



Tasmania Fire Service

**STATE FIRE
COMMISSION
ANNUAL REPORT**

2018-19





Statement of Compliance

Honourable Mark Shelton MP

Minister for Police, Fire and Emergency Management

Dear Minister

In accordance with Section 107(g) of the *Fire Service Act 1979*, we hereby submit for your information and presentation to Parliament the Report of the State Fire Commission for the year ending 30 June 2019.

The report has been prepared in accordance with the provisions of the *Fire Service Act 1979*.

Rodney Sweetnam AFSM ESM
CHAIR, STATE FIRE COMMISSION

3 October 2019



Photo by Warren Frey

Contents

State Fire Commission.....	3
Report from the Independent Chair	5
Our Organisation	6
Our Vision.....	7
Our Role	7
Our Values.....	7
Organisational Structure.....	7
Our Strategic Directions	8
Chief Officer’s Report	10
State Fire Management Council	12
Statutory Role.....	12
Membership as of 30 June 2019:	12
SMFC Strategic Directions Framework.....	13
Network Events	13
Key Performance Indicators	14
Financial overview	14
Physical resources management.....	14
Fire fatality rate	15
Fire injury rate.....	15
Structure fire rate.....	16
Statistics.....	17

Cover photo by

Contents

STRATEGIC DIRECTION 1	
Supporting Community Resilience	20
1.1 Safer communities	20
1.2 Community protection, planning, promotion and implementation	21
1.3 Emergency management planning – all-hazards risk management	27
STRATEGIC DIRECTION 2	
Providing Trusted Emergency Response	28
2.1 Adopt a seamless and all-hazards approach to the delivery of emergency services	28
2.2 Consolidate learnings from After Action Reviews and other experiences	29
2.3 Deliver timely and accurate emergency information and intelligence	30
2.4 Be a socially and environmentally responsible organisation	31
STRATEGIC DIRECTION 3	
A Collaborative Organisation	32
3.1 Take opportunities to integrate common operating systems	33
3.2 Build a culture that delivers a collaborative approach	34
3.3 Participate and inform Whole of Government (WoG) reforms	36
3.4 Participate across the emergency management industry to add value to Tasmania	36
STRATEGIC DIRECTION 4	
Valued and Capable People	38
4.1 Develop and implement a Human Resources (HR) Capability Framework	38
4.2 Develop a people plan	39
4.3 Development of a professional development pathway for volunteer and career staff	40
4.4 Establish mechanisms to support proactive innovation	41
STRATEGIC DIRECTION 5	
An Efficient and Effective Organisation	42
5.1 Review Emergency Service Legislation	42
5.2 Adopt good governance, corporate risk management and business disciplines that meet changing needs	43
5.3 Develop an appropriate funding model to enable service delivery	45
5.4 Develop and implement outcomes based reporting tools	45
5.5 Establish a comprehensive and compliant suite of policies and procedures	45
5.6 Implement an effective communication framework	45
Financial Statements 2017-18	46
Glossary	79



State Fire Commission

The State Fire Commission is established under the *Fire Service Act 1979* (the Act), with the following powers:

- (a) Formulate the policy in respect of the administration and operation of the Fire Service;
- (b) Co-ordinate and direct the development of all fire services throughout the State;
- (c) Develop effective fire prevention and protection measures throughout the State;
- (d) Develop and promulgate a State fire protection plan;
- (e) Standardise, as far as practicable, fire brigade equipment throughout the State;
- (f) Establish and maintain training facilities from brigades;
- (g) Conduct such investigations into fires as it considers necessary, and to prepare reports and recommendations to the Minister arising from those investigations;

- (h) Conduct such investigations into the use of fire as it considers necessary, to instruct the public in the wise use of fire, and to disseminate information regarding fire protection measures and other related matters;
- (i) Advise the Minister on such matters relating to the administration of this Act as may be referred to it by the Minister, and on matters that, in the opinion of the Commission should be brought to the attention of the Minister; and
- (j) Exercise such other functions vested in or imposed on it by this Act or such other functions relating to the preventing or extinguishing of fires as may be imposed on it by the Minister from time to time.

The Commission's primary purpose is to minimise the social, economic and environmental impact of fire on the Tasmanian community. This will be achieved through the TFS implementing strategies to develop community self-reliance to mitigate the impact of fires and prepare for fires, supported by a timely and effective response to emergencies.

As per the *Fire Service Act 1979*, the members of the Commission are appointed by the Governor and comprise:

- an Independent Chair nominated by the responsible Minister and approved by the Governor;
- the Chief Officer of the Tasmania Fire Service;
- a person nominated by the United Firefighters Union (Tasmanian Branch);
- a person nominated by the Tasmanian Retained Volunteer Firefighters Association;
- a person nominated by the Tasmanian Volunteer Fire Brigades Association;
- a person nominated by the Department responsible for the *Public Account Act 1986*; and,
- two (2) persons nominated by the Local Government Association of Tasmania.

State Fire Commission



Rodney Sweetnam AFSM *ESM*, Chair of the Commission

Rod was appointed as the inaugural independent Chair of the Commission in May 2017. Prior to his appointment as Chair, Rod was the Local Government Association of Tasmania (LGAT) representative on the Commission since November 2009. Rod held senior management roles with the City of Launceston Council from 2000 to 2017 including the position of Emergency Management Coordinator. He was the LGAT representative on the State Fire Management Council from 2002 until his appointment to the Commission in 2009. Rod is currently a Volunteer with the TFS and has held various officer positions as an active volunteer with brigades in Tasmania and Victoria.



Chris Arnol AFSM, Chief Officer, Tasmania Fire Service

Chris was appointed Chief Officer of the Tasmania Fire Service on 21st March 2016. Over his 40 year career Chris has worked in three emergency service organisations. He has extensive interstate and overseas operational experience and holds a Master's Degree in Public Management (Flinders University), is a Graduate of the Australian Institute of Company Directors and a Member of the Institute of Fire Engineers (by examination). Chris is also on the Board of the Australasian Fire and Emergency Services Authorities Council (AFAC), chairs the National Aviation Firefighting Centre and represents Tasmania on the Australia and New Zealand Emergency Management Committee.



Bruce Corbett AFSM

Bruce has been the Tasmanian Retained Volunteer Firefighters Association (TRVFA) representative on the Commission since November 2006. He commenced with the Wynyard Brigade in 1977 holding various positions including that of Brigade Chief for 26 years, just recently stepping down to Third Officer. He is a life Member of both TRVFA and the Wynyard Brigade. Bruce is TRVFA representative and Company Secretary of the Council of Australian Volunteer Fire Associations Inc., and represents TRVFA on the Tasmania Volunteer Awards Framework Management Committee and the State Volunteer Consultative Committee. Bruce is President of the North West Branch of TRVFA.



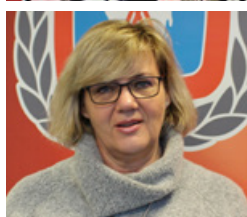
Lyndsay Suhr AFSM

Lyndsay has been the Tasmanian Volunteer Fire Brigades Association (TVFBA) representative on the Commission since July 2007. He commenced with the Glenorchy Central Brigade (now Wellington Brigade) in 1977 and has held various positions including that of Brigade Chief. Lyndsay is currently a Group Officer of the Derwent group, a life member of the TVBFA and Wellington Brigade, member of the Wellington Trust Maintenance Coordinating Committee and Glenorchy Emergency Planning Committee. Lyndsay represents TVFBA on the Operations & Resources Committee and Volunteer Handbook Committee. He is also Southern delegate to the State Council of the TVFBA.



Dana Faletic BEc, OLY

Dana Faletic has recently joined the Commission, being appointed as the Department of Treasury and Finance representative in May 2018. Dana is currently a Specialist Agency Analyst in the Budget Management Branch of Treasury.



Chris Hughes Local Government Association of Tasmania

Chris Hughes was appointed to the Commission in December 2019, being appointed as the Local Government Association of Tasmania representative. Chris is currently the Manager, Community Services for the Break O'Day Council. Chris is also a member of the North East Fire Management Area Committee (FMAC) for the NorthWest Region.



Graeme Brown Local Government Association of Tasmania

Graeme Brown was appointed as the Local Government Association of Tasmania representative in March 2019. Graeme is currently the Deputy Mayor of the Latrobe Council and was a member of the Latrobe Fire Brigade for over 43 years. Mr Brown served as the Brigade Chief of the Latrobe Brigade from 1975 to 2015, and in 2002 received the Australian Fire Service Medal (AFSM).

United Firefighters Union - VACANT

The position of the UFUA representative on the State Fire Commission is currently vacant pending the approval of the Union's selected representative by the Minister for Police, Fire and Emergency Management.

Hannah Rubenach-Quinn BA (Hons) Grad Dip Sc

Hannah was the LGAT representative on the State Fire Commission from January 2013 to February 2019. Hannah concluded her duties as a Councillor of the Break O'Day Council in October 2018, and is currently in an operational support capacity for the St Marys Volunteer Fire Brigade.

Report from the Independent Chair



Firstly I would like to commend the efforts of the extraordinary members of the Tasmania Fire Service (TFS) and State Emergency Service (SES) for their tireless work during a prolonged bushfire season which significantly impacted all regions of our State. I would also like to acknowledge the individuals of all Tasmanian, interstate and overseas organisations who supported the firefighting effort.

Without a doubt this protracted fire activity pushed us to the limits, however with the capable and dedicated efforts of staff and volunteers we came out the other side with minimal property loss and no life loss which is a testament to the level of skill and knowledge within Tasmania.

What is often overlooked in these circumstances, when the newspaper headlines focus on the major incidents, is the contribution of those dedicated volunteer members who make the choice to stay with their communities. I would like to take this opportunity to commend those people who were available to respond to the ongoing and every day incidents that don't stop just because a major incident is running elsewhere.

There is much commentary about whether prolonged fire campaigns will be the 'new normal' and the challenge for all fire agencies is to apply the right business model to sustain operations during times of intense activity.

The Commission will be proactive in identifying these challenges and providing the Tasmanian Government with evidence-based information about the structure and operations of TFS. This will require genuine involvement of all parties in order to provide the best outcome for the Tasmanian community.

The Australasian Fire and Emergency Services Authorities Council (AFAC) conducted an independent operational review to the most recent bushfire season for the Tasmanian Government. The Commission's role will be to determine the financial implications for the Commission should the recommendations be implemented.

In regards to the 2018-19 financial year, it is pleasing to report an improvement in the State Fire Commission's financial position, with a closing cash balance of \$16.5M being achieved.

While this may seem to be a large sum to carry-forward, the Commission requires significant funds to meet the operational expenses incurred during the first quarter of the new financial year.

While the positive cash position is certainly a good news story, there is no room for complacency when it comes to budget management. The changeable nature of the income received within the funding model requires constant oversight from the Commission.

Expenditure against the budget has been competently managed by the Chief Officer and his staff, supported by Business and Executive Services.

Work will continue to ensure financial sustainability to support TFS and SES operations and capital expenditure moving forward.

During the year, Mrs Hannah Rubenbach-Quinn departed the Commission at the conclusion of her term as local government representative. I would like to recognise the contribution of Mrs Rubenbach-Quinn to the committee meetings and Commission activities during her term.

Ms Christine Hughes and Mr Graeme Brown joined the Commission as local government representatives during the year. I welcome them both to the Commission and thank them for their contributions so far.

On behalf of the State Fire Commission, I am pleased to present this report to the reader. I provide assurance that the State Fire Commission has absolute confidence in the ability of all TFS and SES members to respond to the needs of the community.

Rodney Sweetnam AFSM ESM
CHAIR, STATE FIRE COMMISSION

Our Organisation



Collectively our primary purpose is to minimise the social, economic and environment impact of fire and other emergencies on the Tasmanian community. This is achieved through Tasmania Fire Service (TFS) and State Emergency Service (SES) implementing strategies that develop community self-reliance to prevent and prepare for fires, floods and storms, backed by effective response to emergencies.

TFS and SES are as diverse as the Tasmanian communities they protect. Our people are a mix of career, retained and volunteer members and support staff. With a combined workforce of over 6,000 career staff and volunteers, more than 230 brigades and 35 SES units, TFS and SES are not just major employers and service providers but combine as a community of its own, committed to achieving its strategic goals for a safe and resilient Tasmania. Our combined workforce provides a multifaceted service.

Community risk reduction planning, community education and all-hazard response are key service delivery areas.

TFS operational personnel are equipped and trained for structural firefighting, bush firefighting and fuel mitigation, vehicle and transportation incidents, road crash rescue, urban search and rescue,

hazardous materials and the effective deployment of resources and information through our dispatch/communications center. Our community fire safety personnel contribute directly to the resilience of the State through education and community engagement.

SES provides front line emergency response to storm or flood events, road crash rescue, search and rescue and other specialist support functions such as communications. SES also provides broader emergency management planning and support functions and the coordination of various projects that help build community resilience against natural disasters.

While SES is now closely aligned with TFS structures and processes, the Director SES is still responsible for the management of the SES under section 28 of the *Emergency Management Act 2006*.

The Director reports to the Head of Agency through the Chief Officer TFS. Future governance arrangements in alignment with a sustainable funding model are being considered as part of the review of the *Fire Service Act 1979*.

TFS and SES form part of the Department of Police, Fire and Emergency Management (DPFEM) which also includes Tasmania Police and Forensic Science Services Tasmania. We are supported by a shared Corporate Services model which is administered by the Deputy Secretary through a Memorandum of Understanding (MoU). The MoU sets out the general terms and principles that will govern the provision of corporate, human resource, financial support and policy services to clients within DPFEM. The MoU is due for review in 2019-20 and will involve consultation with all relevant stakeholders.

Our Vision

Our vision is a Tasmanian community safe from the impact of fire and other emergencies.

Our Role

Our role is to protect life, property and the environment from the impact of fire and other emergencies by:

- Promoting fire safety across the community
- Providing an effective response to emergencies.

Our Values

The services we provide are driven by the needs of the community.

In order to meet those needs, and the needs of our people, we have adopted the following core values:

Service

We value:

- Serving the Tasmanian community
- Being responsive to community needs
- Being progressive and delivering quality services.

Professionalism

We value:

- Dedication and pride in our organisation
- Being skilled, efficient, committed and innovative
- Using our collective capabilities to deliver an excellent service
- Being accountable for our actions.

Integrity

We value:

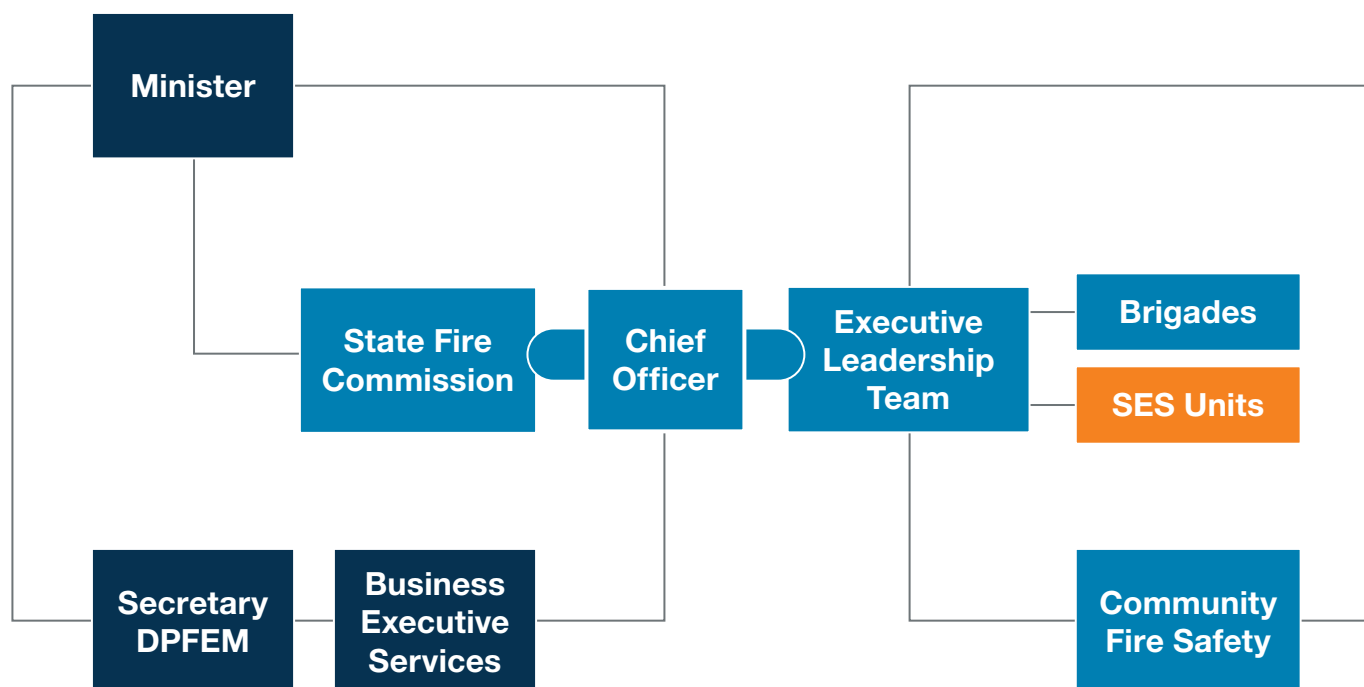
- Being trustworthy and ethical
- Treating each other fairly and honestly
- Having the courage to do the right thing.

Consideration

We value:

- Each other
- Working together to achieve our goals
- Treating each other with respect and understanding
- Being supportive, compassionate and helping each other.

Organisational Structure



Our Strategic Directions

Our Strategic Directions	Strategies	Expected Outcomes
Strategic Direction 1: Supporting Community Resilience	1.1 Safer Communities	Increased long term resilience of at-risk communities. Understanding risks. Tools and programs to manage risk are developed. Decreased risk of death, injury and loss due to natural hazards.
	1.2 Community Protection, Planning, Promotion and Implementation	Appropriate emergency response from households, communities and agencies. Stakeholders are more aware of risks and enabled to manage risks. Decreased risk of death, injury and loss due to natural hazards. Effective management of bushfire related risk throughout Tasmania. Lower net costs to Government, individuals and businesses.
	1.3 Emergency Management Planning – All-hazards risk management	Risks identified, mitigation and treatments put in place.
Strategic Direction 2: Providing Trusted Emergency Response	2.1 Adopt a seamless and all-hazards approach to the delivery of emergency services	Evidence based resource allocation. A capability model for core emergency service delivery is mapped to inform departmental business planning. Efficient use of available resources. Informed future workforce plan and strategic asset management plan. Identify opportunities for improvement (technology, processes).
	2.2 Consolidate learnings from After Action Reviews and other experiences	Highly flexible and adaptable learning organisation/culture.
	2.3 Deliver timely and accurate emergency information and intelligence	A community that is informed to respond in a manner to protect themselves. Decrease in fatalities. Warning and information systems that shape the behaviours of communities during emergencies. Operational intelligences informs preparedness for anticipated emergency events.
	2.4 Be a socially and environmentally responsible organisation	A respected organisation that improves its capacity to measure its impact on the environment.
Strategic Direction 3: A Collaborative Organisation	3.1 Take opportunities to integrate common operating systems	People undertake work efficiently, collaboratively and seamlessly. Operational systems provide the capability to coordinate emergency services across all hazards.
	3.2 Build a culture that delivers a collaborative approach <ul style="list-style-type: none"> • Values and behaviours • Policies and protocols • Stakeholder engagement 	Members achieve outcomes collaborating innately within the organisation and with external stakeholders. Our organisation is receptive to approaches from other organisations to collaborate.
	3.3 Participate and inform Whole of Government (WoG) reforms	Whole of Government (WoG) reforms are appropriate for fire and emergency services.
	3.4 Participate across the emergency management industry to add value to Tasmania	Fire and emergency services are amongst the leaders in contemporary emergency management. Integrated and seamless operations exist with emergency management partners. National initiatives are utilised to add value for Tasmania. A vibrant, active, engaged and relevant State Fire Management Council (SFMC).

Our Strategic Directions	Strategies	Expected Outcomes
Strategic Direction 4: Valued and Capable People	4.1 Develop and implement a Human Resources (HR) Capability Framework	Engaged workforce. Consistent delivery of service across the organisation. Functionally proficient and diverse workforce. Demonstrated values through behaviours.
	4.2 Develop a people plan	Skilled and capable workforce. Sustainable succession plan. Embedded workplace safety culture. Motivated and engaged workforce. Highly effective volunteer support structure.
	4.3 Development of a professional development pathway for volunteer and career staff	Volunteers are valued and utilised for their skills particularly in training, command and local knowledge. Career pathways ensure capability matches service delivery.
	4.4 Establish mechanisms to support proactive innovation	TFS/SES effectively harness the contribution that can be made by all members in corporate planning and business process.
Strategic Direction 5: An Efficient and Effective Organisation	5.1 Review Emergency Service Legislation	New Emergency Service legislation that complements emergency management with contemporary administration and governance.
	5.2 Adopt good governance, corporate risk management and business disciplines that meet changing needs	Reduced organisational risk. Delivery of organisation priorities. Accountable and transparent reporting. Strategic approach to managing assets. Better management of finances. A new organisational structure is in place that is adaptable and responsive.
	5.3 Develop an appropriate funding model to enable service delivery	Appropriate, resourced Emergency Services.
	5.4 Develop and implement outcomes based reporting tools	KPIs developed to enable the organisation to measure performance.
	5.5 Establish a comprehensive and complaint suite of policies and procedures	The organisation is legislatively compliant.
	5.6 Implement an effective communication network	Communications framework optimizes information flow between internal and external stakeholders group.

Chief Officer's Report



“...a Strategic Asset Management Plan...(has) identified key investment priorities for the Tasmania Fire Service.”

Urban Firefighting

As noted in the Report from the Chair of the State Fire Commission, this year saw an improvement in the Commission's financial position. The development of a Strategic Asset Management Plan (SAMP) during 2017-18 identified key investment priorities for the Tasmania Fire Service. This delivered an overarching strategy document with detailed plans for the various asset classes (Appliances, Facilities, Equipment, Technology), aligned to the Commission's strategic and corporate plans. This enabled us to strengthen our urban firefighting capability in particular.

Our Fleet Plan has been developed which brings together one consolidated budget for all vehicle and appliance types and new state-of-the-art urban pumpers will be arriving later this calendar year.

Over the past 18 months, a significant body of work has been undertaken to identify our organisational requirements for aerial platforms; in anticipation of replacing the current ageing Simon Snorkel appliances. This involved 3D risk modelling to profile major urban centres. Based on this work, a tender

process has been completed to identify potential manufacturers that can deliver the operational capabilities identified by the Aerial Working Group. This will ensure that our new appliances have the latest innovations and safety features while meeting the foreseeable requirements for rescue and firefighting on a state-wide response basis.

Firefighter Greg Homan (LFB) has done an outstanding job auditing TFS hose stocks and ensured all have been tested for reliability. Greg's work revealed a significant shortfall of quality hose state-wide. Although hoses are expensive they are obviously our lifeline, thus we committed \$238,000 to purchase additional hose, which have been rolled out (pun intended) across the state to bolster stocks in all diameters; 25mm, 38mm and 64mm.

We have concentrated efforts on Advanced Structural training (previously Compartment Fire Behaviour Training) for our urban brigades. These are sophisticated firefighting techniques designed to ensure our firefighters understand and know how to control fire in buildings. To date we have trained 151 volunteer firefighters and career



brigades across the north/northwest and have 11 new instructors primed to deliver programs for Hobart Brigade.

My thanks and appreciation goes out to all those who have been involved in our fire appliance working groups who are setting us up for the future.

2018-19 Bushfire Season

We all experienced a tough summer this year with a protracted, 3 month, bushfire campaign; starting on Christmas day with fires on Bruny Island and going right through to the Dolphin Sands fire in April. Finally, in early May we were able to lift permit restrictions.

At the height of events we were battling 71 fires which burnt over 211,000 ha that is equal to 3% Tasmania's land mass and the largest fires since 1967. We declared 13 Days of TFB, 1400 Tasmanian residents presented at evacuation centres, 28 public information forums were held, 7 airbases were established with 50 aircraft being managed at one time.

Whilst the TFS workforce is geared toward rural/urban interface (RUI) firefighting many fire incidents were located in largely

inaccessible terrain, requiring aircraft and specialist remote area firefighters to tackle them. Although both of these modes of operation (remote and RUI) were in play, we also had to be always ready to respond with a 'weight of attack' to any new ignitions occurring on days of total fire ban. This summer firefighters stopped 36 new ignitions in their tracks on days of total fire ban. Clearly these tactics are delivering sound community outcomes but it is important that we continue to analyse where we must invest in future resources to adapt to emerging environmental changes.

Despite TFS being well equipped and resourced, the scale of remote operations ultimately led to us calling for interstate and international support. 1144 interstate and international personnel assisted Tasmanian firefighting agencies throughout the summer.

The commitment of our TFS volunteers was just magnificent. This summer we had over 2,500 individual Tasmanian firefighters working on the front line. Had the firefighting effort not been implemented such as it was, not only would the immediate impacts of bushfire on the Tasmanian have been significant, the longer term recovery would have been extremely costly, and ultimately disastrous for the State.

I cannot help but feel that our ongoing investment in community safety programs, our firefighting fleet, equipment, command and communications systems is completely vindicated.

Volunteer Grants

Last year, the Government announced that it would provide the State Fire Commission with \$2 million over the current term of Government to allow all Tasmania Fire Service and State Emergency Service volunteer brigades/units to apply for upgrades to their equipment. This recognises the extremely valuable contribution and commitment made by TFS and SES volunteers.

In consultation with the respective volunteer associations, TFS and SES have established grant programs which seek application for non-core equipment and training, enhanced recruitment and engagement activities, as well as station amenities and minor facility improvements. These grant programs were launched in December last year.

For the 2018-19 funding year a total application value in excess of \$300,000 has been allocated in the first round of grants and a further round of applications is now being assessed.

SES Achievements

The State Emergency Service (SES) continues to provide professional and reliable emergency services, particularly in the area of road crash rescue, flood and storm response, search and rescue and an increasing commitment to supporting the TFS during major bushfire campaigns. SES volunteers continue to provide an outstanding commitment for all SES operations and training and it was pleasing to see that SES volunteer numbers are being well sustained above 600 and the percentage of female members increasing.

A key SES achievement was the establishment of the new SES Flood Policy Unit within State Headquarters and the commencement of a three year Tasmanian Flood Mapping Project. The SES has also led the way with some significant achievements within its emergency management responsibilities. For example, administering the amendments to the *Emergency Management Act 2006*, testing a new process for managing lessons learned, commencing the Emergency Management Training Continuum project and administering funding programs, such as the Prepared Communities Fund, to help build community resilience.

Chris Arnol
CHIEF OFFICER

State Fire Management Council



The State Fire Management Council (SFMC) is an independently chaired body established under *Section 14 of the Fire Service Act 1979 (the Act)*.

The mission of the SFMC is to enhance the efficient management of bushfire related risk in Tasmania in order to protect life, property and significant community values.

Key Terms

SFMC – State Fire Management Council

FMA – Fire Management Area

FMAC – Fire Management Area Committee

FPP – Fire Protection Plan

the Act – *Fire Service Act 1979*

The SFMC has the following functions:

- to develop a State vegetation fire management policy to be used as the basis for all fire management planning;
- to advise and report regularly to the Minister on such matters relating to the administration of this Act, as it applies to vegetation fire management, as are referred to it by the Minister or by bringing matters to the attention of the Minister;
- to advise the State Fire Commission on matters relating to the prevention and extinguishment of vegetation fires;
- to perform such other functions relating to the prevention or extinguishment of vegetation fires as the Minister may direct;
- to provide an annual report to the Minister on its activities, for inclusion in the annual report of the Commission; and,
- to oversee and support Fire Management Area Committees (FMACs) for each Fire Management Area (FMA) of Tasmanian and approve annual Fire Protection Plans (FPPs) for each FMA.

Membership as of 30 June 2019:

- a person nominated by the Minister (Chair, Ian Sauer);
- the Chief Officer of Tasmania Fire Service (Chris Arnol);
- a nominee of the Chief Officer (Deputy Chief Officer, TFS – Bruce Byatt);
- the chief executive officer of the Forestry corporation (Steve Whiteley);
- a nominee of the chief executive officer of the Forestry corporation (General Manager Land Management - Suzette Weeding);
- the Director of National Parks and Wildlife (General Manager, Deputy Secretary - Jason Jacobi);
- a nominee of the Director of National Parks and Wildlife (Director Landscape Programs - Mark Bryce);
- a person nominated by the Tasmanian Farmers' and Graziers' Association (John Atkinson);
- a person nominated by the Forest Industries Association of Tasmania (Jye Hill); and
- a person nominated by the Local Government Association of Tasmania (Melanie Kelly).



SFMC Strategic Direction Framework

A major review of the SFMC Strategic Direction Framework was completed during 2018 and endorsed in December 2018. The review built on the foundations of the initial strategic directions to develop sustainable, efficient improvements to the governance, planning and reporting.

The new framework identifies six priority areas, which guide the SFMC key functions and activities:



TFS provides executive support to SFMC (Debra Pope, SFMC Executive Officer).

SFMC oversee and support 10 FMACs within Tasmania. FMAC boundaries are based on risk and topography, and as far as practical, align to local government boundaries.

The primary role of a FMAC is to identify and assess community bushfire risk for their FMA. In early 2018, the SFMC initiated a project to review the bushfire risk assessment process. The project aims to promote consistency in preparing risk assessments and FPPs so that effective mitigation actions and priorities can be identified both within FMAs and at the statewide level.

FMACs are established and the membership is defined under Section 18 of the Act. FMAC members are responsible for the vegetation management and/or critical infrastructure in the relevant FMA. Membership includes representatives from Tasmania Fire Service (career and volunteer), Local Government, Sustainable Timber Tasmania, Parks and Wildlife Service, Wellington Park Trust (if applicable), Tasmanian Farmers and Graziers Association, relevant utility companies and other large key land managers.

The most recent FPPs developed by FMACs were approved by the SFMC in April 2019. These plans, along with Executive Summaries, are available on www.sfmc.tas.gov.au

To improve FMAC governance and support a revised FMAC Terms of Reference (ToR) was endorsed by the SFMC in December 2018. The new ToR supports a number of improvements, realigning the focus of the Committees to concentrate on the key functions of: identifying strategic bushfire priorities, bushfire protection planning and collaboration.

Three Regional FMAC Forums were held in the second half of 2018. The workshops offered an opportunity for FMAC members to share key initiatives across FMACs and be informed on SFMC activities. The forums also presented members with an opportunity to provide input into the Bushfire Protection Planning Project.

The SFMC Annual Report is available on www.sfmc.tas.gov.au.

Network Events

SFMC network events provide an opportunity for key stakeholders to collaborate, share knowledge and learn about vegetation fire management in Tasmania. Two SFMC network events were held in 2018, attracting over 100 registrations.

Greg Esnouf from the AFAC Centre of Excellence for Prescribed Burning presented in Launceston on the role of the Centre and the products available to assist with prescribed burning programs. After the presentation a workshop was held giving planned burning practitioners an opportunity to utilise the products in desktop scenarios.

The second event, held in Burnie in December 2018, was very well attended. The North West Fuel Reduction Program team facilitated an informative session titled 'Before, during and after a fuel reduction burn', which detailed the stages of planning for and conducting a fuel reduction burn.

Key Performance Indicators



In keeping with our vision and role, TFS key performance indicators are:

- The rate of fire fatalities and injuries (number of fatalities and injuries / 100,000 residents)
- The rate of structure fires (number of structure fires reported to TFS / 1,000 households)

Financial Overview

The Commission had a net deficit of \$3.01M in 2018-19 compared to a net surplus of \$4.3M in 2017-18.

Total revenue was \$154M which was an increase of \$53.3M on 2017-18.

The fire service contribution from ratepayers increased \$2.3M to \$45.6M and the insurance fire levy rose by \$2.7M to \$21.4M.

State Government contributions were \$3.9M and decreased \$5.0M from 2017-18 mainly due to capital commitments by Government decreasing.

Bushfire fighting contributions rose \$50.2M compared to 2017-18 due to the recent bushfires of which \$50M were contributions from State Government agencies.

Other revenue was \$11M, increasing \$2.6M due to an increase in funding utilised for the fuel reduction program.

Employee related expenses of \$50.9M should be considered together with Services provided by DPFEM of \$10.9M as the employee salaries originally associated with providing these services were used to determine the relevant DPFEM shared service fee when it was formulated. The combined expense of \$61.8M rose \$5.2M from last year, in part due to the accounting treatment applied in 2017-18 compared to 2018-19.

Operations expenses of \$7.7M were \$1.9M lower than the 2017-18 figure and this was largely due to a reduction in communication and computer expenses.

The Commission uses a burner policy for workers compensation insurance which can sometimes result in volatility. Insurance expenses increased \$4.9M to \$6.3M.

Expenditure on minor equipment decreased by \$0.3M to \$1.4M mainly due to a reduction in firefighting and workshop equipment.

At year-end the Commission had cash of \$16.5M, compared to \$12.9M at the same time last year. The Commission had no overnight borrowings at 30 June 2019 and fixed term debt reduced by \$1M to \$3.8M.

The Commission is responsible for funding the SFC Superannuation Scheme, which is now closed to new members. The position of the Scheme has decreased by \$3.5M and is now in deficit by \$2.7M.

Physical Resource Management

Asset values decreased by \$4.7M to \$118.5M and capital work in progress increased from \$0.6M at 30 June 2018 to \$2.3M. This was due to a reduction in items capitalised and transferred to Property, Plant and Equipment.

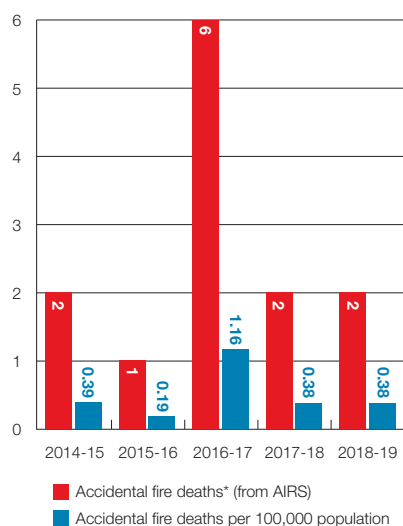
Fire Fatality Rate

The annual rate of fire fatalities attended by TFS over the past five years has varied between a low of 0.19 per 100,000 people in 2015-16 and a peak of 1.16 per 100,000 people in 2016-17. It is difficult to provide a detailed analysis of these figures, due to the comparatively small Tasmanian population.

The calculation of fire fatality rates is also fraught, with considerations such as inclusion or exclusion of vehicle fire fatalities, murder or suicide by fire. The table below shows Tasmanian fire fatality rates, using two different calculations, and compares these with the National rate.

To improve the collection, analysis and reporting of fire fatality data; TFS has been involved in two research projects in 2018-19. One is Preventable residential fire fatalities in Australia July 2003 to June 2017, overseen by AFAC and funded by a Bushfire and Natural Hazards Cooperative Research Centre (BNHCRC) tactical research grant. The other is the Fire fatality data collection and analysis project, being undertaken internally.

Figure 1: Fire Death Rate



1 Source: AIRS database, ABS estimated population (Date extracted: 1 Aug 2019). Excludes vehicle fire incidents.

2 Source: ROGS 2019 Table 9A.7

* Accidental fire deaths excludes vehicle fire incidents

Notes on Reports on Government Services (ROGS) calculations

- The Estimated Resident Populations (ERPs) rates differ across years. For data up to 2016 the rates are derived using the ERPs based on the 2011 Census. From 2016, the rates are derived using the ERPs based on the 2016 Census.
- Fire deaths are coded according to the International Classification of Diseases (ICD) and Related Health Problems Revision 10 (ICD-10) and include ICD fire death codes Exposure (X00-X09) plus X76, X97 and Y26.
- The total fire death rate (ABS) includes only deaths where smoke, fire and flames are assigned as the underlying cause of death
- Fire deaths data are reported by the State or Territory of the deceased's usual residence, and by the year the death was registered.

Fire Injury Rate

The fire injury rate is the number of people per 100,000 population who are hospitalised as a result of fire injuries (from smoke, fire and flame). The table below shows the most recent Tasmanian fire injury rates, compared with the National rate. These figures are taken from the Report on government services 2019, derived from hospital separations data in the National Hospital Morbidity Database. Injury rates from previous years are not shown, as they are not comparable due to a change in methodology.

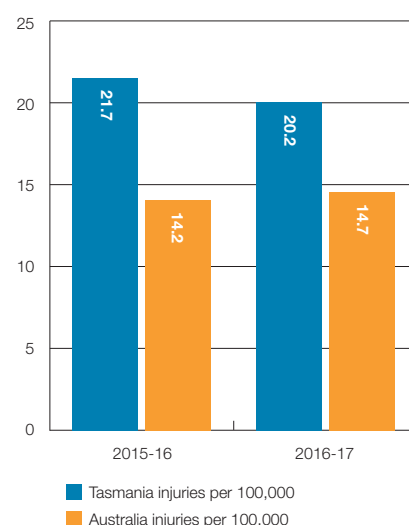
Data prior to 2015-16 identified all hospital separations associated with fire injuries (including where a person may have had multiple hospital separations associated with an injury). A separation is an episode of care for an admitted patient, which can be a total hospital stay (from admission to discharge, transfer or death), or a portion of a hospital stay beginning or ending in a change of type of care. From 2015-16, data is estimated based on the number of injury cases.

Again, due to the relatively small population base in Tasmania, these rates are variable over time.

Notes on ROGS calculations

- Excludes admitted patients transferred from another hospital, patients who dies in hospital and patients admitted for rehabilitation.
- Data is reported by state of usual residence of the admitted patient.
- Deaths from fire injuries after hospitalisation are counted in the fire death rate data.

Figure 2: Fire Injury Rate (hospital admissions)



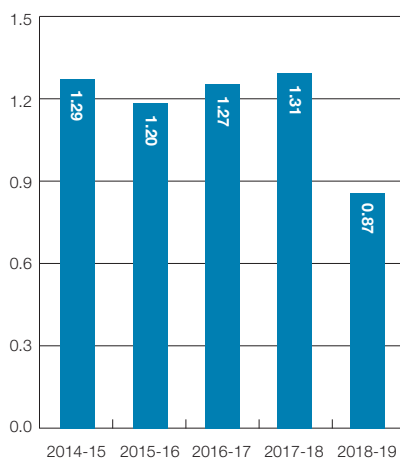
Source: ROGS 2019 Table 9A.8

Structure Fire Rate

Structure fires attended by TFS over the last five years have ranged from a low of 390 in 2018-19 to 575 the previous year. There is a slight overall downward trend in the total number of structure fires.

When rates of preventable fires per 100,000 households are considered, there has been a consistent rate of 1.2/100,000 over the past four years. This has followed on from a downward trend.

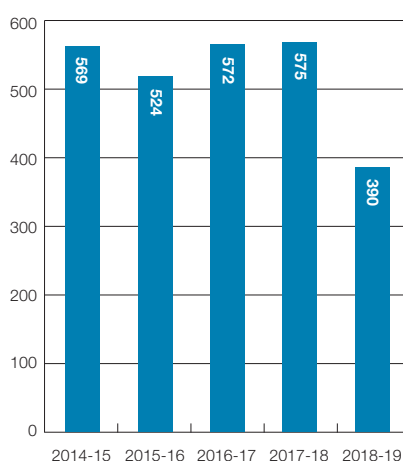
Figure 3: Number of preventable structure fires per 1,000 households



Source: TFS AIRS database
 *2017-18 figure revised
 Updated 6 Aug 2019



Figure 4: Total number of Structure Fires



Source: TFS AIRS database
 *2017-18 figure revised
 Updated 6 Aug 2019

Performance Targets	2017 -18 Target	2017 - 18 Actual	2018 - 19 Target	2018 - 19 Actual
Operational				
Number of preventable structure fires per 1,000 households	2.1	1.31	2.1	0.87
Number of false alarms (DBA)	3,000	3437	3,000	2,432
Percentage of fires of undetermined cause	15%	14%	15%	18%
Percentage of fires in structures confined to room of origin	71.2%	70.8%	71.2%	72.6%
Financial				
Operating surplus/(deficit)	\$0.9m	\$4.3m	(\$1.6m)	(\$3.0)
Return on assets	0.8%	3.1%	(1.1%)	(1.9%)
Return on equity	1.0%	3.7%	(1.6%)	(2.5%)
Debt to equity	4.6%	3.9%	1.3%	3.3%
Current ratio	76.7%	111.1%	128.5%	169.2%
Human Resources				
Average sick days per employee	<6	<6	<6	8.8
Workers compensation claims	<50	<50	<50	62

Statistics



Fire Permits

The first declaration of a fire permit period for the 2018-19 season occurred at 0200Hrs on 25 October 2018. This period incorporated all of the Southern municipalities and parts of the North and North West.

Due to increased warm and dry conditions remaining in the North and North West, permit period was declared for the remainder of the state at 0200Hrs on 15 December 2018.

The permit period was lifted in the North West 13 April 2019 and on the 3 March 2019 for the North and South.

Total Fire Bans

7 total fire bans (TFB's) were declared state-wide.

Days of TFB per Region:

11 South

8 North

2 North West

Registered Burns – No Permit Required

In a continued strategy to reduce unnecessary call outs the TFS encourages people to register their burns, even if the burn does not require a permit.

During 2018-19 841 burns were registered when no permits were required (this is a reduction from last year due to a long period where there was and embargo on issuing permits).

Total burn registrations for financial year 2018-19 equalled 20,868.

Number of Incidents for 2018-19

False Alarms - **3453**

Emergencies - **7374**

Not Reported - **3075**

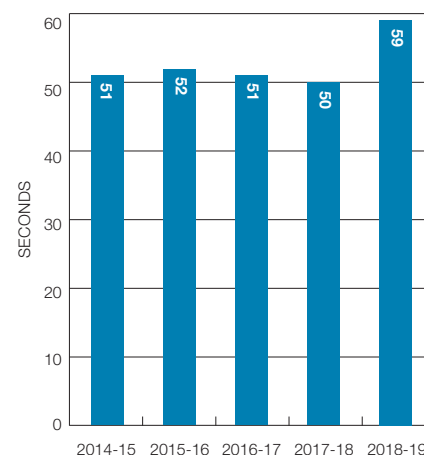
Total Area Burnt by Bushfires

310,311

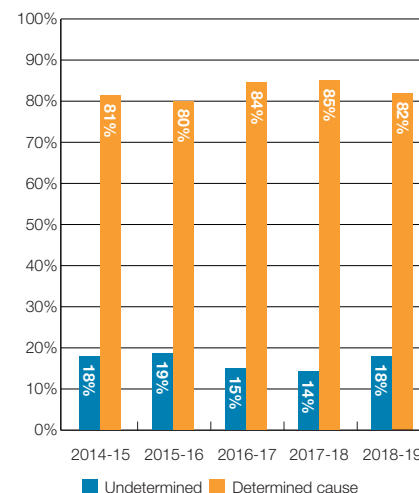
total Hectares were burnt by bushfires during 2018-19.



**Figure 5: Median call handling times
2014-15 to 2018-19**



**Figure 6: Causes of all fires
2014-15 to 2018-19**



Emergency Services Computer Aided Dispatch (ESCAD) System

The aim of the Tasmanian ESCAD Project was to replace the current disparate emergency services Computer Aided Dispatch (CAD) systems with an adaptive and integrated commercial off the shelf CAD application that is customised for the Tasmanian environment and is suitable for Tasmanian emergency services now and into the future.

The principal objective is to provide the Tasmanian emergency service agencies the ability to provide the best possible response to emergencies and calls for assistance. The CAD will facilitate business process improvement and services will become more efficient and effective, with enhanced safety for the community and emergency services personnel. Tasmania Police went live with ESCAD on 3 October 2017, TFS went live on 18 September 2018 and Ambulance Tasmania planned to go-live before the end of the 2018-19 financial year.

Median Call Handling Times

In the 2018-19 Financial Year, TFS underwent upgrades to its Emergency Services Computer-Aided Dispatch (ESCAD), and also the Telephone system (NEC Touchpoint) that have had some impact on the median call handling time of calls as the Communications Officers worked to become familiar in the use of this new technology.

Fire Cause Determination

The rise in incidents classified as 'undetermined' are due to fire reports being uncompleted due to industrial action between 24 April – 22 August 2019.

**Figure 7: Number of Incidents
2014-15 to 2018-19**



SES Statistics

The following graphs depict SES operational data for Callouts and contact hours from 2014-15 to 2018-19.

Figure 8: SES Operational Data
SES Callouts
2014-15 to 2018-19

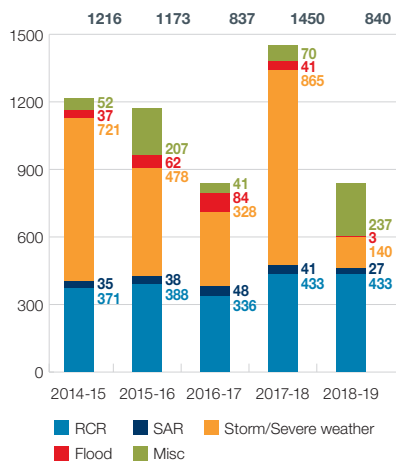
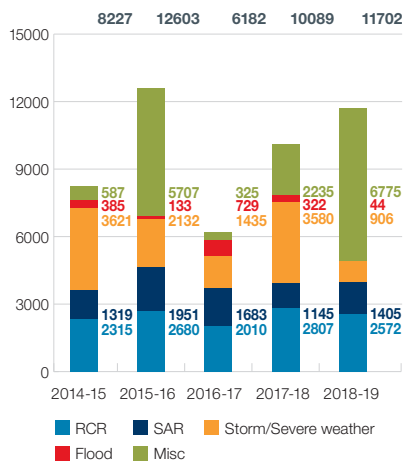


Figure 9: SES Operational Data
SES Contact Hours
2014-15 to 2018-19





Support Community Resilience

Australia's comprehensive approach to emergency management recognises four types of activities that contribute to reducing hazards and increasing community resilience.

STRATEGY

1.1 Safer communities

DELIVERABLES YEARS 2-5

- Risk and evidence based community fire programs are delivered.
- Flood and Storm community programs are being delivered.
- Performance measures to evaluate outcomes are established.

The SES established the Flood Policy Unit (FPU) and commenced the three year Tasmanian Flood Mapping Project. Key project outputs included the high definition Light Inferred Detection and Ranging (LiDAR) survey of areas to be mapped. Other FPU outputs included the uploading of existing flood studies and maps onto the Common Operating Platform and WebEOC; and significant consultation with local government authorities on flood mitigation matters.

All FPU work will improve our and the community's understanding of flood risk in Tasmania.

The SES administered the once off Prepared Communities Fund resulting in three new projects. SES also continued to administer agency involvement in a number of funded projects under the previous National Partnership Agreement on Natural Disaster Resilience.



Community Protection Planning

Three types of Community Plans are developed by TFS:

- Community Protection Plans are simple, local plans for community members and visitors to the area. They provide bushfire safety options, such as the location of nearby safer places and community specific advice. An additional eight Protection Plans were developed during 2018-2019.
- Response Plans are comprehensive pre-incident plans that reflect TFS operational priorities. They are used by TFS brigades and include information about local community characteristics and vulnerabilities, and technical bushfire risk. An additional six Response Plans were developed during 2018-19.
- Mitigation Plans are local-level bushfire hazard management plans. They are designed to guide community-level fuel management to protect people and community assets. Mitigation planning was undertaken covering 16 communities during 2018-19, with planning implemented through the Fuel Reduction Program.

STRATEGY

1.2 Community Protection, Planning, Promotion and Implementation

DELIVERABLES YEARS 2-5

- The Community Develop Plan is refined for community risk assessments. It is developed in consultation with communities and utilises available evidence.
- The FRU activities are sustained.
- Fire protection plans are being implemented in a sustainable collaborative way prioritised by risk.

In 2018-19, the Community Development and Education Unit implemented the second year of the 2017-2020 Community Development Framework. The framework guides, supports, informs practice and the future direction when working with at risk communities.

The Framework defines community development in a community fire safety context as the process of working with at-risk communities to identify and implement strategies to strengthen and develop resilience to fire and other emergencies. Core business programs and strategies of the framework delivered in the 2018-19 financial year have included:

- Bushfire-Ready Neighbourhoods
- Tasmanian Visitor Information Network Program
- Council on the Ageing Home Fire Safety Program
- Project Wake Up!

- Bushfire and Natural Hazards Cooperative Research Centre and AFAC engagement, including representation on the AFAC Warnings Group
- Provision of public information as part of incident response for bushfires. In 2018-19 the TFS/SES Public Information Coordination Group reviewed public information in relation to bushfire and in 2019-20 the group will implement a strategy that is aiming to provide better public information to the Tasmanian community.

The SES received approval for 2018-19 funding through the Prepared Communities Fund to undertake a pilot Flood Protection Planning Project. The project will be undertaken by the FPU and will develop three community flood protection plans/maps as a pilot towards future community capacity and development work.



Enabling households and service providers to mitigate home fire risk for older people and people with disabilities

The majority of fire fatality victims in Tasmania have been aged 60 years or older. Elderly people and people with disabilities living in their own homes have been identified as a major risk group for home fires and fire morbidity.

In its sixth year, TFS has continued its partnership with the Council on the Ageing (COTA) in 2018-19, a peer education program about home fire safety for people over the age of 65. TFS again provided training material and 'train the trainer' sessions for the peer educators. In turn, they provided home fire safety information sessions around the State to approximately 300 community members over the age of 65. This collaborative approach offers older people the opportunity to participate in conversations about issues that affect them and to access the information and services they need to protect their wellbeing. The outcomes of the home fire safety program included participants increasing their knowledge about home fires; gaining a greater understanding of what they can do to prevent home fires; and gaining a greater understanding of

what they can do to reduce or limit the severity of fire in their home. TFS has committed to rolling out this program with COTA in 2019-20.

All career brigades and 143 volunteer brigades around Tasmania continued to deliver home safety services to elderly people and people with disabilities living in their own homes, through the Project Wake Up (PWU) program. In 2018-19, 130 clients were provided with services through PWU, including the installation of 228 smoke alarms in their homes. Clients were referred to the program by 120 aged and community care service providers, and are offered a home fire safety audit; general home fire safety information; and the installation of smoke alarms.

Enabling families to mitigate home fire risk for children and respond safely

The School Fire Education Program is one of the core community fire safety programs of the TFS, developed to improve the home fire safety of this identified risk group. The program is currently offered to all Tasmanian primary schools from Prep to Grade 6, providing age-appropriate activities about home fire safety. Classroom lessons and take-home learning resources are provided by

specially trained TFS career firefighters, based on consultation with educators.

In 2018-19, the program continued with research to evaluate children's application of the fire safety message under realistic or simulated conditions. This research is supported by the Bushfire and Natural Hazards Cooperative Research Centre, and the methodology developed will have far-reaching applications in all kinds of safety education for children.

The school-based program also aims to prevent the onset of fire-lighting among children by increasing their awareness of the dangers of fires, and encouraging them to make safe choices about fire. This is reflected in reduced referrals to TFS' secondary arson prevention program for children, the Juvenile Fire Lighter Intervention Program (JFLIP). This is a family-based program for primary school-aged children who engage in unsafe fire-play. Ninety per cent of participating children do not re-offend. JFLIP practitioners are also trained to participate in Youth Justice diversionary processes for young people who have committed fire-related offences. The reach of the School Fire Education Program with the target demographic has been an effective primary prevention strategy, and has contributed to a decline in referrals to JFLIP.



In 2018-19 the School Fire Education program was delivered to 20,446 primary school children in 93 schools. During this period four (4) JFLIP cases were registered, and practitioners represented the TFS at several Community Conferences.

Enabling workplaces to mitigate fire risk and respond safely

Training programs were developed and delivered in collaboration with industry and tailored to site-specific risks for all types of workplaces. Training included; workplace fire safety and emergency management, industrial emergency response teams and fire-fighting for forestry workers. A key factor in this training is building workplace capacity, in particular for isolated workplaces who are some distance from the nearest brigade response and for forest workers in the safe management of controlled burns and deployment to bushfire incidents. The bushfire program meets the benchmark set by Sustainable Timbers Tasmania for forest sub-contractors.

A well prepared workplace can mitigate on-site risks, often preventing small incidents from developing into much larger incidents or ensuring any necessary site evacuation is effective and responding fire crews are well briefed.

Enabling communities to mitigate bushfire risk and respond safely

In June 2019 the Bushfire-Ready Neighbourhoods program (BRN) of Tasmania Fire Service (TFS) had been in full operation for six years. BRN is a community-based prevention and preparedness program for bushfire prone communities across Tasmania.

In June 2019 BRN was half way through round 3 of the program (July 2018 to June 2020). Round 3 of the program includes intensively working with 18 core communities state-wide, as well as supporting dozens more. Round three outputs to date include:

- Between July 2018 and June 2019 a total of 6,748 people participated in BRN activities;
- The numbers for 2018-19 were very high. This was primarily because of a very busy bushfire season;
- 124 community development activities were conducted for the 2018-19 year;
- The program worked directly with communities (including volunteer brigades);

- The program supported brigades to develop their capacity for community engagement, including the fire annual state TFS volunteer community engagement workshop. Two regional workshops are planned for later in 2019;
- A total of 136 TFS volunteers and 105 Officers participated in the BRN program during the 2018-19 year.

The BRN program continued to work with a series of sectors at risk including tourism, preventative health, community services, people over the age of 65 and people with disabilities. One of these key partnerships included the collaboration between the Tasmanian Visitor Information Network, TFS and SES.

As with round one and two of the program, there continues to be a rigorous evaluation process. The program undertook a baseline survey of communities at the beginning of round three (2018); and is currently collecting quantitative and qualitative data throughout round 3 about BRN activities. A sample of round 3 communities will be re-surveyed in 2020 to measure the change in household behaviour over time.

Bushfire-Ready Neighbourhoods: North-west region highlight

Zeehan has been actively engaging their community with the 'get ready' message through a variety of community events. Their 'Get Ready Hazy Crazy Day' was well attended where the community engaged with Tasmania Fire Service, SES, Ambulance Tasmania, Tasmania Police, Blue Stone Mining and local community groups. It was a fun day of activities and an example of working collaboratively to get the importance of preparing out to the community.

Bushfire-Ready Neighbourhoods: Northern region highlight

Through work with the Kelso Volunteer Fire Brigade and the Kelso community, a reduction in call out rates has been reported in the Kelso area. The community is being more responsible with fire, including the registering of more fires and less fire incidents occurring in the 2017-18 year. Contributing to this outcome was a number of community engagement activities with residents, educating them about the safe use of fire, preparedness and bushfire survival planning. Essentially reducing the work load for the volunteer brigade and making the community a safer place.

Bushfire-Ready Neighbourhoods: Southern region highlight

Residents of Mountain River, Crabtree and Judbury attended three bushfire-ready property preparedness workshops that identified bushfire hazards around dwellings and how to manage these risks. These sessions were co-delivered by the Community Development Officer and the Grove Brigade Community Engagement Volunteer. These sessions were held before the bushfire season and enabled participants in the workshops to gain knowledge to take positive and safe actions to mitigate risks before the 2019 Riveaux Road Bushfire. This was especially significant for the residents who attended from the Judbury and Lonnavele areas.

Based on the research and evidence, round three of the BRN program continues to have the desired effect. Community members have been engaged with the program activities, have completed bushfire survival plans, and have engaged in community development activities to build resilience and undertake mitigation.

Since inception, the BRN program has worked in a targeted way with more than 100 communities.

Enabling schools to mitigate bushfire risk and respond safely

TFS Bushfire-Ready Schools program (BRS) uses bushfire science to categorise schools based on their survivability during a bushfire event, and prescribe tailored risk treatments. By undertaking a qualitative risk assessment for every school, the BRS program is able to provide schools with a comprehensive assessment report, a site specific bushfire hazard mitigation strategy, and written advice about bushfire emergency management planning. The BRS program is aligned with the Comprehensive School Safety Framework, and through it the Sendai Framework for Disaster Risk Reduction 2015-30.

During 2018-19, all Department of Education schools and 24 private schools have been assessed by TFS and protection strategies developed for them, focussed on asset-level fuel management, and building retrofits for ember protection.

During 2018-19 the Disaster Resilient Schools (DRS) Project, an extension to the BRS Program, supported and assisting schools to undertake recommended hazard management works towards improving their bushfire

safety category rating. A total of twelve (12) vulnerable schools were supported to implement works, resulting in a greatly improved bushfire safety outcome.

During 2018-19, the TFS engaged with school communities in the development of an online bushfire emergency planning resource. The resource provides school managers with a tool and support in preparation for bushfire emergency, and aligns to the Comprehensive School Safety Framework.

In 2019, TFS embarked on the final stage of the DRS project, whereby all-hazards disaster resilience teacher delivery packages are being developed via a web based platform.

Increasing disaster resilience in Tasmanian schools and communities

During 2018-19 the Disaster Resilient Schools (DRS) project continued, an extension to the Bushfire-Ready Schools program, to build disaster resilience within school communities. Phase one of the DRS project from 2017-18 supported schools in alignment with the UNESCO International Comprehensive School Safety Framework Pillar 1: Safe Learning Facilities and Pillar 2: School Disaster Management.



Project work in 2018-19 featured phase two of the DRS project, aligning with the Comprehensive School Safety Framework Pillar 3: Risk Reduction and Resilience Education. Phase two encompassed collaboration with the TFS Community Development and Education and Bushfire Risk Units, State Emergency Service, Tasmania Department of Education staff, the Department of Premier and Cabinet, municipal emergency management staff, researchers of child centred risk reduction, teachers, students and parents. Consultation identified the feasibility of disaster education in Tasmania. Feedback and information collected from stakeholders assisted in the development and testing of the Disaster Resilience Education Tasmania (DRET) teacher delivery resource.

The Disaster Resilience Education Tasmania (DRET) resource aims to teach students the fundamentals of disaster resilience and encourages their participation in the development of safer communities in Tasmania.

In five lessons students and educators explore local hazards and the occurrence of natural disasters of flood, storm and bushfires in Tasmania. The five lessons of DRET link to the Australian Curriculum for students in grades five to eight in the

learning areas of Humanities and Social Sciences, Geography, Science and Health; general capabilities of Literacy and Personal and Social Capability; and cross curriculum priority of Sustainability.

DRET helps them understand how mitigation, preparation, planning and emergency drills can help them to be safer in a disaster emergency, and they learn where to find Tasmanian emergency information to help them respond to floods, storms and bushfires impacting their local community.

In October 2019 the Disaster Resilience Education Tasmania teacher delivery resource, www.disasterresiliencetas.com.au, will be launched and promoted to coincide with the International Day of Disaster Reduction.

Fuel Reduction Program

The Bushfire Risk Unit is the business owner of the state-wide interagency Fuel Reduction Program and is responsible for overseeing the delivery and achievement of the program outcomes.

The Fuel Reduction Program is a key deliverable of the State Fire Commission and has been funded out to the full extent of forward estimates (2021-22). The business plan for the whole-of-government program has undertaken

a review by the steering committee, incorporating the new funding arrangements. Fuel reduction burning remains the most cost-effective way of reducing the risk of bushfire in Tasmania, however, other fuel hazard treatments are used where appropriate and the program will continue to take a strategic science-based approach to bushfire risk assessment and fuel hazard treatment.

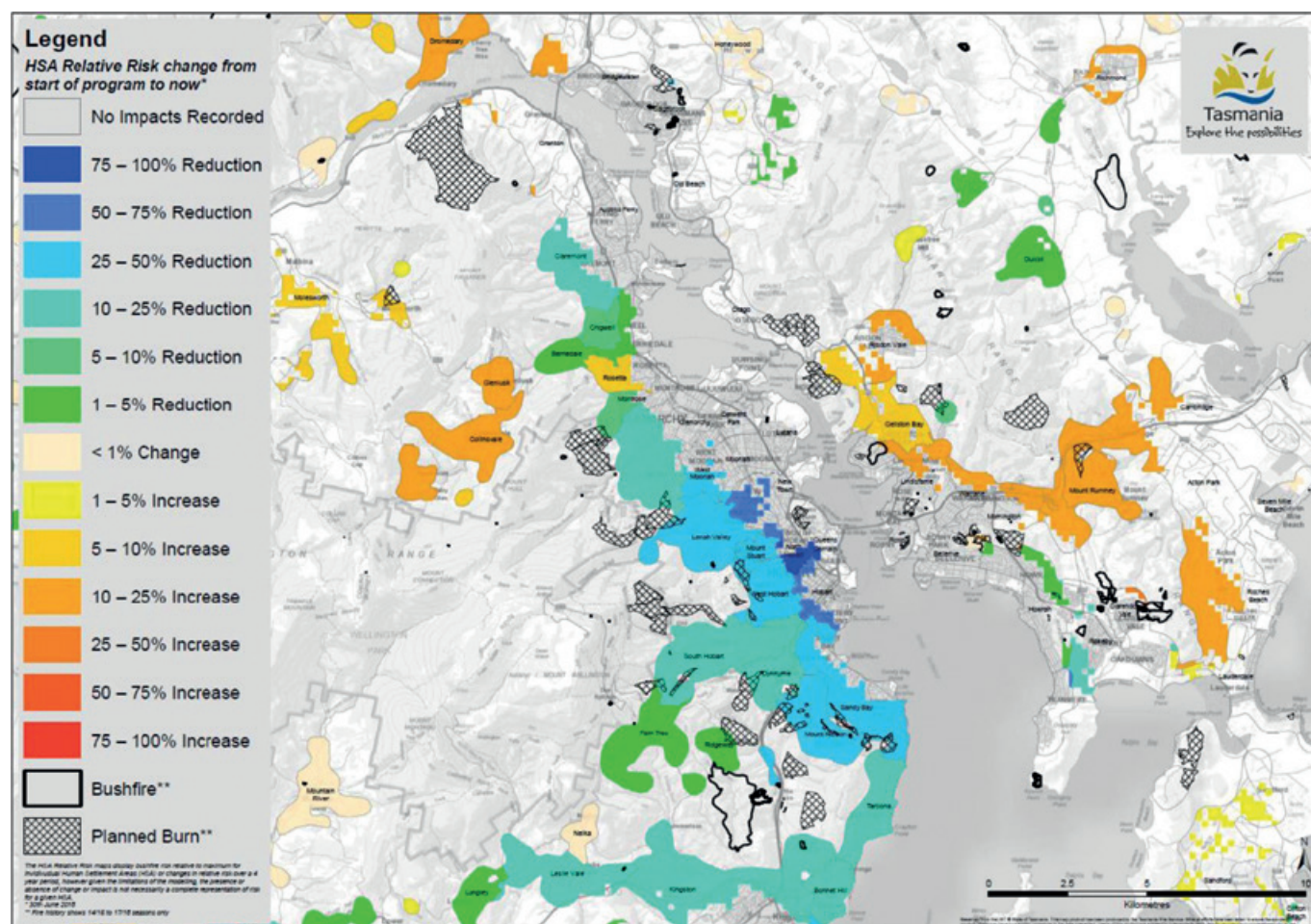
The implementation of the Fuel Reduction Program has seen the successful coordination of the three major fire management agencies in Tasmania, which has to date enabled over 600 strategic fuel reduction burns to be undertaken, significantly reducing bushfire risk in many areas of Tasmania. During the past 12 months the direct community benefit and value of fuel reduction burning was significantly highlighted during the 2019 bushfires.

The achievement of the autumn 2019 planned burn program was impacted by the 2019 bushfire season, however, a total of over 80 fuel reduction burns were completed in 2018-19 year in strategically high bushfire risk areas. Tasmania is the first state in Australia to implement a multi-tenure, whole of government program for strategic bushfire risk mitigation, with fuel reduction burns targeting both public and private land.

The Fuel Reduction Program communications and engagement strategy has recently been updated. Communication and engagement activities are reviewed annually to ensure they meet expectation and are also informed by external studies and surveys such as the professional resurvey of community understanding and awareness undertaken in December 2017. The program works closely with DPFEM media to ensure that the Tasmanian community remain well informed of fuel reduction activities and is able to respond in a timely manner where required.



Figure 1. Localised risk reduction value for the Hobart region.



Program Outcomes

The Bushfire Risk Unit is the business owner of the state-wide interagency Fuel Reduction Program and is responsible for overseeing its delivery and achievement of outcomes.

Impact of program activities is measured by the reduction in Bushfire risk to 'at threat' communities or assets. The Program has a state-wide relative risk target of 82% by 2020 and remains on track to achieve this goal. A relative risk level of 82% is considered achievable, socially and environmentally responsible, and provides level at which bushfire suppression can be more safely

undertaken to lessen catastrophic community impacts.

State-wide Relative Risk currently stands at 82.3% down from 86.2% in 2017-18. Although recent bushfires had a significant impact on this overall result, risk re-analysis graphs indicate that in the absence of recent bushfires, planned burning continues to work solidly toward achieving the program outcomes.

The actual measure of local risk reduction varies according to fuel reduction activities undertaken in that area. For example Lenah Valley 25-50% risk reduction. See figure 1.

Program Outputs:

Note: Program activity for the 2018 – 2019 was impacted by the 2019 bushfire season that resulted in a greatly reduced autumn 2019 planned burning program. These figures represent the activity undertaken in delivering the program.

24,015 Area treated by planned burning

80 Number of planned burns conducted

15 Number of cross-tenure planned burns

13 Number of planned burns on private land

STRATEGY

1.3 Emergency Management Planning – All-Hazards Risk Management

DELIVERABLES YEARS 2-5

- Continue mitigation and treatment implementation.
- Management of all hazards including emerging risks are reviewed.

TFS mitigation of bushfire risk through policy and regulation

TFS also contributes to bushfire mitigation at a strategic level through its involvement in policy development, and its role in bushfire building and development control.

During 2018-19 bushfire hazard practitioners in Tasmania received professional support from TFS, including advice, mentoring and review of bushfire emergency plans. TFS also undertook performance auditing of bushfire practitioners, investigated reported instances of non-compliance and provided evidence to Consumer Building and Occupational Services (CBOS) relating to potential enforcement matters.

In addition, TFS collaborated with a range of industry and government stakeholders to support strategic level bushfire mitigation initiatives in 2018-19. This included continuation of the state-wide bushfire-prone areas mapping. TFS also supported the planning and building industry through participation in and delivery of a range of technical forums and presentations to industry groups.

TFS mitigation of fire risk in the built environment

TFS has legislated responsibilities to ensure that commercial buildings in Tasmania comply with relevant fire safety standards.

Building Safety has continued to provide Chief Officer Reports surpassing the benchmark of 95% completion of all referrals on fire and occupant safety systems with building developments across the State in accordance with the statutory requirements. This vitally important role ensures that fire systems within buildings are fit for purpose and compliant with the National Construction Code and relevant Australian Standards.

Members of the Building Safety unit worked closely with the Director of Building Control and building surveyors to ensure that new and renovated buildings have the appropriate fire safety systems and features. This is necessary to ensure that the safety systems work as intended, ensuring occupants can safely evacuate the building and the fire service can safely and effectively intervene, should a fire occur. They also inspected and reported on the implementation of the annual maintenance statements required for all commercial buildings under the Building Act 2000. This is an assessment of the level of compliance, and the improvement over time, of the standard of maintenance of the essential health and safety systems in commercial buildings across the state. This work includes working with local government and other regulatory authorities to undertake audits of fire safety systems in commercial buildings. A highlight of the 2018-19 financial year has been a continuation of a program of joint audits of Glenorchy, Launceston and Hobart nightclubs undertaken in partnership with the Police, Worksafe Tasmania, and relevant City Council.

TFS is an active member of the Built Environment Technical Group of AFAC, and have been involved in developing policy and standards for the National Construction Code and relevant fire safety Australian Standards.

Building Safety staff also assessed and monitored the performance of those companies permitted to work on fire protection system and equipment. This is to ensure that competent technicians install and maintain the systems and equipment to the required standards, and the systems are fit for purpose, and meet community and TFS expectations.

Recourse to Risk (R2R)

Resource 2 Risk (R2R) phase 1 looked at the legislated response of TFS and SES and if the agencies were currently meeting the obligations. R2R phase 2 is a forward looking project intended to gather information on what the actual and perceived risks currently are. The work will also look at individual work areas to identify if TFS has capability gaps that may currently not be fulfilled. Managers have been tasked with engaging their respective work areas, both career and volunteer to examine respective risks in relation to their service delivery and analyse their capability to mitigate the areas of risk. This work will then be collated and reviewed to identify priority service delivery areas that will then shape TFS responses into the future.

SES commenced work to develop and implement an Emergency Management Training Continuum. The SES continues to deliver emergency management training to external stakeholders.

In light of new amendments to the Emergency Management Act 2006, the SES recommenced the review of the Tasmanian Emergency Management Arrangements.

Additional SES funding was approved for the establishment of additional regional-based resources from 2019-20 to provide additional emergency management planning and education support to municipal authorities.



Providing Trusted Emergency Response

Both TFS and SES are skilled and equipped to provide effective and trusted emergency response when needed.

STRATEGY

2.1 Adopt a seamless and all-hazards approach to the delivery of emergency services

DELIVERABLES YEARS 2-5

- A multi-service, all-hazards emergency service delivery model is fully operational.
- Resources design allocation plan (technology and knowledge procedures, personnel, equipment completed).
- Capability model informs business planning.
- Aviation service delivery is synchronised with other agencies to optimise whole government capability.

This year TFS experienced an extended fire season with unprecedented fire weather running for 100 day approximately. The TFS engaged over 40 firefighting aircraft for the longer than usual fire season at a significant cost ranging from rotary wing, small fixed wing and Large Air Tankers from

interstate. The Air Operations unit with the Chief Officers intent of weight of attack on all new fire starts, were able to contain 35 fire to one or two operational periods (excluding the 3 major fires). This was achieved by working very closely with our interstate counter parts for aircraft of all sizes deployed to our



state. As part of the AFAC Independent review a State Air Desk has been set up for a more effective and efficient use of resources for dispatching aircraft when needed. The State Air Desk will now be operating as a 365 24/7 resource as an all hazards approach for incidents this year and beyond. The TFS Air Operations Unit will also be investing in a full time finance officer to track all expenditure and cross reference flight times of aircraft and streamline the process of payment of invoices. Future developments for the Air Operations Unit will include Large Air Tanker infrastructure for the state and a purpose built/lease of a building at Cambridge Airport for the purpose of future proofing operation of contracted and Call When Needed aircraft.

The SES continues to partner with the TFS for the ongoing analysis and implementation of Resource to Risk outputs within its Strategic Asset Management Plan.

STRATEGY

2.2 Consolidate learnings from After Action Reviews and other experiences

DELIVERABLES YEARS 2-5

- An informed organisation-wide learning loop is applied to organisational learning.

In line with lessons arising from After Action Reviews and independent reviews of previous emergency events, the SES partnered with Special Response and Counter Terrorism to pilot lessons capture, review and implementation processes with all agencies regarding the 2019 bushfire campaign. This will further inform a business case for the establishment of an Exercise and Lessons Management Unit.

SES volunteers continue to represent Tasmania at the Australian Road Rescue Challenge to develop rescue techniques and practices against the ever-changing car technologies and new crash scene hazards.

Since the *2013 Tasmania Bushfires Inquiry Report*, the *2016 AFAC Independent Operational Review* and the *2016 Internal Review of Operations during the 2015-16 Bushfire Season* and their subsequent recommendations, the TFS, Parks and Wildlife Service (PWS) and Sustainable Timber Tasmania (STT) have continued to develop their combined bushfire response capability at both the response and incident management levels.

In response to the 2018-19 bushfire season, TFS with support from partner agencies, has instigated an independent review of the bushfire campaign to be conducted by the Australasian Fire and Emergency Services Authorities Council (AFAC). This review is in addition to the usual after-action review TFS conducts following bushfire events.

AFAC examined the causes, chronology and response to the 2018-19 bushfires. The terms of reference inquired into:

1. The causes, chronology and response of the 2018-19 bushfires in Tasmania on and following 28 December 2018.
2. The effectiveness of community messaging and warnings.

3. The timeliness and effectiveness of the fire response and management strategy, including accommodating the priorities of life, property, timber production and forest asset values, and environmental and cultural values by Tasmanian fire agencies.
4. The impact and effectiveness of fuel management programs in the fire affected areas on the management and containment of the fires.
5. The effectiveness of state, regional and local command, control and co-ordination arrangements, to include agency interoperability and the co-ordination of emergency management activities with government and NGOs.
6. The effectiveness of the arrangements in place for requesting and managing interstate and international assistance and the significance of interstate and international assistance in managing the fires.
7. The use and effectiveness of aviation firefighting resources, in particular, the suitability of aircraft types for the protection of environmental values, forest assets and the rural/urban interface in Tasmania. (Note: this should also focus on the potential effectiveness of Winch capable aircraft as a first response).
8. Any other matter that the Review team identifies in the course of its activities as warranting discussion.

A draft report was completed in May 2019, and the Final Report will be presented for the consideration of Cabinet on 5 August 2019.



STRATEGY

2.3 Delivery timely and accurate emergency information and intelligence

DELIVERABLES YEARS 2-5

- The community is engaged to ensure they are receiving relevant information.
- A 'Vulnerable People' strategy is implemented.
- Operational intelligence cell is formed at State level to enhance operational awareness and response.
- Incident management personnel have access to dynamic data and information to support effective decisions.



Public Information

In 2018-19 the TFS/SES Public Information Coordination Group (PICG) was formalised. A key part of the way the TFS/SES ensures we provide timely and accurate information to and with communities during bushfires and other emergencies. This group is made up of Community Fire Safety, State Operations, SES and DPFEM Media and Communications. The group coordinates public information at a strategic level including training and skills maintenance, reviewing and contributing to national and international practices and managing public information operational capability. A Public Information Officer course is planned for October 2019, building on the recruitment of some new public information staff late in 2018.

At the conclusion of 2018 a Masters of Emergency Management research project was completed by the Chair of the PICG. Titled Ten Years on from the

Victorian Black Saturday Bushfires Public Information during response, what have we learnt in Tasmania? This evidence based research is guiding the PICG in terms of the development of a TFS/SES Public Information Strategy to guide public information practice at TFS/SES from 2019 to 2021.

TFS/SES are active participants in the AFAC National Warnings Group, which in 2018/19 worked to shape change in terms of a potential new multi-hazards warning framework into the future as well as best practice in delivering timely and accurate information to communities.

The ongoing development of the SES Flood Alert system was achieved with the support of the National Hazards Warning Working Group and in consultation with a broad range of national, State and municipal stakeholders. Responsibility for the management of this project was transferred to the new FPU.



STRATEGY

2.4 Be a socially and environmental responsible organisation

DELIVERABLES YEARS 2-5

- Respect built between community and emergency service through communication and consultation regarding environmental indicators relevant to emergency services. Ways to measure and review environmental indicators are established.



In early 2019, Building Safety embarked on a comprehensive plan to audit 150 buildings across the State for compliance with fire safety requirements. A big focus has been on licensed premises and short term accommodation premises. Additionally, to allow Building Safety work processes to be prioritised Community Fire Safety started discussions on a Built Environment Risk Profiling model that will be used to focus priorities for building occupant safety.

The Bushfire Risk Unit has an ongoing commitment to developing a better understanding of the impact of fire on our states ecosystems. The BRU are leaders in the development of Tasmania's planned burning guidelines where critical natural values are present. These guidelines have been developed in collaboration with specialists in threatened flora, fauna, and threatened vegetation communities, and inform all BRU fuel reduction planned burns.

The Fuel Reduction Program operates under a targeted communication and engagement strategy and employs dedicated staff to consult with local government, community and industry. These links provide for both awareness raising and also capacity building outcomes with the objective to reduce the risk to Tasmanian communities without compromising social and ecological values.

The Program works closely with agencies having a vested interest in program actions, particularly where it relates to smoke management, community health and wellbeing and also industry viability.

Middleton Station

The Middleton Fire Station was significantly damaged by fire in mid-2017 and work was quickly undertaken to replace the station with a contemporary fit-out that would meet the needs of the community. Reconstruction of the new station was completed on 16 November 2018.

Aerial appliances

The replacement of its aerial appliances has been ongoing. Following a tender process throughout late 2018 – early 2019, Rosenbauer was identified as the preferred supplier to deliver a new aerial fleet. It is expected that TFS will have three new units by August 2020.

Truck build program

Engineering and Fleet Services (EFS) fabricated five medium tankers during 2018-19. EFS also worked with an operational unit to review and refine the fit and function of the medium tanker prototype built the previous year, which resulted in a Compressed Air Foam (CAF) enabled medium tanker with an improved pumpset that delivers higher output at lower noise levels. Over the next three years a further 24 medium tankers will be built.

The SES exercises environmentally responsible practices, such as recycling waste and using recycled materials where possible.





A Collaborative Organisation

We aspire to be collaborative both across TFS and SES, and also with the broader Department of Police, Fire and Emergency Management environment to deliver high quality fire and emergency service planning and support across Tasmania.

Network Events

SFMC networks events provide opportunity for key stakeholders to collaborate, share knowledge and learn about vegetation fire management in Tasmania. Two SFMC network events were held in 2018, attracting over 100 registrations.

Greg Esnouf from the AFAC Centre of Excellence for Prescribed Burning presented in Launceston on the role of Centre and the products available to assist with prescribed burning programs. After the presentation a workshop was held giving planned burning practitioners an opportunity to utilise the products in desktop scenarios.

The second event, held in Burnie in December, was very well attended. The North West Fuel Reduction Program team facilitated an informative session titled 'Before, during and after a fuel reduction burn', which detailed the stages of planning for and conducting a fuel reduction burn.

Building Safety Unit have started negotiations with the Department of Justice in relation to establishing a single consistent approach to the permitting of Fire Protection Systems Permit holders. TFS will continue to be the Regulator of the industry however the use of the Department of Justice's portal will provide significant government efficiencies and add to the transparency of the application process.



STRATEGY

3.1 Take opportunities to integrate common operating systems

DELIVERABLES YEARS 2-5

- Priority operating systems are modified and adopted.
- WebEOC is embedded and fully utilised.

The TFS, as part of the broader Department of Police, Fire and Emergency Management, recognises the synergies that exist across emergency service agencies and seeks to capitalise on these similarities by utilising common operating systems.

2018-19 has seen significant advancements across the department. Major improvements have been made to the way in which emergency service crews are contacted and dispatched to jobs.

The technology that has supported the Triple Zero call taking service for Tasmania Police, Tasmania Fire Service and Ambulance Tasmania services for over 25 years was deemed end of life and due to be switched off. This provided an opportunity to implement a contemporary call distribution system which would provide a number of key benefits including greater system

redundancy, significant noise reduction, a simple computer interface to make and receive calls and a sophisticated queuing system with the ability to prioritise and manage calls more effectively.

Following a tender and evaluation process, NEC was selected to supply the Tasmanian Government Triple Zero solution. In January and February 2019 Ambulance Tasmania, Tasmania Police and the Tasmania Fire Service successfully transitioned onto the new NEC telephony platform.

As well as changes to the Triple Zero service, this financial year saw continued implementation of the Emergency Services Computer Aided Dispatch (ESCAD) system. This is a multi-service computer aided dispatch system for Tasmania Police, Tasmania Fire Service and Ambulance Tasmania, as well as a CAD capability to the State Emergency Service.

The system has also introduced multi-agency functionality across all three agencies which provides efficiencies and enhanced public safety by providing greater information sharing and the ability to task and monitor resources at multi-agency incidents through inter-agency collaboration.

In June 2019, Tasmania became the first jurisdiction in Australia that has all four agencies (Police, Fire, SES and Ambulance) on the same Computer Aided Dispatch (CAD) and Triple Zero systems.

SES continues to integrate WebEOC, COP and other whole-of-department data management systems into its business activities and operations.

SES contributed towards the Conexus Project and has committed to aligning the new SES internet Content Management System to the DPFEM system to improve security and reliability.



STRATEGY

3.2 Build a culture that delivers a collaborative approach

DELIVERABLES YEARS 2-5

- Policies and protocols are reviewed and modified to ensure they support collaboration.
- Training / education regarding opportunities collaboration is completed.
- Tools are available to assist collaboration.
- Operating systems are integrated.

2018-19 saw a significant advancement in the way internal communications are managed across the DPFEM. A new intranet system, Conexus, was launched across the Department in stages and is now fully functional. Conexus went live to TFS on 9 July 2019, and through the use of multi-factor logins the content is also fully available to volunteers through their own devices.

Conexus enables targeted communications across business groups and has a multitude of features such as shared collaboration spaces, bringing significant advancements in functionality and user experience.

In 2017 the Tasmanian Government provided funding for the development of a proactive and preventative program to support the health and wellbeing of the emergency services workforce across both the DPFEM and Ambulance Tasmania. Business and Executive Services has progressed this work on behalf of the emergency services sector.

There are currently strong foundations to support the health and wellbeing of our workforces, and the Wellbeing Program aims to build on these foundations by providing a suite of services to complement existing

services, as well as enhancing our ability to be proactive in how we support the wellbeing of our people.

Following a tender process, Gallagher Bassett was awarded the tender for delivery of the wellbeing program and an implementation phase began in June 2019. The program will provide more options for staff and volunteers to be proactively informed about their health and wellbeing, an online wellbeing hub for staff, volunteers and their families to access health and wellbeing information and resources and additional access to health and wellbeing training and education through face to face and



e-learning delivery. The implementation period continues through the first part of 2019-2020 with a launch date of the program targeted for Mid-August 2019.

A considerable amount of work has been conducted at the Cradle Mountain site over the past twelve months. This captured the entire accommodation facilities, as well other tourist attractions within the Cradle Valley.

The first focus first was to rebuild the Cradle Mountain Brigade, since the Brigade had become virtually in operable and was not providing the service that the community would have expected from the TFS.

An interim Bridge Chief (BC) was identified and provided valuable assistance in rebuilding the Brigade.

Approximate twelve new members for the Brigade were found and put through basic training and provided equipment. These new members were mainly permanent employees from various occupations. The focus was to find members that were stable in their employment and would be staying in the

Cradle Mountain area for an extended period of time. One of the main issues the TFS has endured in the past was attracting members that are not transient employers and could commit to the TFS.

A field day was held where all stakeholders we invited to attend as well members of the Municipal Emergency Management Committee. The day was facilitated by Parks and Wildfire Services (PWS) visiting all accommodation and built tourist venues.

A number of issues were identified, with strategies discussed to overcome the issues during the visit proved beneficial. Most of the venues had a good understanding of emergency management but lacked consistency with other venues. This would have proven difficult for emergency service to operate efficiently. For example, in consistent safe meeting points, different radio frequencies, varying different types of portable firefighting equipment stored in unusual locations due to poor weather conditions, different static water supply hose fittings, to name a few.

Pre Incident Plans (PIPs) have now been completed for all venues, Tas Fire Equipment were engaged to visit all venues and change hose fittings and potable Firefighting equipment, to ensure compatibility with TFS and PWS appliances.

With this work having now been completed, it demonstrates the importance of a collaborative approach to improve An Efficient and Effective Organisation.

The SES has undertaken a number of all-staff workshops to collaboratively build a more respectful and inclusive culture. The SES continues to promote its Values and supporting behaviours whenever possible.

STRATEGY

3.3 Participate and inform Whole of Government (WoG) reforms

DELIVERABLES YEARS 2-5

- Whole of Government (WoG) reform impacting Fire and Emergency Services are adopted.
- Process for representation and reporting is reviewed.

In 2016, the Tasmanian Government relaunched the Tasmanian Government Radio Network (TasGRN) Project to provide a Whole of Government radio solution. This is a significant piece of work, which will see the transition of multiple government-funded agencies and Government Business Enterprises from independent radio networks to a shared mobile radio communications capability.

The project will provide an interoperable, sustainable and contemporary public safety-grade radio network that addresses the operational and response requirements of emergency services, land management organisations and electricity supply industry organisations.

A steering committee has been established which comprises representatives of each of the key stakeholder agencies and organisations.

A Request for Tender for a shared, P25-compliant radio communications technology platform, to be delivered as a managed service, was issued to the market in November 2018, with responses closing in May 2019 for evaluation.

The TasGRN Project has defined a build timeline which is based on a target transition date in the third quarter of 2021 and the transition of users over the following year.

The DPFEM Gender Diversity Working Group, referenced in the previous

annual report, has broadened its focus, becoming the Diversity and Inclusion Working Group. Its aim is to promote, advice and support the Department in its goal for a workforce reflective of the community it serves. The DPFEM Gender Diversity Action Plan 2018-19 outlined a range of activities focused on improving and promoting the development of a gender diverse workforce. The Action Plan 2019-20 is being developed with a broader diversity and inclusion approach.

SES actively participated in a number of multi-agency projects such as the ESCAD, TasGRN, Wellbeing and Conexus Projects. SES stands to gain the most from these projects.

STRATEGY

3.4 Participate across the emergency management industry to add value to Tasmania

DELIVERABLES YEARS 2-5

- Clear communication channels and documented understanding exists between EM agencies for emergencies.
- Collaboration occurs with newly identified stakeholders to deliver solutions for the community.
- TFS and SES utilise research initiatives that enhance service and programs.
- Strategic directions Framework is reviewed and relevant.

TFS continues to be actively involved with the Bushfire and Natural Hazard Cooperative Research Centre, AFAC, ANZCTC, NAFC and other national research and development forums relevant to the emergency services sector.

Participating in national forums enables TFS to apply research results to organisational decision-making. TFS community safety and risk assessment programs, emergency warnings and predictive modelling are all backed by solid research. Recently 'child centred disaster risk reduction' research has improved TFS School Fire Education program. Research has also enabled TFS to trial ways to better manage animals (pets, livestock) during emergencies.

National research also assists with assessment of new technology such as the use of drones to assist in risk assessment and mitigation activities particularly. TFS is actively considering the purchase of drones for use in our fuel reduction program. The use of drones in the urban setting is also under consideration.

The National Fire Danger Ratings System is a good example of the kind of input Tasmania can achieve at the national level. The project aims to redesign fire danger warning and ratings systems. The work will improve understanding of bushfire risk, incorporating latest science, technology and systems developments.

The Fuel Reduction Unit proactively looks to incorporate lessons of others

and to share new and emerging understandings across the national emergency management industry. As the first agency in the country to implement a tenure blind, risk based whole of Government program these lessons are of critical value. The Fuel Reduction Unit participates in regular AFAC working groups and takes advantage of conference events to disseminate broadly lessons learnt and to use these same opportunities to add value to the Tasmanian industry.

The Fuel Reduction Unit is constantly developing new and strengthening existing working relationships with key community and industry stakeholders with a vested interest in the outputs and outcomes of the Units functions. The Fuel Reduction Unit works in



close collaboration with the State Fire Management Council (SFMC) and also supports the function of Fire Management Area Committee (FMAC). This support includes underpinning regionally specific Fire Protection Plans (FPP) that result from the participation of locally relevant community, industry and local government stakeholders. The FPP are used to inform Program operations and also build efficiencies into the implementation within those affected communities.

SES actively participated in a wide range of national, State, regional and municipal emergency management-related forums and committees. In particular, SES provided executive services to the State Emergency Management Committee and the three Regional Emergency Management Committees, which carries additional responsibilities such as secretariat, the maintenance of Tasmanian and Regional Emergency Management Plans, the coordination of the NPA for Natural Disaster Resilience and significant project work.

As a service delivery organisation TFS is working to build trusted and respectful relationships with the Tasmanian Aboriginal Community through continuing to building collaborative place based partnerships with various Tasmanian

Aboriginal groups and organisations. TFS is collaborating with the Tasmanian Aboriginal Centre to develop Cultural Awareness Training for staff to learn about aboriginal culture and offer a forum to ask culturally sensitive questions aimed at breaking stigma through positive and informative engagement. Bushfire Risk Unit attended a National Indigenous Fire Workshop to learn about cultural fire knowledge pathways that enable and empower Aboriginal and Non-Aboriginal communities to collectively work towards healthy and bushfire resilient landscapes.

Bushfire Risk Unit was the recipient of a 2018 Community Australia Resilience Award for its collaborative project "Cape Barren Good Fire", aimed at working with the indigenous owners of Cape Barren Island/Truwana to introduce and manage fire on the island through a cultural fire management program. The project has involved collaboration with training, planning and local community involvement to build the fire management capacity on the Island, and prepare a fire management plan that the community could implement themselves. This has helped build the self-reliance and resilience of the remote island community, and improved the environmental and bushfire risk outcomes on the Island.

The TFS/SES Strategic Directions document "Framing the Future" has been developed with the operational environment and associated corporate risks to fire and emergency services in Tasmania in mind. The strategic directions along with their associated deliverables and outcomes provide a sound foundation for the Business Plans of all individual directorates or portfolios within TFS and SES. The Strategic Directions document was reviewed at last years Executive Leadership Team (ELT) Retreat and is used to inform the development of the SFC Corporate Plan specifically the allocation of financial, physical and human resources.

SES actively participated in a wide range of national, State, regional and municipal emergency management-related forums and committees. In particular, SES provided executive services to the State Emergency Management Committee and the three Regional Emergency Management Committees, which carries additional responsibilities such as secretariat, the maintenance of Tasmanian and Regional Emergency Management Plans, the coordination of funding programs and significant project work.



Valued and Capable People

TFS and SES are as diverse as the communities we protect. Our people are a mix of career, retained and volunteer members and support staff. With a combined workforce of over 6,000 career staff and volunteers, more than 230 brigades and 31 SES units, our combined workforce provides a multifaceted service.

STRATEGY

4.1 Develop and implement a Human Resources (HR) Capability Framework

DELIVERABLES YEARS 2-5

- People Capability Framework implemented including:
 - Revised internal Communications Strategy
 - Improved system of personnel recognition
 - Job-specific, incremental leadership program
 - Sustainable and targeted recruitment program.

In January 2019, a recruitment campaign commenced for the appointment of Trainee Firefighters to the Trainee Firefighter Development Programs scheduled for June and October 2019.

The 2019 recruitment campaign implemented a number of the immediate recommendations from the Trainee Firefighter Recruitment Review 2017 (the Report) as requested by the Minister for Police, Fire and Emergency Management.



Some of the recommendations implemented included an updated website dedicated to recruitment and an increased social media campaign, a streamlined application process and the establishment of a TFS Recruitment Officer position within People and Culture.

Applications for the 2019 Trainee Firefighter Recruitment Program opened in January 2019 and 724 completed applications were received. Following the initial stages of the application process, including fitness and medical assessments, shortlisted applicants were then invited to interview. 29 applicants, including 4 females, were able to meet all of the requirements and were offered positions on the Trainee Firefighter Development Programs.

STRATEGY

4.2 Develop a people plan

DELIVERABLES YEARS 2-5

- An effective and targeted recruitment and retention strategy for a function and fit-for-purpose workforce implemented.
- WH&S Framework implemented.
- Values based awareness program implemented.
- Demonstrate/deliver effective reward and recognition campaign.

Maintained a commitment to a number of SES Volunteer recruitment and retention strategies (uniforms, service recognition, quality training and support, quality equipment, etc.).

SES volunteer numbers are now being sustained at 600+. At the end of the FY: Total SES Volunteers: 687; Male: 495(72%) Female: 192 (28%)

SES promoted health and wellbeing, including the Ritualize Wellness App. Actively participated in forums to promote a diverse and respectful workforce, such as Male Champions of Change, LGBTI Working Group and Multi-Cultural Steering Committee.

The foundational workshop in Respectful Relationships that commenced with the Executive members of the TFS in 2018 has merged into a broader focus on leadership and civility. An external consultant has been utilised in support of the Senior Consultant Organisational Development to work with the Executive Leadership Team (ELT), to further embed organisational conversation and strategies to support this focus. In 2019, both ELT and District Officers & Managers have participated in workshops which are now informing further steps to the overall strategy of Respectful Relationships.

As noted earlier in the report, significant work has progressed on our wellbeing program, which will be reported on in detail in the 2019-20 annual report.

During 2018-19, the State Fire Commission (SFC) endorsed the transition of TFS (career employees and volunteers) Workers Compensation insurance to the Tasmanian Risk Management Fund (TRMF). A TRMF Transition Management Committee (committee) was formed in May as a working group representing all key stakeholders, tasked with planning and coordinating the implementation of a successful transition.

The Department will continue to work closely with Treasury throughout the transition process in 2019-20 to ensure a successful transition.

SES completed a Capability and Volunteer Training Needs Analysis including a review of training targets across the three Regions.

Volunteer Capability

As an organisation, we recognise that our workforce is predominantly made up of volunteers whose skilled and dedicated service make an enormous contribution to the Tasmanian community whenever their help is required. Our TFS volunteer numbers are being sustained at 5,000+; with volunteers making valuable contributions in the areas of community engagement, prevention and preparedness, and response as:

- operational firefighters (77%)
- operational support members (6.3%)
- junior and cadet members – 10-17 year olds (9%)
- social, TFS museum and provisional members (7.7%).

Female representation in our volunteer profile is 19% overall and 14.4% in the volunteer operational firefighter ranks. While the ages of our volunteers range from 10 to 93 – with an average age of 43.8 overall versus 45.9 in the volunteer operational firefighter ranks.

As a management team, we are committed to building, maintaining and supporting our volunteer membership to ensure that we have the right people and skillsets in the right place, and in the volume that is needed, to keep Tasmania and our communities safe. To support this commitment, a dedicated coordination role has been appointed to focus on volunteer sustainability and strategy, now and into the future.

Volunteer Grants

In the first half of 2018, the State Government announced its commitment to keep Tasmania safe through a boost to emergency services. Under this initiative, the Government is providing an injection of \$2 million over four years for TFS volunteer brigades and SES volunteer units. This extra funding sets up a grants system to apply for non-core equipment and training, enhanced recruitment and engagement activities, as well as station amenities and minor facility improvements.

Funding has been split between TFS and SES based on each agency's proportion of total volunteer Brigades and Units across both agencies. Each Agency is separately running its own Grant Program and has developed specific grant guidelines in collaboration with their respective Volunteers Associations.

The 2018-19 financial year offered:

- two opportunities for our volunteer fire brigades to seek funding through the Grant Program with \$431,000 in total grant funding awarded to 126 volunteer fire brigades across the State. Approved items ranged from water tanks to weather meters, BBQs to brushcutters, and honour boards to high pressure cleaners just to name a few examples;
- an opportunity for nine volunteer SES units to seek grant funding of \$8,000 each.

These Grant Programs will continue to offer funding opportunities to our volunteer brigades and units over the next three financial years.



STRATEGY

4.3 Development of a professional development pathway for volunteer and career staff

DELIVERABLES YEARS 2-5

- Volunteers are utilised in operational command roles.
- VDevelopment Program evaluated and key performance measures identified.

During the 2018-19 financial year Operational Training (OT) has continued to provide quality training opportunities to both career and volunteer firefighters. Training is a critical facet of our business, it ensures that our responders are trained in the most contemporary aspects of firefighting and rescue, increases their safety and increases the teams they work with overall situational awareness. Ultimately this provides the TFS with a valuable resource that has the capacity and capability to assist Tasmanian communities.

A review into the connectivity, coordination and resourcing of our learning and development was undertaken by Wise Lord and Ferguson (WLF). The review suggested a number of recommendations relating to:

- Leadership;
- Strategy and objectives;
- Governance and structure;
- Stakeholder engagement; and,
- Implementation.

The implementation of the recommendations has commenced with the appointment of a Director, Training to oversee the implementation of the recommendations and assist in the amalgamation of the OT and Development, Education, Learning, Training and Assessment (DELTA) team, this includes a shared accommodation arrangement at the Cambridge Training Complex. This will enhance the capability of our training delivery and assessment processes.

Furthermore, based on recommendations from the WLF Review, a single business unit plan was developed that incorporates our delivery and compliance requirements, ensuring we continue to meet our corporate objectives and ongoing compliance requirements.

On the completion of an extensive recruitment program Trainee Course 1/2019 commenced their 15 week training course on 15 June 2019. This is a comprehensive course that covers a diverse range of skills and knowledge required to become a career firefighter.



STRATEGY

4.4 Establish mechanisms to support proactive innovation

DELIVERABLES YEARS 2-5

- TFS/SES effectively harness the contribution that can be made by all members in corporate planning and business process.

TFS are broadening the contribution of people who provide input into their corporate planning. Strategy is being informed from staff input through forums including Managers and District Officers Workshop (MADOW) where internal environment and external contexts were reviewed along with identifying critical works to continue and areas requiring continuous improvement. The findings from these were reviewed at an ELT Planning session and used to review the strategic directions and Framing the Future document to ensure TFS are continuing to focus on strategic priorities.

Business unit planning continues to mature within the organisation with improved processes developed and documented for ongoing years including key dates identified and a timeline and program of events developed to be used to inform and plan for the development of business unit plans and strategy. Business units are engaging their staff in the development of business unit plans and the plans are improving by conveying strategic activities and KPI's that are measureable.

The course includes urban and bush firefighting techniques, rescue disciplines, advanced first aid, breathing apparatus and advanced structural compartment firefighting. A second Trainee Course 2/2019 is scheduled to start on 24 October 2019.

First aid training is an important aspect of our career and volunteer curriculum, including SES. OT developed, coordinated and implemented a partnership arrangement with St John Ambulance that has resulted in a delivery model trial where our volunteers can access the necessary first aid training at a time and place suitable to their individual needs.

The advanced urban fire suppression skills enhancement program continued through 18/19 and was delivered to both career and volunteer personnel. In addition, our subject matter experts received additional skills and knowledge development with our interstate counterparts in Queensland to ensure our training delivery remains industry best practice.

The development of our training programs at Levels 2 and 3 of the Volunteer Development Pathway continued through 2018-19, however an extensive bushfire season has required the project completion date to be extended. Two new programs also continue to be developed specifically designed to augment the management and leadership within volunteer brigades.

Training delivery underpins the overall learner experience. A "Methods of Instruction" course was delivered to our training staff from members of the Queensland Fire and Emergency Services. This course provided valuable train the trainer development, enabling us to deliver this type of training delivery methodology more broadly across our organisation.

OT utilise a network of casual training instructors who have the necessary skills and knowledge to deliver tactical firefighting development programs to our volunteers. Recently a review of this training delivery model was undertaken. This has resulted in a more structured approach to the engagement of our training instructors that deliver training to our volunteers on a casual basis.

SES commenced the Emergency Management Training Continuum project

Developed Statements of Duties for Operational SES Volunteers and Operational Support SES Volunteers to accompany a revised SES Volunteer induction agreement process.

Established a single TFS/SES Registered Training Organisation.

SES staff delivered 20,745 hours of training to SES Volunteers.



An Efficient and Effective Organisation

Good governance, sound financial management corporate risk identification and mitigation and compliance with legislation, policy and procedure are fundamental elements of an efficient and effective organisation. TFS and SES recognise the importance of these elements in providing a trusted and respected service to the community and to the Government.

STRATEGY

5.1 Review Emergency Service Legislation

DELIVERABLES YEARS 2-5

- Recommendations from the review are agreed and implemented including a revised funding model for SES

The *Fire Service Act* was proclaimed in 1979 following the amalgamation of the Rural and Urban Fire Services into the Tasmania Fire Service (TFS). The Act has never been comprehensively reviewed since proclamation. Over the years, the current legislative framework has become fragmented, overly complex and process driven. A comprehensive review of the Act, and all subordinate legislation is now underway.

A key element of the Review will be a full review of the current funding model which will include options for the sustainable funding of SES into the future. This will be undertaken with full consultation of stakeholders and the Department of Treasury and Finance.

The Steering Committee for the Review, chaired by Mr Mike Blake has developed a project plan to meet four stages of work:

- Problems identified and substantiated by evidence
- Range of potential options identified
- Key options identified
- fully developed and assessed, and recommendations drafted.

An Issues Paper was released for public consultation. The consultation period on the Issues Paper closed on 7 September 2018. Submissions have been received and a draft options paper issued to the Steering Committee for their feedback.



Photo by Warren Frey

Further analysis of governance, funding, efficiency and effectiveness have been initiated. This work is continuing. The Review will have regard to recommendations made by the House of Assembly Standing Committee on Community Development Inquiry into the State Fire Commission.

The departure of the previous review chair, recent fires in Tasmania and the requirement for further analysis, resulted in the need for revision of the timetable and budget for the Review. This will be followed by a further period of consultation, before a final Report is presented for the consideration of government.

SES has contributed to the review of the Fire Service Act 1979, particularly towards a sustainable funding model for the SES.

SES coordinated the drafting of amendments to the Emergency Management Act 2006, which received Royal Assent in December 2018. These addressed a number of recommendations arising from the Independent Review of Emergency Management Arrangements in Tasmania.

STRATEGY

5.2 Adopt good governance, corporate risk management and business disciplines that meet changing needs.

DELIVERABLES YEARS 2-5

- Risk mitigation and reporting implemented.
- Robust project management methodology is adopted to manage corporate projects.
- An integrated suite of systems is designed and implemented to enable consistent tracking of project information, financial and human resourcing.
- Detailed asset planning is occurring which delivers assets consistent with operational needs.
- Business continuity framework is operating effectively.
- Change management is embedded in methodologies and mature change management is adopted across services.

A project management process has been put in place, along with business unit plans that differentiate between business as usual and project work. This improved approach to governance has resulted in a more efficient use of resources, and identification of corporate risk and exposure.

A governance framework for the organisation was developed, with terms of reference for different committees.

Work is now commencing on aligning the structure to meet business needs.

Initially only funded for four years, the statewide fuel reduction program was initially managed through a standalone unit in the Operations Division of the TFS. With the provision of funding now being provided on an ongoing basis, in 2018-19 the Fuel Reduction Unit and Bushfire Planning and Policy Unit have been integrated into the Community Fire Safety Division as the Bushfire Risk Unit.



The formation of this unit enables the holistic management of the threat of bushfire in Tasmania through:

- Understanding the risk and vulnerabilities
- Developing community resilience
- Delivering mitigation programs and initiatives
- Engaging and collaborating with stakeholders
- Leading and contributing to the development of legislation, regulations and policies both internally as well as state and national levels
- Responding to emergencies.

The Development Education Learning Training Assessment (DELTA) business unit has been established to develop and maintain a quality management framework for the Registered Training Organisation (RTO) (encompassing the delivery arms of TFS and SES) in accordance with Standards for RTO's. The establishment and ongoing support provided by DELTA allows TasFire Training to issue Nationally Accredited Qualifications to the forestry industry consistent with Industry benchmarks.

SES reviewed its strategic asset priorities and contributed towards the development of the new DPFEM Strategic Asset Management Plan.

TFS Risk Management

Risk Management is a strategic priority for TFS. In 2018-2019 the Executive Leadership Team (ELT) for TFS / SES developed a strategic risk register based on the Framing the Future Strategy document and is now developing mitigation strategies based on a sound controls environment and other activities to ensure that the likelihood and or consequence of risks are stabilised or reduced. Several risk reviews have now been undertaken to ensure risks are current and or influencing strategy and operations. Linkages between operational and strategic risks are constantly reviewed.

Audit and Risk Committee

The DPFEM Audit and Risk Committee (ARC) aims to enhance the existing governance framework, financial reporting and risk management practices and control environment of DPFEM, and SFC, in relation to corporate matters, through a process of monitoring, review and advice. The ARC reviews and endorses the DPFEM and SFC financial statements, and undertakes other activities such as ensuring DPFEM operates within its Risk Management Framework and has a Strategic Risk Register that is actively managed.

The Audit Committee consists of the following members:

- Deputy Secretary, DPFEM (Chair)
- Chief Officer TFS
- Deputy Commissioner, Tasmania Police
- Director, Business Services, DPFEM
- Independent member (external to the Department)
- SFC representative.

Wise Lord and Ferguson (WLF) are an accounting and advisory firm that provides independent internal-audit advice to assist DPFEM and the SFC to manage risk through accounting, administrative and operational controls. Other content experts are invited to attend Committee meetings when required.



STRATEGY

5.3 Develop an appropriate funding model to enable service delivery

DELIVERABLES YEARS 2-5

- A funding model for SES is established and legislated.

The State Fire Commission are actively engaged in the review of the *Fire Service Act 1979* and in 2018-19, provided an extensive submission to the Fire Service Act Review team. The Commission see this review as the opportunity to improve and clarify the governance and funding arrangements for the Commission and the State Emergency Service (SES), allowing for efficiencies and opportunities are identified, as well as clarify their roles and the services to be delivered by them. The Commission also believes that the Review provides the opportunity to further integrate the Commission and SES for the benefit of the Tasmanian community and both entities.

SES continued to contribute toward a case for a more sustainable and centralised budget. This was achieved through ongoing input into the review of the *Fire Service Act 1979*.

STRATEGY

5.4 Develop and implement outcomes based reporting tools

DELIVERABLES YEARS 2-5

- A shared recording mechanism is identified and implemented.

TFS business unit plans have been developed, aligned with the strategic directions framework and have clearly identified outcomes based reporting tools.

TFS reports quarterly on the TFS / SES business priorities to the State Fire Commission and the DPFEM Agency Management Group (AMG), which the TFS Chief Officer is a member of along with the Deputy Secretary, Deputy Police Commissioner and DPFEM Secretary.

SES performance data continued to be reported to Corporate Reporting Services. This data was used to assess ongoing performance and trends. Performance data was made available on Conexus.

STRATEGY

5.5 Establish a comprehensive and compliant suite of policies and procedures

DELIVERABLES YEARS 2-5

- All policies and procedures are in place.

Relevant policies for operations of TFS commercial units have been implemented.

The Code of Practice (Fire Protection Systems) has been reviewed and minor amendments made in line with changes to the building code and associated regulations.

The TFS doctrine review has been outsourced to NOETIC for revision with the view to inform our training development needs for both career and volunteer firefighters and enable our training personnel to complete the pathway bodies of work for each.

The SFC are currently undertaking a review of all Commission policies and procedures to ensure that all decisions are made in accordance the legislation and current delegations framework.

SES continued to review and upgrade applicable SES policies per the DPFEM policy template.

STRATEGY

5.6 Implement an effective communication framework

DELIVERABLES YEARS 2-5

- Digital and social media are used to compliment traditional communication methods to maximise timeliness and coverage of public information.
- A range of internal communication approaches are adopted to ensure the workforce is informed and engaged in accordance with the communications strategy.

It is a core function of the TFS to ensure the timely and accurate release of information is provided to the community regarding fire incidents. TFS have invested resources in this area, ensuring that there are adequate numbers of staff trained in this function. TFS also leans into the DPFEM Media and Communications area for support in the planning of media events and engagement with staff and the Tasmanian Community through social media, radio and TV.

SES utilised multiple means of communicating information to its members and to communities (website, social media, newsletters, face-to-face meetings, etc).

The SES Director issued 16 ShopTalk newsletters to all SES volunteers and staff to acquaint them with significant issues or developments. Two SES Gazette newsletters were published in 2018-19 and were made available to the public on the SES website. The SES website content was reviewed and updated as required.

Financial Statements 2018-19

STATE FIRE COMMISSION FINANCIAL STATEMENTS 2018-19

The accompanying financial statements, including notes to accounts, are provided to disclose activities funded both within and outside the Public Account. These statements have been prepared on an accrual basis in accordance with the *Fire Service Act 1979*.

CERTIFICATION	46
INDEPENDENT AUDITOR'S REPORT	47
FINANCIAL STATEMENTS	
Statement of Comprehensive Income for the year ended 30 June 2019	50
Statement of Financial Position as at 30 June 2019	51
Statement of Cash Flows for the year ended 30 June 2019	52
Statement of Changes in Equity for the year ended 30 June 2019	53
Notes to and forming part of the Financial Statements for the year ended 30 June 2019	54

STATE FIRE COMMISSION CERTIFICATION OF FINANCIAL STATEMENTS

The accompanying Financial Statements of the State Fire Commission have been prepared in compliance with the provisions of the *Fire Service Act 1979* from proper accounts and records.

In the opinion of the Commissioners of the State Fire Commission:

- (a) the financial statements are drawn up so as to give a true and fair view of the results and cash flows for the period 1 July 2018 to 30 June 2019 and the financial position at 30 June 2019 of the State Fire Commission;
- (b) the accounts have been prepared in accordance with the *Fire Service Act 1979*; and
- (c) at the date of this statement, there are reasonable grounds to believe the Commission will be able to pay its debts as and when they fall due.

At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Rodney Sweetnam AFSM ESM

COMMISSION CHAIR

3 October 2019



Christopher Arnol MPM, GAICD, MIFireE

COMMISSION MEMBER

Independent Auditor's Report

To the Members of Parliament

State Fire Commission

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of State Fire Commission (the Commission), which comprises the statement of financial position as at 30 June 2019 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the statement of certification by the members of the Commission.

In my opinion, the accompanying financial report:

- (a) presents fairly, in all material respects, the financial position of the Commission as at 30 June 2019 and of its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Fire Service Act 1979* and Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Commission in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information included in the financial report.

...1 of 3

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

Responsibilities of the Members of the Commission for the Financial Report

The members of the Commission are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Fire Service Act 1979* and for such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the members of the Commission are responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Commission is to be dissolved by an Act of Parliament, or the members of the Commission intend to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members of the Commission.
- Conclude on the appropriateness of the members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am

...2 of 3

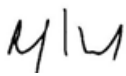
To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
Professionalism | Respect | Camaraderie | Continuous Improvement | Customer Focus

Strive | Lead | Excel | To Make a Difference

required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the members of the Commission regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Rod Whitehead
Auditor-General

Tasmanian Audit Office

27 September 2019
Hobart

...3 of 3

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
Professionalism | Respect | Camaraderie | Continuous Improvement | Customer Focus

Strive | Lead | Excel | To Make a Difference

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2019

	Notes	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
Continuing operations				
Revenue and other income from transactions				
Fire Service Contribution	2.1	45,635	45,627	43,256
Insurance Fire Levy	2.1	17,000	21,389	18,652
Contributions from State and Australian Governments	2.2	4,242	3,899	8,903
Bushfire Fighting Contributions	2.3	-	57,208	6,933
Motor Vehicle Fire Levy	2.1	8,455	8,810	8,164
Fire Prevention Charges	2.4	6,313	5,705	6,003
Other revenue	2.5	10,511	10,995	8,397
Total revenue and other income from transactions		92,156	153,633	100,308
Expenses from transactions				
Employee Related Expenses	3.1	50,501	50,866	50,432
Community Awareness, Subscriptions and Professional Fees	3.2	2,438	2,863	1,830
Operational Training		945	532	578
Operations Expenses	3.3	13,239	7,712	9,641
Bushfire Fighting Expenses	3.4	-	59,046	6,899
Services Provided by DPFEM ¹		7,494	10,968	6,160
Funding of State Emergency Service		2,706	2,706	2,653
Protective Clothing and Uniforms	3.5	960	1,288	1,231
Depreciation	4.4	6,539	6,169	6,534
Financial and Other Expenses	3.6	4,879	4,339	4,316
Insurance		1,810	6,348	1,395
Borrowing Costs	3.7	117	169	186
Repairs and Maintenance	3.8	1,284	2,289	2,491
Minor Equipment	3.9	705	1,352	1,616
Total expenses from transactions		96,617	156,647	95,962
Net result from transactions (net operating balance)		(1,461)	(3,014)	4,346
Other Comprehensive Income				
<i>Items That Will Not be Reclassified Subsequently to Profit or Loss</i>				
Actuarial Gain/(Loss) on SFC Super Scheme Obligation	5.3	-	(3,543)	2,732
Total other economic flows included in net result		-	(3,543)	2,732
Net result		(1,461)	(6,557)	7,078

Note:

1. The Department of Police, Fire and Emergency Management (DPFEM) provides corporate support services to the Commission. In 2017-18 the corporate expenses were split across operating expenses. In 2018-19 they have been amalgamated under the one amount "Services provided by DPFEM".

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 1.1 of the accompanying notes.

STATEMENT OF FINANCIAL POSITION as at 30 June 2019

	Note	2019 Budget \$'000	2019 Actual \$'000	2018 Actual \$'000
Assets				
<i>Financial assets</i>				
Cash and deposits	7.1	9,339	16,523	12,938
Receivables	4.1	1,420	1,303	2,734
Other financial assets	4.2	3,299	7,988	3,677
<i>Non-financial assets</i>				
Inventories	4.3	1,643	1,912	1,905
Capital Work In progress	4.4	2,751	2,336	641
Property, plant and equipment	4.4	119,759	118,528	123,184
Total assets		138,211	148,590	145,079
Liabilities				
Payables	5.1	2,507	9,605	3,676
Employee benefits	5.2	15,086	16,312	14,747
Interest Bearing Liabilities	8, 7.3	3,830	3,830	4,830
SFC Superannuation Scheme Net Liability (Asset)	5.3	1,775	2,795	(779)
Total liabilities		23,198	32,542	22,474
Net assets		115,013	116,048	122,605
Equity				
Reserves		45,698	45,698	45,698
Accumulated funds		69,315	70,350	76,907
Total equity		115,013	116,048	122,605

This Statement of Financial Position should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 1.2 of the accompanying notes.

STATEMENT OF CASH FLOWS for the year ended 30 June 2019

	Note	2019 Budget \$'000 Inflows (Outflows)	2019 Actual \$'000 Inflows (Outflows)	2018 Actual \$'000 Inflows (Outflows)
Cash Flows from Operating Activities				
Cash inflows				
Receipts from Operating Activities		91,563	96,960	89,149
Bushfire Fighting Contributions		-	53,667	8,983
Interest Received		43	253	203
Total cash inflows		91,606	150,880	98,335
Cash outflows				
Payments to Suppliers and Employees		(86,066)	(86,695)	(80,380)
Bushfire Fighting Expenses		-	(56,716)	(6,836)
Interest Paid		(117)	(169)	(187)
Total cash outflows		(86,183)	(143,580)	(87,403)
Net cash from (used by) operating activities	7.2	5,423	7,300	10,932
Cash flows from investing activities				
Cash inflows				
Proceeds from the disposal of non-financial assets		300	925	639
Total cash inflows		300	925	639
Cash outflows				
Payments for acquisition of non-financial assets		(4,904)	(3,640)	(1,873)
Total cash outflows		(4,904)	(3,640)	(1,873)
Net cash from (used by) investing activities		(4,304)	(2,715)	(1,234)
Cash flows from financing activities				
Cash outflows				
Repayment of borrowings		-	(1,000)	(5,000)
Total cash outflows		-	(1,000)	(5,000)
Net cash from (used by) financing activities		-	(1,000)	(5,000)
Net increase (decrease) in cash held and cash equivalents		1,119	3,585	4,698
Cash and deposits at the beginning of the reporting period		8,520	12,938	8,240
Cash and Cash Equivalents at the End of the Financial Period	7.1	9,639	16,523	12,938

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 1.3 of the accompanying notes.

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2019

		Reserves \$'000	Accumulated funds \$'000	Total equity \$'000
Balance as at 30 June 2018		45,698	76,907	122,605
Net result		-	(3,014)	(3,014)
Other Comprehensive Income				
Actuarial gain/(loss) on SFC Super Scheme Obligation	5.3	-	(3,543)	(3,543)
Balance as at 30 June 2019		45,698	70,350	116,048

		Reserves \$'000	Accumulated funds \$'000	Total equity \$'000
Balance as at 1 July 2017		45,698	69,829	115,527
Net result		-	4,346	4,346
Other Comprehensive Income				
Actuarial gain/(loss) on SFC Super Scheme Obligation	5.3	-	2,732	2,732
Balance as at 30 June 2018		45,698	76,907	122,605

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1	Explanations of Material Variances between Budget and Actual Outcomes.....	56
1.1	Statement of Comprehensive Income	56
1.2	Statement of Financial Position	57
1.3	Statement of Cash Flows	57
Note 2	Income from Transactions.....	58
2.1	Statutory revenue.....	58
2.2	Contributions from State and Australian Governments.....	58
2.3	Bushfire Fighting Contributions	58
2.4	Fire Prevention Charges	59
2.5	Other revenue	59
Note 3	Expenses from Transactions	59
3.1	Employee benefits.....	59
3.2	Community Awareness, Subscriptions and Professional Fees	61
3.3	Operations Expenses.....	62
3.4	Bushfire Fighting Expenses.....	62
3.5	Protective Clothing and Uniforms	62
3.6	Financial and Other Expenses.....	62
3.7	Borrowing Costs	62
3.8	Repairs and Maintenance	63
3.9	Minor Equipment.....	63
Note 4	Assets	63
4.1	Receivables.....	63
4.2	Other financial assets.....	63
4.3	Inventories.....	64
4.4	Property, plant and equipment.....	64
Note 5	Liabilities	68
5.1	Payables	68
5.2	Employee benefits.....	68
5.3	Superannuation.....	69
Note 6	Commitments and Contingencies	72
6.1	Schedule of Commitments.....	72
6.2	Contingent Assets and Liabilities.....	72

Note 7	Cash Flow Reconciliation	73
7.1	Cash and deposits	73
7.2	Reconciliation of Net Result to Net Cash from Operating Activities	73
7.3	Reconciliation of Liabilities arising from financing activities	73
Note 8	Financial Instruments	74
8.1	Risk exposures	74
8.2	Categories of Financial Assets and Liabilities	75
8.3	Comparison between Carrying Amount and Net Fair Value of Financial Assets and Liabilities	76
8.4	Investments and Borrowings	76
8.5	Capital Management	76
Note 9	Events Occurring After Balance Date	76
Note 10	Other Significant Accounting Policies and Judgements	77
10.1	Business Details of the State Fire Commission	77
10.2	Basis of Financial Statements	77
10.3	System of Accounting	77
10.4	Judgements and Assumptions	77
10.5	Functional and Presentation Currency	77
10.6	Changes in Accounting Policies	77
10.7	Comparative Figures	78
10.8	Rounding	78
10.9	Goods and Services Tax	78

Note 1 Explanations of Material Variances between Budget and Actual Outcomes

The following are brief explanations of material variances between original budget estimates and actual outcomes. Variances are considered material where the variance exceeds 10 per cent of budget estimate and \$300,000.

1.1 Statement of Comprehensive Income

	Note	2019 Budget \$'000	2019 Actual \$'000	Variance \$'000	Variance %
Revenue and other income from transactions					
Insurance Fire Levy	(a)	17,000	21,389	4,389	26
Bushfire Fighting Contributions	(b)	-	57,208	57,208	n/a
Fire Prevention Charges	(c)	6,313	5,705	(608)	(10)
Expenses from transactions					
Community Awareness, Subscriptions and Professional Fees	(d)	2,438	2,863	425	17
Operational Training	(e)	945	532	(413)	(44)
Operations Expenses	(f)	13,239	7,712	(5,527)	(42)
Bushfire Fighting Expenses	(g)	-	59,046	59,046	n/a
Services Provided by DPFEM	(f)	7,494	10,968	3,474	46
Protective Clothing and Uniforms	(h)	960	1,288	328	34
Financial and Other Expenses	(i)	4,879	4,339	(540)	(11)
Insurance	(j)	1,810	6,348	4,538	251
Repairs and Maintenance	(k)	1,284	2,289	1,005	78
Minor Equipment	(l)	705	1,352	647	92
Other comprehensive income					
Actuarial gain/(loss) on SFC Super Scheme Obligation	(m)	-	(3,543)	(3,543)	n/a

Notes to Statement of Comprehensive Income variances

(a) This variance is due to market forces in the insurance industry.

(b) This revenue relates to the reimbursement of bushfire expenditure which is not budgeted for due to its unpredictability.

(c) Revenue was down slightly on commercial training and avoidable false alarms.

(d) This variance is due to additional contributions towards fuel reduction.

(e) This variance is due to less operational training being undertaken as a result of bushfire fighting deployments.

(f) The Department of Police, Fire and Emergency Management (DPFEM) provides corporate services to the Commission through its Business and Executive Services division (BES). Previously the operations expenses of SFC staff who transferred to DPFEM to provide those services were budgeted separately. The full cost is now shown under Services Provided by DPFEM however the budget was not adjusted in 2018-19.

(g) Due to the unpredictability of bushfire fighting expenses no budget is allocated.

(h) This variance was due to the issue of protective clothing and helmets for new firefighter recruits.

(i) The variance in Financial and Other expenses relates to a reduction in expenditure against remissions, and fringe benefits tax, which had not been anticipated.

(j) The Commission uses a burner policy for workers' compensation insurance, and claims experience has resulted in caps on some premiums being reached, thus increasing the expected cost of premiums.

(k) This variance is due to the budget being set at a low level. Actual expenses have decreased between 2018 and 2019.

(l) This variance is due to the budget being set at a low level. Actual expenses have decreased between 2018 and 2019.

(m) Due to the unpredictability of actuarial movements this item is not budgeted.

1.2 Statement of Financial Position

Statement of Financial Position variances are considered material where the variance exceeds 10 per cent of Budget estimate and \$300,000.

	Note	2019 Budget \$'000	2019 Actual \$'000	Variance \$'000	Variance %
Assets					
Cash and deposits	(a)	9,339	16,523	7,184	77
Other financial assets	(b)	3,299	7,988	4,689	142
Capital Works in Progress	(c)	2,751	2,336	(415)	(15)
Liabilities					
Payables	(d)	2,507	9,605	7,098	283
Employee benefits	(e)	15,086	16,312	1,226	8
SFC Superannuation Fund Net Liability (Asset)	(f)	1,775	2,795	1,020	57
Equity					
Retained Surpluses	(f)	69,315	70,350	1,035	1

Notes to Statement of Financial Position variances

- (a) This variance relates to unspent funds on fuel reduction program \$3.1m, aerial appliances \$3.1m, remote area teams \$0.1m, and grants supporting volunteer brigades \$0.4m.
- (b) This variance relates to accrued contributions for bushfire fighting expenses.
- (c) Capital work in progress (CWIP) was lower than expected due to the CWIP budget not reflecting the winding back of the capital budget for appliance and building projects.
- (d) This variance is due outstanding payments relating to the bushfires which are yet to be paid.
- (e) The increase in employee benefits is a direct result of a reduction in the discount rate in 2018-19 to calculate the long service leave provision.
- (f) The variance is principally due to fund investment performance and changes in actuarial assumptions.

1.3 Statement of Cash Flows

Statement of Cash Flows variances are considered material where the variance exceeds 10 per cent of Budget estimate and \$300,000.

	Note	2019 Budget \$'000	2019 Actual \$'000	Variance \$'000	Variance %
Cash flows from operating activities					
Cash inflows					
Bushfire Fighting Contributions	(a)	-	53,667	53,667	n/a
Cash outflows					
Bushfire Fighting Expenses	(a)	-	(56,716)	(56,716)	n/a
Cash flows from investing activities					
Cash inflows					
Payments for acquisition of non-financial assets	(b)	300	925	625	208
Cash outflows					
Payments for acquisition of non-financial assets	(c)	(4,904)	(3,640)	1,264	(26)
Cash flows from investing activities					
Cash outflows					
Repayment of borrowings	(d)	-	(1,000)	(1,000)	n/a

Notes to Statement of Cash Flows variances

- (a) Bushfire fighting contributions and expenses are not budgeted for due to the unpredictability of these items.
- (b) Proceeds from sale of equipment was \$625,000 over budget due to the disposal of a number of light tanker vehicles.
- (c) The Payments for property, plant and equipment was under budget due to delays in the acquisition of new aerial appliances and the replacement of passenger vehicles.
- (d) Borrowings were repaid in 2018-19 which was not budgeted for.

Note 2 Income from Transactions

2.1 Statutory revenue

a) Fire Service Contribution

Contributions are received from Local Councils through a fire service contribution raised on properties. A minimum contribution was initially implemented in 1991 to provide additional funds to re-equip volunteer brigades. The minimum contribution is \$40 for 2018-19 (\$38 for 2017-18).

b) Insurance Fire Levy

Contributions are received from insurance companies in respect of premium income on certain prescribed classes of insurance where the risks insured are situated in Tasmania. Contributions are received monthly with an approved lodgement return. The current insurance fire levy is 2% on marine cargo insurance, 14% on aviation hull insurance, and 28% on other classes of insurance.

c) Motor Vehicle Fire Levy

The Commission receives income raised through a fire levy applied to all registered vehicles. This is collected by the Registrar of Motor Vehicles via the vehicle registration fee and forwarded to the Commission. The fire levy is \$18 per vehicle for 2018-19 (\$17 per vehicle for 2017-18).

2.2 Contributions from State and Australian Governments

Under section 101 of the Fire Service Act 1979 the Treasurer must pay out of monies appropriated by Parliament, such amounts as the Treasurer determines appropriate towards the operating costs of the Commission. The Australian Government pays the Commission an annual contribution towards the operating cost of brigades.

Funds provided to the Commission are detailed below:-

	2019 \$'000	2018 \$'000
State Government Contributions		
General Contributions	2,009	3,299
Capital Contributions	790	4,540
Total	2,799	7,839
Other State Government Agencies		
State Government Agencies	757	756
Total	757	756
Australian Government Contributions		
General Contributions	-	306
Volunteer Grants	343	2
Total	343	308
Total	3,899	8,903

2.3 Bushfire Fighting Contributions

Australian Government – Aircraft Hire	1,735	1,121
Department of Treasury and Finance	39,662	3,211
Department of Primary Industries, Parks, Water and Environment	10,417	-
Sustainable Timbers Tasmania	5,394	2,601
Total	57,208	6,933

2.4 Fire Prevention Charges

Income is earned through the sale, inspection and maintenance of fire safety equipment, training and provision of other fire prevention services throughout the State. Income is recorded when the goods or services are provided.

Fire Prevention Charges comprise:

	2019 \$'000	2018 \$'000
Sale of Fire Safety Services and Equipment	1,231	1,391
Sale of Alarm Equipment	104	22
Alarm Rental	1,134	1,125
Alarm Network Fee	1,172	1,145
Avoidable False Alarms	95	119
Commercial Training	688	828
Inspection Fees - TasFire Equipment	1,155	1,207
Inspection Fees - Building Safety	103	149
Community Planning Revenue	23	17
Total	5,705	6,003

2.5 Other revenue

Reimbursement by Ambulance Tasmania ¹	229	223
Road Crash Rescue	207	208
Interest Received	253	203
Reimbursement for Fuel Reduction Unit Expenditure ²	9,514	6,682
Insurance Premium Adjustments	-	45
Insurance Claim Recoveries	436	409
Reimbursement of Interstate and Overseas Deployments	-	275
Communications	44	7
Other	312	345
Total	10,995	8,397

1. Contribution for shared facilities and reimbursement for costs incurred in upgrading and maintaining Ambulance Tasmania radio network and communication centre.

2. The Tasmanian Government funds a fuel reduction program via the Department of Police, Fire and Emergency Management.

Note 3 Expenses from Transactions

3.1 Employee benefits

	2019 \$'000	2018 \$'000
(a) Employee Expenses		
Salaries, Wages and Allowances	36,083	36,767
Payroll Tax	2,941	2,692
Annual Leave	4,564	4,470
Long Service Leave	1,701	882
Superannuation	5,577	5,621
Total	50,866	50,432

(b) Remuneration of Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the agency, directly or indirectly.

Remuneration for key personnel is set by the *State Service Act 2000*. Remuneration and other terms of employment are specified in employment contracts. Remuneration includes salary, motor vehicle and other non-monetary benefits. Long term employee expenses include movements in long service leave entitlements, and superannuation obligations. Negative amounts represent net reductions in these obligations.

Acting Arrangements

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence. Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

3.1 Employee benefits (continued)

(b) Remuneration of Key management personnel (continued)

The following were key management personnel of the Commission or the Executive Leadership Team (ELT) at any time during the 2018-19 financial year and unless otherwise indicated were key management personnel for the entire period:

Key management personnel

Rodney Sweetnam	Chair of the Commission from 26 May 2017 Member since 5 Sep 2002
Christopher Arnol	Chief Officer and Member of the Commission from 21 Mar 2016
Bruce Byatt	Deputy Chief Officer from 20 August 2018
Bruce Corbett	Member of the Commission, from 20 Nov 2006
Chris Hughes	Member of the Commission, from 18 Dec 2018
Lyndsay Suhr	Member of the Commission, from 2 Sep 2007
Hannah Rubenach-Quinn	Member of the Commission, from 17 Dec 2012
Dana Faletic	Member of the Commission, from 21 May 2018
Graeme Brown	Member of the Commission, from 6 March 2019

2019	Short-term benefits		Long-term benefits		Total
	Salary	Other Benefits	Superannuation	Other Benefits & Long Service Leave	
	\$	\$	\$	\$	\$
Key management personnel					
Commission Members					
Rodney Sweetnam	34,866	-	4,515	-	39,381
Bruce Corbett	5,977	-	774	-	6,751
Chris Hughes	3,225	776	418	-	4,419
Lyndsay Suhr	5,932	-	768	-	6,700
Dana Faletic	-	-	-	-	-
Graeme Brown	1,869	78	242	-	2,189
Hannan Rubenach-Quinn	2,872	1,955	372	-	5,199
Executive Leadership Team (ELT)					
Chris Arnol	234,526	22,739	30,371	6,725	294,361
Bruce Byatt	157,201	15,231	20,358	-	192,790
Total	446,468	40,779	57,818	6,725	551,789

3.1 Employee benefits (continued)

(b) Remuneration of Key management personnel (continued)

The following were key management personnel of the Commission or the Executive Leadership Team (ELT) at any time during the 2017-18 financial year and unless otherwise indicated were key management personnel for the entire period:

Key management personnel

Rodney Sweetnam	Chair of the Commission from 26 May 2017 Member since 5 Sep 2002
Christopher Arnol	Chief Officer and Member of the Commission from 21 Mar 2016
Bruce Corbett	Member of the Commission, from 20 Nov 2006
Lyndsay Suhr	Member of the Commission, from 2 Sep 2007
Derek Inglis	Member of the Commission, from 16 Mar 2015 to 31 May 2018
Hannah Rubenach-Quinn	Member of the Commission, from 17 Dec 2012
Dale Rayner	Member of the Commission, from 17 Oct 2011 to 31 May 2018
Dana Faletic	Member of the Commission, from 21 May 2018

Acting Key management personnel

Jeremy Smith	Acting Chief Officer 7 May to 11 Jun 2018 and Acting Deputy Chief Officer 23 Oct 2017 to 6 May 2018
Jeff Harper	Acting Chief Officer 5 Apr to 4 May 2018 and Acting Deputy Chief Officer 1 July to 20 Oct 2017

2018	Short-term benefits		Long-term benefits		Total
	Salary	Other Benefits	Superannuation	Other Benefits & Long Service Leave	
	\$	\$	\$	\$	\$
<i>Key management personnel</i>					
<i>Commission Members</i>					
Rodney Sweetnam	34,866	-	3,312	-	38,178
Bruce Corbett	5,977	-	568	-	6,545
Lyndsay Suhr	6,120	-	581	-	6,701
Derek Inglis	5,178	192	492	-	5,862
Dana Faletic	-	-	-	-	-
Hannah Rubenach-Quinn	6,122	-	582	-	6,704
Dale Rayner	113,407	-	16,444	7,352	137,203
<i>Executive Leadership Team (ELT)</i>					
Chris Arnol	223,073	15,017	21,192	6,725	266,007
<i>Acting Key Management Personnel</i>					
Jeremy Smith	182,441	-	26,454	3,377	212,272
Jeff Harper	173,993	-	25,229	-	199,222
Total	751,177	15,209	94,854	17,454	878,694

Note that the above table has been restated in line with the reduction to key management personnel in 2018-19. The original 2017-18 figure, published in last year's statements, was \$1.724 million, compared to the restated figure above of \$0.879 million.

(c) Related party transactions

There are no material related party transactions requiring disclosure.

3.2 Community Awareness, Subscriptions and Professional Fees

	2019 \$'000	2018 \$'000
Advertising	644	588
Functions	17	42
Grants and Donations	1,156	264
Professional Fees	363	511
Subscriptions	611	405
Other	72	20
Total	2,863	1,830

3.3 Operations Expenses

	2019 \$'000	2018 \$'000
Communications Expenses	593	1,776
Computer Expenses	987	1,922
Consumables	214	215
Electricity	672	666
Hire of Equipment	74	112
Motor Vehicle Expenses	1,260	1,182
Municipal Rates	585	574
Office Cleaning	225	208
Printing and Stationery	234	202
Travel Expenses	715	805
Other	2,153	1,979
Total	7,712	9,641

3.4 Bushfire Fighting Expenses

Overtime	3,704	696
Superannuation	391	74
Payroll Tax	7	-
Aircraft Expenses	38,312	4837
Equipment Hire	5,551	556
Consumables	364	191
Bushfire Fighting Support from Other Agencies	6,165	26
Catering	1,533	197
Travel and Accommodation	1,659	224
Meal Allowances	9	-
Motor Vehicle Fuel	119	5
Property Services	652	33
Printing and Stationery	40	8
Protective Clothing	131	14
Repairs and Maintenance	101	11
Mapping Support to Operations	85	-
Wildfire Rehabilitation	15	-
Minor Equipment	208	27
Total	59,046	6,899

3.5 Protective Clothing and Uniforms

Protective Clothing	1,001	880
Uniforms	287	351
Total	1,288	1,231

3.6 Financial and Other Expenses

Audit Fees - external	49	56
Audit Fees - internal	69	17
Cost of Goods Sold		
Sale of Fire Safety Services and Equipment	743	692
Sale of Alarm Equipment	-	13
Fringe Benefits Tax	147	19
Local Government Collection Fees	1,825	1,730
(Gain)/Loss on Sale of Assets	(492)	(66)
Pensioner Rebates (Municipal)	1,337	1,251
Pensioner Rebates (Transport)	504	525
Other	157	79
Total	4,339	4,316

The Tasmanian Audit Office audits the accounts for the State Fire Commission through a sub-contractor, KPMG. The total remuneration to the Tasmanian Audit Office and KPMG exclusive of GST was \$48,510 for 2018-19 and \$55,740 for 2017-18. Additional payments may be made from time to time for additional work undertaken. These figures therefore may not align with the above table.

3.7 Borrowing Costs

Interest on Bank Overdraft	-	44
Interest on Interest Bearing Liabilities	169	142
Total	169	186

3.8 Repairs and Maintenance

	2019 \$'000	2018 \$'000
Communication Expenses	84	349
Computer Equipment	32	124
Fire Fighting Equipment	118	175
Land and Buildings	730	569
Motor Vehicles	1,279	1,253
Office Furniture	44	19
Workshop Equipment	2	2
Total	2,289	2,941

3.9 Minor Equipment

Communication Equipment	125	129
Computer Equipment	437	329
Fire Fighting Equipment	637	926
Office Furniture and Related Equipment	118	115
Workshop Equipment	32	66
Other	3	51
Total	1,352	1,616

Note 4 Assets

4.1 Receivables

In 2017-18 receivables were recognised at amortised cost, less any impairment losses, however, due to the short settlement period, receivables were not discounted back to their present value. In addition, receivables were subject to an annual review for impairment, where there was objective evidence that, as a result of one or more events that occurred after the initial recognition, the future cash flows have been affected.

From 2018-19, the Commission recognises receivables at amortised cost using the effective interest method. Any subsequent changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process. The Commission recognises an allowance for expected credit losses for all debt financial assets not held at fair value through profit and loss. The expected credit loss is based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, the Commission applies a simplified approach in calculating expected credit losses. The Commission recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Commission has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

	2019 \$'000	2018 \$'000
Trade Receivables	1,265	2,471
Less: Provision for impairment	-	(20)
Less: Expected credit loss	(61)	-
	1,204	2,451
Other Receivables	99	283
Total	1,303	2,734
Settled within 12 months	1,303	2,734
Total	1,303	2,734

4.2 Other financial assets

Accrued revenue	6,974	2,481
Prepayments	1,014	1,196
Total	7,988	3,677
Settled within 12 months	7,988	3,677
Total	7,988	3,677

4.3 Inventories

Stock on hand is valued at the lower of average cost and net realisable value. Consumable stores are expenses at the time of purchase.

	2019 \$'000	2018 \$'000
Inventories	1,912	1,905
Total	1,912	1,905
Consumed within 12 months	1,912	1,905
Total	1,912	1,905

4.4 Property, plant and equipment

(a) Carrying amount		
Land		
At fair value at 30 June	25,183	25,303
Total	25,183	25,303
Buildings		
At fair value at 30 June	59,112	58,696
Less: Accumulated depreciation	(2,863)	(1,467)
Written Down Value	56,249	57,229
Motor Vehicles		
At cost	7,815	7,420
Less: Accumulated depreciation	(5,666)	(5,557)
Written Down Value	2,149	1,863
Fire Appliances		
At cost	72,065	72,580
Less: Accumulated depreciation	(41,704)	(39,385)
Written Down Value	30,361	33,195
Plant and Equipment		
At cost	29,130	28,900
Less: Accumulated depreciation	(24,543)	(23,306)
Written Down Value	4,587	5,594
Total Property, Plant and Equipment		
Total Gross Value	193,304	192,899
Less: Accumulated depreciation	(74,776)	(69,715)
Written Down Value	118,528	123,184
Capital Works in Progress		
Balance at the beginning of the year	641	2,696
Additions	2,577	992
Transfers to Inventory	-	(134)
Transfers to Property, Plant and Equipment	(882)	(2,913)
Balance at year end	2,336	641

4.4 Property, plant and equipment (continued)

(b) Reconciliation of movements

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2019	Land \$'000	Building \$'000	Motor Vehicles \$'000	Fire Appliances \$'000	Plant and Equipment \$'000	Total \$'000
Carrying value at 1 July	25,303	57,229	1,863	33,195	5,594	123,184
Additions	-	19	761	15	269	1,064
Additions through Transfers from CWIP	-	472	-	410	-	882
Disposals	(120)	(70)	(26)	(217)	-	(433)
Revaluation increments (decrements)	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-
Work in progress at cost	-	-	-	-	-	-
Write offs	-	-	-	-	-	-
Depreciation and amortisation	-	(1,401)	(449)	(3,040)	(1,279)	(6,169)
Carrying value at 30 June	25,183	56,249	2,149	30,363	4,584	118,528
2018	Land \$'000	Building \$'000	Motor Vehicles \$'000	Fire Appliances \$'000	Plant and Equipment \$'000	Total \$'000
Carrying value at 1 July	25,317	58,815	2,159	33,555	6,521	126,367
Additions	-	-	375	41	595	1,011
Additions through Transfers from CWIP	-	-	-	2,884	28	2,912
Disposals	(14)	(187)	(135)	(231)	(5)	(572)
Revaluation increments (decrements)	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-
Assets held for sale	-	-	-	-	-	-
Work in progress at cost	-	-	-	-	-	-
Write offs	-	-	-	-	-	-
Depreciation and amortisation	-	(1,399)	(536)	(3,054)	(1,545)	(6,534)
Carrying value at 30 June	25,303	57,229	1,863	33,195	5,594	123,184

(C) Asset Notes

Assets held for Sale

In accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations, Non-Current Assets are reclassified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are stated at the lower of carrying value and fair (net recoverable) value less disposal costs. Provision for Depreciation accounts are transferred to the related asset accounts and the assets are then revalued to their estimated net recoverable value with any resulting impairment gains or losses disclosed in the Income Statement. Non-Current Assets held for sale are transferred to Current Assets and are not depreciated. Assets held for sale are sold in accordance with the Commission's policy in relation to the useful life of assets.

It is expected that assets held for sale will be sold within twelve months. Motor Vehicles and Fire Appliances are disposed of at auction or other public sale. Assets held for sale at year end were not material.

Capital Works in Progress

Capital Work in Progress is valued at the cost of material, labour and labour oncosts for work to date. Capital Work in Progress excludes certain commitments for outstanding purchase orders and unperformed work under existing contracts (Note 6.1).

4.4 Property, plant and equipment (continued)

(C) Asset Notes (continued)

Asset Revaluations

On revaluation, the accumulated depreciation accounts are transferred to the related asset accounts. The assets are then depreciated over their estimated remaining useful lives using their revalued amount as the base. When a class of assets is revalued upwards, that part of the revaluation increment that reverses previously expensed revaluation decrements for that class of assets is treated as revenue, and any excess is credited to the Asset Revaluation Reserve. When a class of assets is revalued downwards, that part of the revaluation decrement that reverses a credit balance in the Asset Revaluation Reserve relating to that class of assets is debited to the Reserve, and any excess decrement is expensed.

Land and Buildings

Freehold land and buildings are recognised at fair value. Cost is considered to be the best measure of fair value for recently purchased or constructed property. In prior years the Commission used the Valuer-General's progressive property revaluations. However, from 30 June 2017, the Commission obtains independent valuations of its land and buildings at least every five years.

The Commission revalued all its land and buildings at 30 June 2017. These revaluations were booked to the Asset Revaluation Reserve. There was no indexation of Land and Buildings in the year ended 30 June 2019.

Fire Appliances, Passenger Vehicles and Plant and Equipment

Internal expenses incurred in the fabrication of Fire Appliances and the construction of Radio and Communications Equipment are capitalised. Passenger vehicles are valued at cost.

Plant and Equipment

Plant and Equipment is at cost and is comprised of Fire Fighting Equipment, Workshop and Other Equipment, Radio and Communications Equipment, Office Furniture and Equipment and Computer Equipment.

Items of Plant and Equipment with a purchase price of less than \$10,000 are expensed at the time of purchase. Items of Plant and Equipment with a cost of \$10,000 or more are shown at cost less depreciation and are written off over their expected useful life to the Commission on a straight line basis. Equipment is not depreciated until full operational status is attained. Expenditure incurred in relation to plant and equipment subsequent to initial acquisitions is capitalised when it is probable that future economic benefits, in excess of the originally assessed performance of the assets will flow to the Commission in future years. Where these costs represent separate components they are accounted for as separate assets and are separately depreciated over their useful lives.

Depreciation

Items of Property, Plant and Equipment, including buildings, are depreciated over their estimated useful lives. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use. All items are depreciated using the straight line method of depreciation at the following range of rates:

Asset Class	Range of Rates
Buildings	1% - 4%
Motor Vehicles	4% - 20%
Fire Appliances	4% to 5%
Plant and Equipment	6.6% to 33.3%

Change in Accounting Estimates

In 2017 the Commission changed the valuation policy in relation to its land and buildings to ensure that an independent commercial valuation is performed at least every five years.

Useful lives of 100 years are applied to brick buildings and 30 years to steel buildings. In the past the Commission retained these useful lives even when buildings were revalued. However it has now changed the way it estimates depreciation on its buildings by amending its policy on the useful lives of buildings once they have been revalued.

There is no change for new buildings that have never been revalued.

For level two buildings that have been revalued the remaining useful lives will be 70 years unless that is not deemed appropriate for a particular building. For Level three buildings that have been revalued, unless deemed inappropriate in specific cases, the remaining useful lives will be set at 50 years, less the age of the building, but no less than 40 years for a brick building and no less than 25 years for a steel building, as summarised in the table below.

Building Type	Previous Policy	Revised Policy
Level 2 buildings	100 years	70 years on all buildings, or Individual assessment ¹
Level 3 buildings	100 years 30 years	50 years less the age of the building, but no less than 40 years, or Individual assessment ¹ 50 years less the age of the building, but no less than 25 years, or Individual assessment ¹
<p>Note:</p> <p>1. The individual assessment is an exception case where the above formulae prove to be inappropriate for individual cases, e.g. where a building is known to have a remaining economic life that is significantly different to the minimums calculated. This would be specifically evaluated as the situation requires, e.g. by a valuer or engineer, or if there is a plan or budget to replace the building at some future time, by management.</p>		

4.4 Property, plant and equipment (continued)

(C) Asset Notes (continued)

Impaired Assets

Assets are reviewed at balance date for impairment using a range of impairment indicators. Where an asset is deemed to be impaired, its recoverable amount is estimated, and if materially lower than its carrying amount, the carrying amount is reduced to its recoverable amount. Any resulting impairment loss (or gain) is recognised in the Statement of Comprehensive Income in Financial and Other Expenses (or Sundry Income) unless the asset has previously been revalued upwards, in which case it is recognised as a reversal up to the amount of the previous revaluation and any excess is recognised through profit or loss.

Assets at Fair Value

The Commission measures and recognises the following assets at fair value on a recurring basis:

- Land
- Buildings - Fire Stations and Other
- Buildings - Major Urban Offices and Workshops

(i) Fair Value Hierarchy

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy. Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 - Inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;

Level 3 - Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset held at fair value by the Commission. The table presents the Commission's assets measured and recognised at fair value. The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for fire stations, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

	30 June 2019				30 June 2018			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Land	-	25,183	-	25,183	-	25,303	-	25,303
Buildings	-	15,027	41,222	56,249	-	15,027	42,202	57,229
Total	-	40,210	41,222	81,432	-	40,330	42,202	82,532

There were no transfers between levels 1 and 2 during the year, nor between levels 2 and 3

(ii) Valuation techniques and significant inputs used to derive fair values

The valuations of land and major urban offices and workshops were performed on the basis of market value, taking into consideration sale prices for similar properties and/or potential market rent these properties could generate. Specialised and often remote buildings such as fire stations and radio sites were valued on the basis of replacement with a new asset having similar service potential because there is no active market for these assets. The average cost of construction was used to calculate the gross replacement value. The level of accumulated depreciation was determined based on the age of the asset and the useful life adopted by the Commission.

Asset	Fair Value 30 June 2019 \$'000	Fair Value 30 June 2018 \$'000	Fair Value Hierarchy	Valuation Technique And Key Inputs	Significant Unobservable Inputs	Relationship of Unobservable Inputs To Fair value
Land	25,183	25,303	Level 2	Comparable sales - market	n/a	n/a
Buildings – Fire Stations and Other	41,222	42,202	Level 3	Depreciated Replacement Cost	Construction Cost Useful Life 33 to 100 years	Increase in construction cost or useful life leads to higher fair value
Buildings – Major Urban Offices and Workshops	15,027	15,027	Level 2	Comparable sales - market	n/a	n/a

Note 5 Liabilities

5.1 Payables

	2019 \$'000	2018 \$'000
Creditors	207	246
Accrued expenses	349	206
Provision for Insurance Premiums	2,592	382
GST Payable	81	21
Income Received in Advance	374	-
Other Creditors	6,002	2,821
Total	9,605	3,676
Settled within 12 months	9,605	3,676
Total	9,605	3,676

5.2 Employee benefits

Key estimate and judgement

Provision for Employee benefits. No cash reserve has been set aside to meet commitments from the Provision for Employee Related Expenses and commitments will be met as they fall due. The Provision is comprised of Provisions for Long Service Leave, Annual Leave, Superannuation and Payroll Tax.

Long Service Leave is calculated for all employees. The liability is the sum of the existing entitlements and an estimate of future entitlements expected to arise from service completed at 30 June. In determining the liability for expected future entitlements, consideration has been given to known future increases in wage and salary rates, and experiences with staff separations. The provision relating to employees with ten or more years of service is measured at nominal value and disclosed as a current liability as experience shows that this is likely to be settled within 12 months after year end. The balance of the provision relating to employees with less than ten years of service has been measured at the present value of future cash outflows discounted using the rates applied to national government securities at balance date, which best match the terms of maturity of the related liabilities. The balance of the provision is disclosed as a non-current liability.

The **Provision for Annual Leave** represents employee entitlements due and accrued as at 30 June.

The provision has been calculated using the remuneration rates the Commission expects to pay when the obligations are settled. The provision is measured at nominal value and disclosed as a current liability as experience shows that annual leave is settled within 12 months after year end.

Superannuation and Payroll Tax are calculated by applying the appropriate superannuation and payroll tax rates to the liabilities calculated for Long Service Leave and Annual Leave.

Sick Leave. The Commission does not provide for sick leave. All of the Commission's sick leave is non-vesting, and it is thus inappropriate to make provision for future sick leave.

	2019 \$'000	2018 \$'000
Accrued salaries	662	423
Annual leave	4,883	4,591
Long service leave	9,873	8,915
Payroll Tax ¹	894	818
Total	16,312	14,747
Expected to settle wholly within 12 months	6,782	6,131
Expected to settle wholly after 12 months	9,530	8,616
Total	16,312	14,747

Note:

1. Provisions for Payroll Tax relate to the Provisions for Long Service Leave and Annual Leave

Note 5 Liabilities (continued)

5.3 Superannuation

State Fire Commission Superannuation Scheme

Regulatory Framework

The State Fire Commission Superannuation Scheme (SFCSS) forms part of the Retirement Benefits Fund (RBF) and operates under the *Public Sector Superannuation Reform Act, 2016*. The rules of the scheme are set out in the State Fire Commission Superannuation Scheme Trust Deed.

The State Fire Commission (the Commission) is responsible for funding the defined benefits component of the Scheme. The Commission's net obligation in relation to the Scheme is recorded in the SFC Superannuation Fund Net Liability if it is a liability or in the SFC Superannuation Fund Net Asset if it is an asset, and net movement in the obligation is recorded in the Statement of Comprehensive Income. Actuarial gains and losses in relation to this fund are recognised in Other Comprehensive Income in the year they are incurred. The Commission also makes employer superannuation contributions based as a minimum on the Commonwealth's Superannuation Guarantee rate for State Award employees. These employees may elect to have their contributions forwarded to any complying superannuation scheme.

Although RBF is not subject to the Superannuation Industry (Superannuation) (SIS) legislation, the Tasmanian government has undertaken (in a Heads of Government Agreement) to operate the scheme in accordance with the principles of the legislation. As an exempt public sector superannuation scheme (as defined in the SIS legislation), RBF is not subject to any minimum funding requirements. RBF is a complying superannuation fund within the provisions of the *Income Tax Assessment Act 1977*, and the fund's taxable income is taxed at a concessional rate of 15%.

The Superannuation Commission has fiduciary responsibility for, and oversees the administration of, the Scheme. The day-to-day running of SFCSS is managed by the Office of the Superannuation Commission within the Tasmanian Department of Treasury and Finance.

Scheme Risks

The Commission is exposed to a number of risks from its requirement to fund the scheme. The more significant financial risks relating to the defined benefits are:

Investment risk - the risk that investment returns will be lower than assumed, requiring the Commission to increase contributions to offset this shortfall.

Salary growth risk - the risk that wages or salaries (on which future benefit amounts will be based) rise more rapidly than assumed, increasing defined benefit amounts and the employer contributions required to fund them.

Legislative risk - the risk that legislative changes could be made which increase the cost of providing the defined benefits.

General Plan Information

The Scheme was closed to new members on 30 June 2005. At 30 June it had 85 members (85 at 30 June 2018). Members of the Scheme are entitled to receive lump sum benefits on resignation, retirement, death or invalidity. An actuarial investigation into the scheme was most recently performed on 19 July 2019 (as at 30 June 2019) by Dr David Knox FIA of Mercer Consulting (Australia) Pty Ltd.

The financial objectives adopted in this actuarial investigation were:

- in the short term, to maintain the value of the scheme assets at 105% of the greater of actuarial value of accrued benefits and vested benefits; and
- to the extent possible, avoid significant fluctuations in the required employer contribution rate.

The actuary recommended that the Commission contributes to the scheme at the following rates:

- 11% of salaries until 30 June 2019; followed by
- 5% of salaries thereafter; plus
- any deemed member contributions.

The funding method used to make the contribution recommendation was the attained age normal method. Under this method, contributions are set with the aim of providing benefits in respect of future service for existing members, adjusted for any excess or shortfall of assets over liabilities in respect of service prior to the investigation date. The recommended contributions may be adjusted in the short-term to ensure that the scheme's financing objectives are met.

The economic assumptions used in the investigation were:

Rate of investment return	2.71% pa
Rate of inflationary salary increases	2.50% pa

There were no significant events during the year: i.e. no plan amendments, curtailments or settlements.

A curtailment is an event that significantly reduces the expected years of future service of present employees or reduces the accrual of defined benefits for a significant number of employees for some or all of their future services. A curtailment will occur when there is a significant reduction in the number of employees covered by the plan or where the plan is amended resulting in a reduction of benefits associated with the future service of current employees. Events causing a curtailment may include the termination or suspension of a plan.

Note 5 Liabilities (continued)

5.3 Superannuation (continued)

State Fire Commission Superannuation Scheme (continued)

A settlement occurs when an entity sponsoring a superannuation plan enters into an irrevocable transaction that eliminates all further legal or constructive obligation for all or a significant part of the benefits provided under the plan. Examples include the purchase of non-participating annuities for members or the payment of a lump sum payment to, or on behalf of, members in exchange for their right to receive benefits specified under the plan.

The Commission is not aware of any assets and liability strategies adopted by the Scheme.

Significant Actuarial Assumptions

The following actuarial assumptions were used to calculate the value of assets and liabilities of the Scheme.

	2019	2019
Assumptions to determine Defined Benefit Cost		
Discount Rate	2.70% pa	2.95% pa
Expected Salary Increase Rate		2.50% for 2017-18
	2.50% for 2018-19	2.50% for 2018-19
	2.50% for 2019-20	2.50% for 2019-20
	2.50% for 2020-21	2.50% for 2020-21
	and then 4.00% pa	and then 4.00% pa
Assumptions to Determine Closing Defined Benefit Obligation		
Discount Rate	1.35% pa	2.70% pa
Expected Salary Increase Rate		2.50% for 2018-19
	2.50% for 2019-20	2.50% for 2019-20
	2.50% for 2020-21	2.50% for 2020-21
	and then 4.00% pa	and then 4.00% pa

Year End Results

Disclosure in Statement of Financial Position	2019 \$'000	2019 \$'000	2018 \$'000	2018 \$'000
Present value of defined benefit obligation at end of year		38,438		32,296
Fair value of plan assets at end of year		(35,643)		(33,075)
Net Liability/(Asset) Recognised in Statement of Financial Position		2,795		(779)

Disclosure in Statement of Comprehensive Income

Service Costs				
Current service cost		979		988
Past service cost		-		-
Curtailment or settlement (gains)/losses		-		-
Net Interest				
Interest cost	813		857	
Interest Income (Expected return on plan assets)	(859)	(46)	(843)	14
Net (Income)/Expense Recognised		933		1,002

Disclosure in Other Comprehensive Income/Changes in Equity

Remeasurement of the defined benefit Liability/Asset		
Actuarial (Gains)/Losses		
Actuarial (gains)/losses on the defined benefit obligation		
Actuarial (gains)/losses due to changes in financial assumptions	3,760	590
Actuarial (gains)/losses due to changes in experience	341	79
Actuarial (gains)/losses due to changes in demographic assumptions	-	-
Less Actuarial (gains)/losses on fair value of plan assets less interest income	(558)	(3,401)
Total Actuarial (Gains)/Losses	3,543	(2,732)
Total Disclosures in Other Comprehensive Income/Changes in Equity	3,543	(2,732)

Movement in Recognised Liability/(Asset)

Superannuation Liability/(Asset) at Beginning of Year	(779)	1,775
Add Defined Benefit Cost recognised in operating statement	933	1,002
Estimated defined benefits cost (Remeasurements) in other comprehensive income	3,543	(2,732)
Less Employer Contributions	(902)	(824)
Superannuation Liability/(Asset) at Year-end	2,795	(779)

Note 5 Liabilities (continued)

5.3 Superannuation (continued)

State Fire Commission Superannuation Scheme (continued)

	2019 \$'000	2018 \$'000
Estimate of Defined Benefit Cost for 2018-19		
Current Service Cost	979	988
Net Interest	(46)	14
Past Service Cost	*	*
Gain/Loss on Settlements	*	*
Disclosed in Statement of Comprehensive Income	933	1,002

* Not known until the end of the year

	2019 \$'000	2018 \$'000
Estimate of Net Liability/(Asset) Recognised in 2017-18 Statement of Financial Position		
Superannuation Liability/(Asset) at Beginning of Year	(779)	1,775
Add Estimated Defined Benefit Cost	933	1,002
Remeasurements	3,543	(2,733)
Less Estimated Employer Contributions	(902)	(823)
Estimated Superannuation Liability/(Asset) at Year-end	2,795	779

* Not known until the end of the year

	2019 \$'000	2018 \$'000
Reconciliation of the Fair Value of Scheme Assets		
Fair value of scheme assets at start of year	33,075	29,093
Interest income	859	843
Actuarial gains/(losses) excluding interest income	558	3,401
Employer contributions	902	824
Member contributions	384	372
Benefits paid ¹	-	(1,333)
Tax paid	(135)	(125)
Fair value of scheme assets at end of year	35,643	33,075

Reconciliation of the Present Value of the Defined Benefit Obligation

	2019 \$'000	2018 \$'000
Present value of defined benefit obligation at start of year	32,296	30,868
Current service cost	979	988
Interest cost	814	857
Member contributions	384	370
Actuarial (gains)/losses due to changes in financial assumptions	3,760	590
Actuarial (gains)/losses arising from liability experience	340	79
Benefits paid	-	(1,333)
Tax, premiums and expenses paid	(135)	(123)
Present value of defined benefit obligation at end of year	38,438	32,296

Fair Value of Scheme assets as at 30 June 2019 ¹		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Asset Category	Total \$'000			
Cash deposits	1,568	534	1,034	-
Australian equities	5,988	5,988	-	-
International equities	7,165	5,525	1,640	-
Infrastructure	4,847	1,497	3,350	-
Diversified fixed interest	7,948	-	7,948	-
Property	5,595	-	5,596	-
Derivatives	2,531	-	2,531	-
Total	35,643	13,544	22,099	-

Note:

1. Estimated based on estimated Scheme assets at 30 June 2019 and asset allocation of the RBF Scheme as at 30 June 2018.

The fair value of fund assets does not include any amounts relating to:

- any of the Commission's own financial instruments
- any property occupied by, or other assets used by the Commission.

Note 5 Liabilities (continued)

5.3 Superannuation (continued)

State Fire Commission Superannuation Scheme (continued)

Expected Contributions and Maturity Profile

Based on the assumptions used in this report and the recommendations from the 2019 actuarial investigation, the expected contributions to the scheme and the maturity profile of the defined benefit obligation are detailed below

	2020 \$'000
Expected employer contributions to defined benefits scheme	353
Expected benefit payments for the financial year	\$'000
30 June 2020	3,090
30 June 2021	2,802
30 June 2022	3,367
30 June 2023	3,111
30 June 2024	2,814
Following five years	14,884

The weighted average duration of the defined benefit obligation is 8.3 years.

Sensitivity Analysis

The table below shows how the defined benefit obligation would have been impacted by changes in the discount rate and salary indexation rate as at 30 June 2019, while retaining all other assumptions.

	Base Case	Discount Rate Sensitivity		Salary Increase Rate Sensitivity	
		Scenario A	Scenario B	Scenario C	Scenario D
		-1.0% pa discount rate	+1.0% discount rate	-1.0% pa salary increase rate	+1.0% pa salary increase rate
Discount rate	1.35% pa	0.35% pa	2.35% pa	1.35% pa	1.35% pa
Salary increase rate	4.00% pa	4.00% pa	4.00% pa	3.00% pa	5.00% pa
Defined benefit obligation ¹ (\$'000)	38,438	41,943	35,550	35,586	41,820

1. Includes defined benefit contributions tax provision

Note 6 Commitments and Contingencies

6.1 Schedule of Commitments

	2019 \$'000	2018 \$'000
By type		
Capital commitments		
Buildings	775	101
Infrastructure	-	-
Plant and equipment	382	46
Total capital commitments	1,157	147
Lease Commitments		
Operating leases	104	214
Total lease commitments	104	214
By maturity		
Capital commitments		
One year or less	1,157	147
Total capital commitments	1,157	147
Operating lease commitments		
One year or less	17	81
From one to five years	53	69
More than five years	34	64
Total operating lease commitments	104	214
Total	1,261	361

Operating lease commitments

Operating lease commitments include land and building leases.

6.2 Contingent Assets and Liabilities

There are no material contingent liabilities known to the Commission.

Note 7 Cash Flow Reconciliation

7.1 Cash and deposits

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank. Cash at the end of the financial year shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2019 \$'000	2018 \$'000
Other cash held		
Bank account	16,517	12,931
Cash on hand	6	7
Total cash and deposits	16,523	12,938

7.2 Reconciliation of Net Result to Net Cash from Operating Activities

Net result	(3,014)	(4,346)
Depreciation and amortisation	6,169	6,534
SFCSS defined benefits fund movements in employee related expenses	31	179
(Profit)/Loss on disposal of assets	(491)	(66)
Bad and doubtful debts	(20)	-
Expected credit losses	61	-
Decrease (increase) in receivables	1,390	(1,431)
Decrease (increase) in inventories	(8)	(432)
Decrease (increase) in accrued revenue	(4,493)	(199)
Decrease (increase) in prepayments	182	(183)
Increase (decrease) in payables and accrued expenses	5,929	1,745
Increase (decrease) in employee benefits	1,564	439
Net cash from (used by) operating activities	7,300	10,932

7.3 Reconciliation of Liabilities arising from financing activities

Liabilities	Closing Balance 2018 \$'000	Non-Cash Changes				Cash Flows		Closing Balance 2019 \$'000
		Transfers to/(from) other Government Entities \$'000	New Liabilities Acquired \$'000	Change in Fair Value \$'000	Other \$'000	Cash Received \$'000	Cash Repayments \$'000	
Borrowings	4,830	-	-	-	-	-	(1,000)	3,830
Total	4,830						(1,000)	3,830

Liabilities	Closing Balance 2017 \$'000	Non-Cash Changes				Cash Flows		Closing Balance 2018 \$'000
		Transfers to/(from) other Government Entities \$'000	New Liabilities Acquired \$'000	Change in Fair Value \$'000	Other \$'000	Cash Received \$'000	Cash Repayments \$'000	
Borrowings	9,830	-	-	-	-	-	(5,000)	4,830
Total	9,830						(5,000)	4,830

Note 8 Financial Instruments

8.1 Risk exposures

(a) Risk management policies

The activities of the State Fire Commission are exposed to the following financial risks:

- credit risk,
- interest rate risk,
- liquidity risk,
- currency exchange rate risk, and
- other price risk.

(b) Credit risk exposures

The largest exposure to credit risk to the financial assets of the Commission relates to trade receivables. This exposure relates to the risk of financial loss due to debtors failing to discharge their financial obligations. This risk is significantly mitigated by the nature of the Commission's revenue, most revenue is collected by the Commission or other Government agencies as a legislative requirement and has virtually no credit risk. Sales to the public which carry credit risk are a small part of the Commission's revenue and credit losses have been immaterial in the past.

The maximum credit risk exposure in relation to trade receivables is the carrying amount less the expected credit loss (Note 4.1).

The Commission is not materially exposed to any individual or group. Trading terms for the Commission's trade receivables is 30 days.

Receivables age analysis – expected credit loss

The simplified approach to measuring expected credit losses is applied, which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on historical observed loss rates adjusted for forward looking factors that will have an impact on the ability to settle the receivables. The loss allowance for trade debtors as at 30 June 2019 is as follows:

Expected credit loss analysis of receivables as at 30 June 2019

	Not past due \$'000	Past due >30 < 60 days \$'000	Past due > 60 < 90 days \$'000	Past due > 90 days \$'000	Total \$'000
Expected credit loss rate (A)	0.68%	3.11%	6.73%	12.69%	
Total gross carrying amount (B)	607	142	215	301	1,265
Expected credit loss (A x B)	4	4	15	38	61

The following table is for comparative purposes only, and represents the age analysis that was published as part of the Commission's 2017-18 financial statements under the previous accounting standards.

Analysis of financial assets that are past due at 30 June 2018 but not impaired

	Not past due \$'000	Past due >30 < 60 days \$'000	Past due > 60 < 90 days \$'000	Past due > 90 days \$'000	Total \$'000
Trade Receivables	1,950	231	55	215	2,451

(c) Interest rate risk

The Commission's exposure to interest rate risk, and the effective weighted average interest rate by class of asset or liability is set out in the table below. Exposure arises predominantly from assets and liabilities bearing variable interest rates as the Commission intends to hold fixed rate assets and liabilities to maturity.

Interest Rate Risk Sensitivity Analysis for 2018-19

	Carrying Amount \$'000	Interest Rate Risk			
		-1%		+1%	
		Impact on Operating Result \$'000	Impact on Equity \$'000	Impact on Operating Result \$'000	Impact on Equity \$'000
Financial Assets					
Cash	16,517	(165)	(165)	165	165
Total Financial Assets	16,517	(165)	(165)	165	165
Financial Liabilities					
Interest Bearing Liabilities	3,830	38	38	(38)	(38)
Total Financial Liabilities	3,830	38	38	(38)	(38)

Comparative figures for 2017-18

	Carrying Amount \$'000	Interest Rate Risk			
		-1%		+1%	
		Impact on Operating Result \$'000	Impact on Equity \$'000	Impact on Operating Result \$'000	Impact on Equity \$'000
Financial Assets					
Cash	12,931	(129)	(129)	129	129
Total Financial Assets	12,931	(129)	(129)	129	129
Financial Liabilities					
Interest Bearing Liabilities	4,830	48	48	(48)	(48)
Total Financial Liabilities	4,830	48	48	(48)	(48)

(d) **Liquidity risk**

Liquidity risk is the risk that the Commission will not be able to meet its financial obligations as they become due. The cash inflow stream of the Commission is very consistent with some seasonality relating to quarterly collections. The major cash outflow is salaries which is also consistent. The Commission's approach to managing liquidity is to ensure it will always have sufficient liquidity. It monitors its cash flows and utilises an overdraft when needed.

(e) **Currency exchange rate risk**

There is no material currency exchange rate risk.

(f) **Other price risk**

The only sensitivity analysis performed on financial assets and liabilities is interest rate risk. Other price risks are not considered material.

8.2 Categories of Financial Assets and Liabilities

	2019
AASB 9 Carrying amount	\$'000
Financial assets	
Cash and deposits	16,517
Financial assets measured at amortised cost	8,277
Total	24,794
Financial Liabilities	
Interest Bearing Liabilities	3,830
Financial Liabilities measured at amortised cost	9,605
Total	13,435
	2018
AASB 139 Carrying amount	\$'000
Financial assets	
Cash and deposits	12,931
Financial assets measured at amortised cost	5,215
Total	18,146
Financial Liabilities	
Interest Bearing Liabilities	4,830
Financial Liabilities measured at amortised cost	3,676
Total	8,506

Financial Liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period. The Commission manages trade creditor accounts to ensure timely payments and no material interest is paid on these liabilities.

8.3 Comparison between Carrying Amount and Net Fair Value of Financial Assets and Liabilities

	Carrying Amount 2019 \$'000	Net Fair Value 2019 \$'000	Carrying Amount 2018 \$'000	Net Fair Value 2018 \$'000
Financial assets				
Cash and deposits	16,517	16,517	12,931	12,931
Other financial assets	8,277	8,277	5,215	5,215
Total financial assets	24,794	24,794	18,146	18,146
Financial liabilities (recognised)				
Payables	9,605	9,605	3,676	3,676
Borrowings	3,830	3,830	4,830	4,830
Total financial liabilities (recognised)	13,435	13,435	8,506	8,506

8.4 Investments and Borrowings

The Commission conducts its investment and borrowing programmes with the Tasmanian Public Finance Corporation (Tascorp) and private investment managers.

Loans

Since 1986, all fixed rate loan raising has been arranged through the Tasmanian Public Finance Corporation. All loans are recorded in Australian dollars. The loan amount in current liabilities comprises the portions of the loans payable within one year. The non-current loan balance represents the portion of the loans due later than one year.

Borrowing Terms and Arrangements

Borrowings from Tascorp are secured by a Government guarantee over the Commission's revenue and a maximum term of 10 years applies to borrowings. Other borrowings are unsecured. All Tascorp arrangements are reviewed annually. The Commission has reviewed its banking arrangements and discontinued its \$5m overdraft facility during 2017-18.

	2019 \$'000	2018 \$'000
Borrowing Facility		
Total Facility (secured and subject to an annual review)	10,000	10,000
(Sub-limits apply: working capital: \$5M and fixed term debt: \$5M)		
Fixed rate borrowing	(3,830)	(4,830)
Unused Facility	6,170	5,170

8.5 Capital Management

The Commission is a Statutory Authority created under the *Fire Service Act 1979*, and does not have any externally imposed capital requirements. However, the Commission's three year Corporate Plan including its finances and capital plan must be approved by the Minister in consultation with the Treasurer each year. The Commission does not have any issued capital and its capital structure consists of equity (retained surpluses and reserves) and net debt or net cash (borrowings offset by cash and bank deposits). The Commission is a not-for-profit organisation and aims to break even or have a small net surplus each year. The government and the community fund it principally through contributions, grants and taxes. Its funds are expended on operating expenses, community awareness and safety and the construction or purchase and maintenance of assets such as fire trucks and fire stations.

Management monitors cash flows to ensure adequate liquidity and the Commission's ability to operate as a going concern.

Senior management considers the capital structure when the corporate plan is prepared each year.

Note 9 Events Occurring After Balance Date

Two agreements were registered by the Tasmanian Industrial Commission in August 2019. The Public Sector Union Wages Agreement 2018 and the Tasmanian Fire Fighting Industry Employees' Industrial Agreement 2018 were registered by the Tasmanian Industrial Commission on 19 August 2019 and 20 August 2019 respectively. As part of the terms of these Agreements, employees covered by the Tasmanian State Service Award, and the Tasmanian Fire Fighting Industry Employee's Award are entitled to receive an increase of 2.1 per cent per annum effective from the pay period commencing on 13 December 2018. The State Fire Commission paid this retrospective increase in respect of the period from 13 December 2018 to 30 June 2019 on the 18th September 2019. The estimated amount of the payment is \$620,058 and has not been included in the financial statements at 30th June 2019, as this is a non-adjusting event.

Note 10 Other Significant Accounting Policies and Judgements

10.1 Business Details of the State Fire Commission

The State Fire Commission (the Commission) is a Statutory Corporation created under Section 7 of the *Fire Service Act 1979* (the Act) of Tasmania, Australia. The Tasmania Fire Service (TFS) was created under Section 6 of the Act and is under the control of the Commission.

The role of the Commission is to protect life, property and the environment from the impact of fire and other emergencies. It delivers all of its services through its operational arm, the Tasmania Fire Service, which also operates under the business names of TasFire Equipment and TasFire Training. Its principal activities are emergency response (fire, vehicle accidents, biological and chemical hazards, etc.), preventative fire safety through community education and training, sales and servicing of fire protection equipment and administration of the General Fire Regulations including such activities as approving building plans in relation to fire safety and issuing various permits.

While the Commission reports to the Minister for Police, Fire and Emergency Management, the Chief Officer of SFC reports to the Secretary of the Department of Police, Fire and Emergency Management (DPFEM) for administrative matters. The Director of the State Emergency Service (SES) reports to the Chief Officer.

10.2 Basis of Financial Statements

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and Interpretations. It has been prepared on the basis of historical costs except for the revaluation of land and buildings, and does not take into account changing money values. Accounting policies used are consistent with those of the prior year unless otherwise stated.

Compliance with Australian Accounting Standards may not result in compliance with International Financial Reporting Standards (IFRS), as Australian Accounting Standards include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. The Commission is considered to be not-for-profit and has adopted the Australian Accounting Standards relating to not-for-profit entities which do not comply with IFRS.

The financial statements have been prepared on the basis that the Commission is a going concern. The continued existence of the Commission in its present form, undertaking its current activities, is dependent on Government policy. The Treasurer, in accordance with Section 101 of the *Fire Service Act 1979* (the Act), must pay to the Commission such amount as the Treasurer determines is appropriate towards defraying the operating costs of the Commission.

10.3 System of Accounting

The accompanying financial statements are prepared in accordance with the accrual basis of accounting that brings to account known assets and liabilities at balance date. Income is recognised when an increase in future economic benefits related to an increase in an asset or a decrease in a liability has arisen that can be measured reliably.

Expenses are recognised when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. All amounts shown in the financial statements are in thousands of dollars unless otherwise stated. The system of accounting complies with the requirements of the Act.

10.4 Judgements and Assumptions

In the application of Australian Accounting Standards, the Commission 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 circumstances, the results of which form the basis of making the judgements. 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 the Commission that may have significant effects on the financial statements are disclosed in the relevant notes to the financial statements.

10.5 Functional and Presentation Currency

These financial statements are presented in Australian dollars, which is the Commission's functional currency.

10.6 Changes in Accounting Policies

(a) Impact of new and revised Accounting Standards

In the current year, the Commission has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

- AASB 7 Financial Instruments: Disclosures - the objective of this Standard is to require entities to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the entity's financial position and performance; and the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the end of the reporting period, and how the entity manages those risks. The amendments to this Standard have resulted in a reconciliation being required where there is a reclassification of financial assets or liabilities resulting from the adoption of AASB 9. There is no financial impact.
- AASB 9 *Financial Instruments* - the objective of this Standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant information to users of financial statements for their assessment of the amounts, timing, uncertainty of an entity's future cash flows, and to make amendments to various accounting standards as a consequence of the issuance of AASB 9. AASB 9 has replaced accounting for impairment losses with a forward looking expected credit loss approach. The Commission has applied AASB 9 retrospectively and has not restated comparative information which was reported under AASB 139. As there have been no material differences arising from the adoption of AASB 9, no adjustments have been recognised in equity.

10.6 Changes in Accounting Policies (continued)

(b) Impact of new and revised Accounting Standards yet to be applied

The following applicable Standards have been issued by the AASB and are yet to be applied:

- **AASB 15 *Revenue from Contracts with Customers*** – The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, an uncertainty of revenue and cash flows arising from a contract with a customer. In accordance with 2015-8 Amendments to Australian Accounting Standards – Effective Date of AAS 15, this Standard applies to annual reporting periods beginning on or after 1 January 2019. Where an entity applies the Standard to an earlier annual reporting period, it shall disclose that fact. The future impact is likely to be more disclosure in relation to revenue from contracts with customers. It is not expected to have a material financial impact.
- **2014 5 *Amendments to Australian Accounting Standards arising from AASB 15*** – The objective of this Standard is to make amendments to Australian Accounting Standards and Interpretations arising from the issuance of AASB 15 *Revenue from Contracts with Customers*. This Standard applies when AASB 15 is applied, except that the amendments to AASB 9 (December 2009) and AASB 9 (December 2010) apply to annual reporting periods beginning on or after 1 January 2018. This Standard shall be applied when AASB 15 is applied. It is not expected to have a financial impact.
- **2016-3 *Amendments to Australian Accounting Standards – Clarifications to AASB 15*** – The objective of this Standard is to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. This Standard applies to annual periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to revenue. It is not expected to have a financial impact.
- **AASB 16 *Leases*** – The objective of this Standard is to introduce a single lessee accounting model and require a lessee to recognise assets and liabilities. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The standard will result in most of the Commission's operating leases being brought onto the Statement of Financial Position and additional note disclosures. The calculation of the lease liability will take into account appropriate discount rates, assumptions about the lease term, and required lease payments. A corresponding right to use assets will be recognised, which will be amortised over the term of the lease. There are limited exceptions relating to low-value assets and short-term leases with a term at commencement of less than 12 months. Operating lease costs will no longer be shown. The Statement of Comprehensive Income impact of the leases will be through amortisation and interest charges. In the Statement of Cash Flows lease payments will be shown as cash flows from financing activities instead of operating activities.

The Commission has commenced reviewing the financial impact of this Standard, and the impact is yet to be determined.

- **AASB 1058 *Income of Not-for-Profit Entities*** - The objective of this Standard is to establish principles for not-for-profit entities that apply to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit entity to further its objectives, and the receipt of volunteer services. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to income of not-for-profit entities. The Commission has commenced reviewing the financial impact of this Standard.
- **AASB 1059 *Service Concession Arrangements: Grantors*** – The objective of this Standard is to prescribe the accounting for a service concession arrangement by a grantor that is a public sector entity. This Standard applies on or after 1 January 2019. The impact of this Standard is enhanced disclosure in relation to service concession arrangements for grantors that are public sector entities. It is not expected to have a financial impact.

10.7 Comparative Figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards.

10.8 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated. As a consequence, round figures may not add to totals. Amounts less than \$500 are rounded to zero and are indicated by the symbol “-”.

10.9 Goods and Services Tax

Revenue, expenses and assets are recognised net of Goods and Services Tax (GST), except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST. The net amount recoverable from, or payable to, the ATO is recognised as an asset or liability in the Statement of Financial Position. In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the ATO is classified within operating cash flows.

Glossary and Acronyms

ABS	Australian Bureau of Statistics	ICS	Incident Control System
AFAC	Australasian Fire and Emergency Service Authorities Council	IMT	Incident Management Team
AIIMS	Australasian Inter-service Incident Management System	JFLIP	Juvenile Fire Lighter Intervention Program
AIRS	Australian Incident Reporting System	LGAT	Local Government Association of Tasmania
ANTCTC	Australia-New Zealand Counter-Terrorism Committee	MAC	Multi Agency Coordination Group
ARRO	Australasian Road Rescue Organisation	MoU	Memorandum of Understanding
ARC	Audit and Risk Committee	MVA	Motor Vehicle Accident
AT	Ambulance Tasmania	NAFC	National Aerial Firefighting Centre
BA	Breathing Apparatus	OT	Operational Training
BES	Business and Executive Services	PIFSA	Pacific Islands Fire Services Association
BNHCRC	Bushfire and Natural Hazards Cooperative Research Centre	PIP	Pre-incident plan
BCR	Bushfire Cooperative Research Centre	PSTP	Public Safety Training Package
BRN	Bushfire-Ready Neighbourhoods	PWS	Parks and Wildlife Service
BRS	Bushfire-Ready Schools	RAP	Road Accident Prevention
BRU	Bushfire Risk Unit	RAT	Remote Area Team
CFS	Community Fire Safety	RCR	Road Crash Rescue
CAFS	Compressed Air Foam System	R2R	Resource to Risk
CALD	Culturally and Linguistically Diverse	ROC	Regional Operations Centre
CBRN	Chemical Biological Radiological Nuclear	ROGS	Report on Government Services
CPP	Community Protection Planning	RTO	Registered Training Organisation
DBA	Direct Brigade Alarm	SES	State Emergency Service
DHHS	Department of Health and Human Services	SFEP	School Fire Education Program
DoE	Department of Education	SFMC	State Fire Management Council
DPAC	Department of Premier and Cabinet	SOC	State Operations Centre
DPFEM	Department of Police, Fire and Emergency Management	STT	Sustainable Timbers Tasmania
DPIPWE	Department of Primary Industry, Parks, Water and Environment	SFC	State Fire Commission
DRET	Disaster Resilience Education Tasmania	FMAC	Fire Area Management Committee
ELT	Executive Leadership Team	FSST	Forensic Science Services Tasmania
EFS	Engineering and Fleet Services	TasPol	Tasmania Police
ESCAD	Emergency Services Computer-Aided Dispatch	TFB	Total Fire Ban
FIAT	Forest Industries Association of Tasmania	TFE	TasFire Equipment
FireComm	State Operations Call Receipt, Dispatch and Communications Centre	TFS	Tasmania Fire Service
FMAC	Fire Management Area Committee	TFT	TasFire Training
FRNSW	Fire and Rescue New South Wales	The Commission	State Fire Commission
FRU	Fuel Reduction Unit	TRVFA	Tasmanian Retained Volunteer Firefighters Association
Hazmat	Hazardous Materials	TVFBA	Tasmanian Volunteer Fire Brigades Association
		USAR	Urban Search and Rescue
		WebEOC	Web Emergency Operations Centre
		WHS	Work Health and Safety
		WoG	Whole of Government



Tasmania Fire Service

State Fire Commission

ABN 68 039 681 690

HEAD OFFICE:
Corner Argyle & Melville Streets Hobart

POSTAL ADDRESS:
GPO Box 308 HOBART TAS 7001

P: 03 6173 2740
E: fire@fire.tas.gov.au
W: www.fire.tas.gov.au