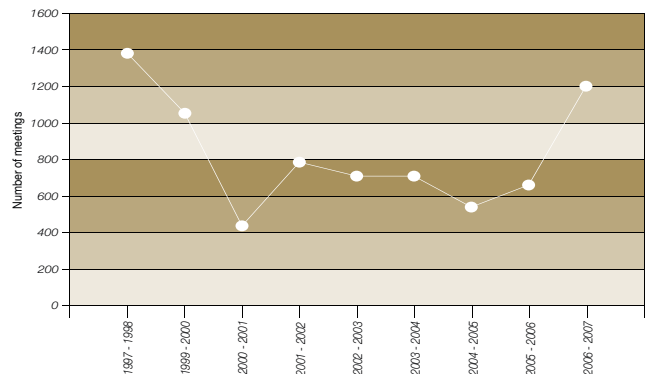


Figure 5. State wide delivery of public meetings 1997/98 to 2006/07  
Note: No equivalent program was conducted in 1998/99





### Evaluation of Campaign Effectiveness

An extensive post-summer survey was conducted targeting residents in a wide range of geographic locations and townships across the area affected by the major bushfires of 2006/07. The survey sought to assess a range of issues related to community attitudes and response to bushfires, the level of preparation for bushfire, and access to information before, during and after the bushfire.

The survey results were extremely encouraging and highlight the success of the work CFA has done over many years to increase community understanding, awareness and preparedness for bushfire. Preparedness measures were very high across a range of activities which demonstrated that many households had the capacity to protect their properties:

- This survey showed high levels of awareness of the risk of bushfires with almost 70% of people reporting that they had a plan for what they would do if a bushfire occurred.
- 75% of respondents reported receiving an official warning that the fire was likely to affect the area where they lived, and just over 60% of respondents attended a community meeting at least once during the fires.
- More than 9 in 10 respondents agreed that the community meetings held during the fires were honest, credible, high quality and used an appropriate format.
- The majority of respondents indicated they were satisfied (91% satisfied or very satisfied) with the delivery of services before, during and after the fires.

### Winter Program

The joint CFA and MFB winter fire safety program focussed on common fire hazards in the home, particularly the dangers of heaters and cooking fires. The media campaign used press and radio advertising that focussed on a burn victim's carer's point of view. Advertisements 'Take Care When Cooking' (TV), 'Appliance Safety' (TV and radio) and an electric blanket radio ad were produced by Energy Safe Victoria and supported by CFA and MFB.

The campaign continued the theme of 'Check Your Hotspots' around the home. The community was invited to the 'Check Your Hotspots' website to check and identify common home fire hazards. Media releases were sent out and jointly badged by CFA, MFB, Energy Safe Victoria and the Alfred Burns Unit.

The campaign was launched by CFA and MFB at Federation Square at the start of winter. This featured demonstrations of the messages during live weather crosses for Channel 9's *Today* show.

The new house fires brochure *Your Home Fire Safety* was revised and reprinted, as were the home fire safety workshop materials, *Reduce the Risk*.

The campaign this year was supported by a partnership between CFA, MFB and Archicentre with 1,000 smoke alarms distributed to senior citizens who participated in Archicentre's home inspection program during the winter months.

## SCHOOLS PROGRAMS

### Mobile Education Unit

The redeveloped Mobile Education Unit (MEU) program has now been running for over a year with 14,063 Victorian primary school students attending 543 sessions. The students are very much enjoying the presentation and the presenters' influence on the program.

The MEU was also on display at all three of this year's State Championship competitions, where a condensed version of the lesson was presented, along with open house sessions to promote the resource.

### Brigades in Schools

Four new Brigades in Schools lessons were developed jointly with DSE, with the focus on aspects of regeneration, and were circulated to regional Victoria prior to the commencement of the 2007 school year. The lessons have been running with joint presentation by the two agencies in a number of regions.

This year has seen 2,233 Brigades in Schools sessions conducted in 715 schools across Victoria with a total number of 47,241 students participating in the program, achieving significant growth from 1,567 sessions in the previous year. The growth is believed to be due to an increased awareness by teachers of the mapping of the Brigades in Schools program to both the Curriculum Standards Framework II and the Victorian Essential Learning Standards.

## FIRE EQUIPMENT MAINTENANCE (FEM)

FEM is a commercial operation conducted by CFA through volunteer brigades.

The core business is the servicing, inspection and sale of fire extinguishers, fire blankets and fire hoses in public and private enterprises on a fee-for-service basis.

Approximately 300 of CFA's 1,209 brigades are engaged in FEM. Collectively the brigades service around 30,000 customers each year.

The year 2006/07 has been a period of change and consolidation of sound business practice, and communication with participating brigades.

## PARTNERSHIPS

In addition to maintaining and strengthening the existing partnerships developed over recent years, a funding agreement was negotiated and agreed with the Department for Victorian Communities (DVC) for redeveloping CFA buildings to add multi-purpose community facilities. Under the agreement, CFA will receive \$1.4 million in funding from DVC over the next four years based on DVC funding half of the estimated cost of each of the 20 projects within the proposed program.

The program aims to redevelop up to 20 CFA stations to add flexible community use facilities in rural areas of Victoria where these facilities are inadequate or non-existent. The facilities are intended to add space for shared use by both the CFA brigade and the community. This is likely to include open space for meetings, classes or functions, public amenities and storage space for the retention of community history.

The costs of each project will be shared between DVC grant funds, CFA contributions and, where possible, the local municipality and/or participating community groups. CFA will manage the construction of the infrastructure and the facilities will be managed by a committee involving the brigade and the community.

Over the past twelve months, CFA has taken the important step of being involved in the State Government Regional Management Forums (RMFs). These bodies are comprised of Local and State Government representatives from all of the service delivery departments and councils within a geographic area of the State.

The importance of CFA's involvement in these forums should not be underestimated. With its close ties to the community and significant land coverage, CFA is able to effectively represent the population of country Victoria to these forums, and is able to offer the forums the ability to take issues, items and information out to the community utilising CFA's significant and effective communication systems.

The breadth of focus of these forums across the State is enormous, with RMFs covering subjects as diverse as whole-of-government planning systems – for example *Geelong Regional Development Plan G21* (Barwon-Corangamite Area) and *Robinvale So Great (Sustainability of Government and Rural Enterprises Advancing Together)* (North West Area) – through to more local community minded initiatives like *Community Transport* (Midlands Wimmera Area) and supporting the utilisation of *Car Pooling* (Westernport Area).

## RESEARCH AND DEVELOPMENT

CFA's research and development is active in a number of projects. The following sections outline significant research activities.

### Bushfire Cooperative Research Centre

CFA is the project leader on a multidisciplinary national research project within the Bushfire Cooperative Research Centre (CRC).

The CRC project on firefighter health, safety and wellbeing is being conducted in association with the University of Melbourne and interstate co-operation with Tasmania Fire Service, Fire and Emergency Service Authority in Western Australia, and NSW Rural Fire Service. The project is investigating the many factors that contribute to the health and safety of Australian firefighters during bushfire suppression. The project will improve the health and safety of firefighters by providing strategies to promote health and safety and to improve prevention of fatigue, injury and fatalities.

CFA and CRC researchers collected data on firefighters at wildfires in Victoria and New South Wales during the 2006/07 fire season. The researchers conducted project related research that is consistent with CFA safety, welfare and operational requirements. Laboratory research has also been conducted using CFA rural brigade volunteers and recruit firefighters.

CFA has published several papers and conference posters on the CRC project including:

- *Fireground Health and Safety*, Bushfire CRC Update, (2006);
- *Fit for Fires*, Fire Australia, (2006);
- *Fighting fatigue whilst fighting bushfire*, Australian Journal of Emergency Management, (2007);
- *The Bushfire Fighting Test, Quantifying a Safe Standard of Fitness and Health in CFA Volunteers*, Joint Conference of Australasian Fire Authorities Council (AFAC), International Fire Chiefs Association of Asia (IFCAA) and Bushfire CRC, (2006); and
- *Cardiovascular responses during CFA Recruit Training*, Joint Conference of AFAC, IFCAA and Bushfire CRC, (2006).

### Crew Protection System

Crew protection system components have been tested and evaluated at both the Mogo hot fire test facility in New South Wales and CSIRO's fire laboratory in Highett, Victoria. After assessing the results, the change will be incorporated into the design of new tankers.

Radiant heat protective curtain materials have been fire-laboratory tested and evaluated to support use of the recommended materials in the firefighting appliance design. Crew protective awning design has been laboratory tested by CSIRO and the

recommended design developed for use on firefighting tankers utilising protective curtain materials.

### Equipment Evaluation

The equipment evaluation process continues to register new equipment and co-ordinate the assessment of new items and procedures. Operational equipment research is completed under CFA policy and process guidelines. Evaluations include:

- Radio communications on and around firefighting vehicles;
- Reflective and fluorescence products;
- CBR response products;
- Hydration backpacks;
- Firefighting hoses; and
- Fire investigator personal protection clothing.

### New Technology

Research and development in the use of new technology for CFA consideration is included in a number of current activities including:

- Firefighting appliance technology;
- Communications network;
- Personal digital assistant systems; and
- Global Positioning System units.

### Automatic Weather Systems

CFA has completed the upgrade of CFA permanent automatic weather systems (AWS) at eight locations throughout Victoria.

Eight advanced portable AWS with four new weather station trailers were brought into service and used extensively throughout the 2006/07 fire season. The portable units are the equipment component of the Fire Weather Out-posting Service established to support real-time weather forecasting for emergency management incidents.

### Water Issues

CFA has evaluated the limited availability of water in many parts of Victoria. CFA developed a strategy to manage issues related to the use of recycled water for firefighting across Victoria. The strategy for recycled water management includes:

- A management plan;
- A standard Operating Procedure;
- An awareness package; and
- A recycled water fact sheet.

### Robotic Vehicles for Emergency Services Support

The risk of human injury and loss of lives associated with bushfire fighting, critical search and rescue missions, civil disaster support operations and hazard materials (HAZMAT) detection can be

reduced through deployment of suitably instrumented robotic vehicles. The practical use of robotic vehicles is being considered through a co-operative project with the Monash University Intelligent Robotics Research Centre.

Robotic vehicles include firefighting tankers, unmanned airborne vehicles, rough terrain tracked vehicles, and urban tracked vehicles for Hazmat/CBR or search and rescue. The project is supported in part by an Australian Research Council Linkage Grant.

#### Major Project Support

Technical consultation on CBR detection and analysis equipment was conducted in support of Hazmat/CBR applications development. In support of Hazmat equipment, research will continue on wireless video linkage and integration of infrared camera technology.

An Emergency Medical Response pilot project has been supported through the evaluation and testing of equipment required to support project objectives.

The equipment analysed included:

- Defibrillators;
- Oxygen therapy units;
- First aid kits; and
- Personal protective clothing.

Recommended equipment has been approved and delivered to the pilot project for long term evaluation.

Personal Flotation Devices (PFDs) have been tested, and specified as part of the CFA Marine Emergency Response Strategy project. Analogue and digital Emergency Personal Identification Radio Beacon (EPIRB) devices have been analysed for inclusion with the PFDs. The PFDs and EPIRBs have been recommended for use by the project.

The VBI identified issues that require research support from Victorian fire and land management agencies. CFA continues to support research into long term weather influences on bushfires in collaboration with DSE and the Bureau of Meteorology.



## PROJECTS TO IMPROVE PREPAREDNESS

### Mapping

CFA is investing in the production of a new generation of upgraded map books to service its operational needs. This will reduce the number of map books while retaining full coverage of the State. CFA recognises the need to utilise technology to improve its mapping capability.

This year, the North East map book was completed and delivered. The development of the South East book is underway. Planning for South West and North East wall maps has started. Investigations into online and manual data collection processes are continuing.

### Pakenham Precinct Learning Centre

Westernport Area has developed an innovative new model for community learning within the Pakenham Emergency Services Precinct, an interagency facility in the fastest growth corridor in the State.

While construction for the overall Pakenham Emergency Service Precinct was managed by Victoria Police, CFA established a modular portable building to house a Learning Centre similar in style to the Mobile Education Unit. The internal layout was completed to resemble a modern home environment, along with visual aids and program delivery technology.

CFA Area staff members have been liaising with Cardinia Shire to explore community network use of the Learning Centre and broaden the core programs to include other at-risk groups. Following its opening in April 2007, 16 sessions for 399 students were conducted in its first month. School and other community involvement in the Learning Centre is being further developed and an estimated 240 school aged sessions will be conducted in 2007/08.

## LATROBE CITY ELECTRICITY INDUSTRY JOINT AGENCY BUSINESS IMPROVEMENT

The energy sector based in the City of Latrobe is the largest concentration of energy infrastructure in south-eastern Australia. CFA's Gippsland Area is facilitating the development of a comprehensive Emergency Management Plan to address the risks within the critical infrastructure of the Latrobe Valley so that stakeholders are prepared, risks are minimised or mitigated, response is rapid and effective, and recovery is made with minimum impact on the community and productivity of the State.

A project steering group has been established with representatives from CFA and Latrobe City Council. The power generation

industry was involved through both direct consultation and active participation with the Central Gippsland Essential Industry Group. A range of organisations including WorkSafe, Gippsland Water and SP Ausnet were also consulted, and contacts established with the Federal Attorney General's Department to identify issues in relation to Critical Infrastructure Protection.

A guideline addressing the minimum requirements for Incident Control Centres within the power generation industry is now being drafted.

### Surf Coast Shire Wildfire Tourism Engagement

This project aimed to engage the Surf Coast tourism sector to build awareness to ensure more self-reliant, resilient and sustainable behaviour and decision-making in the event of a wildfire. Project objectives included improving the safety of tourists on days of high wildfire risk, improving the preparedness of tourist providers for a wildfire event and increasing the resilience of the tourism industry to respond to and recover from a wildfire event.

A series of two two-hour workshop sessions was presented to providers of self-contained tourist accommodation in the Surf Coast Shire, accompanied by surveys and literature reviews to determine the most effective means for delivering the required risk treatments.

Results were presented to a multi-function group including OESC, DSE, Parks Victoria, Victorian Tourism, Surf Coast Shire, Department of Human Services and CFA brigade representatives. CFA's Barwon-Corangamite Area has continued implementing one key recommendation for the establishment of Community Fire Guard (CFG) groups with tourist operators. This is a trial that will involve tailoring CFG concepts for the tourism sector while maintaining the principles of the program.

## RESPONSE SERVICES

### INCIDENTS AND TOTAL FIRE BANS

Victoria experienced a very adverse fire season during 2006/07. A number of significant fires occurred, burning extensive areas as favourable burning conditions brought intense fire behaviour from August onwards. Conditions conducive to rapid fire spread and difficult suppression conditions are rarely experienced at that time of year, regarded as the pre-fire season period. As identified in the post-fire season reviews<sup>1</sup>, the impact of climate change and the effects of deep drought have been experienced to an extent that goes beyond living memory through much of south-eastern Australia and the firefighters of 2006/07 had to contend with fuel loads that were as dry as can be practically attained, generating very difficult suppression conditions.

An unusually prolonged period of intense fire activity occurred from December 2006 to mid-February 2007 when multiple fires, caused by lightning on 1 December 2006, eventually merged to form the 'Great Divide Complex'. The Great Divide Fires were the longest in Victoria's fire history, lasting 69 days. The area burnt

was estimated between 1.2 and 1.3 million hectares by the close of the season. The fire season also saw other serious and large fires in addition to the Great Divide Complex.

Despite the protracted nature of the fire season, the losses were thankfully not as significant as they potentially could have been. No lives were lost as a direct result of fire activity. In total, 51 dwellings, of which 21 were classified as primary residences, were destroyed. Stock, crops and natural assets were also heavily impacted.

The low levels of loss are attributed to two key areas – the efforts of many thousands of firefighters from CFA, DSE and forest industries, as well as interstate and overseas, and the understanding the Victorian community now has about the likely extent and impact of fire in bushfire prone areas and the preparations implemented by 'at risk' communities. It is apparent that many Victorian communities are now much better informed about fire risk than they were just five years ago. This has arisen as a direct result of sustained information flow to communities before and during fire incidents and the ongoing activities of the Fire Ready Victoria program.



Figure 6. Overview of 2006/07 Fire Season Significant Incidents

1. Smith, R. 2007, 'Key Issues Identified in Victoria 2006/07 from Operational Reviews of Major Fires', DSE, July 2007

Fire Danger Period declarations began on 23 October 2006.  
All bans were removed by 1 May 2007.

**Table 1. Number of Total Fire Bans declared (2003-2007)**

Fire Season	Whole State	Partial
2003/04	2	9
2004/05	0	8
2005/06	2	10
2006/07	9	11

**Table 2. Days of Total Fire Ban 2006/07**

Date	Total Fire Ban District
04th October 2006	North West
12th October 2006	North West; South West; Central; North East
13th October 2006	North East
20th November 2006	North West; Central; North East
21st November 2006	North East
30th November 2006	North West; South West
05th December 2006	Whole State
09th December 2006	Whole State
10th December 2006	Whole State
14th December 2006	Whole State
21st December 2006	Whole State
22nd December 2006	Central, North East, Eastern
05th January 2007	North West; South West
10th January 2007	Whole State
11th January 2007	Whole State
16th January 2007	Whole State
05th February 2007	Whole State
06th February 2007	North East
18th February 2007	North West; South West, Central; North East
23rd March 2007	North West; South West; Central



**Table 3. Total Number of Incidents 2001 - 2007**

Incident Type	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	Change
Fire and explosions	13,946	14,859	13,187	13,028	11,162	16,368	46.64%
MVA, rescue, EMS calls	3,328	3,387	3,354	3,403	2,909	3,661	25.85%
Hazardous condition	2,883	2,750	2,885	3,576	2,965	3,599	21.38%
Overpressure rupture	22	35	42	43	36	62	72.22%
Service calls	2,092	2,390	2,433	2,099	2,090	2,698	29.09%
Good intent calls	3,880	4,690	4,316	5,190	4,410	5,520	25.17%
False alarms/false calls	7,702	7,759	7,468	7,560	5,988	7,482	24.95%
Other Situations	150	157	190	160	151	224	48.34%
Incomplete	115	218	197	575	6,677	1,398	-79.06%
Undetermined/other	141	231	164	168	242	240	-0.83%
<b>Total Primary Incidents</b>	<b>34,259</b>	<b>36,476</b>	<b>34,236</b>	<b>35,802</b>	<b>36,630</b>	<b>41,252</b>	<b>12.62%</b>

Notes: The high number of incidents shown as "Incomplete" in 2005/06 was impacted by industrial bans on reporting.

Part of the increase in the annual number of incidents in 2006/07 can be attributed to the implementation of C:AD and EAS paging across the State, which automatically generates a Fire Report for every incident paged. Due to amended reporting conditions on the automatic Fire Reports, this also added a significant proportion of the incidents shown as "Incomplete" in 2006/07.

**Table 4. Total number of turnouts by CFA brigades 2001 – 2007**

	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	Change
Primary	34,259	36,476	34,236	35,802	36,630	41,252	12.62%
Support	24,334	28,317	25,193	26,982	32,538	38,475	18.25%
<b>Total</b>	<b>58,593</b>	<b>64,793</b>	<b>59,429</b>	<b>62,784</b>	<b>69,168</b>	<b>79,727</b>	<b>15.27%</b>

**Table 5. Summary of major incidents 2006/07**

Date	Incident Type	Location	CFA appliances	Fire Size (ha) or Cost
16/08/2006	Structure	St Josephs Church, Chelsea	12	\$450,000
30/08/2006	Structure	Ex-orphanage, Kennington (near Bendigo)	11	\$700,000
12/10/2006	Other	Morwell (Open Cut Mine)	59	\$30,000,000
20/11/2006	Grass	Little Desert National Park, Goroke	35	10,790 ha
21/11/2006	Grass	Charlton / Wooroonook	23	700 ha
21/11/2006	Grass	Waubra	62	800 ha
22/11/2006	Grass	Dergholm	74	13,261 ha
1/12/2006	Grass	Alpine National Park North	199	370,600 ha
1/12/2006	Grass	Alpine National Park South	92	677,638 ha
10/12/2006	Grass	Stoneyford	49	3,300 ha
10/12/2006	Grass	Bright / Tawonga South / Mount Beauty / Pyramid Hill	34	33,590 ha
14/12/2006	Grass	Coopers Creek	50	40,000 ha
3/01/2007	Grass	Boulder Creek Tk, Club Terrace	17	2,040 ha
4/01/2007	Grass	Port Fairy / Yambuk	41	1,230 ha
10/01/2007	Grass	Purnim / Framlingham	71	1,672 ha
11/01/2007	Grass	Tatong	70	33,000 ha
17/01/2007	Structure	DTM Logistics Factory, Dandenong South	30	\$36,000,000
5/02/2007	Grass	Collier Gap Rd, Eversley	68	1,235 ha
1/03/2007	Structure	Food processing factory, Springvale	19	\$1,350,000
15/05/2007	Structure	Factory, Bayswater	8	\$800,000
16/05/2007	Structure	Commercial complex (under construction), Rowville	10	\$400,000





### Service Delivery Standards (SDS)

Data for Figure 7 is based on customer service delivery standards, extracted from the Fire and Incident Reporting System (FIRS). Data includes completed fire and incident reports, where at least one appliance (from any fire service) responded under emergency conditions (code 1), to an incident in a CFA area. The data excludes support to external fire services and non-emergencies, and incidents that do not have a standard response time requirement.

The rolling 12-month annual performance is 89.06%.

### Issues impacting on SDS

The following issues impacted on service delivery over the past year.

- Call processing delays and incident duplication when incidents occur on the border of the two Computer Aided Dispatch (CAD) centres. Linking of the two centres, planned for August 2007, should resolve this issue.
- Reliability of EAS pagers resulted in some volunteers missing calls altogether impacting on the brigade's ability to turnout. Replacement pagers are being delivered to rectify this issue.
- Delays associated with a data rate lockdown on EAS (to allow paging to a larger area) resulted in occasions where brigades had not been alerted within 30 seconds as required, with documented delays of up to eight minutes in some instances.
- Orange paging system issues in November and December 2006 caused delays in brigade notification.

### State wide Reporting against CFA Act Section 29

Section 29(b) of the CFA Act requires the Chief Officer to:

*"... from time to time inspect or arrange for the inspection of all brigades and report to the Authority on their state of efficiency or otherwise, and make such recommendations as he thinks fit"*

A process to allow the Chief Officer to assess and report the operational efficiency of fire brigades to the CFA Board has been in place since 1 July 2004. The key indicators of "operational efficiency" are deemed to be training, operational readiness, response performance and fire ground performance.

CFA brigades inspected during the year use a web based Section 29 reporting system (S29). The online system allows regions and brigade management to view completed S29 inspection reports from previous years, preview future inspection data and monitor the progress of agreed actions to resolve any issues identified. It also provides links to further information such as training records. Work has commenced to include elements of brigade viability in the S29 reporting tool.

### Brigade Performance Analysis Tools

The latest version of FIRS and Performance Analysis extends the current reports on containment to room of origin, hectares burnt, dollar loss (structure fire) and SDS response compliance reporting to include analysis ranging from state wide to brigade

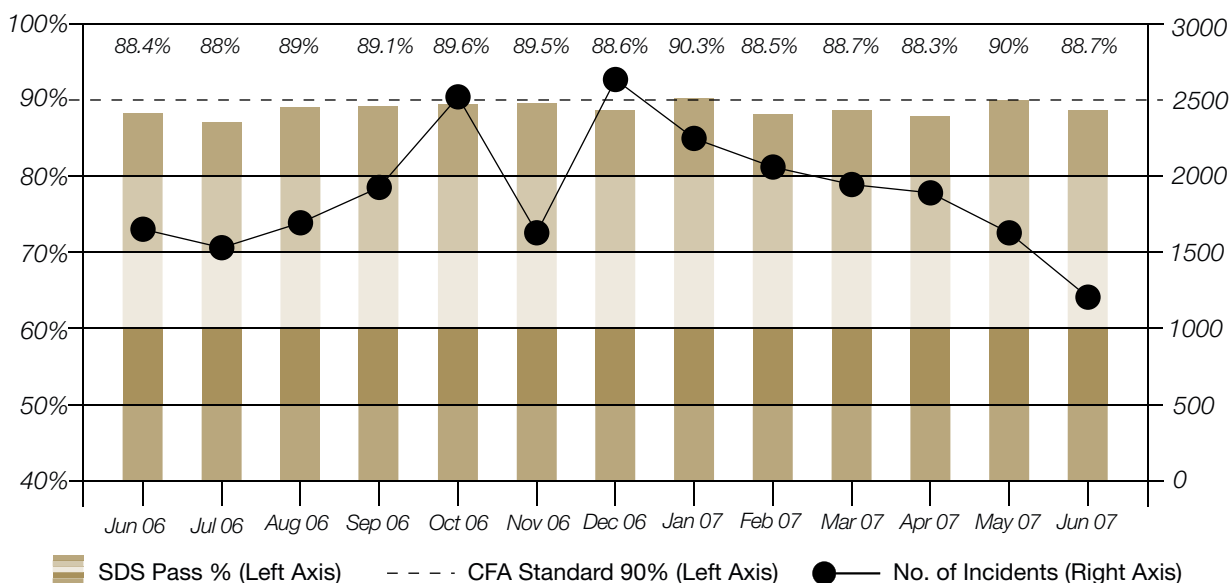


Figure 7. State wide Service Delivery Compliance to 30 June 2007

level, displaying individual incident information in many instances. These reports are available to CFA staff and Brigade Management Teams in varying formats.

Month-by-month comparison graphs of turnout, travel, and SDS response compliance have also been added, providing much needed analysis, along with an SDS summary providing response totals by Region, Area and state wide. An annual comparison option has been added to the Hectares Burnt report to allow brigades to compare the chosen year's data with up to three years of historical data.

Additional reports have also been developed ready to link to specific questions in the Section 29 Report including "Incident Injury Summary Report", "FIRS Status Report" and "FIRS Late Completion Report".

#### OPERATIONS PERFORMANCE ANALYSIS

Shown below are state wide reports for 2006/07. These reports are available online to volunteers and staff.

##### **Dollar Loss (from structure fire) Report**

This report shows total and median dollar loss for structure fires attended during the reporting period. The data is extracted from estimates included in completed primary fire reports for individual brigades.



CFA Area	No. Structure Fires	Structure Fires with Loss Value	Total Dollar Loss	Median Dollar Loss
South West	119	61	\$6,451,640	\$5,000
Barwon Corangamite	351	187	\$10,905,300	\$5,000
Westernport	770	383	\$39,389,559	\$4,000
Gippsland	332	152	\$7,556,070	\$5,000
Yarra	356	203	\$14,805,160	\$3,200
Outer Metro NorWest	346	165	\$9,395,080	\$7,000
Midlands Wimmera	288	130	\$10,467,530	\$5,000
North West	292	156	\$7,082,130	\$6,000
North East	324	162	\$8,615,050	\$10,000
<b>Total</b>	<b>3169</b>	<b>1597</b>	<b>\$114,590,519</b>	<b>\$5,000</b>

CFA Area	0 - Extent of damage undetermined	1 - Confined to the object of origin	2 - Confined to part of room or area of origin	3 - Confined to room of origin	5 - Confined to the floor of origin	6 - Confined to structure of origin	7 - Extended beyond structure of origin	8 - No damage of this type/not applicable	9 - Extent of damage not classified	Total Structure Fire Incidents	% Confined to Room Of Origin
South West	0	8	21	10	0	30	8	9	0	86	56%
Barwon Corangamite	0	36	59	42	2	72	17	18	0	246	63%
Westernport	1	101	163	73	12	141	27	53	1	572	68%
Gippsland	1	20	74	31	0	82	19	10	2	239	56%
Yarra	3	24	75	36	4	59	17	17	3	238	64%
Outer Metro NorWest	2	32	90	34	1	75	11	17		262	66%
Midlands Wimmera	2	13	60	24	1	74	21	12	0	207	53%
North West	2	27	50	28	3	80	15	7	1	213	53%
North East	0	20	67	24	0	82	13	8	2	216	55%
<b>Total</b>	<b>11</b>	<b>281</b>	<b>659</b>	<b>302</b>	<b>23</b>	<b>695</b>	<b>148</b>	<b>151</b>	<b>9</b>	<b>2279</b>	<b>61%</b>

Note: The determination of Structure Fires in the 'Containment to Room of Origin' report refers only to building fires, where the 'Dollar Loss' report also includes building fires confined to a container, e.g. chimney or cooking equipment, and hence shows a larger total number of Structure Fire incidents.

### Containment to Room of Origin (Structure Fire) Report

The above table shows the total number of structure fires per region and summarises the number of incidents allocated to each of the flame damage categories in the fire reports. It then shows the percentage 'Confined to room of origin' based on the calculation of the total number of relevant incidents divided by the total number of structure fire incidents.

## PROJECTS TO IMPROVE RESPONSE

### Class B Foam

With the phasing out of Perfluoro-octyl Sulphonate foams and widely-varying foam stocks, CFA needed to determine an alternative foam supply to meet its performance, risk profile, environmental, engineering and Occupational Health and Safety (OH&S) needs. This project involves the immediate replacement of all existing Class B foam concentrate stocks from regional headquarters, other large stock piles and in appliances with a new, Angus Tridol ATF 3-6% Class B foam concentrate.

Implementation is being led by District Maintenance Officers and regional staff. This includes the collection, flushing and disposal of existing Class B foam as well as implementation of new foam. By June 2007, a quarter of all relevant appliances had been changed over, with the aim to have all major bulk supplies and CFA's pumper fleet replaced by November 2007. Replacement of the remaining small stocks will be co-ordinated centrally in 2007/08.

### CFA Capability to Manage Marine Incidents

This project aims to establish, plan for and maintain a capability to manage marine incidents in accordance with CFA's statutory obligations under Victoria's Emergency Management arrangements. It builds on the partnership established previously with the Australian Volunteer Coast Guard (AVCG).

The project commenced with the procurement and distribution of PFDs and the delivery of training to identify brigades with a marine risk. Development of four marine response teams was supported. To build base level capability to brigades the following items were addressed.

- An initial quantity of 350 PFDs ordered for delivery
- 40 personal EPIRBs purchased
- 40 sea dye markers purchased
- 6 x 6-person life rafts ordered and in final stage of production
- An Expression of Interest for tender for the Eildon Emergency Response vessel progressed following input from Marine Safety Victoria surveyors

Liaison and partnership work with AVCG progressed significantly at a local level to establish and register CFA Coast Guard Brigades. The development of two CFA Coast Guard Brigades within the Metropolitan Fire District is progressing following an initial briefing with MFB.

EAS pagers were delivered and are now operational for marine search and rescue to all Port Phillip and Western Port Bay flotillas. Lake Hume and Portland Flotillas are also operational for marine search and rescue. Lake Eppalock and Gippsland Flotillas are due for delivery in the first half of 2007/08.

## RECOVERY SERVICES

### Performance Improvement Monitoring System (PIMS)

From time to time CFA, government agencies and other parties conduct reviews into the performance of CFA during incidents, resulting in findings and/or recommendations. PIMS captures information relating to these reviews and tracks the completion of any recommendations made as a result. These recommendations are organised according to particular issues, identified as 'themes'. Management responsibility has been assigned to the themes to ensure that the issues raised and recommendations made have been fully addressed.

The latest version is a huge step for CFA, opening PIMS up by providing full view access and search facility to any reviews (authorised for release to the public) to all CFA staff. This includes the review details, recommendation details, CFA's position, theme allocated, current status and details of actions or projects being undertaken to address the recommendations. A word search facility has also been included to allow a search of review title, recommendation detail and action detail fields. This supports continuous improvement at all levels and locations within CFA and reinforces the link between incident review and learning outcomes.

Many reviews generate findings rather than make recommendations, which previously were not catered for in PIMS. The new version resolves this issue, allowing for findings to be captured. This functionality allows for a higher level review team to assess the findings from numerous reviews and generate recommendations on a larger scale. Recommendations made are then linked to the individual findings.

### Joint CFA / DSE Post-Fire Season Survey

The year's post-fire season survey was revised in conjunction with a survey specialist and was delivered online via 'PulseWare' survey software. This resulted in a much larger sample than in the previous three years (more than double) with a total of 134 respondents; 62 from CFA and 72 from DSE.

The review of the survey led to some changes to question structure to remove ambiguity and thus some results cannot be directly compared to previous years. These amended questions will, however, provide a better baseline from which to work into the future. The preliminary results, which will be reviewed as part of the ongoing operational improvement process to validate the observations and develop potential changes for the upcoming fire season, highlighted the following.

- Areas of consistent improvement/success over the four surveys are:
  - Use of agreed joint Level 3 Incident Control Centres (ICCs);
  - Communications Plans being in place at incidents (this is a major reduction in risk from 2002/03);
  - Use of OH&S Incident Report Cards; and
  - Briefings being given at the start of most shifts/deployments (this has been consistently high since 2003/04).
- Areas identified consistently as needing improvement or deteriorating over the four surveys, and which may need further attention, are:
  - Lack of adherence to Communications Plans;
  - Fatigue management;
  - Self deployment of local crews;
  - Private equipment on the fireground not integrated into the Communications Plans; and
  - Inappropriate access of non-combatants to the fireground.
- Improvements noted from last summer:
  - Improvement in the standard of briefings and the view that the information contained in these was accurate.
  - Local knowledge was reported to be available by over 60% of respondents when on an away-team.

## PROJECTS TO IMPROVE RECOVERY

### Power Continuity Services

This project continued the multi-year program to provide emergency generator power to nominated Incident Control Centres and regional emergency co-ordination centres across the State. Phase 3 of the project included installation of three 20 kVA generators and three 30 kVA generators, with supply of 18 Uninterrupted Power Supplies.

### Disaster Recovery

The Information and Communications Technology (ICT) Disaster Recovery Strategy has been completed, identifying five incrementing levels of capability (readiness). This project is planned to expand off-site redundancy for key CFA data and systems, allowing restoration in the event of a failure or disaster.

Capability level 1 has now been completed providing facility infrastructure to house equipment at CFA Fiskville and headquarters, while capability level 2 is underway and due for completion during the first quarter of 2007/08. This will also provide infrastructure necessary to support disaster recovery for the Workforce Information Management System (WIMS).

## ORGANISATIONAL SUPPORT

### CFA PEOPLE

At 30 June 2007, CFA was served by a total of 60,840 members comprising 59,509 volunteers, 494 firefighters and 837 staff and officers.

**Table 6. CFA workforce data for current and previous reporting periods**

Type	2003	2004	2005	2006	2007
Volunteers	59,136	58,583	58,662	58,849	59,509
Career firefighters	425	438	431	464	494
Support and administration staff	750	774	813	837	837
<b>Total</b>	<b>60,311</b>	<b>59,795</b>	<b>59,906</b>	<b>60,150</b>	<b>60,840</b>
Change from previous year	+4.0%	-0.86%	+0.19%	+0.41%	+1.15%

#### Diversity within CFA

CFA's focus on improving organisational awareness and capability in the management of diversity and relationships continues. This is being achieved by building the awareness and competence within our workforce to recognise the diversity of backgrounds of our members and prevent discrimination, harassment and workplace bullying.

- Integrated diversity initiatives delivered through forums, local partnerships and enhanced recruitment tools have resulted in an increase of 5% (536 new members) in female membership to 10,921.
- The Relationship and Diversity Awareness Program has continued to be delivered to staff and volunteers with approximately 2,000 members having attended. Formal evaluation shows significant shifts in awareness of rights, responsibilities and resolution options.
- At 30 June 2007, 1,359 staff and 999 volunteers had completed a Relationship and Diversity Awareness Workshop. This makes a total of 2,358 CFA members attending 157 workshops since the introduction of the program.
- CFA leadership and management skill programs have been adapted to incorporate the Relationship and Diversity principles and program.
- A management program aimed at providing a broader range of support to managers and leaders for management of their people and relationship issues has been developed and is currently undergoing a pilot.

Other initiatives include:

- Women's Leadership and Development Programs - a mentoring, networking and leadership skills development workshop for female staff and volunteers. Workshops have been conducted in Midlands Wimmera, North West, Outer Metro Norwest and South West Areas.

- Generation Y Forum conducted in Outer Metro Norwest Area. CFA members of Generation Y discussed and made recommendations on ways in which CFA can enhance its engagement with Generation Y. Discussion also provided ideas and initiatives for improving recruitment, retention and participation rates.
- Women and Career Fire Fighting Recruitment Initiative - a strategy designed to increase the pool of female candidates and improve their retention during the recruitment process. This initiative resulted in 3 women applicants being selected for the April 2007 recruit course.
- A Cultural Diversity in Fire Fighting Recruitment Initiative undertaken by CFA has been instrumental in further informing future recruitment programs and opportunities such as working in partnership with Migrant Resource Centres.

#### Safety and Wellbeing

- In December 2006, CFA launched its leading edge Children/Young Persons Protection Policy and new management procedures. As part of the implementation, regional briefings have been held with over 200 staff and 400 volunteers, with training held for 40 Junior Brigade Support Officers.
- CFA's work in youth education was recognised by a national panel of judges from seven different emergency services. CFA's Youth Education Partnership Package conjointly entered by CFA and the Office for Youth won two of the 2006 Australian Safer Communities Awards. The program enables and recognises the ability of young people to make a contribution to safer communities now as well as in the future. A total of 38 partnerships have been established between CFA brigades and local secondary schools.
- Delivery of a pilot Volunteer Support program in North West Area for members in drought-affected areas enhanced members' awareness of CFA's welfare services and other



services provided by government and community agencies. This resulted in increased usage of services and early referral for support services.

- CFA played an integral role in Kangan Batman TAFE receiving a National award for innovation in training. The award recognised the partnership with CFA in implementing the Certificate III in Community Service to Critical Incident Stress (CIS) which has now been successfully delivered to approximately 150 peers across the State.
- An Emergency Service Volunteer Health and Wellbeing Program was established through the funding of a \$120,000 grant from the Department of Justice Valuing Emergency Service Volunteers Program. CFA initiated this program and co-ordinates it on behalf of VICSES, AVCG and Life Saving Victoria.
- Health and safety training has been incorporated into key functional incident management roles to increase the focus on effective management of key firefighter health issues.
- An Avian Flu response plan was developed to minimise the impact on CFA's ability to protect Victorian communities and maintain daily corporate business and service delivery.
- Complementing the above, CFA developed an information brochure, *Influenza and Pandemic*, designed to inform and educate readers on how to minimise risks of such outbreaks. Copies were provided across CFA and it continues to be available online and in hard copy.

Further improvements have been achieved in all areas of injury and claims management with early intervention being a critical and successful component. Increased support is provided to injured members and, in particular, self employed volunteers.

- WorkSafe maintained its close working relationship with CFA and undertook a range of intervention programs at selected locations.
- Significant development work was undertaken on the WIMS Injury and Claims module resulting in significant benefits in service capacity, claims management and provision of reports.

The overall claims trend remains positive but increased claims were experienced as a result of the significant contribution to the campaign fires experienced in the North East/Gippsland Areas during summer. The safety of those assisting CFA incidents remains a priority for CFA.

- A total of 45 'Working safely at CFA incidents' courses have been conducted covering over 675 VICSES volunteers.
- A further 102 programs covering almost 2,000 people have been delivered to media personnel, Red Cross representatives, other agency personnel and CFA internally.

## Compensation

**Table 7. Compensation claims (based on injury date)**

Claims	2002/03	2003/04	2004/05	2005/06	2006/07	8-year average
Volunteers	246	177	149	219	196	220
Employees	87	88	90	109	96	97

The WorkCover premiums are shown as a percentage of remuneration to enable a comparison with previous periods.

**Table 8. WorkCover premium**

Year	WorkCover Premium
2006/07	1.323%
2005/06	1.466%
2004/05	1.353%
2003/04	1.415%
2002/03	1.784%

## Management of Talent

The development of a Strategic Workforce Planning Framework continued this year, with key components established in preparation for installation, scheduled for completion by 30 June 2008.

- A Leadership Development strategy covering all CFA members has been drafted following extensive consultation with key stakeholders. A set of leadership capabilities has been developed to cover all CFA members and Executive capabilities. These have been tested as part of this year's Executive Officers 360 degree feedback process.
- CFA introduced Fireline Leadership as part of its leadership development strategy for volunteers. The primary focus of the program is developing brigade officers' leadership and management skills to run a brigade effectively.
- Four multi-agency programs were conducted in late 2006 for 96 participants and 13 programs are scheduled from May 2007 to the end of October 2007.
- A website has been established to enable participants to discuss leadership topics and to help implement their learning once back in the brigade.

In addition to this, CFA also supported a series of other professional development programs during 2006/2007.

- 102 CFA members attended the 13th AFAC/Bushfire CRC Conference in Melbourne
- 43 professional development programs were conducted around the State
- CFA's fifth Diploma of Business (Frontline Management) program commenced in Barwon Corangamite Area
- 20 people completed the inaugural Certificate IV in Finance and Administration

- The Studies Assistance program supported 43 staff undertaking external tertiary courses of study
- Nine volunteers and seven staff members were selected to attend AFAC leadership development programs at the Australian Institute of Police Management in Sydney
- 35 volunteers and five staff attended the CFA Challenge program
- Four CFA members received study grants to conduct research on emergency management topics during the year

## Workforce Sustainability and Capabilities

CFA's enhanced volunteer recruitment tools, in conjunction with local brigade activity, have seen a continued upward trend in membership. The total number of volunteers is 59,509 with new member trends continuing to increase with a 1.12% increase in the last 12 months.

CFA's career firefighter recruitment campaigns have continued with 19 firefighter recruits graduating in December 2006, and an additional 20 commencing a recruit course in April 2007. Selection processes have continued to be revised to enhance the organisation's capacity to respond to operational needs.

Strong working relationships have continued with the Volunteer Associations, enabling CFA to be extremely active in the Valuing Volunteer Emergency Service Workers Program, resulting in additional funding being obtained for key volunteerism initiatives.

There are 40,116 volunteer members who have completed Wildfire Minimum Skills Training to provide an operational readiness around the State. The focus is being adjusted to deliver skills maintenance and structural and specialist skills training requirements as identified through brigade risk profiles.

CFA is the largest provider of post-secondary education and training in country Victoria. In addition to the training conducted at local brigades, over 100 types of courses are delivered at CFA's training campuses, ranging from basic wildfire skills to high-level command and control, specialist rescue, technical, and professional development courses. During 2006/2007, CFA conducted 1,270 courses for 16,250 participants at its two Corporate Training Campuses.

In addition to this CFA has:

- Increased its online assessment capacity as part of Promotional Assessment programs. This provides increased opportunity for candidates as well as greater flexibility and reduced costs associated with attending assessments at training campuses;
- Increased the use of its online learning computer simulation system - Vector Command. This program has been used for command and control training and joint exercising with other agencies;
- Delivered tactical training to over 170 operations staff and 100 volunteer officers at 46 brigades during 2006/2007; and
- Continued significant joint training activity across a range of Emergency Services Organisations including DSE, Department of Human Services, Victoria Police, VICSES and MFB, who regularly deliver many of their own programs at CFA Fiskville and South-East Training Ground Bangholme Training facilities.

#### **Consultation and Workforce Engagement**

As part of its ongoing commitment to continuous improvement, CFA revised its consultative framework to provide additional consultation and engagement options for its workforce and representative groups – Volunteer Associations and Unions. Refinement of the framework continues.

The geographical spread continues to present a challenge. Recent improvements in the IT infrastructure have increased the capacity to communicate with part of our workforce. This has enabled the:

- Provision of online updates for CFA employees regarding employment and workplace changes relating to their role with CFA; and
- Establishment of an Employee Hotline to allow staff across the State the opportunity to ask questions and raise issues important to them in relation to the negotiation of their Workplace Agreements.

#### **Renegotiation of Workplace Agreements**

During the year, CFA renegotiated a number of Collective Workplace Agreements:

- Negotiation of the Professional Technical and Administrative Workplace Agreement 2006 covering 600 employees was finalised in November 2006. This Agreement is for twelve months enabling the relevant parties to review additional opportunities before finalising a longer-term Agreement.
- Negotiation of the District Mechanical Maintenance Workplace Agreement 2006 covering 66 employees was finalised in December 2006.

Renegotiation of the three other Workplace Agreements continued:

- Operational Staff Workplace Agreement covering 633 employees. Due to the risks associated with the 2006/07 bushfire season, all parties agreed to a temporary suspension of negotiations and a good faith payment to ensure the safety and well being of our Victorian communities.
- Operational Officers/ Operational Managers Workplace Agreement covering 98 employees. Negotiations for this Agreement were also suspended to ensure the safety of Victorian communities during the bushfire season.
- Fiskville Hospitality and Domestic Staff Agreement covering 35 employees, being the first Agreement of its type.

#### **CFA ASSETS**

##### **Community Safety Emergency Support Program (CSESP)**

The CSESP is a program under the Victorian Government's Community Support Fund to assist eligible emergency service volunteer organisations. CFA's share of the CSESP funding has been focussed on providing brigades with assistance to replace existing aged brigade-owned tankers or to acquire new tankers, vehicles or equipment.

Since its inception in August 2000, CSESP1 and CSESP2 have involved CFA in the following:

- CFA brigades received \$8.2 million from a total CSESP funding pool of \$15.5 million available to the participating agencies.
- CFA contributed a further \$7.2 million to assist brigades replace aged brigade-owned tankers and the brigades also contributed towards the costs.
- A total of 988 applications for assistance were received by CFA, with 286 brigades successful to date.

The successful CSESP projects have delivered significant capability to CFA brigades:

- 12 single cab Heavy Tankers (with refurbished backs)
- 12 Heavy Tankers with crew cab
- 51 Light Tankers
- 43 slip-on appliances
- 26 specialist vehicles
- 48 cars
- 64 ancillary equipment projects

Production of the Heavy Tankers, Light Tankers and ten slip-ons approved under Round 3 were completed and delivered to brigades as detailed below in the Firefighting Appliance Program.

The remaining seven Heavy Tankers from Round 4 will be completed in early 2007/08. The seven Light Tankers are currently in production and due to be completed by the end of October 2007. Six of the seven slip-ons have been completed





and delivered to brigades and the remaining one is due to be completed in December 2007.

### **Firefighting Appliance Strategy**

During 2006/07, the Board-approved five-year appliance strategy continued, with this being the third year of the five-year program. The strategy involves the production of 325 replacement appliances across the range of pumpers, pumper/tankers and tankers during this five-year period.

New appliance designs were commenced during this year with the first production units under manufacture for the following.

- Heavy Pumper
- Medium Tanker
- Pumper Tanker

These are due to be completed in the first quarter 2007/08 with production runs continuing following an initial evaluation period. Other new designs were commenced and nearing the final specification stage for Light Pumpers, Light Tankers, Aerial Appliances and Hazmat Appliances. New features being developed to address operational and OH&S requirements include a rear deck access hatch (for tanker crew cabs); internal crew cab roll bars; and a front-mounted remote control monitor for tankers.

### **Firefighting Appliance Program**

During 2006/07, 61 appliances were produced or upgraded in accordance with the program of \$18.5 million. Twenty additional appliances were also provided under CSESP. The appliances manufactured under these programs:

- 54 Heavy Tankers Model 3.4C - 3,000 litre, 4 Wheel Drive (4WD) (includes 6 CSESP units)
- 8 Light Tankers - 1,500 litre Single Cab, 4WD (CSESP)
- 3 Medium Pumpers - 3,000 litre per minute capacity
- 2 Heavy Pumpers - 4,000 litre per minute capacity
- 6 Slip-on Appliances - 400 litre, for tray utility vehicles (CSESP)
- 1 Pumper-Tanker Retrofit Model 2.52D - 2,500 litre, 2WD
- 2 Heavy Road Rescue vehicles
- 4 Protective Equipment Appliance modifications
- 1 Heavy Pumper modification

### **Land and Buildings Program**

In line with the three-year rolling land and building program, 28 major projects were completed in 2006/07 including the delivery of 22 new and refurbished integrated, urban and rural fire stations. Another 22 building projects were commenced, which will progress in 2007/08 for future year programs. The 2006/07 Land and Building program, including funding for facilities to cater for additional Operational support staff, totalled \$28.6 million. Major projects completed during the year included new fire

stations at Kilmore, Lara, Yallourn North, Arthur's Creek, Kalkallo, Skipton, Springfield, Malmsbury, Port Albert, Tolmie, Beverford, Ruby, Noorongong, Benayo, Teddywaddy, Gerangamete and Barwon Downs.

In addition, major refurbishment works were completed at Kyabram and commenced at Sunbury and Craigieburn fire stations. The major refurbishment of the Wangaratta regional office incorporating a new regional emergency co-ordination centre was also completed in time to support operations over the very busy fire season last summer.

Progress in 2006/07 on the infrastructure program supporting the deployment of additional Operational support staff included completion of the major refurbishment at the Rosebud Fire Station and commencement of construction for the new integrated fire stations at Mornington and Melton.

Major land acquisitions completed in 2006/07 include sites at Castlemaine, Narre Warren, Portland, Ocean Grove, San Remo and the acquisition of a site for a new office at Ballarat. A range of rural fire station sites were also purchased or leased.

#### **Personal Protective Clothing (PPC)**

CFA continued to evaluate new generation PPC structural ensembles. This has been underpinned by detailed risk assessment and testing in the field and laboratory. Distribution of a new structural ensemble will commence when the evaluation and consultative process has been completed.



## **CFA INFORMATION AND COMMUNICATIONS**

### **Operational Communications – the Next Generation**

Work is underway to develop the requirements for the next generation of radio or wireless equipment for CFA. Given the diverse range of information flows that occur in managing incidents, it is critical that CFA is well prepared to provide timely, accurate and reliable voice and data traffic to its front-line members. With voice, data, video and other forms of information traffic now able to be managed together in IP-based networks, CFA's information needs at fires and other incidents will be able to be managed in an integrated way – and one that ensures interoperability with other key agencies.

It is expected that tactical information flows will be documented to form the basis for new networks and terminal equipment, with an examination made of new conceptual solutions that may become available in the next three to five years.

An important aspect will be examining how transportable and mobile network equipment and field-based terminals, for example in fire appliances, can be integrated with CFA's fixed network infrastructure.

### **Information and Communications Technology Strategy**

The ICT program in 2006/07 continued the implementation of the ICT Strategy through the development of infrastructure to create a foundation on which CFA business and operational applications will be built. The emphasis this year for business applications has been on the development of project strategies.

### **Geographic Information Services (GIS)**

During 2006/07, GIS completed significant research and development in support of CFA's ICT program. GIS produced a wide range of data and information to support CFA such as regular corporate reports, online mapping services and project specific materials.

Major works were extended on three ICT GIS projects. The design phase of GIS infrastructure as a basis for later integration with corporate ICT systems continued, as did the completion of an Interactive Mapping tool that will become available on the CFA Intranet in 2007/08. A field mapping tool was also developed for potential use during bushfires and other incidents.

The maintenance of the WMO digital boundaries has moved from DSE to CFA. All editing of the WMO is now undertaken within CFA's GIS system and then supplied to DSE for incorporation as an overlay in the Victorian Planning Scheme.

July 2007 saw the completion of a multi-year project to improve

the accuracy of spatial records for all of CFA's fire stations. Over the past three years, precision Global Positioning System equipment was used to accurately locate fire stations and match the data to the State land parcel map base. Digital photographs of each station were also captured.

### **FireNet**

The resilience of the FireNet connection to Headquarters has been enhanced with an alternate direct connection to the FireNet core network. FireNet is Optic Fibre Cable infrastructure linking CFA headquarters with eight regional offices and 20 integrated fire stations. This connection improves performance and protects CFA against potential network failures in the event of a network fault.

In the future, FireNet will ultimately extend the broadband data network to other CFA offices in Gippsland, expanding upon the work already undertaken during previous years. This project will be implemented once the necessary complex strategic alliances have been established.

### **FireNet+**

A carrier grade broadband microwave data link has been established connecting CFA Fiskville to the FireNet network at Ballarat, enabling improved service levels for Fiskville staff and the bandwidth necessary to support Disaster Recovery facility operations at the Fiskville site.

Data links to all Regional offices have been upgraded. Also upgraded were links to integrated fire stations at Mildura, Geelong City, Corio, Belmont and Moe, and the ICC at Moorooduc.

## **STATEWIDE INTEGRATED PUBLIC SAFETY COMMUNICATIONS STRATEGY (SIPsSaCS)**

### **Country Call Taking**

The Emergency Services Telecommunications Authority (ESTA) has commenced operations from its new site at Mt Helen. This site has been purpose-built for call-taking and dispatching functions and is capable of catering for other emergency service organisations.

### **Emergency Alerting System (EAS)**

The EAS is now being managed, on behalf of the State, by ESTA and is used for the operational dispatching of brigades within CountryCAD. The system is progressively being implemented into MetroCAD (CFA Regions 7, 8, 13 and 14) and this should be completed by the start of the 2007/08 Fire Danger Period.

The original batch of EAS pagers had a receiver sensitivity issue and, as a result, new versions of pagers have been developed.

This new version of pager has been delivered to MetroCAD brigades and a program has been developed to ensure that all previous versions of EAS pagers within CountryCAD are changed on a one for one basis.

### **Metropolitan Mobile Radio (MMR)**

CFA is leasing 219 portable radios operating on the MMR network. These portable radios are used for joint operations in the Mutual Aid Area with MFB, which has moved its fleet to the new MMR network. The contractual arrangements have been completed and the portables, and associated training, have been delivered to all volunteer-based brigades that are likely to support MFB. Discussions are nearing finalisation with the United Firefighters Union for the implementation of these radios into Integrated Stations.

## **CFA FINANCES**

### **CFA and Brigades Donations Trust Fund**

Under Division 30 of the Income Tax Assessment Act "deductible gift recipients" must maintain a Gift Fund for all donations. Accordingly, CFA established the Trust to operate as a Gift Fund for CFA brigades. Seven trustees were appointed, two representing CFA and five from Volunteer Fire Brigades Victoria.

The Trust utilises the Commonwealth banking system and CFA's financial management system; it requires minimal administrative support and incurs running costs of approximately \$37,000 per annum, which are absorbed by CFA. The Trust has 1,002 brigades registered and it received approximately \$4 million in donations in 2006/07. All interest accrued in the Trust is redistributed to the brigades. The Victorian Auditor-General's Office is appointed as the external auditor of the Trust.

### **Single ABN – Legal Protection for Volunteers**

The project is identifying and implementing processes to ensure brigades are not adversely impacted by any transition to operate under CFA's Australian Business Number (ABN), which ultimately will protect volunteers from any legal ramifications and improve financial management accountabilities and transparency for all CFA. Of the 460 separately registered brigades, 173 have now deregistered and are operating under CFA's ABN and CFA is encouraging and assisting others to do likewise.

### **Brigade Financial Management**

The Auditor-General has recommended that CFA and all brigade financial activities, including assets, are consolidated within CFA's overall financial reporting structure and accountability framework. In response to this recommendation, CFA is working with stakeholders to develop appropriate ways to achieve compliance with minimal disruption and adverse consequences on brigades.

Data collection has concluded in 99% of brigades. Cash balances have been obtained from all brigades and groups of brigades enabling consolidation at financial year end. The Auditor-General confirmed CFA's proposal to introduce a process of inspection and review to replace independent financial auditing of brigades.

CFA also supports its brigades financially by making available short-term credit for asset acquisitions and replacements on interest-free terms.

#### **State wide Logistics Development Group**

Members of CFA have been meeting formally with DSE to develop and promote an advanced and efficient logistics function, to be delivered by well-trained and experienced logistics staff.

The meetings are intended to provide co-ordinated support and guidance to develop improved logistics arrangements within the fire and emergency management environment.

### **ENVIRONMENTAL MANAGEMENT**

CFA's Environment Program assists brigades and CFA business units to manage fires and other emergencies, as well as their day-to-day activities, in an environmentally responsible way. CFA also continues to provide leadership in environmental protection and improvement at the state and national levels.

The work of the Environment Program is guided by the CFA Environment Strategy, which was approved by the Board in December 2003.

Some environmental management highlights for 2006/07 are outlined below.

CFA Environment Grants continue to be popular with brigades. This year, \$9,300 was provided for 16 projects. The projects have helped the brigades to reduce waste, save energy and water, and to provide leadership in good environmental management.

The Environment Program provided support to the Class B Foam Project Team, which made recommendations on the replacement of CFA's Class B foam stocks following a comprehensive review of environmental as well as operational and cost issues.

CFA has developed guidelines on the use of recycled water for incident management and contributed to the development of national guidelines on this topic.

AFAC has adopted an interim position on 'Environmental Responsibility in Emergency Management', which was

prepared by CFA on behalf of AFAC's Environmental Management Work Group.

The program continues to develop and deliver environmental training as part of existing CFA training courses. Environmental care is now included in six CFA courses: Prescribed Burning, Operational Management, Incident Planning, Urban Crew Leader, Supervision of Machinery and Class A Foam.

Numerous initiatives have been implemented in offices and fire stations to reduce waste, increase recycling and save energy, water and paper. These initiatives have been formalised in a program aimed at encouraging personal responsibility for reducing waste and resource use in office settings.

The environmental performance of our buildings will be improved by a decision to include water tanks in all new fire stations.





# CORPORATE GOVERNANCE

In addition to requirements in legislation, the Authority has formalised Board and Committee Governance arrangements in a Governance Framework. The Governance Framework is reviewed annually by the Board.

## CFA BOARD

The Board of the Authority is constituted under the CFA Act.

The Board is accountable to the Minister for Police and Emergency Services.

The CFA Act provides for a Board of 12, consisting of the Chairman and 11 other members, appointed by the Governor-in-Council for up to three years. The CFA Act prescribes those bodies that can nominate people to the Board. The current nominating bodies include the Minister for Sustainability and Environment, Victorian Rural Fire Brigades Association Inc (VRFBA), Victorian Urban Fire Brigades' Association Inc (VUFBA) and Municipal Association of Victoria.

The Chairman and Board Members are paid an allowance determined by the Governor-in-Council.

In addition to the requirements of the CFA Act, Board members are required to observe CFA's Code of Conduct and other requirements specified by CFA's Governance Framework. Board members are required to disclose any conflict or pecuniary interests, and to submit an annual Declaration of Private Interests.

## BOARD ROLE

The Board is responsible for CFA's overall performance, ensuring appropriate risk management strategies are in place and that CFA complies with relevant legislation, the government's requirements, and its own corporate objectives in its Corporate Plan and Annual Plan.

The Board sets the corporate objectives and strategies through the three-year Corporate Plan and detailed Annual Plans.

The Board's primary role involves:

- developing and implementing strategic plans to meet CFA's legislated responsibility;
- policy formulation;
- ensuring systems and processes for proper accountability and managing risk are in place;
- monitoring the performance of CFA; and
- ensuring its compliance obligations are met.

## BOARD COMMITTEES

During the year, the Board reviewed the role and functions of its Committees. The Committees are:

- Governance;
- Audit; and
- Remuneration and Appointments.

The Charter of each Committee describes the roles and responsibilities of the Committee as well as various governance and machinery matters.

### Audit Committee

The Audit Committee's role is to monitor and report to the Board on corporate governance, compliance and risk management processes, including external audit and internal audit functions of CFA.

It does this by reviewing and monitoring the:

- integrity and quality of annual financial reporting and disclosure;
- adequacy and integrity of management reporting;
- identification and review of key strategic business, financial and regulatory risks;
- existence of appropriate policies and the processes for compliance with them;
- existence of processes that regularly review organisational compliance with relevant laws, government policies, standards and codes;
- adequacy of the internal control framework and structure;
- adequate discharge of CFA management duties concerning the management responsibility of CFA; and
- performance of the external and internal audit functions.

CFA's internal audit function is undertaken by PricewaterhouseCoopers, which reports to the Audit Committee at each of its meetings.

The Audit Committee receives advice from the Auditor-General, who is responsible for auditing CFA's annual financial statements.

Membership:

- Clif Lang (Committee Chairman)
- David Gibbs
- Ken King
- Michael Tudball
- Peter Marke

### Remuneration and Appointments Committee

The Remuneration and Appointments Committee has been established to take specific responsibility for recommending to the Board CFA's policy and practice for Executive Officer appointments and remuneration review processes. It is also responsible for reviewing and recommending to the Board remuneration and terms and conditions concerning all non-executive employees.

The Remuneration and Appointments Committee:

- manages the appointment process of Executive Officers and makes recommendations to the Board in relation to those appointments;
- advises the Board on all matters relating to the remuneration and reimbursement of expenses of CFA Board members having regard to any government guidelines or policies that are in place;
- advises the Board on all industrial relations matters involving the unions with which CFA has formal relationships; and
- reports and recommends actions to the Board on all relevant matters within its Charter.

Membership:

- Len Foster (Chairman)
- Kerry Murphy (new Chairman)
- Zena Burgess
- Beth Davidson

### Attendance by Board Members

Board Committees:

	Board Meetings	Audit	Remuneration and Appointments
Number of meetings to 30 June 2007	12	4	5
Kerry Murphy <sup>1</sup>	12	-	5
Len Foster <sup>2</sup>	9	-	4
Robyn Hale <sup>3</sup>	9	-	-
Zena Burgess	10	-	4
Beth Davidson <sup>4</sup>	11	-	4
David Gibbs	12	2	-
Peter Harmsworth <sup>5</sup>	-	-	-
Peter Jamvold <sup>6</sup>	12	-	-
Ken King <sup>7</sup>	12	4	-
Max Maher <sup>8</sup>	12	-	-
Peter Marke	12	3	-
Michael Tudball	12	4	-
Frank Zeigler	11	-	-
Clif Lang <sup>9</sup>	-	3	-

Notes:

<sup>1</sup> Appointed 1 July 2006 and appointed as Chairman 1 April 2007

<sup>2</sup> Term Expired 31 March 2007

<sup>3</sup> Term Expired 30 June 2007

<sup>4</sup> Term Expired 30 June 2007

<sup>5</sup> Appointed 26 June 2007

<sup>6</sup> Appointed 1 July 2006

<sup>7</sup> Reappointed 1 July 2006

<sup>8</sup> Term Expired 30 June 2007

<sup>9</sup> Term Expired 30 June 2006. Appointed as independent Audit Committee Chairman



## AUTHORITY MEMBERS

The 12-member Authority comprises the CFA Chairman and members appointed by the Governor-in-Council.



### KERRY MURPHY

PSM AFSM

**Chairman** – Appointed 1 April 2007  
Member of CFA Board since 1 July 2006

**Board Committees:** Remuneration and Appointments, Governance

Former joint Executive Director Business Victoria. Recently retired Chief Executive of Regional Development Victoria (a statutory body responsible for co-ordinating regional development in provincial Victoria). Former Chairman Albury Wodonga (Victoria) Development Corporation. Awarded PSM (2002) for service to Business in regional Victoria. Awarded AFSM (2002).



### LEN FOSTER AO

LLB, BA, BEd, FAICD

**Chairman** – Term Expired 31 March 2007

**Board Committees:** Audit, Remuneration and Appointments (Chair) and Governance

Former Director General of the Department of Conservation, Forests and Lands. Joined CFA as Executive Chairman from 1991-2001 and appointed as non-executive Chairman of CFA in 2001. Also Chairman of the Federal Minister for Education, Science and Technology's Bushfire Research Advisory Committee. Board Member of South Australian Government Funds Management Authority, Bushfire Cooperative Research Centre. Made an Officer of the Order of Australia (AO) in the 2005 Australia Day Honours for service to fire and emergency services management, particularly through the development of best practice and a co-ordinated approach to fire control in Australia.



### ROBYN HALE

FAICD, GradCert (eBusiness & Comms)

**Deputy Chairman** – Term Expired 30 June 2007

**Board Committees:** Governance

Mayor of the Shire of Yarra Ranges in 2000. Served as a Councillor of the Shire of Sherbrooke from 1990 until amalgamation, and was elected to the newly formed Shire of Yarra Ranges in 1997, retiring in 2005. Previously Council's delegate to the Executive Fire Prevention Committee for 12 years and Chair of the Ferny Creek Fire Alert and member of numerous community and environmental groups. Has co-directed a small business for the past 23 years. Her family members are all CFA volunteers.



### **DR ZENA BURGESS**

PhD

Member of CFA Board since 31 May 2005

**Board Committees:** Remuneration and Appointments

Zena is an Organisational Psychologist with experience in organisational change, primarily in public sector management, boards and committees of management. Currently Zena works in Human Resource Consulting and is Victorian State Manager of Davidson Trahaire Corpsych, which is one of the largest Employee Assistance and Trauma debriefing providers in Australia. She is a Fellow of the Australian Psychological Society and was Vice President and Director of Membership 1998-2000 of the Australian Psychological Society, Board Member of the Tertiary Credit Union 1995-1997, VCAT Sessional Member 1998-2006 and Member of Rotary 1998-2000.



### **BETH DAVIDSON**

Term Expired 30 June 2007

**Board Committees:** Remuneration and Appointments

Community development worker and local government representative with extensive experience in community capacity building and good governance processes. Councillor Surf Coast Shire since 1998 and Mayor four terms (2000 – 2004). Council's delegate to Municipal Fire Prevention Committee and Municipal Emergency Management Planning. Member of Anglesea Fire Brigade 17 years, Community Fireguard Facilitator. Strong involvement at local level is complemented by interest in regional and State activities. President, Victorian Local Governance Association, Founding Director G21 Geelong Regional Alliance, executive member of National Seachange Taskforce.



### **DAVID GIBBS**

B.Juris.LL.B.,Notary Public,MAICD

Member of CFA Board since 15 April 2006

**Board Committees:** Audit

David has conducted his own Legal Practice at Hastings, on the Mornington Peninsula, since 1980 and is both a Business Law and Family Law specialist, as well as being accredited as a Mediator and Arbitrator. He has been a member for many years of numerous School Councils and Community Organisations and was Chairman of an Independent School Board until January 2007. He has been a CFA Volunteer for 35 years, Secretary of the Somers Brigade for 21 years, Deputy Group Officer for 8 years and current Group Officer for 18 years of the Westernport Group. He has been Chairman of the Region 8 Regional Planning Committee for 9 years. Operationally, David holds Level 3 Accreditation as an Incident Controller, Operations Officer, Planning and Logistics Officer and brings to the Board operational experience as well as his professional expertise. Awarded National Medal (1995), Clasp (2001) and Honorary Life Membership (2004).



### **PETER HARMSWORTH**

BComm, GradDipDP

Member of CFA Board since 26 June 2007

#### **Board Committees:** -

Has extensive experience in management at senior levels across the public sector. Held previous roles as Chairman/CEO, State Services Authority; Secretary, Department of Innovation, Industry and Regional Development; Secretary, Department of Justice; Director, Office of Training and Further Education; Director General, Office of Corrections; Manager, Organisational Services, SECV; Director, Management Consultancy Division, PSB and Constable/Senior Constable, Victoria Police. Undertook a review of CFA and MFB for the government in 1982 and a review of the Ash Wednesday Findings for the Premier in 1983, resulting in the current emergency management legislation. Recipient of the Centenary Medal and National Fellow, Institute of Public Administration Australia.



### **PETER JAMVOLD**

BSc

Member of CFA Board since 1 July 2006

#### **Board Committees:** -

Broad business background. Australian Trade Commissioner in Washington DC, Bangkok and Osaka. Shell Executive, developing the North West Shelfing Project and National Government Affairs Manager. Pearl farmer in the Northern Territory and Regional Manager (Victoria, South Australia and Tasmania) with Insurance Council of Australia, including insurance representation and project development.



### **KEN KING**

BForSc (Hons), DipFor (Creswick)

Member of CFA Board since 1 July 2003

#### **Board Committees:** Audit

Currently Executive Director, Land and Fire Management with the Department of Sustainability and Environment and was a Board member of the Phillip Island Nature Park (1997-2003). Has had extensive experience in wildfire activities since 1971 and has been a forester in the Public Service since 1974. Was previously Regional Manager for Department of Conservation Forests and Lands through to the former Department of Natural Resources and Environment in South Gippsland, North West and Port Phillip Regions. Awarded the National Medal in 1989. Also a Board member of Parks Victoria since 2005.



### MAX MAHER

AFSM

Term expired 30 June 2007

**Board Committees:** Governance

Joined Lubeck Fire Brigade in 1957. Member of the Victorian Rural Fire Brigades Association Inc, Executive Committee, Equipment Review Committees and member of working group for Agricultural Fire Management Guidelines. Also a member of various working parties involved with training and volunteer support. Member of Consultative Group, Wimmera Mallee Water Piping Project. Has acted as director/facilitator on numerous projects related to training. Actively promoted the introduction of Junior Rural Fire Brigade Championships.



### PETER MARKE

JP, MAICD

Member of CFA Board since 18 May 2004

**Board Committees:** Audit

Captain of Upwey Fire Brigade for the past 34 years, and member of the brigade for 48 years. Recently retired as a provider of Emergency Procedures, Risk Assessments and Disaster Recovery Planning and Training. Held past memberships of numerous national and international Fire Protection industry committees. Served as Chairman and member of MEMC and currently a member of MFPC. Member of various community groups, including the Upwey and District Community Bank Group, of which he is Chairman. Formerly a Shire President and Councillor for the Shire of Sherbrooke for over 7 years. Has held various positions including Manager Fire Safety for Telstra Victoria and Principal Director for Fire & Recovery Planning Pty Ltd.



### MICHAEL TUDBALL

FAICD, AFAIM, MBA, Grad Dip Bus-Mgt, Dip CD

Member of CFA Board since 28 October 2003

**Board Committees:** Audit

Currently MD of Strategic and Business Planning consultancy. Professional memberships as a Fellow of Australian Institute of Company Directors (FAICD) and Associate Fellow of Australian Institute of Management (AFAIM); Board President of Djerriwarrh Health Services and Councillor with Moorabool Shire Council. Chairman of the Area Advisory Board (CFA Region 14), former Officer and current operational member of Bacchus Marsh Urban Fire Brigade.



### FRANK ZEIGLER

VA, Dip Ed Trg & Asses. GradDip (Disaster Mgt), MOHS, FAICD

Member of CFA Board since 1 January 1997

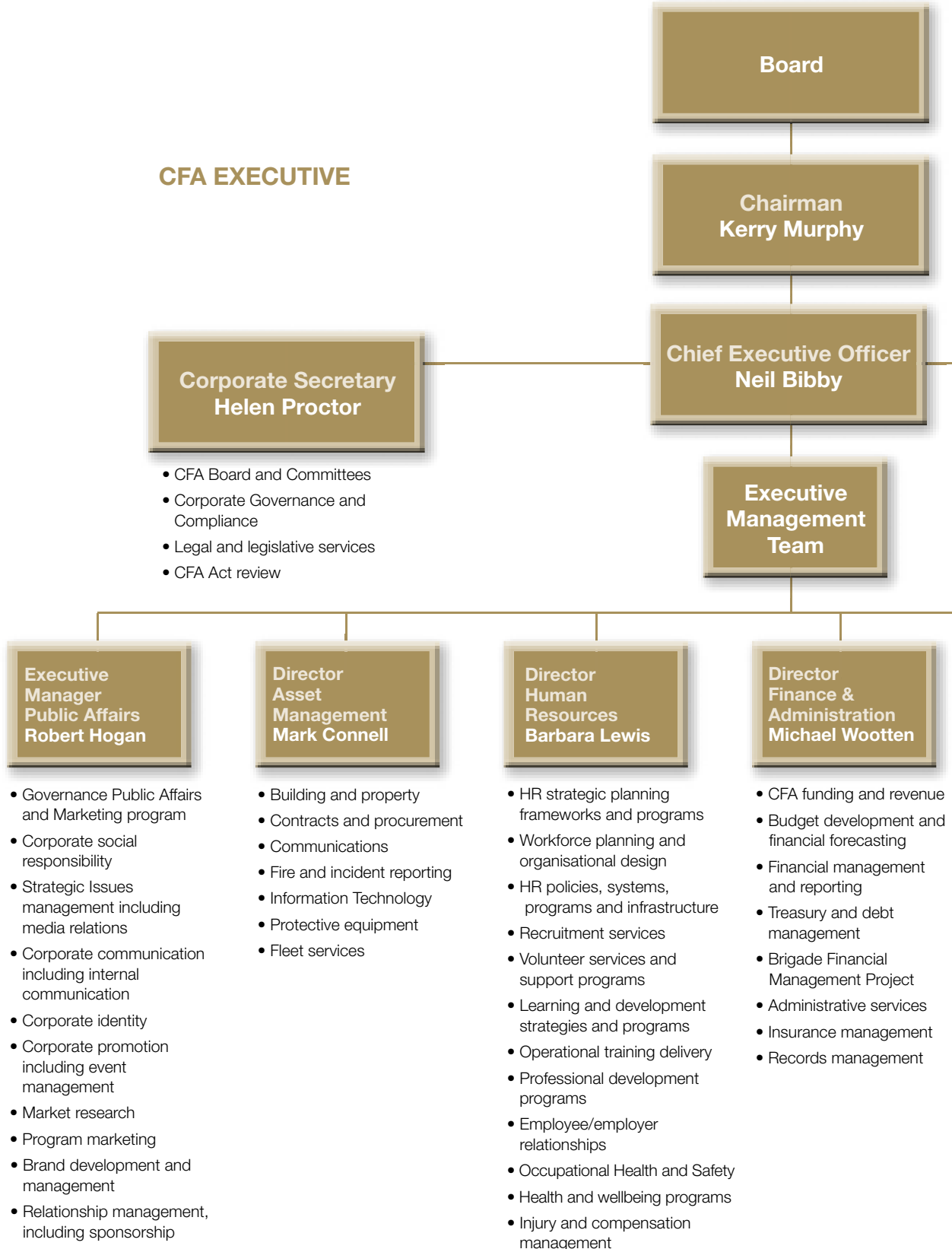
**Board Committees:** Governance

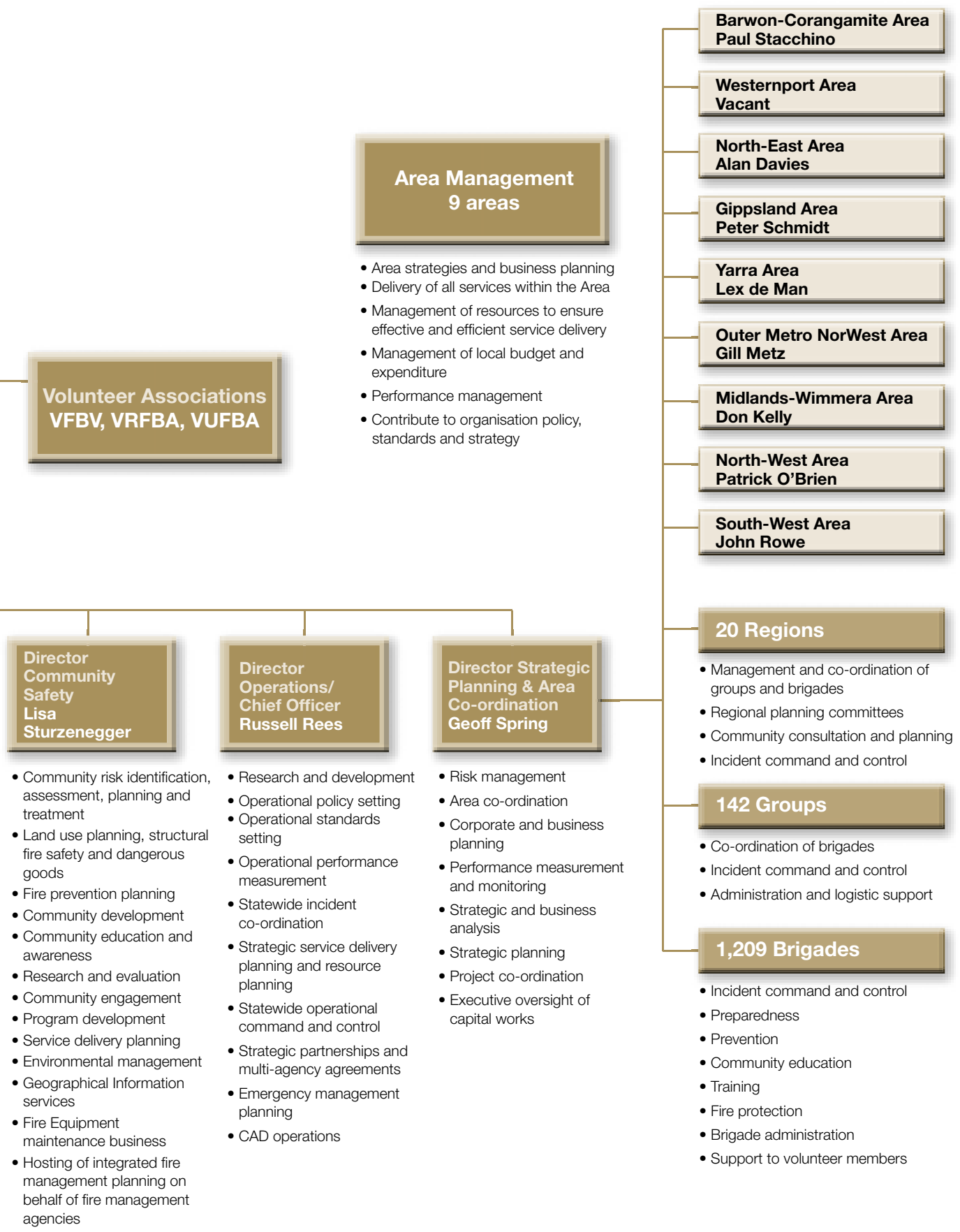
Managing Director of Hyperbaric Technologies Australia, and Smarter Safer Solutions, Immediate past Mayor of the Glenelg Shire. Chairman of Portland Eco Trust. Member of the Victorian Community Council against crime and violence. Has 31 years' experience in emergency services.



# CFA ORGANISATIONAL CHART

(AS AT 30 JUNE 2007)





**Volunteer Associations**  
VFBV, VRFBA, VUFBA

**Area Management**  
9 areas

- Area strategies and business planning
- Delivery of all services within the Area
- Management of resources to ensure effective and efficient service delivery
- Management of local budget and expenditure
- Performance management
- Contribute to organisation policy, standards and strategy

**Barwon-Corangamite Area**  
Paul Stacchino

**Westernport Area**  
Vacant

**North-East Area**  
Alan Davies

**Gippsland Area**  
Peter Schmidt

**Yarra Area**  
Lex de Man

**Outer Metro NorWest Area**  
Gill Metz

**Midlands-Wimmera Area**  
Don Kelly

**North-West Area**  
Patrick O'Brien

**South-West Area**  
John Rowe

**20 Regions**

- Management and co-ordination of groups and brigades
- Regional planning committees
- Community consultation and planning
- Incident command and control

**142 Groups**

- Co-ordination of brigades
- Incident command and control
- Administration and logistic support

**1,209 Brigades**

- Incident command and control
- Preparedness
- Prevention
- Community education
- Training
- Fire protection
- Brigade administration
- Support to volunteer members

**Director Community Safety**  
Lisa Sturzenegger

- Community risk identification, assessment, planning and treatment
- Land use planning, structural fire safety and dangerous goods
- Fire prevention planning
- Community development
- Community education and awareness
- Research and evaluation
- Community engagement
- Program development
- Service delivery planning
- Environmental management
- Geographical Information services
- Fire Equipment maintenance business
- Hosting of integrated fire management planning on behalf of fire management agencies

**Director Operations/ Chief Officer**  
Russell Rees

- Research and development
- Operational policy setting
- Operational standards setting
- Operational performance measurement
- Statewide incident co-ordination
- Strategic service delivery planning and resource planning
- Statewide operational command and control
- Strategic partnerships and multi-agency agreements
- Emergency management planning
- CAD operations

**Director Strategic Planning & Area Co-ordination**  
Geoff Spring

- Risk management
- Area co-ordination
- Corporate and business planning
- Performance measurement and monitoring
- Strategic and business analysis
- Strategic planning
- Project co-ordination
- Executive oversight of capital works





# FINANCIAL STATEMENTS

## ACCOUNTABLE OFFICER'S AND CHIEF FINANCE AND ACCOUNTING OFFICER'S DECLARATION

We certify that the attached financial statements for CFA have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2007 and financial position of CFA as at 30 June 2007.

We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.



24 September 2007  
**K A Murphy PSM AFSM**  
 Chairman



24 September 2007  
**N G Bibby AFSM**  
 Chief Executive Officer



24 September 2007  
**M J Wootten FCPA**  
 Director Finance & Administration

## OPERATING STATEMENT

for the financial year ended 30 June 2007

	Notes	2007 \$'000	2006 \$'000
<b>INCOME</b>			
Contributions	2(a)	260,236	215,517
Sales of goods and services	2(b)	9,847	4,164
Other income	2(c)	53,396	18,797
<b>Total Income</b>		<b>323,479</b>	<b>238,478</b>
<b>EXPENSES</b>			
Employee benefits	2(d)	133,038	115,805
Depreciation and amortisation	2(e), 7(b)	22,118	20,905
Other expenses	2(f)	133,783	95,736
<b>Total Expenses</b>		<b>288,939</b>	<b>232,446</b>
<b>Net Result for the period</b>		<b>34,540</b>	<b>6,032</b>

The above Operating Statement should be read in conjunction with the accompanying notes.

**BALANCE SHEET**

as at 30 June 2007

	Notes	2007 \$'000	2006 \$'000
<b>Current assets</b>			
Cash and cash equivalents	11,18	50,308	26,985
Receivables	3,11	7,856	8,287
Inventories	4	7,594	7,366
Other	5	2,021	2,041
		<b>67,779</b>	<b>44,679</b>
Non-current assets classified as held for sale	6	666	1,713
<b>Total current assets</b>		<b>68,445</b>	<b>46,392</b>
<b>Non-current assets</b>			
Property, plant and equipment	7	540,617	474,215
<b>Total assets</b>		<b>609,062</b>	<b>520,607</b>
<b>Current liabilities</b>			
Payables	8,11	15,952	16,451
Provisions	9	36,659	32,797
<b>Total current liabilities</b>		<b>52,611</b>	<b>49,248</b>
<b>Non-current liabilities</b>			
Provisions	9	10,035	8,220
<b>Total liabilities</b>		<b>62,646</b>	<b>57,468</b>
<b>Net assets</b>		<b>546,416</b>	<b>463,139</b>
<b>Equity</b>			
Contributed capital	1(l), 10(a)	196,605	193,076
Asset revaluation reserve	10(b)	221,016	175,808
Accumulated surplus	10(c)	128,795	94,255
<b>Total Equity</b>	<b>10(d)</b>	<b>546,416</b>	<b>463,139</b>
Contingent liabilities and contingent assets	15		
Commitments for expenditure	15		

The above Balance Sheet should be read in conjunction with the accompanying notes.

## STATEMENT OF CHANGES IN EQUITY

for the financial year ended 30 June 2007

	Notes	2007 \$'000	2006 \$'000
<b>Total equity at beginning of financial year</b>		<b>463,139</b>	<b>418,756</b>
Gain/(loss) on property revaluation	10(b)	45,208	31,495
<b>Net income recognised directly in equity</b>		<b>45,208</b>	<b>31,495</b>
Net result for the period	10(c)	34,540	6,032
<b>Total recognised income and expense for the period</b>		<b>79,748</b>	<b>37,527</b>
Transactions with the State in its capacity as owner	10(a)	3,529	6,856
<b>Total equity at end of financial year</b>		<b>546,416</b>	<b>463,139</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## CASH FLOW STATEMENT

for the financial year ended 30 June 2007

	Notes	2007 \$'000	2006 \$'000
<b>Cash flows from Operating Activities</b>			
<b>Receipts</b>			
Contribution receipts from Government		80,386	44,061
Receipts from other entities		195,033	172,825
Goods and services tax recovered from the ATO		16,564	12,122
Interest received		3,043	3,022
Other revenue		45,524	13,628
<b>Total receipts</b>		<b>340,550</b>	<b>245,658</b>
<b>Payments</b>			
Payments to suppliers and employees		(278,453)	(216,250)
Goods and services tax paid to the ATO		(2,341)	(1,571)
<b>Total Payments</b>		<b>(280,794)</b>	<b>(217,821)</b>
<b>Net cash flows from/ (used in) operating activities</b>	<b>18</b>	<b>59,756</b>	<b>27,837</b>
<b>Cash flows from Investing Activities</b>			
Payments for property, plant and equipment		(45,807)	(32,984)
Deposits on land acquisitions		99	(68)
Proceeds from sale of property, plant and equipment		6,081	3,496
<b>Net cash flows from/ (used in) investing activities</b>		<b>(39,627)</b>	<b>(29,556)</b>
<b>Cash flows from Financing Activities</b>			
Proceeds from capital contributions		3,194	2,285
<b>Net cash flows from/ (used in) financing activities</b>		<b>3,194</b>	<b>2,285</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>23,323</b>	<b>566</b>
Cash and cash equivalents at the beginning of the financial year		26,985	26,419
<b>Cash and cash equivalents at the end of the financial year</b>	<b>18</b>	<b>50,308</b>	<b>26,985</b>

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2007

### 1 SUMMARY OF ACCOUNTING POLICIES

#### (a) Statement of compliance

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the Financial Management Act 1994, applicable Australian Accounting Standards, Interpretations and other mandatory professional requirements. Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS').

The financial report was authorised for issue by Mr N G Bibby (Chief Executive Officer) and Mr M J Wootten (Director Finance & Administration) on 24 September 2007.

#### (b) Basis of preparation

The financial report has been prepared on an historical cost basis, except for the revaluation of certain non current assets. Cost is based on the fair values of the consideration given in exchange for assets. In the application of A-IFRS management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Judgements made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a risk of material adjustments in the next year are disclosed throughout the notes in the financial statements.

Accounting policies are selected and applied in a manner which ensures 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.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2007 and the comparative information presented in these financial statements for the year ended 30 June 2006.

The Authority is a statutory authority and operates under the Country Fire Authority Act 1958.

The financial statements include all the controlled activities of the Authority.

#### (c) Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Authority and other parties, the transactions are only recognised when the agreement is irrevocable at or before balance date. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting date and before the date the statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the balance date and the date the statements are authorised for issue where the events relate to conditions which arose after the reporting date and which may have a material impact on the results of subsequent years.

#### (d) Goods and Services Tax

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

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

#### (e) Income recognition

Income is recognised for each of the Authority's major activities as follows:

##### Statutory Contributions

Statutory contributions are determined under Section 77 of the Country Fire Authority Act 1958 and comprise 77.5% from insurance companies insuring against fire for property situated within the Country Area of Victoria, and 22.5% from the Consolidated Fund. Contributions Income is recognised in the financial year to which the determination under Section 77 applies.

### Sales of Goods and Services

Sales of Goods and Services comprises revenue earned (net of returns, discounts and allowances) from the provision of goods and services to external entities. This income is recognised when the goods and services are provided.

### Interest revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

### Fixed asset sales

The gross proceeds of non-current fixed asset sales are included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

### (f) Expenses

#### Employee Benefits

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions. These are recognised when incurred, except for contributions in respect of defined benefit plans.

#### Superannuation

##### Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred.

##### Defined benefit plans

The amount charged to the operating statement in respect of defined benefit plan superannuation represents the contributions made by the Authority to the superannuation plan in respect to the current services of current Authority staff. Superannuation contributions are made to the funds based on the relevant rules of each fund. The Authority does not recognise any defined benefit liability in respect of the superannuation plan because the Authority 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 Department of Treasury and Finance administers and discloses the State's defined benefit liabilities or surplus in its financial report.

### Depreciation

Depreciation is provided on property, plant and equipment, including buildings but excluding freehold land. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful

life to the Authority to its estimated residual value. Depreciation methods and rates and estimated useful lives are reviewed at the start of each annual reporting period. Property, plant and equipment is depreciated from the date of acquisition in a ready to use condition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use.

The following expected useful lives are used in the calculation of depreciation.

Buildings at Cost	67 years
Buildings at Valuation	52 years
Plant and Equipment	3 - 20 years

### Leasehold Improvements

The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement to the Authority, whichever is the shorter. Leasehold improvements held at the reporting date are being amortised over periods ranging from four to 50 years.

### Impairment of assets

All assets are assessed annually for indications of impairment, except for inventories, financial instrument assets and non-current assets held for sale. If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the operating statement except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made.

### Supplies and services

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the Authority. These items are recognised as an expense in the reporting period in which they are incurred. The carrying amount of any inventories held for distribution is expensed when distributed.

### (g) Assets

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with short periods to maturity, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

**Volunteer Brigade cash and cash equivalents**

Volunteer Brigade cash and cash equivalents as defined above have been brought to account at 30 June 2007 for the first time, as part of the ongoing consolidation of brigade activities with the Authority's financial activities. In accordance with Australian Accounting Standard AASB118, they have been disclosed as Income in the Operating Statement (note 2(c) ) and as an increase in current assets in the Balance Sheet (notes 11 & 18).

The basis of calculation for Brigade cash and cash equivalents was the balance as at 31st December 2006 adjusted for known income and expenditure to 30 June 2007.

**Receivables**

All debtors are recognised at the amounts receivable less an allowance for doubtful debts.

Trade debtors are due for settlement at no more than 30 days from the date of recognition or other negotiated business terms. Contribution debtors are due within 14 days. A legislated rate of interest is charged on outstanding contribution debtors.

The collectability of debtors is assessed at balance date. Debts which are known to be uncollectible are written off. An allowance has been made for estimated irrecoverable amounts, determined by reference to past default experience. The movement in the allowance was recognised in the operating result for the current financial year. (See note 3)

**Inventories**

Inventories include goods and other property held either for sale or for distribution at no or nominal cost in the ordinary course of business operations. It excludes depreciable assets.

All inventories and consumable stores were physically counted and valued as at 30th June 2007, or counted during the year on a rotating basis using the perpetual inventory method, at the lower of cost and net realisable value. Cost is determined principally by the weighted average method.

**Property, Plant and Equipment**

Land and buildings are measured initially at cost, then subsequently at fair value. Plant, equipment and vehicles are measured at cost less accumulated depreciation and impairment.

**Acquisition of Assets**

All assets acquired are initially recorded at their cost of acquisition. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Costs incurred on fixed assets subsequent to initial acquisition are capitalised when it is probable that future economic benefits, in excess of the originally assessed performance, will flow to the Authority in future years. Where these costs represent separate components they are accounted for as separate fixed assets and are separately depreciated over their useful lives to the Authority.

The cost of capital work in progress is carried at cost of materials, external services, direct labour and appropriate proportion of fixed and variable overheads recognised to date based on the value of work completed.

**Revaluations of Non-current Assets**

Subsequent to initial recognition as assets, non-current physical assets, other than plant and equipment, are measured at fair value in accordance with AASB 116 - 'Property , Plant and Equipment'.

Land and buildings revaluations are made with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at the reporting date. Independent assessments are obtained from the Valuer General at least every three years by dividing the State of Victoria on a geographical basis.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

Revaluation increases and decreases relating to individual assets within a class of assets are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation reserves are not normally transferred to accumulated surplus on de-recognition of the relevant asset.

**Volunteer Brigade Land and Buildings**

The Authority acknowledges the significant contributions made by Volunteer Brigades to the capital value of their fire stations. It has over 1,200 Volunteer Brigades and many of these have made substantial improvements to their fire stations and property over a number of decades. The value of these improvements is taken into account when the three 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.

#### **Brigade-owned vehicles**

The Authority fully recognises the major community contribution by bringing to account, at cost less accumulated depreciation, firefighting vehicles acquired by volunteer brigades (brigade-owned vehicles). Brigade-owned vehicles are defined as any firefighting or support vehicles, including transport vehicles owned by a registered brigade or group which comes under the control of the Authority for operational purposes.

#### **Other Non Current Assets**

All other non-current assets appear at original cost less accumulated depreciation.

#### **Non-current assets held for sale**

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and is expected to be completed within one year from the date of classification.

#### **Operating Leases**

The Authority leases property under non-cancellable operating leases expiring over the period of one to in excess of 30 years. Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### **(h) Liabilities**

##### **Payables**

Payables consist predominantly of creditors and other sundry liabilities. These amounts represent liabilities for goods and services provided to the Authority prior to the end of financial year that are unpaid, and arise when the Authority becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

##### **Provisions**

Provisions are recognised when the Authority 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 cashflows estimated to settle the present obligation, its carrying amount is the present value of the cashflows.

When some or all of the economic benefits required to settle a provision are expected to be recognised from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

#### **Employee benefits**

##### **(i) Wages and salaries and annual leave**

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values. Those liabilities that are expected to be settled within 12 months are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

##### **(ii) Long service leave**

Liability for long service leave (LSL) is recognised in the provision for employee benefits as follows:-

**Current liability – unconditional LSL** (representing 10 or more years of continuous service) is disclosed as a current liability even where the Authority 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:

- present value – component that the Authority does not expect to settle within 12 months; and
- nominal value – component that the Authority expects to settle within 12 months.

**Non-current liability – conditional LSL** (representing less than 10 years of continuous service) 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 liability is measured at present value.

**(iii) Employee benefits on-costs**

Employee benefits on-costs (payroll tax, workers compensation, superannuation) are recognised and included with LSL employee benefits.

**Volunteer Compensation**

The Provision for Volunteer Compensation is the accrued liability after allowing for anticipated recovery from insurance in respect of all outstanding registered Volunteer Compensation claims at 30 June 2007.

Outstanding claims are assessed on an actuarial basis. Future payments are projected using the Payment Per Claim Incurred (PPCI) method and the Payment Per Active Claim (PPAC) for older non-large weekly benefit claims and they allow for the potential additional liability arising from claims Incurred But Not Reported (IBNR), Incurred But Not Enough Reported (IBNER) and reopened claims. The portion of the liability which is expected to be paid later than 12 months after balance date has been classified as Non-Current.

**(i) Commitments**

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources and are disclosed at their nominal value.

**(j) Contingent assets and contingent liabilities.**

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

**(k) Equity****Contributions by owners**

Consistent with UIG Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*, appropriations for additions to net assets have been designated as contributions by owners. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

**(l) Rounding of amounts**

Amounts in the financial report have been rounded to the nearest thousand dollars.

**(m) Functional currency**

The functional currency of the Authority is the Australian dollar, which is also the presentation currency.

**(n) CFA and Brigades Donations Fund**

The Authority has responsibility for transactions and balances relating to the CFA and Brigades Donations Fund, the purpose of which is to receive and distribute donations received by or on behalf of CFA Brigades.

**(o) New accounting standards and interpretations**

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2007 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises departments and other entities of their applicability and early adoption where applicable. As at 30 June 2007 the following standards had been issued but were not mandatory. The Authority has not adopted these standards early.

Standard	Summary	Applicable for annual reporting periods beginning or ending on	Impact on the financial statements
AASB 7 Financial Instruments: Disclosures	New standard replacing disclosure requirements of AASB 132.	Beginning 1 Jan 2007	AASB 7 is a disclosure standard so will have no direct impact on the amounts included in the Authority's financial statements. However, the amendments will result in changes to the financial instrument disclosures included in the Authority's financial report.
AASB 2005-10 Amendments to Australian Accounting Standards	Amendments arise from the release in August 2005 of AASB 7 Financial Instruments: Disclosures.	Beginning 1 Jan 2007	As above
AASB 101 Presentation of Financial Statements (revised)	Removes Australian specific requirements from AASB 101, including the Australian illustrative formats of the income statement, balance sheet and statement of changes in equity which entities were previously 'encouraged' to adopt in preparing their financial statements.	Beginning 1 Jan 2007	Impact on presentation is considered to be insignificant.



## 2 NET RESULT FROM OPERATIONS

Income	2007 \$'000	2006 \$'000
<b>(a) Contributions</b>		
State Government	75,696	47,768
Insurance companies	175,870	158,156
Owners and insurance intermediaries etc.	8,179	9,125
Commonwealth Government	491	468
	<b>260,236</b>	<b>215,517</b>
<b>(b) Sales of goods and services</b>		
Revenue from sale of goods	3,623	1,565
Revenue from the rendering of services	6,224	2,599
	<b>9,847</b>	<b>4,164</b>
<b>(c) Other income</b>		
Gain/(loss) on disposal of property, plant and equipment	(2,381)	(2,500)
Property rental	751	475
Interest on bank deposits	1,980	1,725
Interest on term deposits	1,009	1,242
Commonwealth Government Grant	4,375	4,375
Other	3,421	4,325
Brigade donations received	3,984	3,133
Brigade-owned vehicles recognised	4,562	6,022
Brigade cash and cash equivalents - initial recognition	35,695	0
	<b>53,396</b>	<b>18,797</b>
<b>Total Income</b>	<b>323,479</b>	<b>238,478</b>
<b>Expenses</b>		
<b>(d) Employee Benefits expense</b>		
Salaries	110,461	96,618
Superannuation (see note 16)	10,000	8,146
Other on-costs (payroll tax, fringe benefits tax, workcover premium)	7,730	6,974
Employee Support	4,847	4,067
<b>Total Employee Benefits Expense</b>	<b>133,038</b>	<b>115,805</b>
<b>(e) Depreciation and amortisation expense</b>		
Depreciation		
Buildings	4,688	3,942
Vehicles	12,091	11,295
Other plant and equipment	4,443	5,076
<b>Total depreciation</b>	<b>21,222</b>	<b>20,313</b>
<b>Amortisation</b>		
Leasehold Improvements	896	592
<b>Total amortisation</b>	<b>896</b>	<b>592</b>
<b>Total depreciation and amortisation</b>	<b>22,118</b>	<b>20,905</b>

	<b>2007</b>	<b>2006</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>(f) Other expenses</b>		
CFA Contributions to OESC Running Costs	1,972	2,836
Buildings Operating and Maintenance	5,803	5,606
Motor Vehicle	10,122	8,686
Cost of Goods Sold / Services Provided	3,471	895
Operating and other Lease payments	3,739	3,429
Other Operating and Maintenance	6,042	4,227
Computer equipment and systems	2,852	3,385
Communications and Alarms	8,299	8,350
Contract payments to external services	37,145	18,315
Volunteer Compensation and Insurance	3,540	3,798
External Training and Skills Maintenance	1,788	2,084
Uniforms and Equipment	5,866	4,722
Inventory taken on - Protective Clothing etc.	0	(247)
Other Volunteer and Brigade Support	3,140	2,789
Audit Fees (note 14)	348	369
Bad Debts	(4)	39
Consultants Fees	11	94
Aircraft Hire	10,732	5,274
Hire Fees - Other	3,989	1,593
Legal Fees	1,334	1,544
Grants to Volunteer Associations and Local Government	1,110	912
Printing and Stationery	2,320	2,191
Publicity/Advertising	1,909	1,568
Brigade Donations Distributed	3,984	3,133
General Expenses	14,271	10,144
<b>Total other expenses</b>	<b>133,783</b>	<b>95,736</b>

### 3 RECEIVABLES

#### Current:

	<b>2007</b>	<b>2006</b>
	<b>\$'000</b>	<b>\$'000</b>
Trade Receivables	3,562	2,342
Provision for Doubtful Debts	(14)	(30)
	<b>3,548</b>	<b>2,312</b>
Other Receivables	2,106	4,624
GST Receivable	2,202	1,351
	<b>7,856</b>	<b>8,287</b>

### 4 INVENTORIES

Stores and consumables - at lower of cost and net realisable value (Note 1(g))	7,507	7,269
Publications - at cost	87	97
	<b>7,594</b>	<b>7,366</b>

### 5 OTHER ASSETS

Prepayments	2,021	1,942
Deposits - Land acquisitions	0	99
	<b>2,021</b>	<b>2,041</b>

**6 NON-CURRENT ASSETS HELD FOR SALE**

	<b>2007</b>	<b>2006</b>
	<b>\$'000</b>	<b>\$'000</b>
Freehold land and buildings held for sale	666	1,713

The Authority intends to dispose of freehold land and buildings that are surplus to its programs and which are no longer utilised within the next 12 months. The properties were previously used as fire stations, as well as land acquired for building programs now no longer required. No impairment loss was recognised on reclassification of the properties as held for sale.

**7 PROPERTY, PLANT AND EQUIPMENT****(a) Value and Depreciation**

	<b>2007</b>	<b>2006</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Freehold Land</b>		
At cost	6,432	6,093
At independent valuation 2004	0	23,954
At independent valuation 2005	16,782	16,809
At independent valuation 2006	15,695	15,767
At independent valuation 2007	42,009	0
	<b>80,918</b>	<b>62,623</b>
<b>Buildings</b>		
At cost	23,965	23,020
Less: Accumulated Depreciation	(486)	(331)
At independent valuation 2004	0	47,591
Less: Accumulated Depreciation	0	(1,810)
At independent valuation 2005	87,336	87,532
Less: Accumulated Depreciation	(3,305)	(1,677)
At independent valuation 2006	84,316	84,700
Less: Accumulated Depreciation	(1,646)	0
At independent valuation 2007	84,856	0
	<b>275,036</b>	<b>239,025</b>
<b>Leasehold Improvements - at cost</b>		
At cost	11,529	10,794
Less: Accumulated amortisation	(7,341)	(6,446)
	<b>4,188</b>	<b>4,348</b>
<b>Vehicles - at cost</b>		
At cost	236,989	223,136
Less: Accumulated Depreciation	(110,814)	(105,221)
	<b>126,175</b>	<b>117,915</b>
<b>Brigade-owned - at cost</b>		
At cost	29,979	27,606
Less: Accumulated Depreciation	(7,849)	(6,291)
	<b>22,130</b>	<b>21,315</b>
	<b>148,305</b>	<b>139,230</b>
<b>Plant and equipment - at cost</b>		
At cost	62,782	59,944
Less: Accumulated Depreciation	(45,349)	(41,269)
	<b>17,433</b>	<b>18,675</b>
<b>Property, plant and equipment in the course of construction - at cost</b>		
At cost	<b>14,737</b>	<b>10,314</b>
<b>Total Property, plant and equipment</b>	<b>540,617</b>	<b>474,215</b>

**(b) Reconciliations**

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below.

	Freehold Land at fair value	Buildings at fair value	Leasehold Improvements at cost	Vehicles at cost	Plant, Mach. & Equipment at cost	In the course of construction at cost	Total
<b>Carrying amount</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 July 2005</b>	<b>58,791</b>	<b>201,335</b>	<b>4,683</b>	<b>130,292</b>	<b>21,296</b>	<b>10,999</b>	<b>427,396</b>
Additions						38,184	38,184
Disposals	(669)	(271)	0	(5,318)	(6)		(6,264)
Classified as held for sale	(853)	(860)					(1,713)
Net Revaluation Increments/(Decrements) (Note 10(b))	2,550	28,945					31,495
Transfers to Fixed Assets	2,804	13,818	257	19,529	2,461	(38,869)	0
Brigade-owned Vehicles Recognised (Note 2(c))				6,022			6,022
Depreciation/amortisation expense (Note 2(e))	0	(3,942)	(592)	(11,295)	(5,076)		(20,905)
<b>Balance at 1 July 2006</b>	<b>62,623</b>	<b>239,025</b>	<b>4,349</b>	<b>139,229</b>	<b>18,675</b>	<b>10,314</b>	<b>474,215</b>
Additions						46,163	46,163
Disposals	(667)	(328)	0	(5,748)	(4)		(6,747)
Classified as held for sale	(521)	(145)					(666)
Net Revaluation Increments/(Decrements) (Note 10(b))	15,857	29,351					45,208
Transfers to Fixed Assets	3,626	11,821	735	22,353	3,205	(41,740)	0
Brigade-owned Vehicles Recognised (Note 2(c))				4,562			4,562
Depreciation/amortisation expense (Note 2(e))	0	(4,688)	(896)	(12,091)	(4,443)		(22,118)
<b>Balance at 30 June 2007</b>	<b>80,918</b>	<b>275,036</b>	<b>4,188</b>	<b>148,305</b>	<b>17,433</b>	<b>14,737</b>	<b>540,617</b>

**8 PAYABLES**

	<b>2007 \$'000</b>	<b>2006 \$'000</b>
Trade payables	5,457	4,406
Sundry payables	9,058	10,279
Other payables and Accruals	1,437	1,766
	<b>15,952</b>	<b>16,451</b>

9 PROVISIONS	2007 \$'000	2006 \$'000
<b>Current</b>		
Employee Benefits (See Note 9 (a))	34,915	31,073
Volunteer Compensation (See note 1(h))	1,744	1,724
	<b>36,659</b>	<b>32,797</b>
<b>Non-Current</b>		
Employee Benefits (See Note 9 (a))	5,006	3,745
Volunteer Compensation (See note 1(h))	5,029	4,475
	<b>10,035</b>	<b>8,220</b>
<b>Aggregate carrying amount of provisions</b>		
Current	36,659	32,797
Non Current	10,035	8,220
	<b>46,694</b>	<b>41,017</b>
Employee Benefits (See Note 9 (a))	39,921	34,818
Volunteer Compensation (See note 1(h))	6,773	6,199
	<b>46,694</b>	<b>41,017</b>
<b>(a) Employee Benefits</b>		
<b>Current employee benefits:</b>		
Annual leave entitlements	15,681	13,555
Unconditional long service leave entitlements	19,234	17,518
	<b>34,915</b>	<b>31,073</b>
<b>Current employee benefits that:</b>		
Are expected to be utilised within 12 months after the end of the reporting period	15,363	13,698
Are expected to be utilised more than 12 months after the end of the reporting period	19,552	17,375
	<b>34,915</b>	<b>31,073</b>
<b>(b) Non-current</b>		
Conditional long service leave entitlements	5,006	3,745
<b>Total employee benefits</b>	<b>39,921</b>	<b>34,818</b>

10 EQUITY AND MOVEMENTS IN EQUITY	2007 \$'000	2006 \$'000
<b>(a) Contributions by owners</b>		
Balance 1 July 2006	193,076	186,220
Capital Contribution from other Government entities	3,529	6,856
Balance 30 June 2007	<b>196,605</b>	<b>193,076</b>
<b>(b) Reserves</b>		
Asset Revaluation Reserve - Land	59,783	43,925
Asset Revaluation Reserve - Buildings	161,233	131,883
	<b>221,016</b>	<b>175,808</b>

<b>Movements</b>		
Asset revaluation reserve		
Balance 1 July 2006	175,808	144,313
Revaluation increment (decrement) of freehold land	15,857	2,550
Revaluation increment (decrement) of buildings	29,351	28,945
Movement for the year	<b>45,208</b>	<b>31,495</b>
Balance 30 June 2007	<b>221,016</b>	<b>175,808</b>

**Nature and purpose of reserve****Asset revaluation reserve**

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 1(g).

	2007 \$'000	2006 \$'000
<b>(c) Accumulated Surplus</b>		
Balance at beginning of financial year	94,255	88,223
Net Result	34,540	6,032
Balance at end of financial year	<b>128,795</b>	<b>94,255</b>

<b>(d) Change in Equity</b>		
Total equity at the beginning of the financial year	463,139	418,756
Total changes in equity recognised in the statement of Changes in Equity	79,748	37,527
Contributions of equity (note 10(a))	3,529	6,856
<b>Total equity at the end of the financial year</b>	<b>546,416</b>	<b>463,139</b>

## 11 FINANCIAL INSTRUMENTS

The Authority's activities expose it to a variety of financial risks; interest rate risk and credit risk. The Authority regularly reviews all risks in relation to financial assets and financial liabilities. Its overall risk management policies focus on mitigating risks associated with operating in a commercial environment and the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

The Authority has policies and procedures for its financial assets and financial liabilities which are reviewed at least annually. 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, in respect of each class of financial asset and financial liability are disclosed in Note 1 to the financial statements.

### (a) Interest rate risk exposures

The Authority's exposure to interest rate risks and the effective interest rates of financial liabilities, at the balance date, are as follows:

2007			Fixed interest rate maturing in:						
Financial Instruments	Weighted average effective interest rate	Variable Interest Rate	Less than 1 year	1-2 years	2-3 years	3-4 years	4+ years	Non-interest bearing	Total
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>(i) Financial assets</b>									
Cash and cash equivalents	6.29	40,254	10,000					54	50,308
Trade and other receivables	N/A							7,856	7,856
<b>Total financial assets</b>	-	<b>40,254</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,910</b>	<b>58,164</b>
<b>(ii) Financial liabilities</b>									
Trade creditors and other payables	N/A							15,952	15,952
<b>Total financial liabilities</b>	-	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,952</b>	<b>15,952</b>

2006			Fixed interest rate maturing in:						
Financial Instruments	Weighted average effective interest rate	Variable Interest Rate	Less than 1 year	1-2 years	2-3 years	3-4 years	4+ years	Non-interest bearing	Total
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>(i) Financial assets</b>									
Cash and cash equivalents	5.72	21,965	5,000					20	26,985
Trade and other receivables	N/A							8,287	8,287
<b>Total financial assets</b>	-	<b>21,965</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,307</b>	<b>35,272</b>
<b>(ii) Financial liabilities</b>									
Trade creditors and other payables	N/A							16,451	16,451
<b>Total financial liabilities</b>	-	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,451</b>	<b>16,451</b>

**(b) Credit risk exposures**

The Authority's maximum exposures to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the Balance Sheet.

The Authority minimises concentrations of credit risk in relation to trade accounts receivable by undertaking transactions with a large number of customers. All our customers are based in Australia. Other than trade debtors, the major amounts owing at any point in time are from Government (no credit risk considered), and the pool of Insurance Industry contributors. There is not considered to be any major risk with this latter class as, in the event of one contributor failing, the amount so lost can be collected from the rest of the pool in a subsequent period.

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

- payment terms are 30 days from date of invoice.
- statements are issued on all debts outstanding, five working days after the end of each month.
- debtors outstanding after 60 days are contacted and a record made of reason for delay in payment. Follow up statements continue to be issued.
- debts outstanding after 90 days are referred to a debt collection agency, except in the case of CFA volunteer brigades when the process is continued internally.

CFA has in place a Board approved Treasury Management Policy that has been formally noted by the Department of Treasury and Finance and is in compliance with the Borrowing and Investment Powers Act (1988).

Investments are only made subject to the appropriate institution having a Standard & Poor's credit rating for short term investments of A3 or better, and long term investments of BBB or better, at the time of investing the funds.

**(c) Net fair values**

The aggregate net fair values of financial assets and financial liabilities, at the balance date, are as follows:

2007	Carrying amount \$'000	Fair Value \$'000
<b>Financial assets</b>		
Cash and cash equivalents	50,308	50,308
Trade and other receivables	7,856	7,856
<b>Total financial assets</b>	<b>58,164</b>	<b>58,164</b>
<b>Financial liabilities</b>		
Trade creditors and other payables	15,952	15,952
<b>Total financial liabilities</b>	<b>15,952</b>	<b>15,952</b>
<b>2006</b>		
<b>Financial assets</b>		
Cash and cash equivalents	26,985	26,985
Trade and other receivables	8,287	8,287
<b>Total financial assets</b>	<b>35,272</b>	<b>35,272</b>
<b>Financial liabilities</b>		
Trade creditors and other payables	16,451	16,451
<b>Total financial liabilities</b>	<b>16,451</b>	<b>16,451</b>

The following methods and assumptions are used to determine the net fair values of financial assets and liabilities:

**Recognised financial instruments**

Cash and cash equivalents:	The carrying amount approximates fair value because of their short-term to maturity.
Trade receivables and payables:	The carrying amount approximates fair value.
Non-current investments:	The carrying amount approximates fair value.



## 12 RESPONSIBLE PERSONS

In accordance with the Ministerial Directions issued by the Minister for Finance under the Financial Management Act 1994, the following disclosures are made regarding responsible persons for the year ended 30 June 2007.

### Names

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

#### Responsible Minister

Minister for Police and Emergency Services:

The Honourable T Holding MP (to 1 December 2006).

The Honourable B Cameron MP (from 1 December 2006).

#### Authority Members

L R Foster (Chairman until 31/03/07)

K A Murphy (Chairman from 1/04/07)

R J Hale (Deputy Chairman)

Z M Burgess

E A Davidson

D G Gibbs

P Jamvold

K W King

B M Maher

P G Marke

M G Tudball

F P Zeigler

#### Accountable Officer

N G Bibby (Chief Executive Officer)

#### Remuneration (other than the Responsible Minister)

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

Income Band	2007	2006
	No.	No.
\$0 - \$9,999	1	4
\$10,000 - \$19,999	10	9
\$20,000 - \$29,999	1	0
\$40,000 - \$49,999	0	1
\$230,000 - \$239,999	0	1
\$290,000 - \$299,999	1	0
<b>Total Numbers</b>	<b>13</b>	<b>15</b>
<b>Total Amount \$'000</b>	<b>447</b>	<b>401</b>

There were no other transactions between the Country Fire Authority and the Authority Members or Member related entities.

Amounts relating to the Responsible Minister are reported separately in the financial statements of the Department of Premier and Cabinet.

### 13 REMUNERATION OF EXECUTIVES

The number of executive officers, other than Ministers and Accountable Officers, and their total remuneration commencing at \$100,000 during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

Several factors have affected total remuneration payable to executives over the year. A number of employment contracts were completed during the year and renegotiated and a number of executives received bonus payments during the year. These bonus payments depend on the terms of individual employment contracts. Some contracts provide for an annual bonus payment whereas other contracts only include the payment of bonuses on the successful completion of the full term of the contract. A number of these contract completion bonuses became payable during the year.

	TOTAL REMUNERATION		BASE REMUNERATION	
	2007	2006	2007	2006
	No.	No.	No.	No.
<b>Income Band</b>				
\$100,000 - \$109,999	0	1	0	0
\$110,000 - \$119,999	3	1	2	1
\$120,000 - \$129,999	0	0	0	2
\$130,000 - \$139,999	3	4	4	7
\$140,000 - \$149,999	3	8	13	9
\$150,000 - \$159,999	6	6	6	4
\$160,000 - \$169,999	8	5	2	5
\$170,000 - \$179,999	2	2	2	0
\$180,000 - \$189,999	4	3	1	1
\$190,000 - \$199,999	1	1	0	0
\$200,000 - \$209,999	1	0	0	0
<b>Total Numbers</b>	<b>31</b>	<b>31</b>	<b>30</b>	<b>29</b>
<b>Total Amount \$'000</b>	<b>4,929</b>	<b>4,759</b>	<b>4,439</b>	<b>4,272</b>

### 14 REMUNERATION OF AUDITORS

Audit fees paid or payable to the Victorian Auditor-General's Office for audit of the Authority's financial statements pursuant to the Audit Act 1994.

	2007 \$'000	2006 \$'000
Paid as at 30 June 2007	58	21
Payable as at 30 June 2007	20	54
	<b>78</b>	<b>75</b>
Audit fees - Internal Audit : Paid or payable as at 30 June 2007	270	294
	<b>348</b>	<b>369</b>

## 15 COMMITMENTS FOR EXPENDITURE AND CONTINGENT LIABILITIES

### (i) Commitments for expenditure

The following commitments have not been recognised as liabilities in the financial statements:

	2007 \$'000	2006 \$'000
<b>(a) Capital expenditure commitments</b>		
<b>Plant and equipment</b>		
Payable:		
Not longer than 1 year	27,569	6,406
Longer than one year and not longer than 5 years.	7,456	869
Longer than 5 years	0	0
<b>Total capital expenditure commitments</b>	<b>35,024</b>	<b>7,275</b>
<b>(b) Lease commitments</b>		
<b>Non-cancellable operating leases payable:</b>		
Not longer than 1 year	4,338	4,148
Longer than one year and not longer than 5 years.	6,962	7,657
Longer than 5 years	3,670	2,303
<b>Total lease commitments</b>	<b>14,970</b>	<b>14,108</b>

### (c) Other expenditure commitments

Statewide Integrated Public Safety Communications Strategy (SIPSaCS)

#### (i) Call Taking & Dispatch Services

There is an ongoing Service Agreement with the Emergency Services Telecommunications Authority (ESTA) for the provision of call taking and dispatch services for Outer Metropolitan and Regional Victoria, through facilities at East Burwood and Mt. Helen, Ballarat. The service fees for the year to 30 June 2007 were \$10.15M.

#### (ii) Emergency Alerting System

CFA has an ongoing Service Level Agreement with the State, (through the Department of Justice as a co-ordinating authority for 3rd party services) for the provision of an Emergency Alerting System. The contract services began in November 2005 with CFA incurring \$26.05M to 30 June 2007.

CFA is holding contingency funds for the Emergency Alerting System project of approximately \$3.742M as at 30 June 2007. The funds for this Service Level Agreement (SLA) have been appropriated by CFA via the CFA Act, and are quarantined by virtue of the SLA.

All of the expenditure amounts shown in the above commitments note are nominal amounts inclusive of GST.

### (ii) Contingencies

In the context of CFA's business and recognising the Authority's existing insurance arrangements, there are some matters which may be subject to judicial process. None of those items are considered likely to have a material effect on the financial statements at 30 June 2007.

## 16 SUPERANNUATION

Employees of the Authority are entitled to receive superannuation benefits and the Authority contributes to both defined benefit and accumulation contribution plans managed by the Emergency Services & State Super superannuation fund (ESSS). The defined benefit plan provides benefits based on years of service and final average salary. The Authority does not recognise any defined benefit liability in respect of the plans because the Authority 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 Department of Treasury and Finance recognises and discloses the State's defined benefit liabilities in its financial report. However, superannuation contributions for the reporting period are included as part of employee benefits in the Operating Statement of the Authority. There were no superannuation contributions outstanding at 30 June 2007.

The name and details of each of the major employee superannuation funds and contributions made by CFA are as follows:

	2007 \$'000	2006 \$'000
<b>Fund</b>		
<b>Defined Benefits Schemes</b>		
Emergency Services Superannuation Scheme (ESSS)	6,911	5,485
<b>Accumulation Schemes</b>		
Emergency Services Superannuation Plan (ESS Plan)	3,034	2,630
Others	55	31
<b>Total (See note 2(d))</b>	<b>10,000</b>	<b>8,146</b>

Employer contribution rates were:

### Defined Benefits Scheme.

The employer contribution rate for the financial year was 13% (2006: 12%) of salary for operational staff as well as for non-operational staff employed prior to 1 January 1994.

### Accumulation Scheme

9% of salary for non-operational staff employed after 31 December 1993.

## 17 VOLUNTEER BRIGADE ACTIVITIES

The major assets of CFA volunteer brigades – Land, Buildings and Brigade-owned Vehicles and Bank/Cash Equivalents – are recognised as assets by the Authority (note 1(g)). New Brigade-owned Vehicles are included annually in CFA's financial statements and reflected in notes 2(c) and 7 (a) and (b). Bank/Cash Equivalents have been brought to account for the first time in 2006-2007 accounts. The cash balances are funds which have been accumulated by brigades over many decades, predominantly for the replacement of existing capital equipment and the purchase of supplementary equipment in their respective brigades. They appear as Other Income in the Operating Statement and as Bank/Cash Equivalents in the Balance Sheet. The Bank/Cash Equivalents incorporated into these financial statements are those held by the brigades at 30 June 2007.

The brigades are funded by CFA and supplemented by community fundraising and donations. Brigade costs borne by CFA are included in the expense analysis in note 2(f), either by specific reference (e.g. Volunteer Compensation; Other Volunteer and Brigade Support; Grants to Volunteer Associations) or are included (under the appropriate expense heading) with CFA's other costs of a similar nature. e.g. (Depreciation; Building Operating and Maintenance; Motor Vehicle; Training and Skills Maintenance; Uniforms and Equipment, etc.)

As the majority of brigade transactions are thus included in CFA's accounts, the remaining separate revenues and expenses of the brigades are not reflected in the Authority's financial statements. The annual financial statements of brigades are required to be audited each year in accordance with Country Fire Authority Regulations 2004 (Reg 60). This is to be amended to reflect that brigades are part of the consolidated CFA and will be subject to internal CFA financial inspection from 1 July 2007 and not require an externally brigade appointed auditor.

In order to comply with the Income Tax Assessment Act 1997, relating to tax deductible gifts, the 'CFA and Brigades Donations Fund' was established under a Trust Deed dated 7 June 2004. The trustees are responsible for the preparation of separate financial statements which are subject to independent audit and the financial transactions of the fund are consolidated into these financial statements (refer also Note 19).

## 18 CASH FLOW INFORMATION

### (a) Reconciliation of cash and cash equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with short periods to maturity that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the balance sheet as follows:

	2007 \$'000	2006 \$'000
Cash at bank and on hand	40,308	1,985
Short Term Deposits	10,000	25,000
	<b>50,308</b>	<b>26,985</b>

### (b) Reconciliation of net result for the period to net cash flows from operating activities

Net Result for the period	34,540	6,032
<b>Non-cash movements:</b>		
Depreciation and Amortisation of non-current assets	22,118	20,905
Brigade-owned Vehicles Recognised	(4,562)	(6,022)
Allowance for Doubtful Debts	(16)	29
(Gain) / Loss on sale of non-current assets	2,381	2,501
<b>Movements in assets and liabilities:</b>		
<b>(Increase) decrease in assets</b>		
Receivables and Prepayments	345	(3,450)
Current Inventories	(228)	(86)
<b>Increase (Decrease) in liabilities:</b>		
Current payables	(499)	2,487
Employee Entitlements	5,103	4,227
Volunteer Compensation	574	1,214
Total Adjustments	<b>25,216</b>	<b>21,805</b>
<b>Net cash inflow from operating activities</b>	<b>59,756</b>	<b>27,837</b>

## 19 TRUST ACCOUNT BALANCES

The following is a listing of Trust Account Balances relating to Trust Accounts Controlled or Administered by the Authority.

Cash and Investments as at 30 June	2007 \$'000	2006 \$'000
<b>Controlled Trusts</b>		
Public Trust Account	1	1
<b>Total Controlled Trusts</b>	<b>1</b>	<b>1</b>
<b>Administered Trusts</b>		
CFA and Brigades Donations Fund	641	340
Trevor Day Trust Fund	0	40
<b>Total Administered Trusts</b>	<b>641</b>	<b>380</b>

The following is a listing of Trust Accounts opened and closed by CFA during 2006-2007.

#### Trust Accounts opened during 2006-07

Nil

#### Trusts Accounts closed during 2006-07

Trevor Day Trust Fund

## 20 SUBSEQUENT EVENTS

The Authority has no material or significant events occurring after the reporting date.



# AUDITOR-GENERAL'S REPORT

## VAGO

Victorian Auditor-General's Office

### INDEPENDENT AUDIT REPORT

#### Country Fire Authority

#### To the Members of the Parliament of Victoria and Members of the Board of the Authority

##### *Matters Relating to the Electronic Presentation of the Audited Financial Report*

This auditor's report for the financial year ended 30 June 2007 relates to the financial report of the Country Fire Authority included on its web site. The Board of the Country Fire Authority is responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named below. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

##### *The Financial Report*

The accompanying financial report for the year ended 30 June 2007 of the Country Fire Authority which comprises the operating statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the accountable officer's and chief finance and accounting officer's declaration has been audited.

##### *The Responsibility of the Members of Board for the Financial Report*

The Members of the Board of the Country Fire Authority are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

##### *Auditor's Responsibility*

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to internal control relevant to the Board Members' preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Board Members, as well as evaluating the overall presentation of the financial report.

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Auditing in the Public Interest

# VAGO

Victorian Auditor-General's Office

## Independent Audit Report (continued)

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

### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. The Auditor-General, his staff and delegates comply with all applicable independence requirements of the Australian accounting profession.

### *Auditor's Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Country Fire Authority as at 30 June 2007 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE  
26 September 2007



D.D.R. Pearson  
Auditor-General







# ADDITIONAL INFORMATION

## POWERS, DUTIES AND RESPONSIBILITIES

The following Sections of the CFA Act provide the principal sources of direction as to the powers, duties and responsibilities of CFA and its personnel.

Section	Summary of Power, Duty or Responsibility
14	Control of the prevention and suppression of fires
20	General duty of the Authority
20AA	General powers of the Authority
20A	Attendances unconnected with fire
27	Chief Officer to have control of all brigades
28	Powers and duties of Chief Officer
29	General powers and duties of Chief Officer
30 and 33(2)	Powers of officers at fires
35	Authority to inform the Health Department on certain matters
36	Authority may require municipalities to provide hydrants
44	Duties of officers as to inspection, etc.
44A	Power of Chief Officer to close roads
48	Power of Chief Officer to direct extinguishment
97	Authority as a protection agency
97A	Authority may provide rescue and extrication services
97B	Authority may provide road accident and rescue service
97C	Authority may provide protection service
98	Power to investigate fires

In addition, the Act sets out a number of powers that can be exercised by CFA that relate to fire prevention applying to the community. These include:

Section	Summary of subject matter
4	Declaration of the fire danger period
37	General prohibition against lighting fires in the open
40	Declaration of total fire bans
41	Issuing of fire prevention notices
41F	Issuing notices by the Chief Officer

It should be noted that some of the duties and responsibilities placed upon CFA and its personnel derive from other statutes such as the:

- *Building Act 1993*
- *Dangerous Goods Act 1985*
- *Occupational Health and Safety Act 2004*

## RELEVANT LEGISLATION AND POLICIES

### Freedom of Information

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.

### Making a Request

A request generally falls into one of two categories:

1. Requests for access to documents of the agency, which must contain sufficient information to identify the documents sought.
2. Requests for amendment of personal records, which must sufficiently identify the record involved and specify the amendment sought.

A request for access to a document must be made in writing and should be addressed to:

Freedom of Information Officer  
Country Fire Authority  
P.O. Box 701  
MT WAVERLEY VIC 3149

The two main categories of information normally requested under the FOI Act include individuals asking for their personal documents and documents relating to the activities of the agency.

CFA has various record keeping systems that may assist applicants to identify the types of documents to which access is sought. CFA holds files relating to employees and volunteers, operational and policy matters, general administrative responsibilities and correspondence. The FOI Officer can provide assistance in determining the categories of files relevant to a request.

Some documents are destroyed in accordance with the *Public Records Act 1972*. It should also be noted that the FOI Act does not entitle an applicant to have access to a document created before July 1978 unless the document relates to the applicant's personal affairs.

### Fees and Charges

A request must be accompanied by an application fee of \$21.50. The application fee may be waived in cases where payment is likely to cause financial hardship to the applicant. An application for waiver of the fee should state grounds such as that the applicant has a low income or is the holder of a Commonwealth Health Care Card. Once documents have been located and processed access charges may also apply. These include charges for searching time and photocopying, which are the amounts prescribed by the legislation. Some access charges may be waived in certain cases.

### Further Information

For further information, see the FOI Act and regulations under the FOI Act, and [www.foi.vic.gov.au](http://www.foi.vic.gov.au).

The FOI Act and regulations under it may be purchased from:

Information Victoria  
356 Collins Street  
MELBOURNE VIC 3000  
Tel: 1300 366 356  
Website: [www.information.vic.gov.au](http://www.information.vic.gov.au)

### Freedom of Information Contacts

FOI Officer  
Tel: (03) 9262 8512

### Building Act 1993

In November 1994 the Minister for Finance issued guidelines pursuant to Section 220 of the *Building Act 1993* to promote conformity in building standards for buildings owned by public authorities. CFA aims to comply with building standards and regulations at all times.

### Financial Management Act 1994

Information applicable to the report of the financial year is retained by CFA, in accordance with the Directions of the Minister for Finance under the *Financial Management Act 1994*. The relevant information is available to the Minister for Police and Emergency Services, the Parliament of Victoria, and the public on application to the accountable officer (Chief Executive Officer).

### Whistleblowers Protection Act 2001

In relation to the matters specified in section 104 of the *Whistleblowers Protection Act 2001* (Whistleblowers Act), during the reporting year:

- CFA has procedures in accordance with Part 6 of the Whistleblowers Act;
- CFA received one disclosure under the Whistleblowers Act;
- CFA did not refer any disclosure to the Ombudsman for determination as to whether it is a public interest disclosure;
- The Ombudsman did not refer any disclosed matter to CFA;
- CFA did not refer any disclosed matter to the Ombudsman to investigate;
- The Ombudsman did not take over any investigation from CFA of a disclosed matter;
- CFA did not decline to investigate any disclosed matter;
- There were no disclosed matters that were substantiated on investigation and that required further action to be taken; and
- The Ombudsman did not make any recommendations relating to CFA in relation to the Whistleblowers Act during the reporting period.

### National Competition Policy

CFA complies, to the extent applicable, with the National Competition Policy.

### Victorian Industry Participation Policy (VIPP)

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. CFA reports the following:

Contracts commenced to which the VIPP applied:

- CFA commenced six contracts totalling \$18 million in value to which the VIPP applied. The value of these contracts is fully applicable to regional Victoria.

Commitments by contractors under VIPP included:

- An overall level of local content of 95 per cent of the total value of the contracts; and
- Fifteen full-time equivalent jobs.

The benefits (as highlights) to the Victorian economy in terms of skills and technology transfer increases:

- CFA contracts have encouraged the use of locally developed technology in the production of specialist firefighting assemblies and ancillary equipment.

No contracts were completed during the 2006/07 year to which the VIPP was applied.

### CONSULTANCIES

During 2006/07 there were four consultancies that were individually valued at less than \$20,000 (exclusive of GST) and the total expenditure on these engagements was \$11,000 (exclusive of GST).



## CONTRIBUTIONS

### Insurance Companies

The following companies insure properties situated within the country area of Victoria against fire. During 2006/07, these companies made contributions in accordance with sections 77-77B of the CFA Act.

Ace Insurance Limited	Guild Insurance Ltd
Ace IRM Broking Group Pty Ltd	H.W. Wood Australia Pty Ltd
AHL Insurance Brokers P/L	Hallmark General Insurance Company Ltd
AIOI Insurance Co. Ltd	HSB Engineering Insurance Ltd
AIS Insurance Brokers Pty Ltd	Insurance Australia Limited
Allianz Australia Insurance Limited	Insurance Manufacturers of Australia P/L
American Home Assurance Co	InterPacific Underwriting Agencies Pty Limited
Aon Risk Services Australia Ltd	Jardine Lloyd Thompson Pty Ltd
Asia Mideast Insurance and Reinsurance P/L	JMD Ross Insurance Brokers Pty Limited
ASR Underwriting Agencies Pty Ltd	JUA Underwriting Agency Pty Ltd
Assetinsure Pty Ltd	Liberty International Underwriters
Ausnet Underwriting Agency Pty Ltd	Lumley General Insurance Ltd
Australian International Insurance Limited	Mansions of Australia Pty Limited
Australian Alliance Insurance Limited	Manufactured Homes Insurance Agency Pty Ltd
Australian Associated Motor Insurers Ltd	Marsh Pty Ltd
Australian European Insurance (Brokers) P/L	Millennium Underwriting Agencies Pty Ltd
Australian Unity General Insurance Ltd	Miramar Underwriting Agency Pty Ltd
Auto and General Insurance Company Limited	Mitsui Sumitomo Insurance Company Ltd
Axis Underwriting Services Pty Ltd	MLH Insurance Brokers Pty Ltd
BHP Billiton Marine & General Insurances P/L	Mutual Community General Insurance P/L
Calliden Limited	Nipponkoa Insurance Company Ltd
Catholic Church Insurances Ltd	NZI Insurance Australia Ltd
Catlin Australia Pty Ltd	OAMPS Insurance Brokers Limited
CGU - VACC Insurance Limited	QBE Insurance (Australia) Limited
CGU Insurance Limited	QBE Insurance (International) Limited
Chambers Gallop McMahon Pty Ltd	QBE Mercantile Mutual Ltd
Chronos Insurance Brokers Pty Ltd	Sompo Japan Insurance Incorporated
Chubb Insurance Co of Australia Ltd	Sportscover Australia P/L
Commonwealth Insurance Ltd	SRS Underwriting Agency Pty Ltd
Cumis Insurance Society Inc	Suncorp Metway Insurance Ltd
Curasalus Insurance Pty Ltd	Territory Insurance Office
Defence Service Homes Insurance Scheme	The Hollard Insurance Company Pty Ltd
EIG-Ansvar Limited	Tokio Marine & Nichido Fire Insurance Co Ltd
Elders Insurance Ltd	Universal Underwriting Agencies P/L
Encompass Insurance Agency Pty Ltd	Vero Insurance Limited
F.M. Insurance Company Ltd	Wesfarmers Federation Insurance Ltd
Farmers Mutual Insurance Limited	Westpac General Insurance Limited
Freeman McMurrick Pty Ltd	Willis Australia Ltd
Gerling Australia Insurance Co. P/L	XL Insurance Company Ltd
GIO General Ltd	Yourinsurancegroup
Global Underwriting Services P/L	Zurich Australian Insurance Ltd
Guardian Underwriting Services Pty Ltd	

### Contributions other than insurance companies

Section 80A of the CFA Act addresses property in the country area of Victoria insured against fire with a person carrying on a business of insurance against fire, not being an insurance company required to make a return under section 77 of the CFA Act. The following companies made contributions in accordance with section 80A of the CFA Act during 2006/07:

AAPT Ltd	Jardine Lloyd Thompson
Amcors Limited	Johnson Pacific (t/as Genesis)
Aon Risk Services	Mahony & Company Limited
Ambro Insurance Brokers P/L	Marsh Pty Ltd
Ausnet Underwriting Agency Pty Ltd	Miller & Associates Insurance Broking P/L
Australian Underwriters Pty Ltd	Mobil Oil Australia Pty Ltd
Benfield (Australia) Pty Ltd	OAMPS Insurance Brokers P/L
BHP Billiton Limited	Ricegrowers Co-operative Limited
BMW Australia Finance Limited	Rosemaur Properties Pty Ltd
Cargill Australia Limited	Rural & General Insurance Broking Pty Ltd
Chambers Gallop McMahon	Shell Company of Australia Ltd
Coles Myer Ltd	Specialised Broking Associates
Continental Insurance Australia Pty Ltd	St Pauls Travellers Insurance co Ltd
Corion Pty Limited	Stirling Risk Services Pty Ltd
Cowden (SA) P/L	Strathearn Insurance Brokers
Dominion Underwriting Agents Pty Limited	Trafalgar Insurance Company (NZ)
Drake Australia Pty Ltd	Watchtower Bible and Tract Society of Australia
Esso Australia Pty Ltd	Willis Australia Ltd
Green Triangle Plantation Forest Company of Australia Pty Ltd	Willis New Zealand Ltd
Horsell International P/L	World Insurance Network
Insurance Advisernet Australia P/L	



# DISCLOSURE INDEX

The Annual Report of the CFA is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the organisation's compliance with statutory disclosure requirements.

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FRD 22A	Subsequent events	Nil
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FRD 22A	Details of consultancies under \$100,000	83
<b>Other relevant information</b>		
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FRD 8A	Budget portfolio outcomes – Not applicable to CFA	N/A
FRD 12A	Disclosure of major contracts – Not applicable to CFA	N/A
FRD 15A	Executive officer disclosures – Not applicable to CFA	N/A
FRD 24A	Reporting of office-based environmental impacts – Not applicable to CFA	N/A



# GLOSSARY

ABN	Australian Business Number
AFAC	Australasian Fire Authorities Council
AFSM	Australian Fire Service Medal
AWS	Automatic Weather Station
CAD	Computer Aided Dispatch
CBR	Chemical, Biological, Radiological
CEO	Chief Executive Officer
CFA	Country Fire Authority
CFA Act	Country Fire Authority Act 1958
CFG	Community Fire Guard
CIS	Critical Incident Stress
CRC	Cooperative Research Centre
CSESP	Community Safety Emergency Support Program
DSE	Department of Sustainability and Environment
DVC	Department for Victorian Communities
EAS	Emergency Alerting System
EPIRB	Emergency Personal Identification Radio Beacon
ESTA	Emergency Services Telecommunications Authority
FEM	Fire Equipment Maintenance
FIRS	Fire and Incident Reporting System
FOI	Freedom of Information
FRV	Fire Ready Victoria
GIS	Geographic Information Services
Hazmat	Hazardous Materials
ICT	Information and Communication Technologies
IFMP	Integrated Fire Management Planning
MAV	Municipal Association of Victoria
MEU	Mobile Education Unit
MFB	Metropolitan Fire and Emergency Services Board
MMR	Metropolitan Mobile Radio
MoU	Memorandum of Understanding
OESC	Office of the Emergency Services Commissioner
PFD	Personal Flotation Device
PIMS	Performance Improvement Monitoring System
PPC	Personal Protective Clothing
SDS	Service Delivery Standards
SIPSaCS	Statewide Integrated Public Safety Communications Strategy
SLA	Service Level Agreement
VBI	Victorian Bushfire Inquiry
VBIL	Victorian Bushfire Information Line
VIPP	Victorian Industry Participation Policy
VRFBFA	Victorian Rural Fire Brigades Association
VUFBA	Victorian Urban Fire Brigades' Association
WIMS	Workforce Information Management System
WMO	Wildfire Management Overlay
4WD	Four Wheel Drive

# NOTES

